



Adopting Lean and Agile

Bob Bell

Armed Forces Benefit Association



Introductions

Founded in 1947 "to promote the general welfare and economic interests of its members and their families by providing superior benefits and services principally to military families during peace and war."

Today our membership includes:

- Military (all ranks, active duty/retired and separated)
- DOD Contractors with deployed resources
- 1st Responders – Police, Firefighters and EMT's



Introductions

Specializes in Agile and Lean software development

- Agile adoption & scaling consulting
- Certified Agile and Lean training
- Co-sourced, outsourced and distributed Agile development

Arlen Bankston, Executive VP

- *Lean Six Sigma Master Black Belt*
- *Certified ScrumMaster Trainer*



Today

AFBA and the Related Enterprises

Life Insurance

Banking

Mutual
Funds

Life Insurance - Core Facts

> 400,000 policies

Primarily Term Life Insurance

\$100M annual revenue

\$36B in-force

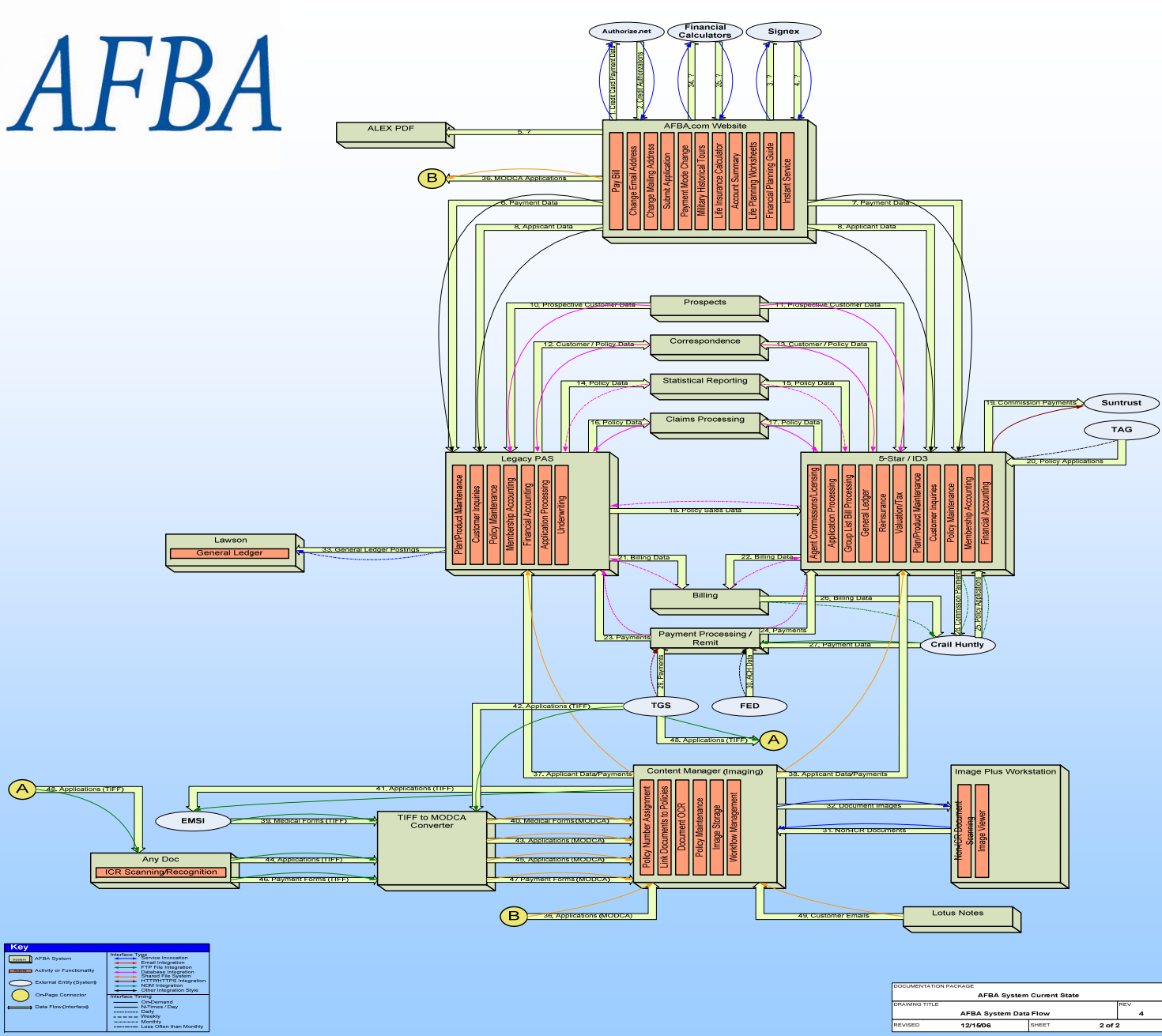
Face Amounts \$50k to \$500k

Independent Agents

No War or Terrorism Exclusions



AFBA



Key	
	AFBA System
	Activity or Functionality
	External Entry System
	On-Page Connector
	Data Flow/Interface
	Interface Type
	Service Integration
	Email Integration
	TIF File Integration
	Business Integration
	Shared P/L System
	TIF/TIFF Integration
	MDF Integration
	Other Integration
	Refresh Timing
	On Demand
	15-Minute Day
	Daily
	Weekly
	Monthly
	Less Often than Monthly

DOCUMENTATION PACKAGE		
AFBA System Current State		
DRAWING TITLE	AFBA System Data Flow	REV 4
REVISED	12/15/06	SHEET 2 of 2



Business Objectives

- Simplify and speed up operational processes
- Drastically improve time to market for new features and new life insurance products
- Improve overall customer service
- Reduce infrastructure and maintenance costs



A New Approach

- Adopted Business Process Management
 - Built detailed process maps
 - Utilize Lean method DMAIC to identify waste
- Permitted discussions of “your job” without making it personal
- Several improvements completed
 - Two departments combined
 - Electronic payments processes overhauled



A New Approach

- Executed an extensive COTS search
 - Forced the business to prioritize features
 - Used process maps to insure full support
- Chose Agile Project Management to guide the implementation. Key differences:
 - Self-managed team
 - Iterative delivery of feature aspects
 - Incremental build-out of system



Why Agile?

- Reduce time-to-market and project costs
- Improve team accountability & morale
- Reduce project risk
- Provide a template for future projects
- **BEST REASON:** Produce the **RIGHT** system



Key Challenges

- Packaged software implementation
 - 3rd party product - new to team
 - Agile engineering practices different
- Team inexperience
 - Product Language
 - Analysis, testing
- Iterative development acceptance
 - By customers and end users
 - By internal support organizations



Agile/Scrum Framework

Roles

- Product Owner
- ScrumMaster
- Team Member

Ceremonies

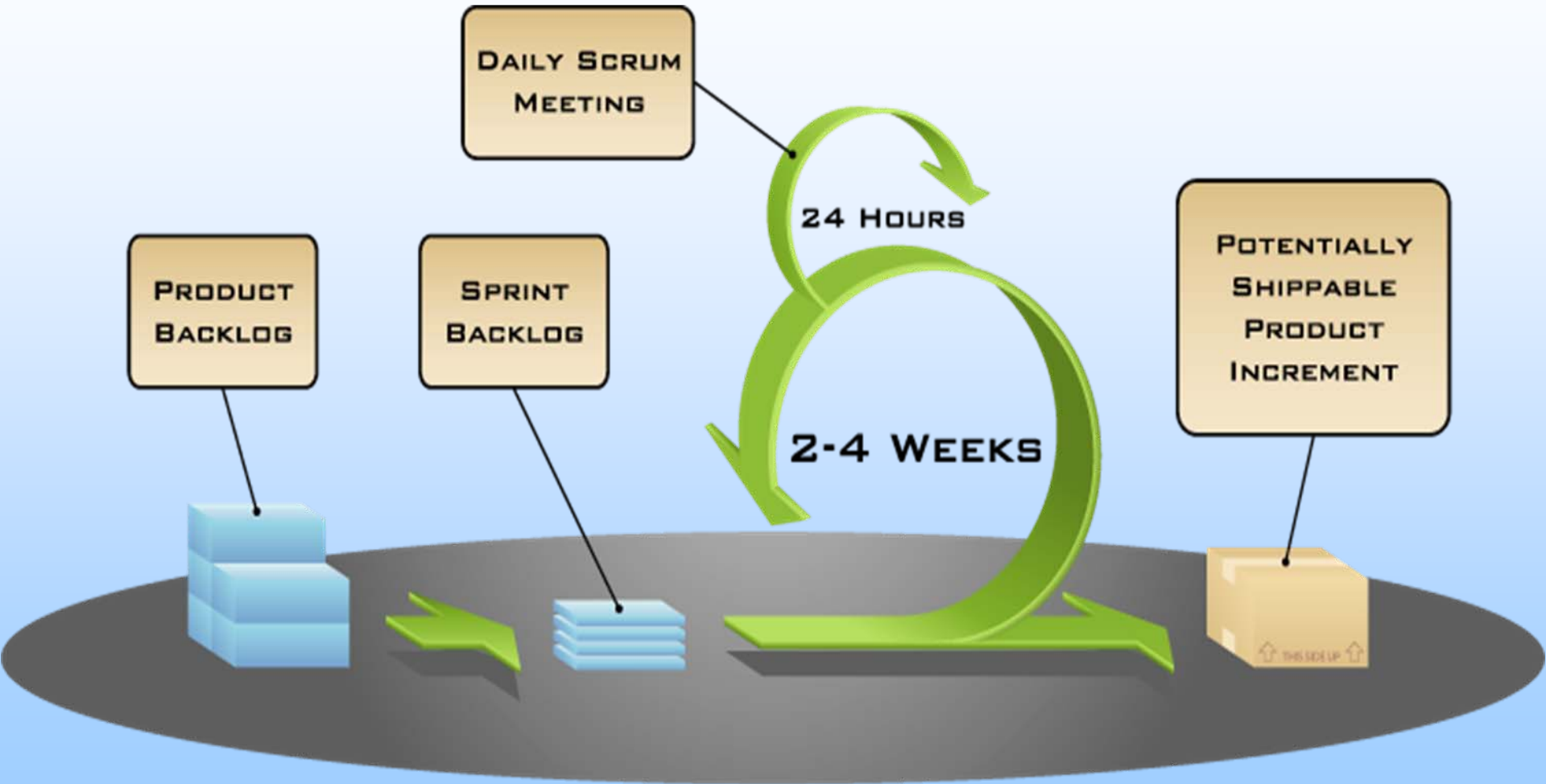
- Sprint planning
- Sprint review
- Sprint retrospective
- Daily scrum meeting

Artifacts

- Product backlog
- Sprint backlog
- Burndown charts



Agile/Scrum Process



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Before





Common Space





Product Backlog



Sprint Planning



Sprint Backlog





The Story So Far

- First delivery on time end of December 08
- In 2009, 80% of IT work is being performed using Agile/Scrum teams
- Multiple Agile teams coordinate work via “Scrum of Scrums”
- Next release date Jun 15, 09



Then & Now

Then	Now
Years to release	Months to release
Months between feedback loops	Hours or days between feedback loops
Disconnected individual laborers	Self-managing, cross functional team



Supporting the Effort

- Senior management buy-in
- Team training
- Expert just-in-time coaching
- Vendor integration



Key Benefits

- Core team has begun working cross-functionally
- Core team has learned Agile basics, now evangelizes principles throughout organization
- Risks and constraints are quickly visualized and addressed
- Project progress is visible and tangible



Remaining Challenges

- Long-range estimation and release planning
- Full organizational integration of iterative & incremental processes



What's Next?

- June release will incorporate first “converted polices”
- Rolling conversion of 9 million records from legacy systems to new system between now and end of year.
- Production process improvements integrated into approach



Questions?





Contact Information

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