

# Enterprise Agility: the path to the customer with Neil Garton, Head of CRM, RBS

## TALKING AGILITY PODCAST EPISODE 6 TRANSCRIPT

Welcome to Talking Agility, a podcast from Accenture. Your host is Elitsa Nacheva.

**Elitsa Nacheva:** Over the last five episodes, we've been exploring enterprise agility from a number of angles. We've looked at the data behind successful business transformations, discussed the evolution of agility from its early days in IT to enterprise agility and we looked at the importance of vision and leadership in surviving and navigating disruption.

Today, I'm speaking with Neil Garton. Neil is the head of CRM at RBS, where he is responsible for delivering business outcomes across sales and services.

I will jump to our first question for today and would appreciate if you can start by telling us about your own experience with enterprise agility and agile adoption and what benefits do you see for yourself.

**Neil Garton:** Certainly. So, just to give you the background, I work alongside the CRM program for the Royal Bank of Scotland that's transitioning towards the agile ways of working and I work with this team to deliver business outcomes and also, undertake a product owner role. I'm fairly new to agile, if I'm honest, but I'm really excited by the opportunity to deliver efficiently and accurately for our customers and therefore personally, I've embraced all opportunities to develop myself and my team in this area. So, I'm always keen to learn something new or new to me, and if it makes sense, put it into practice. And obviously agile and enterprise agility make a lot of sense, there's

a lot of empirical evidence around the difference that it's made.

I think the three benefits that I'd call out so far, in the journey that I've been on are around the behavioral, and the test and learn approach. I think traditionally, in a lot of organizations, we get, bring me perfection, bring it when it's done, show me the finished article. Well I think with agile it's, show me your workings, test and learn. Apple, as we know, called it measure twice and cut once organization whereas Google tends to take a more iterative approach, large financial institutions will be probably in the former so to change over is a big behavioral change and that takes a lot of empowerment and a lot of trust. I think the second benefit I would see the speed of delivery, so the ability to get to a minimum viable product far quicker and then color it in much quicker than we would have done under a waterfall delivery. So, the speed of delivery is down to months instead of years and then you get your business outcomes far quicker for the company, more importantly for your customers. I think the third one I'd call out would be financial. So, it's the better value for money for the time and the cost you invested to getting more solutions out the doors, so you're more efficient with the company's capital. And I think all that leads to confidence and reputation of the program that you're working with, so the outputs or byproducts would be raising the confidence of your stakeholders and the reputation of the team that you're working in because they deliver more regularly and if there are any challenges then you're more fleet of foot. You can answer those, correct those, and

move forward into the next stages of your delivery.

**Elitsa:** That's very relevant and I would also reflect on the third part around the financial benefit is oftentimes, and I think we've covered in previous episodes where we say, instead of using the pot of money you're given, or the finances, to release something that would take one year to release, actually using the tranche funding to release something in six weeks or however long it takes, definitely less than a year. You can then really early make a call, is that thing worth it, the investment? If so, we can invest more, or we can actually repurpose those finances into a different project, so it's very much reflected on that third benefit.

So, these are the three benefits that you have seen: the test and learn approach, the speed of delivery and financial ones. But surely you have come across and noticed some challenges along the way of adopting agility. Is there any one roadblock that you have seen in organizations where, your organization, in particular, struggled with?

**Neil:** I think there's a number of challenges, there's no one major block, but there's a number of challenges and I'll go through those. I think the first would be around providing clarity to everyone concerned so most information on agile and enterprise agility is open source, how you do it. You can get it from the internet, you can get it from YouTube so actually understanding what it is, is relatively easy. The key for me then is to get the basic structure down into your business and then iterate as you go. So, if you wait to perfect how you're going to do it before you start, then you'll never start. I think that's a challenge—switching the governance over. Within that, from a waterfall methodology to an agile methodology will be quite a challenge. How do you transition a traditional way of working which is built up to cover all kinds of areas to protect you from risk? Those

processes evolved for a reason and to snap out of those and transition to other ones can provide a challenge and a challenge for clarity.

I think the second bit would be around the capability. So, as I said, the structure is very much open source. You can download that from anywhere so it's actually getting the capability into your team. You need to empower people, you need to give them the structure then the empowerment to actually run various meetings and the various sprints and everything else that goes with agile. And then give them coaching around making meeting properly effective. And that's something that we do a lot of is having an agile coach to work with us to take the theory and put that into practice. One of the key things that shouldn't be an obstacle. It should be bringing your stakeholders with you, so this is where agile, in a program for example, meets the wider business. There aren't probably many companies that are fully agile throughout the organization.

**Elitsa:** Yeah, not everyone is a Spotify organization, right?

**Neil:** You've got pots of people that are working in a truly agile way or transitioning into an agile way, and then you've got the business that has a completely different way of thinking. So, business stakeholders are traditionally used to seeing the finished article, which I mentioned a minute ago, bring it to me when it's done. They need to trust you that the minimum viable product that you're working on will get enhanced. So, is this the only thing I'm going to see, or will I get more from the backend. So, I'd say, not to underestimate the work required, as I say especially when the company isn't 100 percent agile.

**Elitsa:** Sure, sure. I think it's challenging for someone who has been working all their life in the waterfall way to suddenly switch on to this and accept the idea of a minimum

viable product and frequent iteration, so there is this whole behavioral mindset element to that.

We can probably safely say that change is internal but also, it's driven by outside factors and one of them being the customer. Ultimately, the most important factor that organizations are considering when they're trying to deliver change. What in your view and experience, Neil, is the role of the customer in driving organizational change?

**Neil:** Role of the customer's absolutely huge. I'll go back to a time when there were 4 banks on High Street, 3 television channels that we could watch, and we opened from 9 until 5 and that was what the offering was. And now we find that customer behavior has changed in the last 5 years, probably the last 2 years, more than it has in the last 30 years. A bank, and any financial institution, has to listen to where the customer is going, what the customer wants now and what future customer wants, and then adapt to that because if it doesn't then it will not remain relevant. We know there are now thousands of financial institutions, a lot of information on our products and services are open source, you want to understand about life cover or you want to understand about other products, you can find that on the internet and then you can compare your products on the internet very quickly so you don't have to go around from one organization to the other so that will drive a lot of changes. And we know our organizations have to make changes to flatten that. The pace of that is going to increase and increase and become even more significant when we go to Open Banking. So, we are there to serve our customers, that's our number one purpose and, therefore, it's keeping an eye on the changing customer behavior going forward and making sure we meet and exceed that.

**Elitsa:** And I think that it's very interesting, kind of reflecting on a couple things that

come across is the role that social media plays in the way that organizations are responding to customer requests and behaviors. Not that long ago there was an example with a fintech organization, which was criticized for the way they delivered some of their advertising and you could see there was this huge wave of people on Twitter who were disagreeing with the advertisement and its content and straight away the organization actually had to stop and change, ultimately take all these requests and add them to their backlog, prioritize the backlog and respond to what the customer required. That's just a very small example but I think now that ultimately the voice of the customer is really loud with social media being able, organizations have to listen to that sentiment and really reassess at almost every single retrospective what the customer requires. Certainly, the voice of the customer is now becoming really, really loud.

**Neil:** Absolutely, and with real time it won't be an annual customer survey, it will be social media. If a thousand or 10,000 people tweet that your product doesn't work and needs changing, then it needs to be picked up and acted on really quickly. And it needs to be done in a matter of days, not a matter of weeks or matter of months. Getting that real time feedback.

**Elitsa:** And I think as well, customers are getting used to the fact that when a bank launches their mobile application offering, it's not going to have all the functionalities, it's going to have some functionalities and then the releases will come later. So, I think, for me, almost the customer is driving the need for enterprise agility change within the organization but also the organization is managing the way the customer is receiving this change, so very interesting parallels there.

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Could we now talk a little bit more about the relationship between agility and the journey to the customer?

**Neil:** Absolutely. So, agility to me is summed up by collaboration meeting efficiency. So, the exam question for me is always, how can we get the right solution to the customer as quickly and efficiently as possible. If you take CRM for example, customer relationship management, the product comes out of the box so that every company that buys CRM fundamentally gets the same box, subject to licenses. The differentiator is how you get your solution to the customer and your solution to the user quicker than everybody else because every other organization has the same box. They're working to deliver their product, so the key differentiator is how you get there. So for me, I like the parallel to Formula One car racing. There are 21 races across a season and every car needs to be ready to race at 2 o'clock on a Sunday. If the car's not ready to race, then you don't get to race so if it's still in the garage getting fixed or wasn't fast enough, you don't get to race. Deadlines are a good discipline. People often fear deadlines, but deadlines are a good discipline. All cars are built by the team, predominantly from self-designed parts so they've got that attitude and mentality that if the part doesn't exist, they'll build it themselves. And the thing I like around agility is that at the start of every season, the fastest car is two seconds a lap quicker than the slowest car but by the end of the season, the slowest car's gone through a whole lot of development during that season and if they raced again, they'd be the same time. So, the slowest car has caught up and therefore the fastest car has to keep pushing to stay ahead, otherwise if you stand still, you'll be caught up.

There's a phrase in this book by Ross Brawn called "Total Competition" and no great driver ever outperforms a poor car and

therefore Formula One is an engineering challenge rather than a human challenge.

The challenge with software technology, especially an out-of-the-box one, is to deploy it faster, better, and cheaper than anyone else. And I think using agile methodologies gives you the opportunity to do that. So, for me, financial services has a similar challenge to Formula One and, therefore, agile and enterprise agility need to face outwards versus the other people that have the same car or the same software and how do you deploy yourself, become internally efficient, collaborate better than anyone else to get your car out the door quicker, your software out the door and deliver a business benefit.

**Elitsa:** That's a really great metaphor and certainly just thinking about the whole software development cycle from that perspective of and then remembering, like you said, there's a part that doesn't exist, you build it so you're not, you kind of resolve the blockers yourself, you just don't stop because there is a blocker in the road so I think that's really, really important.

And you say that agile is not new as well. Can you expand on that a little bit, for our listeners, on that?

**Neil:** Yeah, absolutely. I think agile has been around for a number of years. It's probably been around for a number of decades and it's being deployed more and more but it won't be the last thing, in my view, if you draw a parallel to technology and I'm going to date myself here in terms of how long I've been in the working world, but I remember fax machines coming in the 1980s, which meant that you used to have the luxury of waiting all day to send something out in the post and now your customer was tapping their finger to say, can you fax it to me please? So, you went from an all-day task to a short task. Then email comes in. I've emailed you, have you got my email? Then

instant messaging comes in, I know you've read my instant message. So, ways of working will evolve, brainstorming became a big thing and that has evolved into co-creation. Face-to-face meetings turned to conference calls turned to video. And we know that Microsoft, for example, are trying to eliminate emails entirely from their business. So, printing, if it hasn't been eliminated already, will disappear in the near future. And will anyone type anything or will it all be voice? Will we have a signature or will it just be retina or something else. We know AI will revolutionize the way jobs are done and most organizations are on that path to simplification, whether that be in the way you work or in the products and services that we provide. So, the job I did when I started with the organization doesn't exist now and nor does the one I'm doing exist when I started. So, this isn't likely to be the last change we see in the ways of working. I think it's almost tempting to think it is. For me, the steps in agile may remain the same or they may get automated or they may get removed. And what we consider agile today will probably seem pedestrian tomorrow.

If I go back to the Formula One analogy, you back 20 or 30 years, doing a pit stop where they change four tires sounded pretty impressive if you did it in 20 seconds. Now it's done in under two. That's not driven by the team, that's driven by the competition. Somebody else does suddenly does a 15-second, a 10-second, a five-second pit stop, you have to improve your ways of working otherwise you're not competitive and every organization fundamentally is a competitive organization versus the marketplace. So, I find personally that this is exciting, not daunting. It's something that, individually, we need to embrace, we need to take personal responsibility for that but also, as leaders, and I would subscribe that there are leaders in all level of the organization, not top-down, we need to lead our people through that change as well.

**Elitsa:** Yeah and actually it's something we touched upon in our last episode where we spoke about analytics behind agility and my guest, Michael Bazigos, was also saying that, as leaders we need to be leading people through the change. Arguably, the whole behavioral message starts with a leader who kind of infuses the excitement and good news with the rest of the team who then follow on.

I think my last question for our conversation would be around change, and more broadly, we know that change is emerging as a core capability in financial services, but then we also have fear and anxiety which can be a significant inhibitor to change. And fear can ultimately cause organizations to lose their competitive advantage. On the other hand, organizations have developed a really strong culture of trust and they also tend to perform better, is what the statistics are telling us. So, to you, how important is building trust for our ability to manage change?

**Neil:** I think that's a great question. For me, trust is the glue that holds agile together. Confidence is the fuel that powers it and that's all promoted by empowerment. And all of that is enabled by the culture, which is set by the leadership and the individuals within it. So, if I go back to something I mentioned earlier on, waterfall versus agile, if we think waterfall is trying to future-date perfection in an ever-changing world and at the outset the stakeholder may think that all the requirements have been captured, but by the time they get to delivery the world has changed and the solution isn't fit for purpose, corrections take months to effect, trust is absolutely destroyed. The stakeholder and the team feel demotivated. Moving on to agile, the ability to get core central requirements, all relevant stakeholders participating in the solution, delivery will rapidly color in the solution as you go. Therefore, trust and confidence come from the cadence of successful

delivery. So, for me, building trust is a game-changer when it comes to agility. The people within the process have to trust each other to complete their part of the process. The team have to convince the stakeholders while they know the ultimate destination, there'll deliberately only be a short amount of track in front of the train at any one time. We know the train is going from London to Edinburgh, that's our direction; however, to be agile, we'll only ever lay a certain amount of track so that we can change direction if we need to in order to end up in Edinburgh.

There will be three things that are really important, which will be leadership, explicit permission to test and learn, encourage learning from trial and error, really putting that into your team and exhibiting that 24-7 as you go through that process. I'd take regular retrospectives to improve your processes and it's moving away from a best practice to finding a good practice and continually enhancing that best practice. Because you say, enhancing that good process is best, it implies a limitation so it's good and continue to iterate on that. And lastly, I'll say celebrate success. One of my favorite books is "Your Best Year Yet" by Jinny Ditzler and in that, she talks about the danger of shortcuts which is getting to the end of something and moving straight on to the next without celebrating. It's really tempting thing to do in the pace of the modern world is to go sprint to sprint, delivery to delivery and never say, hey, that was fantastic. It's taking your lessons learned but taking the time to celebrate, whether that be your personal growth, the growth of your business and the ideal here, preferably both.

**Elitsa:** That is really important. I really, really love the three points that you mention and around celebrating success you're right, I think we're sort of driven by the goals of the business or driven by the agenda to progress forward. We jump from sprint to sprint to sprint is arguably applicable to our

own lives and then sometimes at the end of the sprint we forget to turn back, do the retrospective, see what worked well, what didn't work so well, what we can improve going forwards and also acknowledge the good effort of the team which ultimately warrants your trust.

Thank you very much for your time. We really appreciate your thoughts and insights.

**Neil:** You're welcome.

**Elitsa:** We talk a lot about agility as a competitive business advantage but above all, agility's human and it's fundamentally a cultural journey towards agile values. And my conversation today with Neil Garton reminded me really once again that people are at the heart of any major change.

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