

KANBAN PRACTICES HELP BBVA IMPROVE AGILITY, CUSTOMER SERVICE

BBBVA, one of the world's largest international banks, was a pioneer in introducing Agile methods in the global banking sector. But with more than 30,000 employees engaged in Agile work at any given time, the Spanish multinational firm soon found itself overburdened and managing dependencies among its many teams. By incorporating the Kanban Method and the Kanban Maturity Model, BBVA grew to better understand its demand and capability and evolved into a more Agile and customer-driven company.

Kanban is a powerful management approach that, unlike other solutions, doesn't prescribe a fixed set of behaviors or actions. Instead, it encourages continuous improvement by enabling teams to start where they are and improve from there using techniques such as **visualizing workflow and limiting work in progress**. Kanban can be easily integrated with Scrum, making it an ideal tool for teams to improve important processes.

The Challenge

BBVA's Finance area spends much of its time and effort providing routine business as usual (BAU) services (help desk, auditing, etc.) to the bank's other business units and managing various project teams. The work requires deep domain and regulatory knowledge, with certain activities dependent on people with specific expertise. Employees involved in BAU are usually the first to notice when systems break down, and it was BAU personnel at BBVA who first cited a need for more flexible BAU processes.

In response, leadership introduced Agile and Scrum practices across fifteen Finance project teams (out of more than thirty), with the unifying Core Data team employing a simple Kanban board for visualizing their work. This generated positive results and lifted team spirit at first, but management soon determined that

transformation wasn't happening fast enough. While Scrum was seen as fine for project teams, the overall perception was that more change was needed to bring BAU into the Agile framework.

Overburdening

Many at BBVA have been involved in BAU and project work for years, generating valuable domain knowledge. Accelerating project development while maintaining the same BAU workload led to significant overburdening of knowledgeable staff, resulting in unforeseen delays in projects and services.

Managing Dependencies

Managing dependencies between project teams and BAU – as well as between operational and strategic departments – continued to be done in an ad hoc manner. Therefore,

waiting on others to act would also produce lengthy delays. In addition, team priorities would often change during their two-week "Sprints."

From a systemic point of view, the project teams were improving their performance while the other parts of the whole were functioning as before, and the underlying dependencies weren't always detectable to everyone. Holistically speaking, little improvement was evident. The need to avoid local optimization and bring a balanced and sustainable approach to carrying out work was growing. Dependencies needed to be addressed quickly to produce observable global performance improvements.

The visualization approach that the Core Data team was experimenting with wasn't enough to comprehensively improve management of the Finance area's many projects and services. What was needed was a proper tool that could enable faster and better feedback

about the status of ongoing work, help inform data-driven decisions, and identify further opportunities to improve work processes.

The Solution

As a first step, Agile transformation coaches at BBVA began exploring the [Kanban Maturity Model](#) (KMM) to see how well it addressed the Finance area's needs. An assessment revealed characteristics typical of a team-focused organization (Maturity Level 1), finding:

Low visualization, thus limiting the shared understanding of Finance's actual workload.

No work-in-progress (WIP) limits were established for any team. Systems managed by the teams were congested, with little or no focus on finishing work and limiting WIP to enable flow.

Poor workflow management, causing frequent interruptions and priority changes, ad hoc management of blockers, and lack of qualitative understanding of demand and team capabilities.

Lack of defined processes, locking staff into managing tasks rather than focusing on deliverables.

Lack of key performance indicators, focusing managers on optimizing resources rather than improving service delivery.

To help BBVA reach its Agile transformation goals, the Finance area would have to ramp up to KMM Maturity Level 3, or towards a fit-for-purpose organization. But first, that meant refocusing how the Finance area manages workflow, blockers, and dependencies between teams (KMM Maturity Level 2).

The Kanban Maturity Model helps organizations improve on meeting customer expectations and achieve internal objectives by giving options to coaches, managers, and leaders on what practices fit best in their business context.

With the Core Data team leading the way, it was discovered that work was often being done based on false demand, and blockages were delaying delivery of services, negatively impacting customer delight. Other work-related metrics continued to be collected and teams began sharing their findings area-wide.

Over the course of a year, Core Data helped BBVA's Finance area evolve from a team-focused organization to a fit-for-purpose organization with a deep understanding of its demand and capability.

Introducing Kanban practices and adopting service-oriented management brought about positive changes, including increased flexibility in project management and overall BAU service delivery, better coordination of dependencies, and improved collaboration and communication among Finance teams.

Adopting service orientation and flow thinking is essential for increasing agility and achieving goals such as faster time-to-market, adaptability to changing demands, transparency, collaboration, and continuous improvement. The use of the Kanban Method and the Kanban Maturity Model provided valuable guidance and helped BBVA's Finance area evolve into a more Agile and customer-driven entity.

EVOLUTIONARY, NOT REVOLUTIONARY

"Start with what you do now" and improve upon it! We respect the existing business, its processes, and its capabilities. We seek to improve through safe-to-try evolutionary means. No reorganizations. No one gets a new job title, role, or responsibilities. We respect the identity of the organization, its employees, and groups.

About Kanban University

Kanban University works to assure the highest quality coaching and certified training in Kanban for knowledge work and service work worldwide. Our Accredited Kanban Consultants™, Accredited Kanban Trainers™, and Kanban Coaching Professionals™ follow the Kanban Method for evolutionary organizational change.

Kanban University offers accreditation for Kanban trainers and consultants, a professional designation for Kanban coaches, and certification for Kanban practitioners.

