



Managing change in Operations

Technology and Regulations

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Where do we come from ?

- We have been working with changes for many years
- The organisation was smaller and the world around us less complicated
- We have grown out of our setup various times and need to adapt to new needs. This will continue



Our journey

Half year business plan

- Half year planning of less than 100 initiatives – a few were of larger character
- Written +50 pages business plan
- The day after the business plan was launched it was out-dated

Half year planning

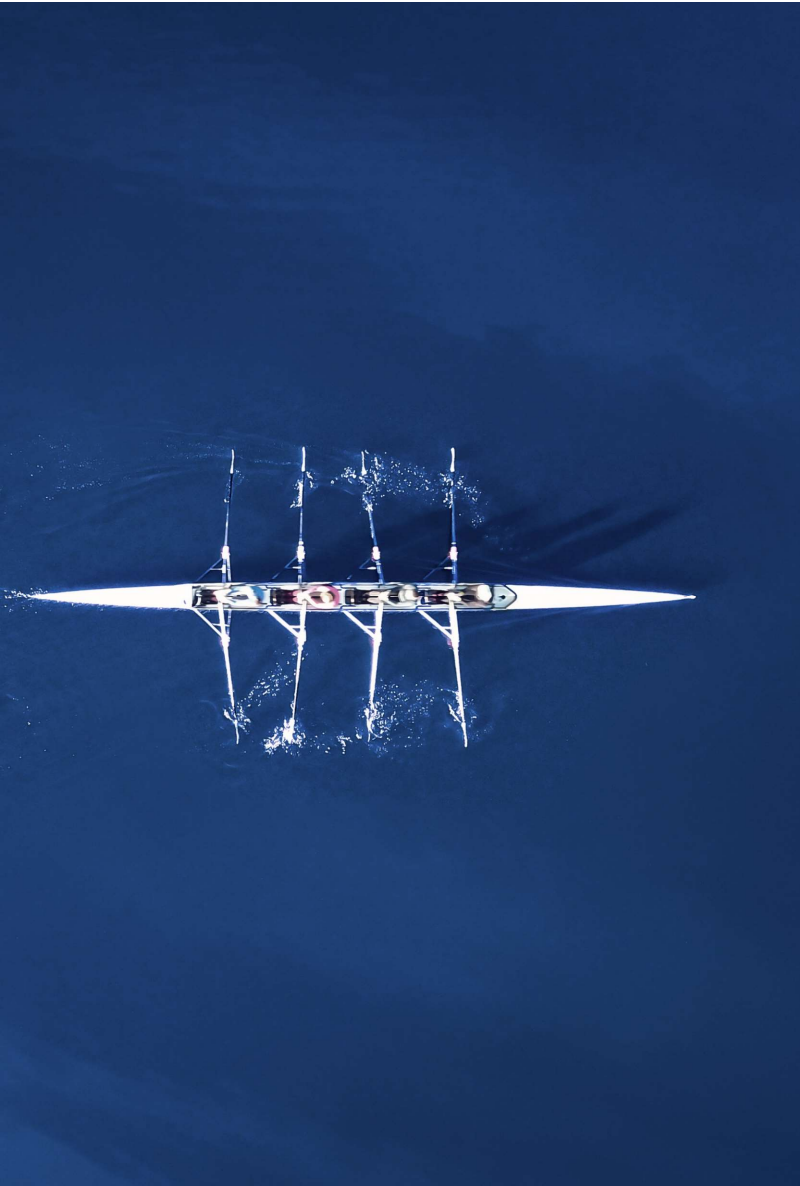
- Detailed bottom-up process where all activities and resources were planned in detail before we kicked off the pipeline
- Approx 250 initiatives
- Resource bottlenecks typically ending on manager's table
- Re-prioritization was seldom seen in a strategic context

Big room planning

- 300-400 initiatives per year
- Demanding project pipeline from a competence angle i.e., we needed to include more and more different competence domains
- The advantage was clarity on people and competence need
- Required a lot of administration and was difficult to re-prioritize.

Piloting agile teams

- Agile teams with competences from various areas
- Move tasks to people instead of people to tasks
- Backlog driven development
- Focus on fewer things at the time, to increase speed and to be able to reprioritize faster.
- Broaden competences across the organization
- Customer centric best practice




What are we aiming for ?

- We desired a strong governance across the organization and the ability to prioritize with a long-term strategic perspective
- Encourage colleagues to take ownership at all levels and give empowerment to make the necessary decisions
- Break down silos and work across the value chain
- Create focus on flow of value, product thinking and business outcome

How do we solve it ?

We must shift the mindset from project thinking to product thinking

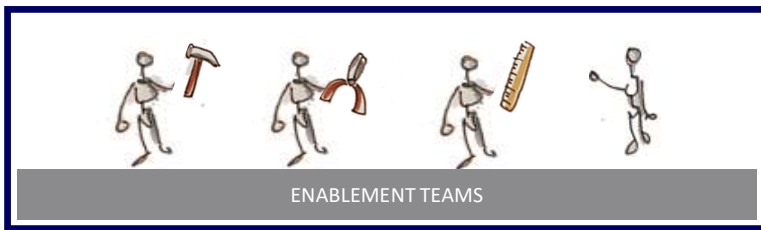
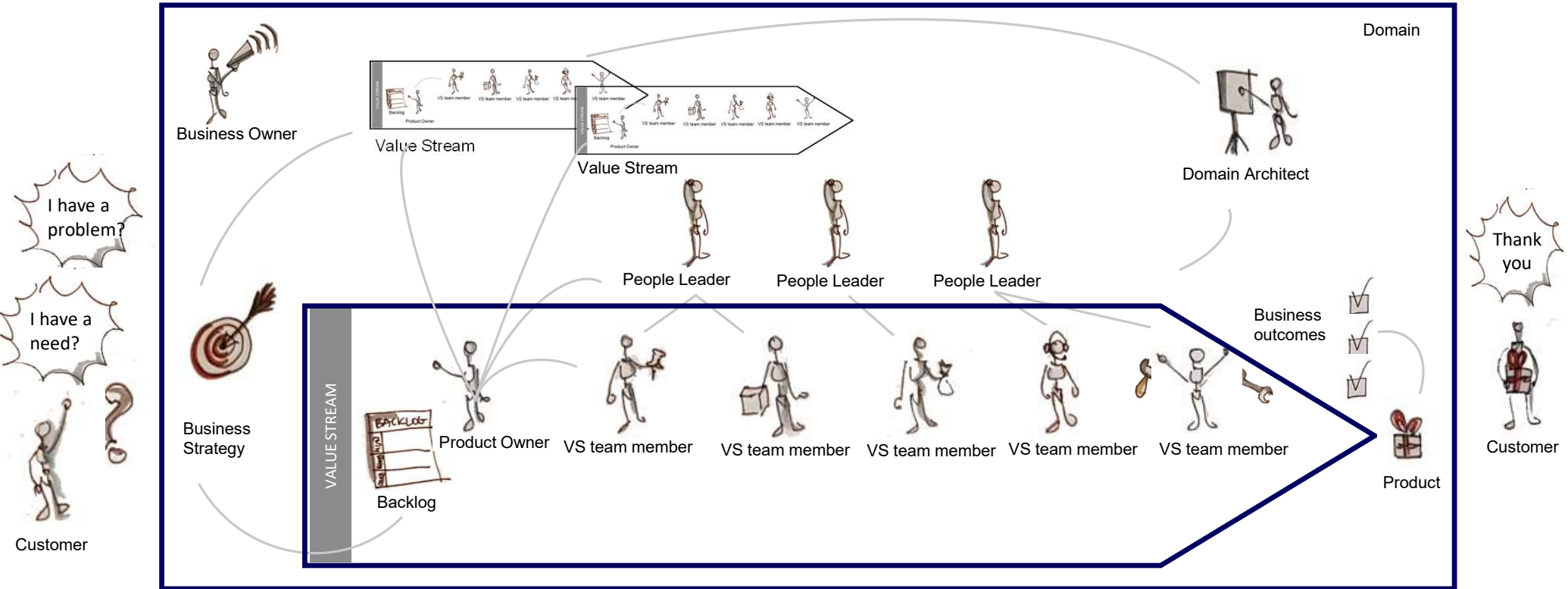


	Project thinking	Product thinking
<i>Most important question</i>	When	Why
<i>Optimizes for</i>	Outputs	Outcomes
<i>Improves</i>	Efficiency	Effectiveness
<i>Differentiator</i>	Discipline	Creativity
<i>Core value</i>	Action	Empowerment
<i>Success criteria</i>	Budget control	Value creation



And start working differently going from projects to Value Streams

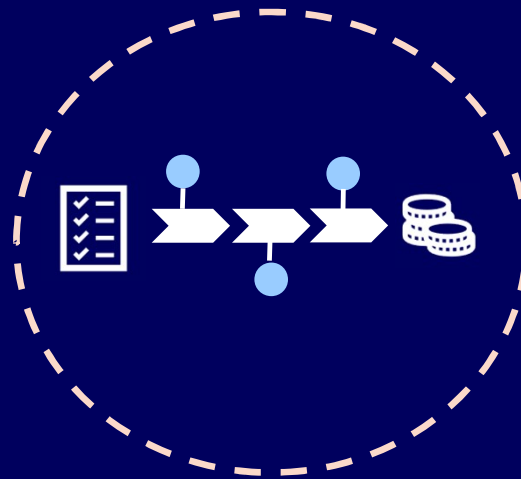
*A Value Stream (VS) is a self-organising and cross-functional team. A VS has autonomy and decision rights to build the needed end-to-end capabilities to deliver the defined product(s) valuable to the organization
It is typically nested in a business domain and must be aligned with the related business domain strategy. A business domain can contain one or more Value Streams.*



Value stream attributes (VS)

Valuable outcomes

A VS should be objectively measured on its ability to turn investment into valuable outcomes, preferably with short cycles to build hypothesis, try them out and learn from them



Build, Own & Run

The VS is accountable for owning, designing, developing, running, configuring, maintaining and supporting in-house and 3rd party services, applications and data needed as a part of the capability and product offering

Autonomy

The VS is accountable for own dependencies towards others and must follow architectural guidelines to protect itself and others, so autonomy is not broken

Follow tech principles, but flexible methodology

A VS should be able to follow the tech principles without involving parties outside the VS, e.g., team composition versus jobs to be done, make vs buy, build new stuff vs fix the legacy
Methods within the VS is flexible – e.g., Lean, Agile, etc.

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Thank you

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