



Fannie Mae™

Building Strong Foundations... Underwriting Fannie Mae's Agile Transformation

David McMunn, Director, Agile Center of Excellence
Phillip Manketo, Senior Agile Consultant





Your Presenters...



➤ **David McMunn, Director, Agile Center of Excellence, Fannie Mae**

Agile COE lead for Fannie Mae. The Agile COE is transforming not only how we develop and deploy software, but also how to govern the process, hire/recruit people, budget and forecast and build out facilities.



➤ **Phillip Manketo, Senior Agile Consultant, Eliassen Group**

Senior Agile Delivery Leader, Coach and Trainer embedded in, and supporting, Fannie Mae's agile transformation for the last 2.5 years.

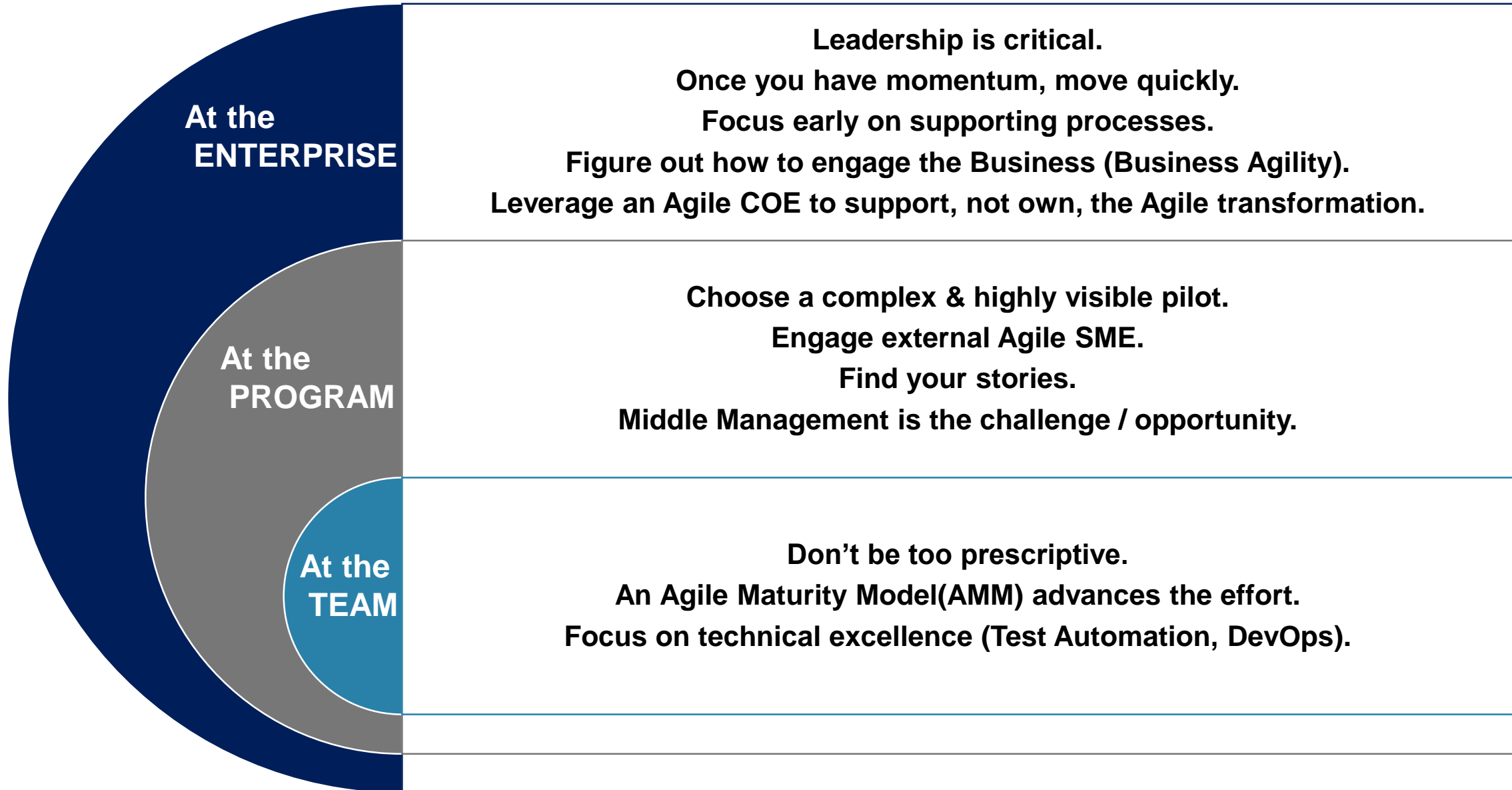


Background

- Fannie Mae, a leading source of residential mortgage credit in the U.S. secondary market, provides reliable, large-scale access to affordable mortgage credit across the country so people can buy, refinance, or rent homes.
- For the most part, Fannie Mae had been a pure, traditional, waterfall-based development shop with all of the inherent challenges this implementation approach had to offer. Specifically, IT and business alignment was difficult, and projects were large multi-year efforts that were inherently risky and were either frequently delivered late or with reduced scope.



Factors for creating an Agile Ecosystem to Support Transformation





Fannie Mae's Agile Transformation Journey: State of Agile in 2014

<2014

EXPERIMENT

(+) Individual programs experimented with Agile techniques.

(+) Dev Ops platform / tooling starts to be built-out.

(-) Corporate functions and governance requirements designed to traditional waterfall development processes.

(-) Internal processes inhibited adoption of Agile.

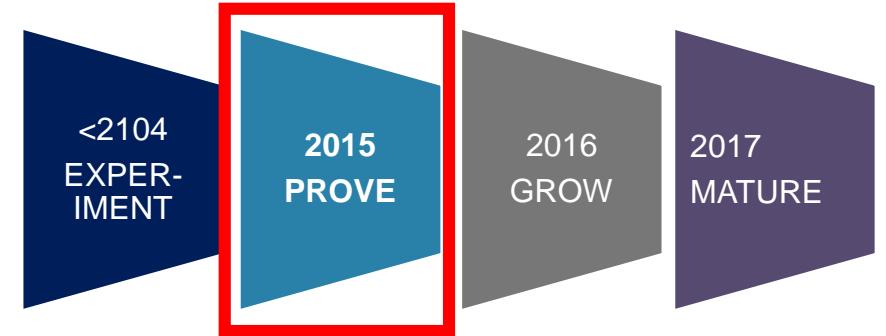
**2015
PROVE**

**2016
GROW**

**2017
MATURE**



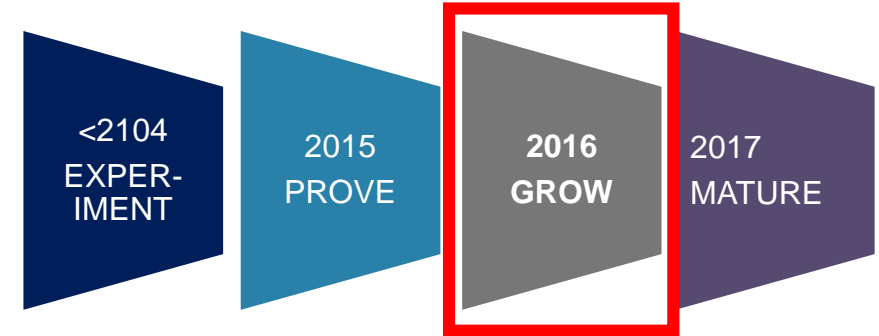
Fannie Mae's Agile Transformation Journey: 2015 Milestones



- Executive Sponsorship drives Agile adoption in EDI Dev Services; teams increase from ~5 to ~38.
- Agile approaches demonstrate ability to more effectively manage risk and respond to change.
- Dev Ops platform piloted by WIRE teams prove benefits and serve as lighthouse.
- SDLC adapted to align to Agile, enabling Agile projects and demonstrating organizational support.
- 25% of releases registered as Agile. Executive Management sets 50% Agile Release goal by the end of 2016, tangibly signaling support.



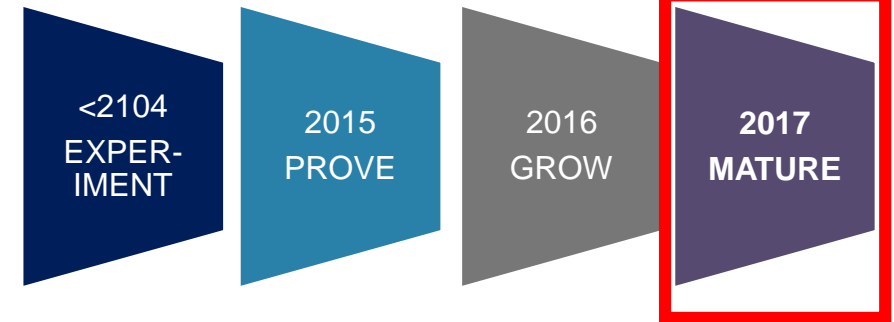
Fannie Mae's Agile Transformation Journey: 2016 Milestones



- Rapid scaling: # of Agile teams increase from 38 to ~155; 60% have Sr. Agile Coach support.
- WoW/Agile effort demonstrates power of Business/IT collaboration.
- Productivity and quality metrics prove Agile increases productivity and quality.
- Corporate ecosystem (e.g., facilities, procurement, governance reviews, budgeting, ePMO) begins to align to support an Agile product development model.
- Single-Family initiates Product Owner Team.
- Executive Management sets 75% Agile release goal by the end of 2017. Agile is the de facto methodology.



Fannie Mae's Agile Transformation Journey: 2017 Milestones



- Mature and scale Agile practices.
- Enhance development and testing skills.
- Integrate WoW Lean Management practices and Agile.
- Integrate Product Ownership, CDX, and Development.
- Development Services formalizes “paved road” concept, organization drives adoption.
- Strengthen alignment of supporting processes with Agile development (e.g., ePMO, HR, IDA)

By mid-2018, shift from Transformation to Continuous Improvement approach.



Fannie Mae's Agile Transformation Journey: 2015 Lessons Learned

<2014
EXPERIMENT

2015
PROVE

- Leadership is critical.
- Choose a complex & highly visible pilot.
- Focus early on supporting processes.
- Find Your Stories.
- Engage external Agile SME.

2016
GROW

- Once you have momentum, move quickly.
- Don't be too prescriptive.
- An Agile Maturity Model (AMM) advances the effort.
- Leverage an Agile COE to support transformation.
- Figure out how to engage the Business (Business Agility).
- Focus on technical excellence (Test Automation, DevOps).
- Middle Management is the challenge / opportunity.

2017
MATURE

- Set visionary objectives.



Fannie Mae's Agile Transformation Journey: 2016 Lessons Learned

<2014 EXPERI- MENT

2015 PROVE

- Leadership is critical.
- Choose a complex & highly visible pilot.
- Focus early on supporting processes.
- Find Your Stories.
- Engage external Agile SME.

2016 GROW

- Once you have momentum, move quickly.
- Don't be too prescriptive.
- An Agile Maturity Model (AMM) advances the effort.
- Leverage an Agile COE to support the transformation.
- Figure out how to engage the Business (Business Agility).
- Focus on technical excellence (Test Automation, DevOps).
- Middle Management is the challenge / opportunity.

2017 MATURE

- Set visionary objectives.



Fannie Mae's Agile Transformation Journey: 2017 Lessons Learned

<2014 EXPERIMENT

2015 PROVE

- Leadership is critical.
- Choose a complex & highly visible pilot.
- Focus early on supporting processes.
- Find Your Stories.
- Engage external Agile SME.

2016 GROW

- Once you have momentum, move quickly.
- Don't be too prescriptive.
- An Agile Maturity Model (AMM) advances the effort.
- Leverage an Agile COE to support the transformation.
- Figure out how to engage the Business (Business Agility).
- Focus on technical excellence (Test Automation, DevOps).
- Middle Management is the challenge / opportunity.

2017 MATURE

- Set visionary objectives.



In Summary...

- An Agile transformation at the **team** level optimizes **locally** and is **fragile**...
- An Agile transformation at the **program** level optimizes **locally** and is also **fragile**...
- In order to be sustainable, an Agile transformation **requires time, investment, and broad commitment to fundamental change of the ecosystem supporting the enterprise**, all of which requires the ongoing support of management and senior leadership. If the ecosystem supporting the Agile transformation is fragmented and weak, our ability to change the organization will be fleeting. Alternately, if the ecosystem is robust in its ability to support the Agile transformation, our efforts will achieve and sustain the promise of Agile.



THANK YOU!

You can download the complete Experience Report from the Agile 2017 website:

<https://www.agilealliance.org/resources/experience-reports/>

