Danske Bank is a strong Nordic franchise

- 5.0 million customers
- 2.4 million active Internet customers
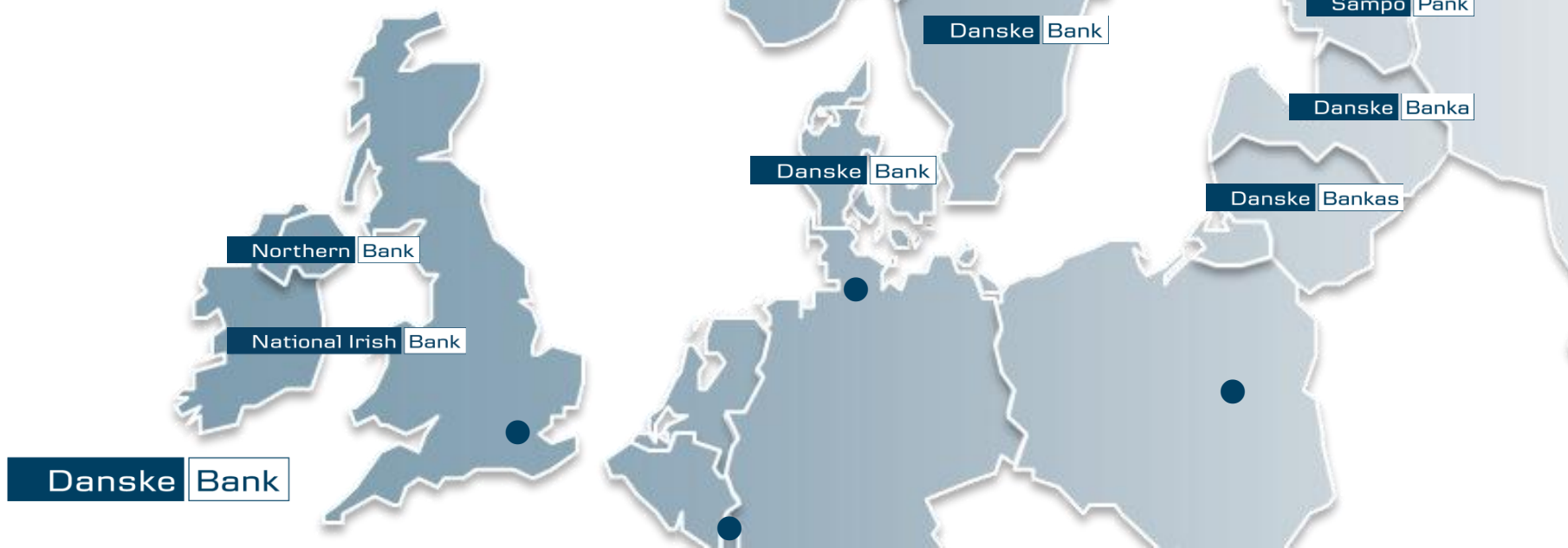- 670 branches in 15 countries
- 21,522 full-time employees
- One IT platform for the entire Group

Sampo Bank

Fokus Bank

Danske Bank

Sampo Pank

Danske Banka

Danske Bank

Danske Bankas

Northern Bank

National Irish Bank

Danske Bank

More value for less resource

- Danske Bank is a highly IT-driven bank.
  - Delivering **more for less** is paramount to serving our customers

- But what does it mean to deliver more for less – and how do we know that we have succeeded?

Becoming an efficient IT development organisation:
  - **Integrate** - Refocusing our approach to development
  - **Collaborate** - Establishing an environment for collaboration
  - **Optimise** - Measuring and MEASURED IMPROVEMENT

The business case for a more efficient development organisation

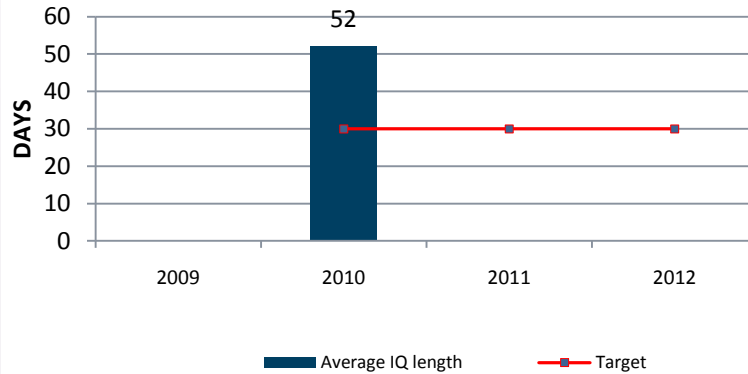**The target:** 10% increase in efficiency over a 3 year period

- Reduced time-to-market (faster)
- Reduced cost (cheaper)
- The value of the solution (the best solution)
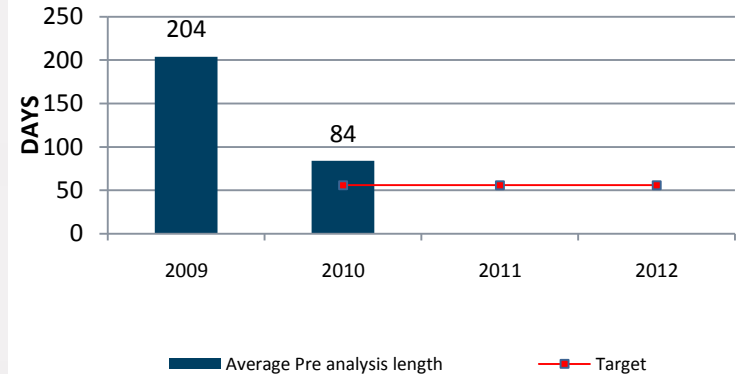- The quality of the solution (the right quality)

The measurements:

- Idea Qualification phase (IQ) duration
- Pre-analysis phase duration
- Average Time to Market for first business release
- Average CMMI Level-3 Score
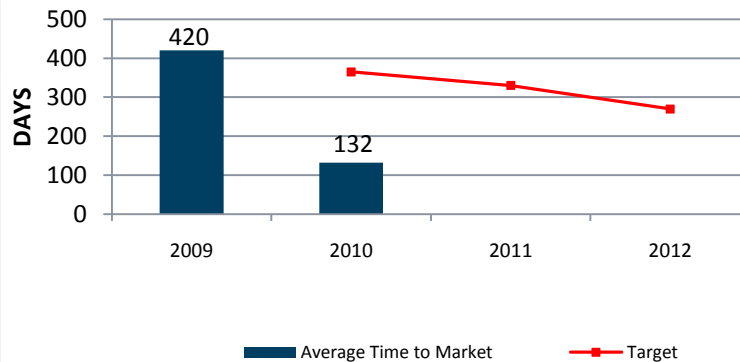- Average (Effort/Function Point) Productivity
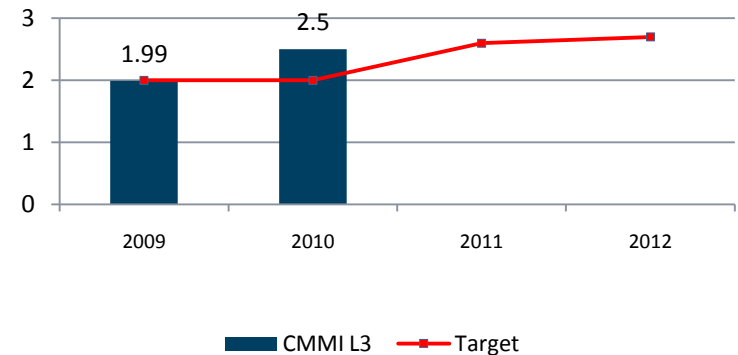
The results – so far

Average IQ Length

DAYS

- 2009: —
- 2010: 52
- Target line at 30 (2010–2012)

Legend: Average IQ length, Target

Average Pre analysis length

DAYS

- 2009: 204
- 2010: 84
- Target line at ~55 (2010–2012)

Legend: Average Pre analysis length, Target

Average time to market

DAYS

- 2009: 420
- 2010: 132
- Target line from ~365 (2010) to ~270 (2012)

Legend: Average Time to Market, Target

Average CMMI Level-3 Score

- 2009: 1.99
- 2010: 2.5
- Target line from 2.0 rising to ~2.7 (2011–2012)

Legend: CMMI L3, Target

A result – in more detail

Average time Productivity (Effort/FP)

Chart showing DAYS on the y-axis (10 to 25) and years 2010, 2011, 2012 on the x-axis. A blue bar at 2010 reaches 22. A red target line declines from 22 (2010) to approximately 20 (2012).

Legend: Effort/FP (blue bar), Target (red line)

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Understanding root causes of productivity gains/losses

Effects on productivity of:

- Experience of project manager   → 50% impact
    - Medium to high experience: average productivity of 21,3 hrs/FP
    - Low experience   average productivity of 31,8 hrs/FP

- Duration of projects   → over 2X impact
    - Duration of 6-15 months   average productivity of 15,6 hrs/FP
    - Duration of 16-36 months   average productivity of 35,7 hrs/FP

- Number of suppliers in project   → 2X impact
    - No of suppliers < 2   average productivity of 19,3 hrs/FP
    - No of suppliers 2 or more   average productivity of 40,3 hrs/FP

- Number of project sponsors   → 3X impact
    - One sponsor   average productivity of 14,8 hrs/FP
    - Two or more sponsors   average productivity of 40,8 hrs/FP

Conclusions

Change of focus to results, not documents

• Moved from planning activities to planning deliveries

• Still overly precise plans and requirements

Faster time to market

• IQ phase forces early collaboration on design

• Big uncertainties are addressed earlier

Improved collaboration among stakeholders

• Honest measures to identify the right improvements.

• Moving past cherry-picking

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