

## **Transformation Journey from Project based to product based Organization. The TD Journey <sup>1</sup>**

*Article three in a three-part series Article*

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### **Abstract**

In the first article of this series, we focused on the need for PMOs to become digital to stay valuable for their organization and continue to improve and adopt industry trends; and to be more equipped to support their organizations' digital transformations. We explored the PMOs landscape today and what is expected of them to do and not do to transition to digital and how the internal readiness and external readiness preparation play an essential role in ensuring success in digitalize themselves and be ready for their organizations' digital shift.

In this second article, we explored what it means to be a product-based and differentiate the areas of focus for a product based vs. a project-based organization. Further, provided the required elements for a successful transformation and explained the details for each of these elements. Leveraging an organization transformation journey to illustrate the challenges and benefits from a product-based model, and explored what changes the new model needs to implement to ensure success, and what are the expected outcomes and measures. Finally, the success of the new model relies on the orchestration of the various functions namely the EPMOs/PMOs after they are re-invented, as well as propose a new oversight function to be setup to support the product-based organization in the digital landscape.

In this third and final article, the authors will showcase a case study of TD Bank and their journey in achieving success in transforming from a project-based organization to a product-based. We will explore the steps that TD's leadership has taken through multiyear planning, delivering, and sustaining each stage of their evolution. The case will feature the drivers to the change, the components that changed and the components that remained, the outcome as results, successes, and challenges. The

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final objective of sharing TDs journey is to allow organizations and individuals involved in Digital transformation, Product based transformation, the sustainability of Agile, and improving DevOps to reflect on their journeys and be more prepared to respond to continuously evolving ways of work imposed by clients, internal stakeholders, and competition.

**Key Words:** Journey, Platform, Smart Funding, Spend Envelops, Practice Leadership, Digital, DMO,

### **About the Case Organization**

As a top 10 North American bank, TD aims to stand out from its peers by having a differentiated brand – anchored in our proven business model, and rooted in a desire to give our customers, communities and colleagues the confidence to thrive in a changing world. The strategy focused on:

- Deliver consistent earnings growth, underpinned by a strong risk culture
- Centre everything we do on our vision, purpose, and shared commitments
- Shape the future of banking in the digital age

TD's shared commitments

- Think like a customer; provide legendary experiences and trusted advice
- Act like an owner; lead with integrity to drive business results and contribute to communities
- Execute with speed and impact; only take risks we can understand and manage
- Innovate with purpose; simplify the way we work
- Develop our colleagues; embrace diversity and respect one another

TD Bank Group has gradually phased in a new way of working transforming the organization to focus on products and customers vs. projects. As a result a new way of looking at product-based funding, resourcing, and governance to allow teams to continue delivery and allow business functions seeing work end-to-end.

### **The Drivers for the Change – Making the Case**

According to the Deloitte insight reports “When asked what topics C-suite level executives discuss most frequently as an organization, 57 percent of survey respondents put developing and creating new products at the top”. TD as a leader in

their industry needed to evolve through innovation in new products and the traditional way of doing business while may have been successful in the past, to compete in the digital disruption era, a new way of redesign thinking was required whether it is the Agile adoption, digital adoption, and enabling a new operating model that builds capabilities at the organization level and the talent management level to achieve client satisfaction.

While implementing Agile in 2015, the focus of the agile shift was on product and customer. The Agile transformation was focused on instituting Agile as a different and alternate practice to run initiatives at the team level and mainly technology. Then in 2016, Agile adoption evolved to become a mindset that involved all layers of the organization in building new capabilities via training, coaching, transparency and visualization via Kanban. The success of running Agile allowed the organization to build Agile COE and formalize the talent management model and its supporting rewards and compensation. As a result, it provided the organization with a foundation to move into a product-based model starting with improving DevOps Delivery and automating testing. In addition to instituting risk market place (RMP) allowing the organization to see end-to-end delivery by having dedicated risk expert generalists dedicated to the respective product-based model.

### **The Plan for the Change to a Product Based**

The move to a product-based organization is not an overnight task, it takes thorough planning, dedication, pivoting direction to achieve the goals and finally in 2017- 2018, the organization was ready to take on the transformation to product-based maximizing resources and improving financial outcome. It started with the structure moving from the traditional project-based resourcing to a fixed capacity structure. With a focus on end-to-end delivery it minimized the process hand-offs that were in-efficient and time-consuming. Financial planning with the concept of spend envelopes was developed allowing C-suite ongoing visibility to costs and benefits and improving the degree of alignment on priorities and focus on outcomes vs. processes. RMP was instituted in the early years, making RMP part of the team cadence provided transparency with faster decisions, and accountable to solve for most of the risk and control issues.

With the self-organized teams as part of the Agile adoption, it was a natural next step to improve the talent transformation leading to increasing the "facilitator to doer" ratio and delivering a future-proof workforce

We will cover the changes at TD Group which lead to a journey that started in 2015 till 2019, and beyond. A list that summaries the stages with what was delivered and the

results of each stage that allowed a foundation to move forward can be found in figure 1, a summary table presenting TD Group Journey

| <b>Phases→</b>            | <b>Traditional Project based To Agile</b> | <b>Transition to Agile Project / Product based</b> |  | <b>Product based 1.0</b>     | <b>Product based 2.0</b>           |
|---------------------------|---|--|--|------------------------------|------------------------------------|
| <b>Years→</b>             | <b>Pre-2015</b>                           | <b>2016-2017</b>                                   | <b>2017-2018</b>                           | <b>2018-2019</b>             | <b>2020-Beyond</b>                 |
| <b>Criteria↓</b>          |   |  |  |                              |                                    |
| <b>Funding</b>            | Traditional Business Case                 | Business Case Light                                | Smart Funding                              | Spend Envelop 1              | Spend Envelop 2                    |
| <b>Talent / Resources</b> | Traditional project structure             | Agile project Team structure                       | Agile Talents / DEVOPS                     | Journey/ Platform            | Practices                          |
| <b>Work Place</b>         | Teams within functional Dept.             | Distributed Teams                                  | Collocated Teams                           | Open Concept 1.0             | Open Concept 2.0                   |
| <b>Process</b>            | Agile Foundation                          | Agile Practices (SCRUM, Kanban, etc.)              | Agile / DevOps Delivery                    | ARE/ SRE/ RTE                | Tailored Safe RTE/STE              |
| <b>Governance</b>         | Traditional Project Based                 | Traditional Project Based / Agile Based            | Agile based / Project based/ Product based | PPDOM ProdDOM                | Standard Cadence (AR, QBR, RR, IR) |
| <b>Risk Mgmt.</b>         | Infrequently Embedded in projects         | Infrequently within Projects / Agile teams         | Separate Temporary practice                | RMP 1.0                      | RMP 2.0                            |
| <b>Benefits→</b>          | <b>Traditional Delivery</b>               | <b>Frequent Delivery</b>                           | <b>End-to-End Customer Journey</b>         | <b>Continuous Deployment</b> | <b>Continuous Delivery</b>         |

Figure 1: TD Group Five Years Journey

### **Making the Change happen from Project Based to Product Based**

We have explored in article two the required pillars of transformation and provided insights into the elements required for each pillar. Leveraging these main pillars: funding, resource allocation, structure and governance, business case, risk

management, change management, and portfolio management, we will show the changes TD had made and ranged from slow/incremental to fast/substantial.

## **Funding**

The traditional business-case will be replaced with a “spend envelop” model; it is important to note that a spending envelope does not equate to a business case but is rather the minimum funding (or budget) requirements to pay for all assets that are co-located and aligned to a product-based organization. Organizations will fund work at the level of the journey and platform roadmap, supported by a scorecard with agreed KPIs. The time horizon of the roadmap contributes confidence that short-term work aligns with currently envisioned long-term business priorities. Funding evolved over the past five years as can be seen in figure 1.

First, moving from the traditional once a year heavy business case that justifies a project or a program and/or a project to business case light in the early days of Agile funding. Second, moving to smart funding evolving their culture to allow the Finance department and the Delivery Teams to transition from a project to a product funding with an incremental approach by chunking projects into 3-6 month increments and simplifying Business Case justification. Third, the organization moved to a “Spend Envelop” concept. With Spend Envelop 1.0 focused on the “change” spend only, evolving to Spend Envelop 2.0 was the “run” operation spend is included to provide Senior Executives with a holistic spend picture.

## ***Smart Funding***

Smart Funding is an incremental, iterative funding approach, focused on the near term, high confidence delivery and longer-term medium confidence business case, that allows the organization stakeholders, Finance, and Delivery team to delivery based on high confidence regardless of the underlying methodology as can be seen in figure 2

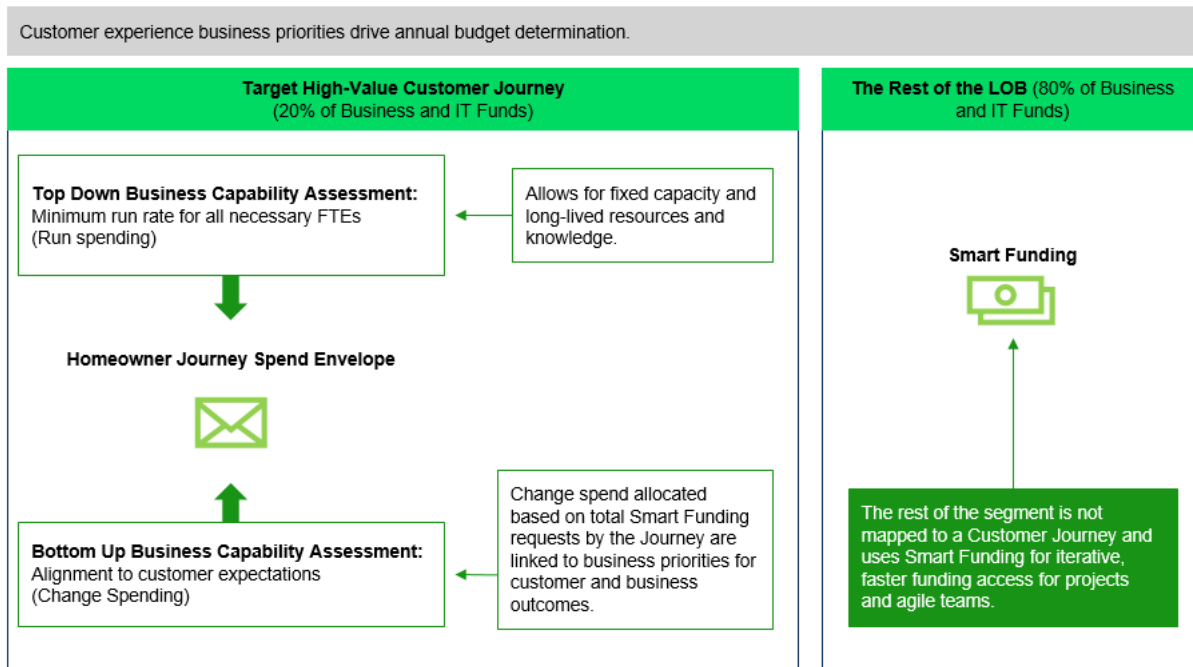


Figure 2: Smart Funding

**Spend Envelope 1**

Funding is prioritized at the Journey and platform level first as seen in figure 3, through the concept of a spending envelope. Further, the structure of the organization's governance is enabling the implementation of this type of funding model. The funding aligns with the strategic importance of the business capabilities that each journey and platform supports. The executive product/ platform owners determine the respective breakdown within their respective journeys and platforms. During the year, each product family spends the allocated money to meet the value-based outcomes they have committed to. A single Journey/ Platform owner receives a funding envelope each year that does not fall below a minimum level to run the business which allows for fixed capacity and long-lived resources and knowledge. The benefits of this model are: a realistic model based on fixed capacity, ensures keep the lights on funding is secured, changes to funding is performed collaboratively with all executives/ owners of journeys/platforms.

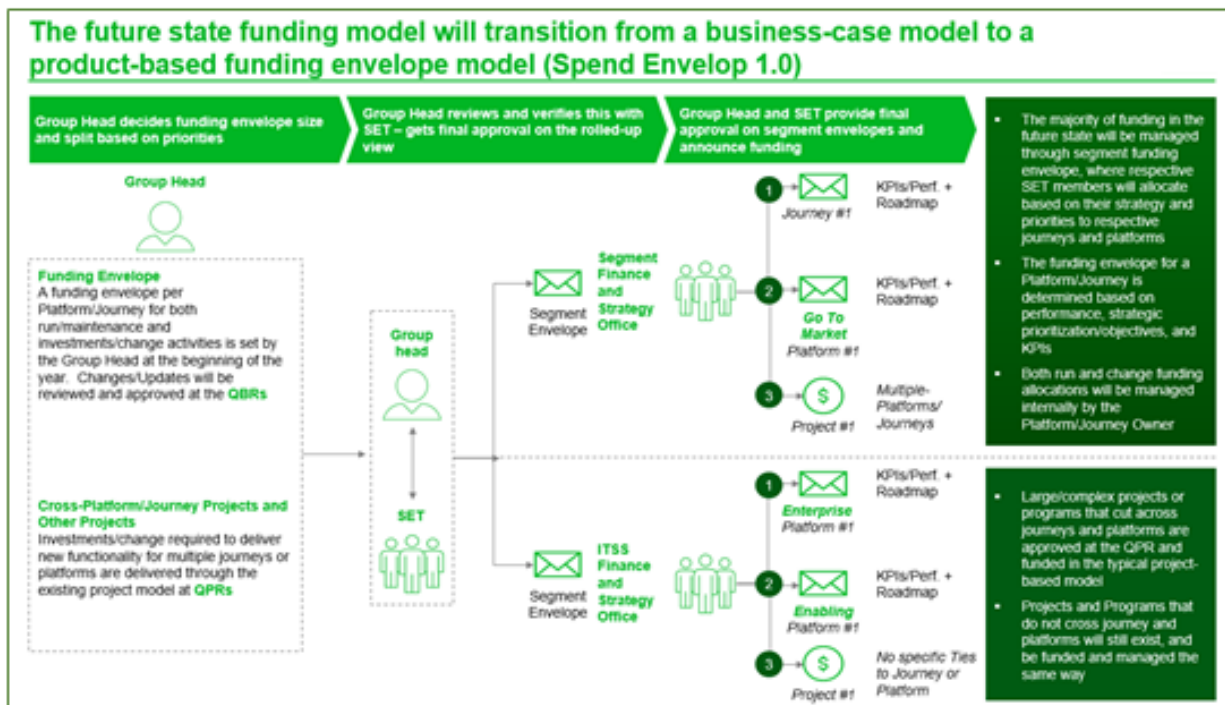


Figure 3: Spend Envelop 1.0

### **Spend Envelope 2**

Product teams can showcase what is in the pipeline to be released and shipped, and talk about success metrics. Progresses of the options against the product teams' initiatives are reviewed, and the strategy gets adjusted accordingly. Results of the previous release are discussed, with lessons learned and funding trade-offs can take place as seen in figure 4. The hybrid funding model provides a spending envelope to the Journey for change spending while a portion of the budget focuses on standing teams that keep the products running and do minor enhancements and the other portion with more significant overhauls are still being funded as projects. The main advantage of Spend Envelop 2.0 is the ability to support block funding for Agile projects as well as operation. Because of allocating all respective run costs to a journey or platform-based on the assets /applications they own, this provides the flexibility to incentivize the respective team to tackle their technical debt, and for them to decide how they should re-invest a percentage share of that expense reduction.

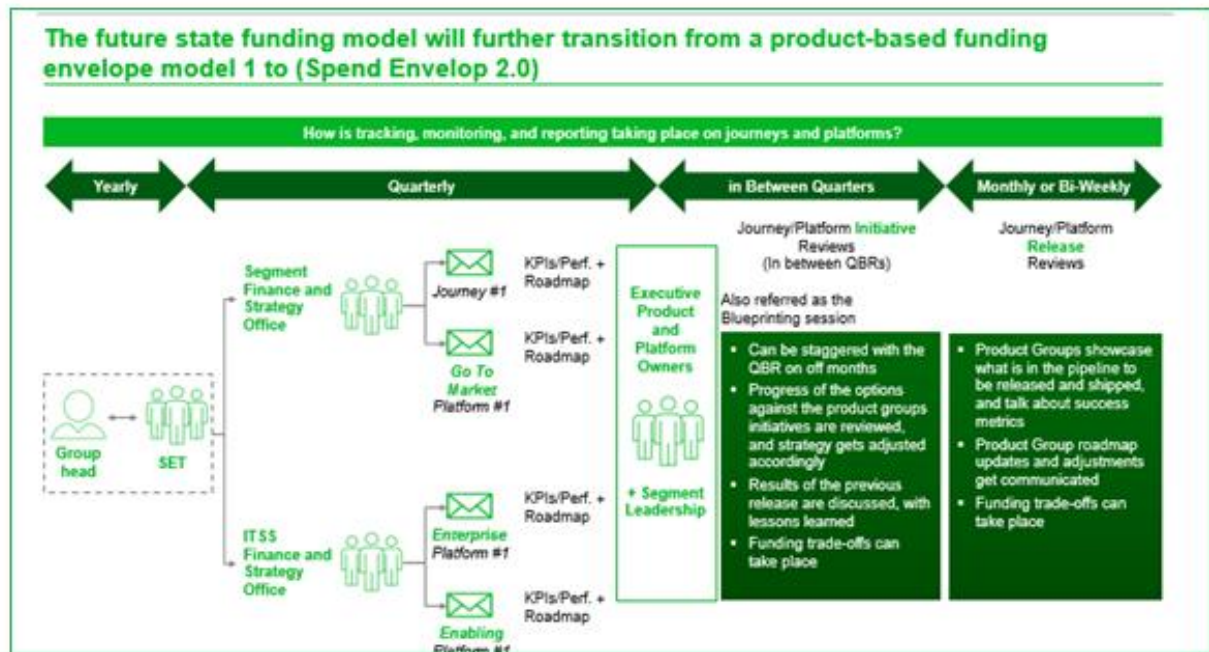


Figure 4: Spend Envelop 2.0

## **Talent / Resources**

While the funding model was evolving, so did the process of allocating resources and managing talent; traditional project resourcing with heavy front-end resource planning has transformed as the organization transformed into Agile project-based model. The self-organized teams were becoming dedicated to a release where titles were less important and solving problems and continuous development was more important. The evolution of the Agile-based team model is centralizing the teams around journeys and platform from journeys and platforms to true practices.

## **Agile Talents / DevOps**

The focus of the teams and the organizations were on enablement: facilitating operating model shifts which lies in establishing product lines, ensuring adoption of Agile, and evolve into the scaled framework within Agile. Embracing coaching and the use of hybrid methodologies that are run by flexible funding processes and enabling multi-modal through a steady discipline of braking down strategic intent into business valued-outcomes. The organization focused on building competencies that are critical for success and these were:



- Business acumen: awareness of internal and external business context to help on the valued outcome alignment and decomposition
- Adaptability: learning new ways of working which empower teams with a new toolbox of a spectrum of approaches
- Political savviness: strong internal/external networks and the ability to make decisions
- Fusion collaboration: the ability to work with staff with diverse perspectives and experiences. PMs will assume Agile roles (Scrum Masters, Product Owner, Release Train Engineers), others will be distributed out to product/platform-based organizations
- Systems thinking: design, think, prioritize, and execute with E2E in mind

Bringing business and technology resource together to work in Agile usually brings about (~10-15%) speed to market improvement. Maturing the adoption of agile practices in the application development, testing and release domains are the hidden icebergs of efficiency opportunities. The adoption of continuous improvement and continuous delivery (CI/CD) set of practices, supported by continuous testing unlock another (~20-40%) in speed to market improvement opportunities.

### ***Journey/ Platform***

Figure 5 shows the resource allocation and reallocation model, which is focused on value-based outcomes. While resources are planned part of funding, allocating for minimum business work (keep the lights on) allow for planning the remaining fixed capacity and distributing the work accordingly factoring skills as well. Resources working based on fixed-size eliminate the need for intensive time tracking, on-going resource management, resource request process of other groups, gating forums etc. As a result, organizations have a realistic picture of the capacity of the resources and can plan for resources increase or priority shift accordingly. Teams that work on run capacity still receive traditional project funding, while agile teams with change capacity receive block funding to demonstrate initial funding model value.

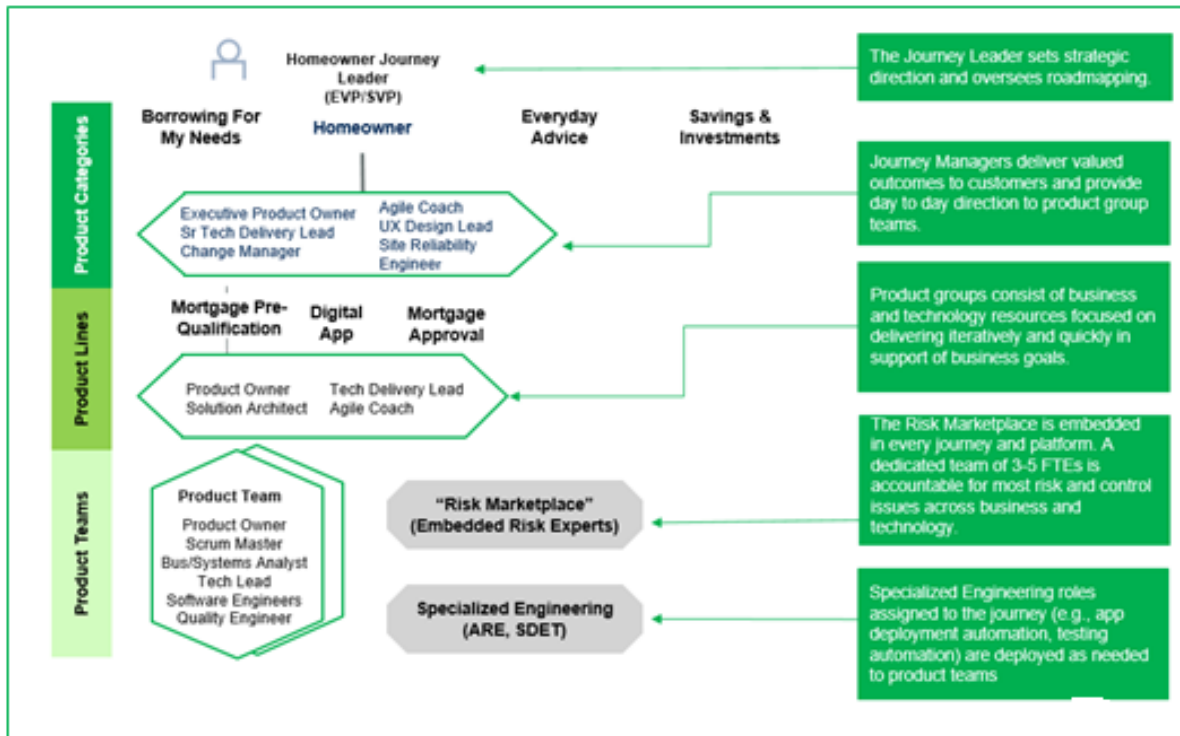


Figure 5: Journey and Platform Resource Focus

### Practices

Practice consists of a group of resources that are focused on the delivery of specialized work. The transformation shifts the mindset from being a people manager to a practice leader. The product /platform based organization employs a dynamic structure with two types of reporting lines: a capability and a value-creation line, as seen in figure 6.

- The "value-creation leader," focuses people and capabilities on the priorities for the business (including overseeing their day-to-day work), create value, and helps deliver a full and satisfying customer and colleague experience. This leader makes decisions about another set of things, such as prioritization of goals and work, daily supervision of task execution, and quality assurance of the work.
- The "capability leader", helps develop people and capabilities, sets standards for how work is to be performed, and drives functional excellence; this people-leader provides and makes decisions about one set of things, such as hiring and firing, promotions, training, and capability building. This people leader is also a crucial part

of Agile's stable backbone, and perform quality assurance on the quality of the standards, methods and practices being employed.

The “Practice” reporting structure can have multiple configurations based on the type of practice and the number of roles within each practice. Larger practices (Config 1) can have numerous reporting layers to account for the size and complexity of the practice, while smaller practices (Config 2) can forgo the Practice Area Lead based on the scope of the practice. For small practices with higher-level roles, the Practice Lead may report into a Functional Leader. In some instances, based on the practice, the Practice Owner may also act as the Functional Leader (i.e. Tech Delivery).

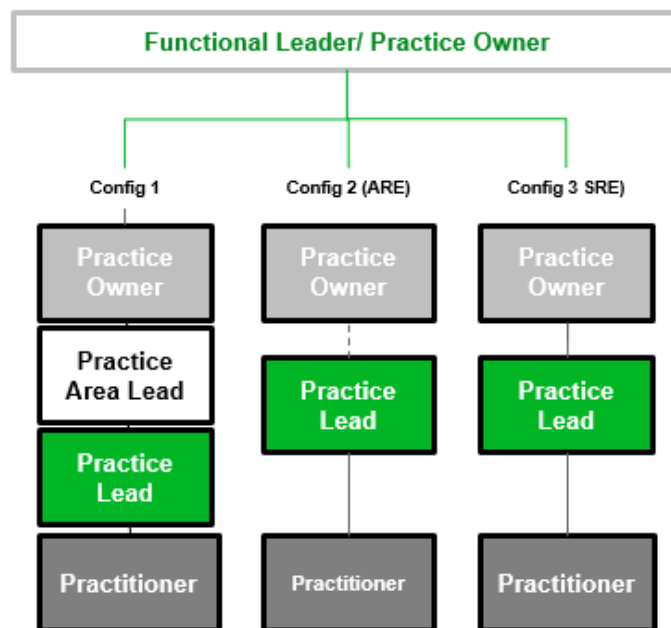


Figure 6: Practice Resource Focus

To ensure adoption, the team created a detailed change management plan with roles and responsibilities, and transition plans with training and coaching are in place to ensure smooth migration to the new roles and full understanding of the expectations of the latest roles

- Practice Owner: Responsible for the professional development of a practice (i.e. Software Engineering), oversees people management responsibilities for the practice and may hold accountability for technical delivery for a Platform/ Journey. A Practice Owner is not responsible for assets.

- Practice Owners can serve as integrators between Journeys and Platforms as Practice Leads report to Practice Owners. Target SPOC of a Practice Owner is 1:1-15 minimum.
- Practice Area Lead: Leads the professional development of Practice Leads. Practice Area Leads are required for large or complex practices. Target SPOC of a Practice Owner is 1:1-15 where possible.
- Practice Lead: Leads the professional development of Practitioners. Practice Area Leads are required for large or complex practices. Target SPOC of a Practice Lead is 1:1-15 where possible.
- Practitioner: Has no people management responsibility. Is responsible for "doing the work."

## **Workplace**

Funding model evolving, team structure and expectation is changing; hence, even the workplace needs to grow. As teams work closely together, the old structure of managers occupy larger real-estate and teams are separated in cubicles, within their functional department.

Firstly, Agile brought in the collocated teams concept, which brought down the wall of the cubicles. In addition, teams were seated based on the product release they are delivering and not within their functional department. The self-organized teams needed to be dedicated to a release; therefore, business analyst, architect, developer, product manager, Agile coach, SCRUM mater, Project Manager, etc. were collocated in an open area allowing for osmosis communication

Secondly, collaboration and transparency were required, and open concept 1.0 was needed. It transformed the workplace to remove offices of managers up to AVP and shrunk the size of real-estate for the VP's and above. Teams were seated based on product, and journey and collaboration were even more useful with having people managers among the teams and the senior executives available to their teams, although in smaller glass offices available around the sides to support, facilitate, and empower.

Lastly, the team and management commitment to transforming the way they work to maximize efficiencies meant open concept 2.0 was needed. Consultants were hired to assess the workspace and remodel it to make the floors flow, and executives willingly gave up their offices and sat in an open space concept along with all teams, impromptu spaces were created for meetings, fully equipped with connections and whiteboard encouraging collaboration. The informal sofas, coaches, booth styles teamwork area made it appealing to be at work. It feels like an upscale coffee shop with its coziness yet

top-notch professional setting to work in and agronomical work environment to be able to stand, sit, and adjust tables and seats, as can be seen in figure 7.

By prioritizing the balance between focus work and collaboration, employees will be provided with an improved offering of spaces that support those work modes. In general, the environment will allow for more mobile pieces and less fixed infrastructure to promote user flexibility.

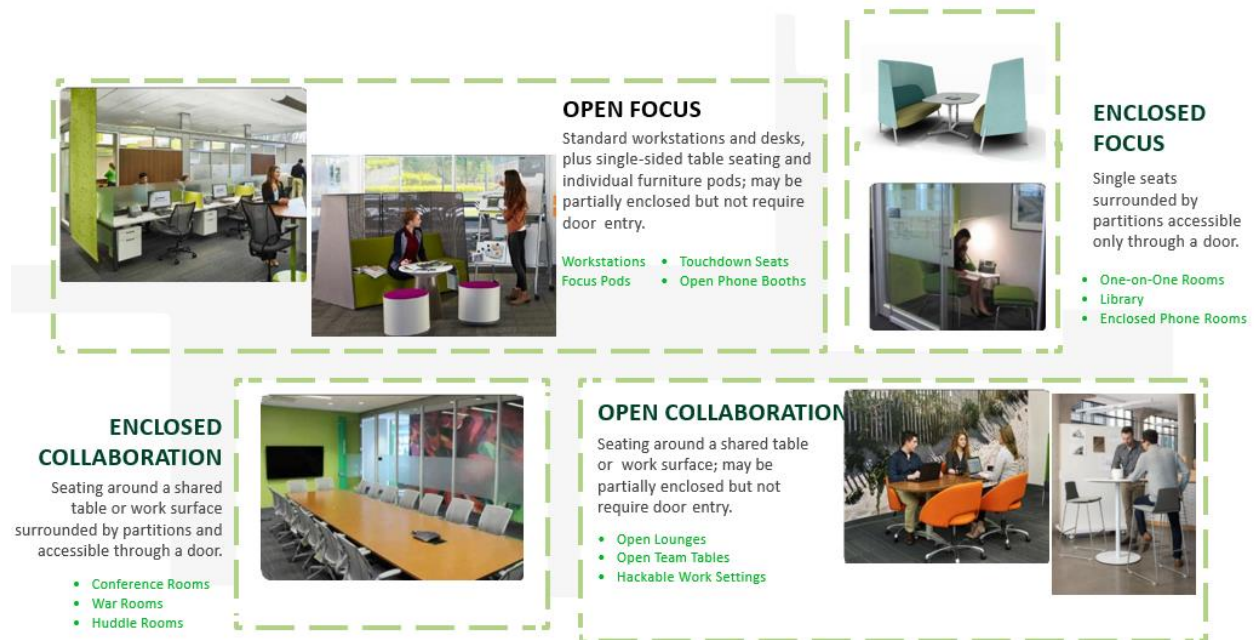


Figure 7: TD Future Workplace and Work Modes

## Process

Agile process and methods need to start small, and when certain behaviors and mindset shift begin to occur across the organization, then pushing more set of practices, standards and methods can take place.

The transformation didn't start by being a declared top-down mandate. Agile Foundation was a way to create and test the initial adoption of a minimum set of practices. For example, having select teams to be on-boarded and provided learning and coaching opportunities to adopt accelerators like starting to do daily stand-ups, showcasing and retrospective. Once these desired behaviors and new ways of working start to catch on, formalizing the set of practices becomes necessary to ensure some level of standards

across the organization take place, so that when the team comes together to collaborate, have a set of practice baselines they all understand. For example, as what can be done, coming up with a fit or purpose Agile methodology and lifecycle, ensuring SCRUM and key ceremonies have standards, and a job model for agile (e.g. Agile Coach, Scrum Master) become required to deliver agile projects.

From there, once business and technology teams can now operate and deliver as one cohesive unit, and demonstrate they can deliver in small increments, more advanced set of agile practices can be deployed.

A more advanced set of agile delivery practices enable 3x-10x velocity improvements; that is, with practices around DevOps (CI/CD, Continuous Testing, Continuous Deployment). This is usually where a lot of the automation and engineering investments need to take place to enable the technology organization to be able to adopt a new set of practices. For example, automating a software delivery pipeline from lower environments (Dev) to higher environments (Production), requires an end-to-end lean and engineering investment to automate most of the expected SDLC gating requirements. Only once the automation is in place that various technology teams will be able to adopt the new set of practices required to work with an automated delivery pipeline.

Then once we have the set of CI/CD principles adopted, we can now introduce new engineering disciplines in the ecosystems, where key engineering roles and skills get embedded in the respective journey and platform teams to push the automation agenda further, hence, significantly improving the speed to market and reducing the cost of delivery. For example, the introduction of Application Release Engineer capability enables us to have engineering 'hands-on keyboard' resources that focus solely on automating the entire technology stack when it comes to deploy from lower environments to Production (automating the horizontal delivery). A role like a Site Reliability Engineer (SRE) enable to have engineering 'hands-on keyboard' that focuses on ensuring resiliency, stability and scalability of the entire technology ecosystem the journey and platform team is accountable for, and to have someone on point when it comes to production environment issues and having someone automating the vertical/production stack with feedback loop back to developers. Another role to consider is more about the different type of coordination and release of work required, where the role of a Release Train Engineer helps enable bridging the agile work with the release to production sequencing, by ensuring each team operate and deliver using an agile release train (ART), and in some cases when there are many ARTs to integrate and coordinate, an agile solution train (AST) could be setup.

In the last level of maturity, once we have many large product-based organizations stood up, a different set of cadence and practices are required to ensure all prioritization of the work get interlocked. That delivery at scale can take place. This is when you formally introduce tailored at scale disciplines like SAFe, LeSS, Nexus, etc. You enable the management and coordination of all product-based organizations through a Quarterly Business Review (QBR) routine, which is facilitated by your RTE, Solution Train Engineer (STE), and senior Agile Coaches. Every quarter, at the end of the QBR, the ARTs and ASTs gets readjusted to ensure proper re-alignment of all assets (talent, dollars, apps) are done so that there is little as possible inter-dependencies to manage across product-based organizations.

## **Governance**

Governance cadence evolved to complement the new ways of working and the ways evaluations are conducted. The focus is on driving value to the organization and to achieve these objectives; multiple changes took place in the governance structure.

### ***Agile / Project / Product Based***

Drive value to product owner continues to be a priority; budget allocation for products/platforms is set annually in line with the company's strategic priorities. Through-out the year, a multi-tiered review cycles will ensure all checks and balances are in place, and all stakeholders at the various levels have input, contribution, and interaction. Overall governance will focus on financial performance, progress against products, and showcase successes in pre-established KPIs, challenges, and trade-offs, as can be seen in Figure 8.

- Highly repeatable process applied to every single effort that must assume there is little understanding of what is required; lack of clarity and focus, and multiple hand-offs between business and technology organizations
- Need to continually manage inter-dependencies and stitch project performance stories to ensure progress against the strategic business themes
- Apply individual approaches or capabilities in a piecemeal manner (Digitization, Digital, Automation, New apps, Infrastructure, etc.)
- Digital experience not always part of, and engaged to ensure consistency across all projects, for both customers and colleague experience

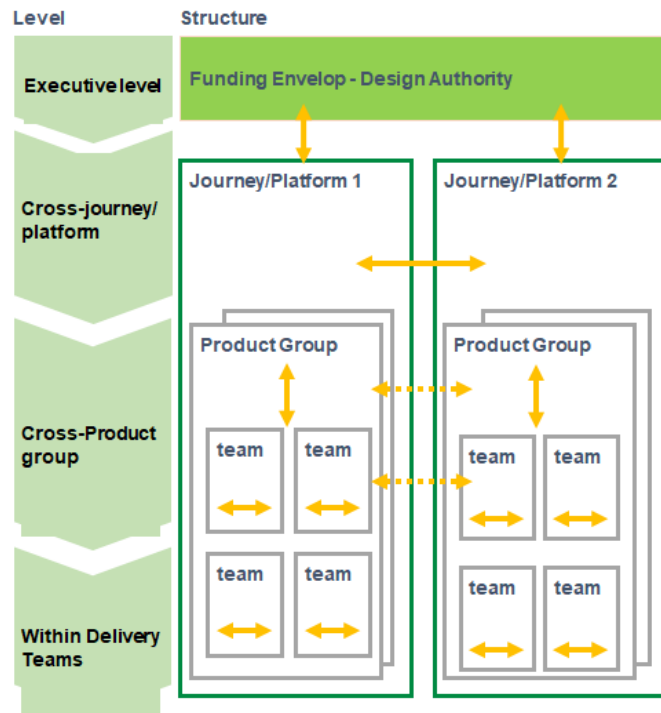


Figure 8: Agile / Product based structure

***ProdDOM – Product Delivery Operating Model***

Permanent change manager became part of the new evolution, connected to all channels and business owners, and a 1B team, including change governance. Journey and Platform Owners plan by strategic themes and epics, and is continually outcome focus on customers, financial, compliance, architecture, and capability. Priorities have been cascaded down with the focus on the same outcomes (business, marketing, Omni, tech, RMP, SRE). To achieve a compounded impact, the organization adopted a multiple levers in sequence with one target state roadmap against all assets owned (capabilities, and applications) for both business and technology – working toward one 'all-encompassing' flexible, modular architecture, infrastructure and delivery. In addition, the digital experience is at the heart of each journey and platform for customers and colleague experience.

Governance and meeting controls are still required; there are just met a different way. ProdDOM was created to show how and where governance gets applied when teams are organized into a Product-based organization. It is different, and no one can assume all controls will be met the same way as before.



**Standard Regular Cadence (AR, QBR, RR, IR)**

Figure 9 shows the systematic, detailed flow to the process and governance starting from the SET priorities going into the execution cycle that is monitored by the various review cadences that ensures the right stakeholders involved at the right time and empowered to make decisions.

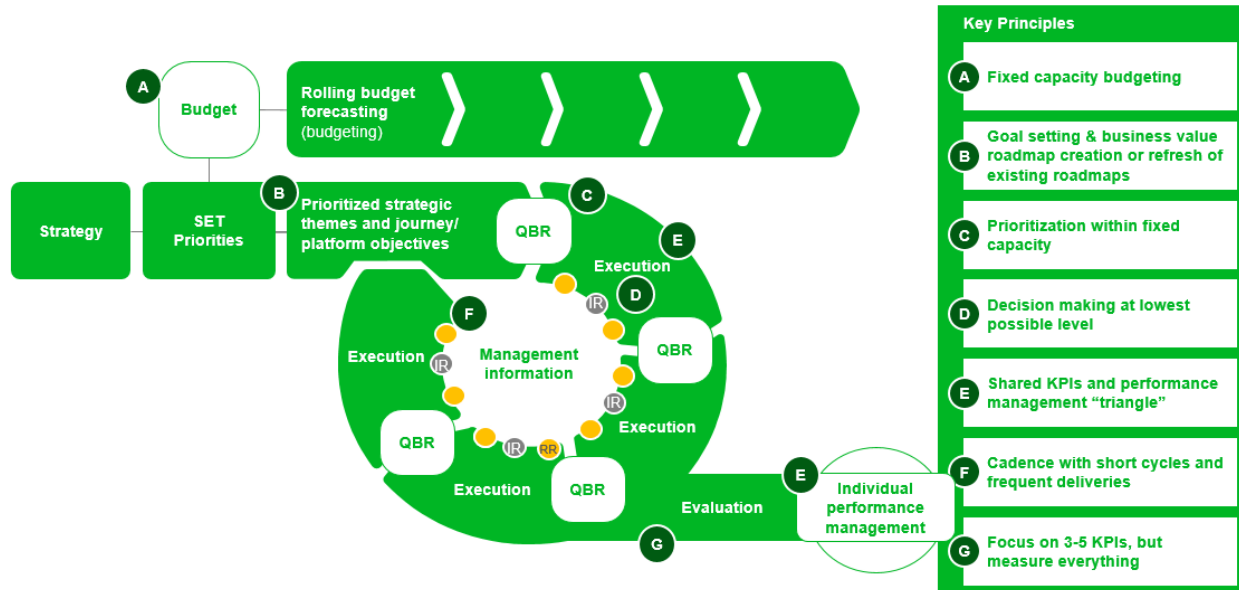


Figure 9: Systematic Delivery and Review Cadence

**AR:** Annual Review where Senior Executive Team (SET) analyze team priorities and business strategy to determine annual targets (income and costs) for Journeys and Platforms, and allocate resources via the Spend Envelope to execute on all aspects of the business

**QBR:** Quarterly Business Reviews (QBRs) assess past quarter performance, drive alignment on bank-wide priorities and plan delivery toward the priorities ensuring the committed work is on track to be delivered per the set funding model and fixed capacity to deliver. This process provides transparency on financials, sales and other operational indicators, and user satisfaction. A list of stakeholders engaged at the various level of the organization can be seen in figure 10.

**RR & IR:** Initiative Reviews (IRs) and Release Reviews (RRs) occur between QBRs and assess Product Group progress, funding trade-offs between Groups, and inform the

QBR on changes and adjustments to ensure synchronization across product lines and platforms.

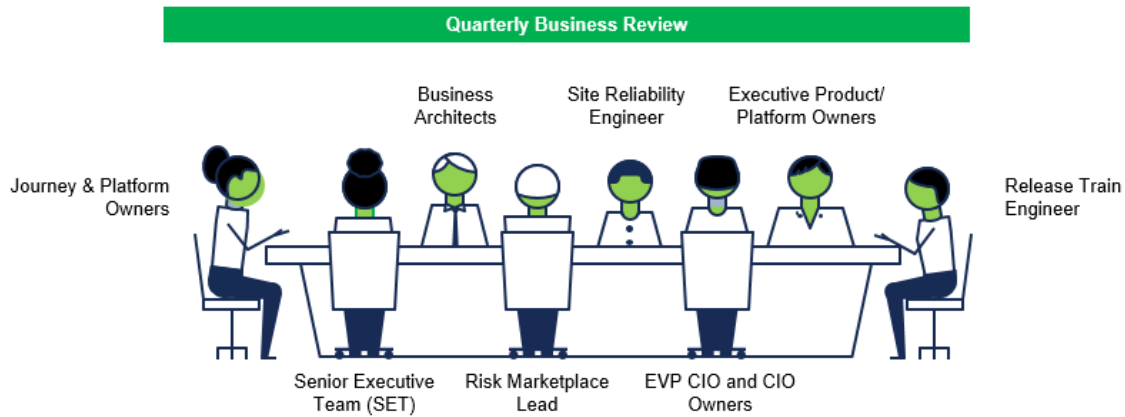


Figure 10: Sample Stakeholders involved in a QBR

## **Risk Management**

### ***Separate Temporary Practice***

Risk management will be embedded in every journey and platform. Replacing multi-risk teams for every project or product with a singular risk organization that is dedicated, co-located, and funded by each of the respective journey and platform they support to ensure that each journey and platform certified as operational. The risk function is accountable to solve for most of the risk and control issues and escalate to the other second line of defense functions per the governance model if they can't resolve or need guidance.

### ***RMP 1.0***

The banks first attempt at dedicating 2-3 risk expert generalists that will represent all your risk and control functions, led by a dedicated risk and control partner executive. See this as multi-disciplinary risk POD, dedicated to your agile project or your first product-based organization. In version 1.0, teams will experiment with how the risk marketplace team need to interact whether (daily, monthly, and quarterly). Identify where to interact (scrum and scrum of scrums). Finally, what needs to change in the collaboration tools (JIRA, Confluence, Rally, etc.) to enable risk notifications, risk register, etc., what are they enabled to solve for vs not (what risk and control area are

we letting them handle cradle to grave), and when to escalate to the 2nd line of defense for advice and resolution.

### **RMP 2.0**

Embed other policies and standards under the RMP accountability over time they take on, like operation risk mgmt., expand into strategic sourcing legal. This is also when the RMP unit is not formalized, and it becomes a repeatable deployment model across the organization (as a result of all the learnings from RMP 1.0).

### **Project Portfolio Management (PPM)**

Portfolio management alignment will continue to account for large, complex initiatives, in addition to accounting for journey and platform spend envelope and outcomes.

PPM leaders will focus on digital value-add activities to support and enable their digital organization transformation. More PPM leaders are looking to double the percentage % of time they spend on critical activities such as engaging senior stakeholders, supporting cross-functional digital business initiatives, and importing/exporting skills and knowledge across the enterprise over traditional activities.

In the transformation to product-based, it is very important to focus on working with journey and platform owners on prioritizing on value-based stories, epics, or features across the organization and ability to aggregate and report accordingly. In addition to not losing sight or the cross-organization projects/programs which do not go away, and they need to be accounted for. The advantage of adopting such thinking allows for bottom-up and top-down approach to PPM, which wasn't possible to achieve in the traditional PPM model. PPM Leaders also participate, and might in some cases lead, QBR routines. The flow from the SET level, determining organization objectives down to the journey and platforms and finally at the POD level can be seen in figure 11.

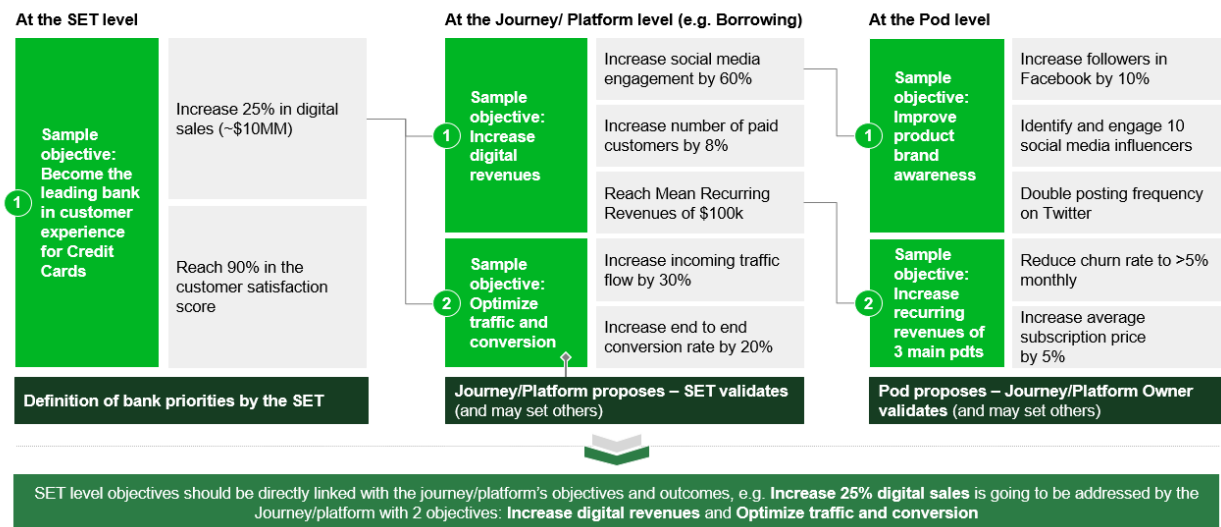


Figure 10: PPM Links TD's strategy and Execution

### Forward Looking – Sustainability Stage

To become an outcome-based organization. One of the main important outcomes is the synchronized organization view of all work components cutting through all journeys and platforms; hence, allows organizations to focus on business outcome reporting empowering business owners to showcase the success of their business based on the products they deliver/ support.

Secondly, success is measured based on specific and agreed upon KPIs, allowing platform and journey owners to be measured objectively based on the KPIs performances of the approved roadmap. Thirdly, the ability to pivot direction due to holistic change management and risk management by having dedicated teams analyzing the impact of changes and risks on the overall journey and platform success. Finally, improving skills and performance through collocated and integrated teams with SME knowledge of the specific product are focused on value stream delivery.

The set of expectations on the people managers owning and leading a practice are as significant as leaders being accountable to the execution of the work in their respective journeys or platform. Leading a journey and platform is just like running a business; the same is to be said about Practices. Practice as a business is a serious business, as it is the engine of continuous learning and development for all practitioners doing work in journeys and platforms. Having a constant re-skilling and up-skilling agenda across all

domain areas needs to ensure there is consistency across all services being offered to practitioners. The main reason for ensuring there is consistency across all practices is because of the experienced-based career paths (and not a career ladder anymore) that gets enabled as a result of the journey and platform construct. Talent mobility means resource re-allocation between practices; therefore, your talent should expect the same quality of service as they move from one domain to the next. Figure 11 below highlight the Practice as a business framework.

For new cadences and routines, the Digital Management Office, DMO will facilitate and orchestrate decision-making ability, but not the product execution and monitoring of performance, which should remain within the respective businesses.

The Focus of the DMO is to build a lasting organization function that will support the operationalization of product journeys and platforms leveraging “New Ways of Working” and leading to maximize the flow of the value stream and balance the risks of changes. The main success factors for this DMO are the strategy realization and value stream delivery. DMO is a function that connects changes, risks, and provide the cadence required to journeys and platforms, and report on the performance of the enterprise, including journeys, platforms, and other work components.

|   | SERVICE AREAS         | SERVICES                        |                            |                            |                     |                                 |                      |
|---|-----------------------|---------------------------------|----------------------------|----------------------------|---------------------|---------------------------------|----------------------|
|  | CAPABILITY & TRAINING | Lunch & Learns/ Webinars        | Shared Learning Repository | Microlearning              | Bootcamps           | Instructure Lead Training (ILT) | How-to Guides        |
|   |                       | Capability/Skills Assessments   | Documentation              | Learning Pathway           | FAQ/ Knowledge Base | LMS Courses                     | Tools & Templates    |
|  | MEASUREMENTS          | Objectives & Key Results (OKRs) | Tracking                   | Reporting                  | Adoption            | Targets & Goals                 | Stakeholder Feedback |
|   |                       | KPIs & Metrics                  | Measurement                | SLAs                       | Benchmarking        | Feedback Loop                   | Surveys/ Interviews  |
|  | GOVERNANCE            | Target Operating Model          | Roles & Responsibilities   | Capabilities               | Processes           | Dashboards                      | Frameworks           |
|   |                       | Interaction Model               | Certification              | Maturity                   | Roadmaps            | Reporting                       | Calibration          |
|  | SUPPORT               | Subject Matter Expertise        | Enablement                 | Onboarding                 | Change Management   | Collaboration                   | Culture              |
|   |                       | Coaching                        | Troubleshooting            | Research & Industry Trends | Communications      | Consulting                      | Learning             |
|  | GUIDANCE              | Continuous Improvement          | Competency                 | Feedback Loop              | Thought Leadership  | Playbooks                       | Success Stories      |
|   |                       | Standards                       | Best Practices             | Methodologies              | Strategy            | Templates                       | Tooling              |

Figure 11: Practice as a business framework

## Summary

The third and final article focused on the case study showing five years of transformation and evolution of practices to transform TD Canada organization from a project-based to a product-based. This is an 'always on' transformation, and the end state is never final; this model oozes continuous learning where the model continually evolves and adapts to the market and customer expectations. In this article, we explored the challenges and rewards accompanying this transformation and the areas of focus for each project vs. product differentiating the areas of focus, which can be summarized in funding, resources, business case, status check, governance, etc. An essential point in our article is the type of organization functions that exist today and need to be re-invented, and the need for a new oversight function to be set up to support the product-based organization in the digital landscape. Firstly, the traditional EPMO/PMO still very much required but with a more focused role in digitalization. Secondly, the transitional DPMO will exit to lead and support the transformation of an organization, and it is a hybrid function between the traditional EPMO and the DMO. Lastly, the new Digital function being the DMO will be the center of orchestration across all CoEs within the organization (PMO, EPMO, Agile CoE, etc.).

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### **Key Terms**

|         |                                  |
|---------|----------------------------------|
| BA      | Business Architecture            |
| COE     | Center of Excellence             |
| COI     | Community of Interest            |
| DEVOPS  | Development Operation            |
| DMO     | Digital Management Office        |
| E2E     | End to End                       |
| IR      | Initiative Review                |
| ProdDOM | Product Delivery Operating Model |
| QBR     | Quarterly Business Review        |
| RMP     | Risk Market Place                |
| RR      | Release Review                   |
| ART     | Agile Release Train              |
| AST     | Agile Solution Train             |
| RTE     | Release Train Engineer           |
| STE     | Solution Train Engineer          |
| SET     | Senior Executive Team            |
| ARE     | Application Release Engineer     |
| SRE     | Site Reliability Engineer        |

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Wafa is a strategist and change agent who had many organizations' transformations in building agile organization culture and building CoE for IT organizations. Wafa teaches various beginners and advance project management and IT courses at various Ontario universities and colleges. She is a program and curriculum lead developer for variety of topics aligning education certificates with practical industry needs and trends.

Wafa holds a BSC in Information Systems from DePaul University, an MIT from Northwestern University, and a PhD from SKEMA School of Business. She is a Project Management Professional (PMP), Agile Certified Professional (ACP), and Change Management Practitioner (CMP) who is dedicated to improving the understanding and standards of project management practices especially in the Value proposition of Strategy execution via Portfolio Management and PMO.

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In over 20 years he has held senior positions leading business and IT transformation through turnaround, realignment and revitalization within international distribution, manufacturing, insurance (Life and GI) and banking industries. Before joining TD, Ian held diverse Information technology, Project Management, and leadership roles at Canadian Bearings. He has also held executive technology roles with Aviva Insurance, which included Change and IT Strategy, EPMD, Management Information & Analytics, and he has led Commercial Lines business transformation and the implementation of a business and operating model for Aviva's Digital business.

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