



**How an innovative  
bank changed the way  
50,000 employees  
work and think**



To stay competitive and move faster, ANZ embraced iterative processes and constant feedback, the hallmarks of working open and a scaled agile approach.

Imagine piloting a huge freighter through Sydney Harbour. Imagine the sailboats and ferries, the bridge, the islets. You'd be thinking one thing: steady as she goes.

Now imagine turning that ship. Not a little bit, but a lot.

That's essentially what CEO Shayne Elliott did after he arrived at the helm of ANZ Bank, one of the oldest and biggest in Australia. For the better part of 180 years, the venerable financial institution grew its reputation by staying the course.

Which, historically, is just what you'd want from a bank: reliable movement with little change. But the days of "traditional" banking are gone. Today, it's about speed and flexibility. Today, what works for a time can suddenly change, like the tides.

And the tides have definitely shifted in the financial services industry.

Shayne saw signs of competition everywhere, mostly from smaller companies with new technology and new ways of operating. To stay competitive, he knew ANZ would have to embrace iterative processes and constant feedback – that is, move faster – or be left in the wakes of these fleetier vessels.

To stay competitive, he had to turn a really big ship.

## The decision must come from the top

What ANZ would ultimately discover is that real change requires bottom-up decision making to complement the top-down. That is, just how essential the so-called rank and file are to achieving a new vision. How, in the end, it takes the entire crew moving together as a team to turn a ship safely.

But the initial decision to change course, with its proper authority, the one that sets the direction and puts people in action, had to come from the top. “This change absolutely started with Shayne,” says Darren Pratt, Technology Lead Customer Engagement. “I want to be clear on that. It did come from the top. Shayne was upfront and clear. This was his vision. We had very clear leadership.”

In a nutshell, this change was about one thing: moving from bank-process driven to customer-needs driven. All levels of the business had to be closer to the customer to deliver faster, more useful products. The basic idea: you must deliver something. And fast. No more “polishing” products until they’re so shiny and so perfect and so late that nobody wants them anymore.

**“ The pace of change today is so high, there are no more three- or five-year plans, you need to be able to respond to change. Fintech, regulators... what will it be, where will it come from? Well, it’s not gonna be in our ivory tower deciding for the customer.**

**DARREN PRATT**  
Technology Lead Customer Engagement

Shayne was asking for a major cultural shift, and he needed it to happen now. “I think you’re going to see banks look less and less alike than what we’ve been used to in the past 20 to 30 years,” says Shayne. “The people that survive in that disruptive world are those that can adapt, and those that can adapt and scale at speed.”

Although this made logical sense, it was very different from how ANZ was accustomed to operating. The real work was just beginning.

## But let's not call it scaled agile, necessarily

In a world that's always on the lookout for a magic pill, it's easy for many to think: Right, ok. We'll buy some new tools, start a few new processes, done. As if shifting to agile is like flicking a switch. Shayne was aware of agile and its possibilities, but he also understood it wasn't about adopting a set framework.

This made things harder. The shift Shayne wanted required change from the entire ANZ team. Every employee would be entering a new world of working. An agile world, which doesn't mean simply following a new rulebook. It's about applying agile thinking and practices to how you work, and deciding as a team what works best.

"This is about culture change," says Darren. "It's about breaking up hierarchical ways of doing things. And, we back you. You have our support for how to go about that."

That second part was pivotal, the support from above. Mirella Robinson, Tribe Lead Digital Customer Self Service, explains: "Pockets of attempts [using agile] had been done in the past. But this was very different. This was a decision to start working this way, for everybody. It was agile at scale, but not 'scaled agile' in the sense of imposing a framework. Shayne said to us, 'This is our aspiration.' He wanted us to enable communities, to enable our people to thrive. We understood the common purpose, and we also felt the full support."

This sense of full support permeated the entire leadership team. It empowered them to make decisions, and to make sure they had the right info to make decisions. Both Darren and Mirella said they were able to transfer that brand of leadership to their teams, to begin the learning process toward team self-organization.



But they quickly discovered: this was just the tip of the iceberg. Underneath – as the entire organization would soon find out – there was a mountain of other considerations. Despite the clear decision from the top, and a basic idea of the type of system (a more open way of working) to get them there, now they had to go do it. And it was hard.

Just like you couldn't pass out atlases and compasses, put everybody in a boat, and say: sail across the bay! You couldn't just announce: Now go work agile! and expect all these employees, with all their various habits and skills, to know how to respond.

## The way things have always been done

The leadership team didn't fully comprehend how difficult implementing these changes would be. There was so much tradition, so many ways “things have always been done,” this fresh start sent major shock waves throughout the organization. For many, it was seen as a threat to their ways of working and it was met with heavy resistance.

Although agile offered more autonomy and responsibility, things usually considered positives, people felt uneasy. Says Mirella,

**“ We had whole layers of the organization unable to make decisions. I said to them, ‘You are the best ones to make such decisions.’ In the old way, people came and asked me to choose the answer. It was actually a way not to take responsibility.**

MIRELLA ROBINSON  
Tribe Lead Digital Customer Self Service

Agile teams work Open. They strategize, plan, and iterate constantly. What they don't do is simply tick boxes from a task list and call it a day. Instead, they decide together what's best for the team, and how it contributes to the company's mission. Working Open is about active collaboration between team members, sharing information, work, and ideas. It requires a level of engagement and involvement that many organizations and work cultures aren't used to. It's unfamiliar, and even intimidating.



“We’ve changed how we view success,” says Darren. “We’re telling people why they’re here – the purpose. You’re not valued by your ability to dominate. We’re saying, ‘Come in and be yourself:”

But as Mirella realized, it takes a lot of energy to draw people out to be themselves. “As a manager,” she says, “I wasn’t prepared for the emotional fitness. All the encouragement, the emotional needs as a leader. It was very draining.”

This change wasn’t a simple new tool roll out, or some additional form to fill out for HR. This was asking fifty thousand people to change how they worked and thought.

## The unlearning process

Truth be told, the initial resistance and difficulties caused Shayne and the leaders of ANZ to wonder if they were doing the right thing. Could they pull this off? Could such a big ship turn? Was it just too much for the whole organization to change?

This is when they realized real change had to come from within, from each employee. It had to be as bottom-up as it was top-down. This change couldn’t be a decree from on high that people had “to just figure out,” but a system of belief in how important each individual was to the whole, and how strong the influence was of each to realizing that goal.

“What we did right from the outset,” says Darren, “is emphasize people. It was always about people. Not methodology, biz ops, technology... it was about people. It was people change.”

Darren explained that people slowly discovered that the old way wasn’t necessarily the right way. Over time, they started to learn and gradually got better.



ANZ doubled-down, first by extending more empathy to the resistance to change, which further empowered all employees. Then, they provided more help. They had to be better at showing people the possibilities of working Open, that the payoffs weren't just speed and efficiency but increased trust and investment in the team.

“We invested in coaching heavily,” says Mirella. “Hands on, in-the-moment coaching. Pushing for that unlearning, and then guiding in that new way. And the safety. We had to convince people they were safe. It was truly that, ‘There are no dumb questions’ thing. We wanted everyone to engage, and to call b.s. when they saw it.”

They started using the [Atlassian Team Playbook](#), and adopted “squads” and “tribes” to assemble their teams in ways that made sense to them and how they work best. This helped dismantle the hierarchy – and the attachments to it – and gave power back to the people in a way that they understood. And believed in.



#### **BEHAVIORS TO PRACTICES**

Practices are typically codified as “plays” that help teams perform better. They differ from processes in that processes are organization and function specific, and typically prescriptive.

For Atlassian, practices are embodied in the [Atlassian Team Playbook](#).

## Focus on what's important: trust

Now, ANZ's smaller teams – the squads and tribes – are accountable for quicker delivery. But not just accountable, empowered to be accountable in a new way. A way that's more Open and more collaborative.

Despite what people thought at first, they finally realized: this is a better way to work. Everyone now says they have more trust in their teammates, more investment in the outcome of projects and the success of the company, and, indeed, are happier in their work.

ANZ went from being a top-down, my-way-or-the-highway business to a more bottom-up way of working. Which is to say, from more dictatorial to democratic, from waterfall to agile, from closed to Open.

You might think Shayne's proudest moment is that he kept ANZ as a leading bank in Australia, as someone who was able to turn a freighter in a busy harbour. But it's actually something else: it's hearing how this initiative increased trust among all ANZ's employees, and seeing everyone working – and enjoying work – in a whole new way.

Written by JAMEY AUSTIN

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