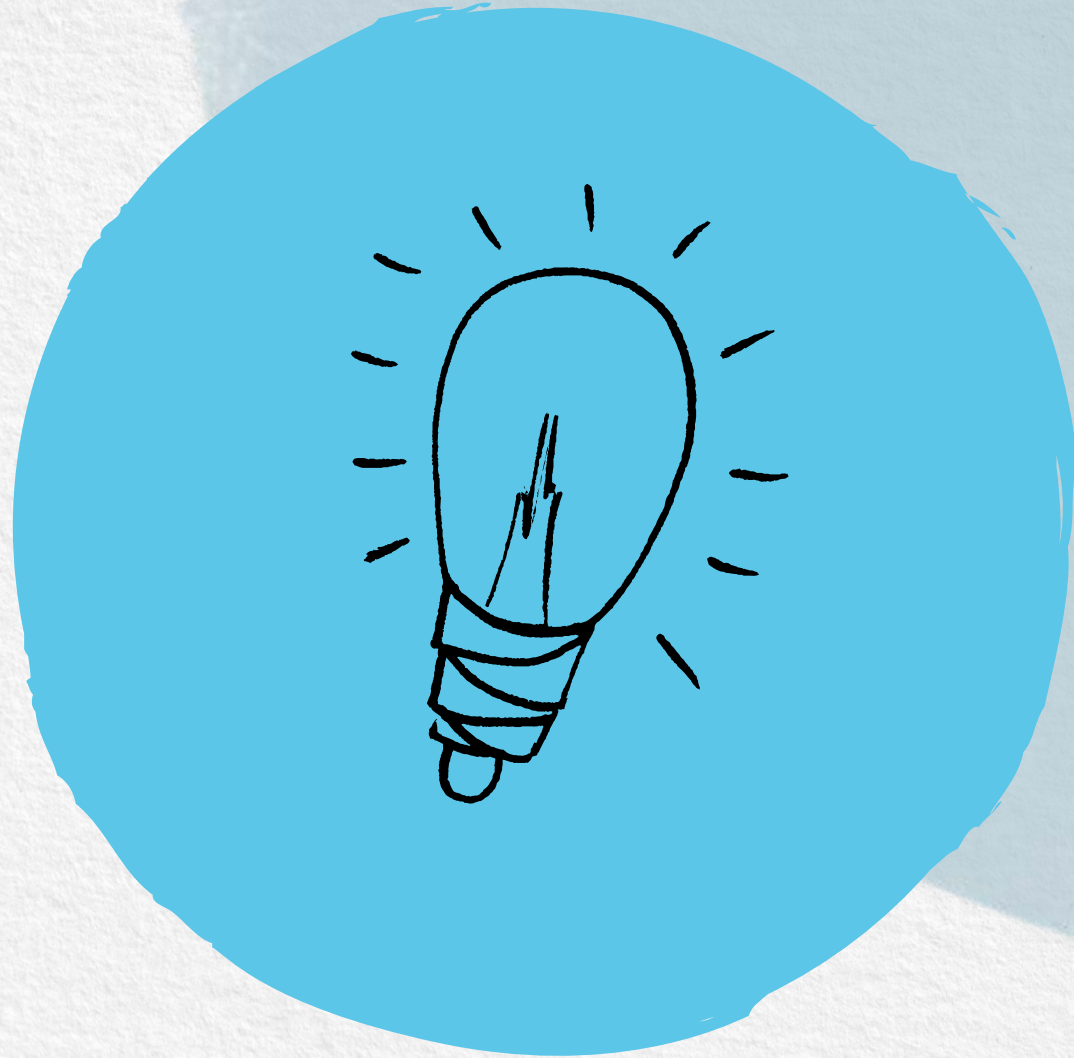


THE ANZ WAY





A NEW WAY OF WORKING AT ANZ

SHAPING A WORLD
WHERE PEOPLE AND
COMMUNITIES THRIVE!

Kath Bray
Customer Engagement Lead, ANZ



WHY
NOW NOW?

THE ANZ WAY!
NEW



Cliche ridden

Business buzzwords that are begging to be banned

Leadership Lucy Kellaway p19

Amazon effect

Exclusive | US juggernaut to wipe 16pc off retail earnings

Companies p16



On the record

Revealing tapes in Anthony Bell break-up

News p3



THE AUSTRALIAN FINANCIAL REVIEW

www.afr.com | Tuesday 2 May 2017 \$4 INCLUDES GST

▶ Elliott takes the bank agile ▶ Hierarchy disappears in favour of scrum coaches, squads and tribes

ANZ blows up bureaucracy

Exclusive

Joanne Gray
BOSS editor

ANZ chief executive Shayne Elliott will take an axe to the bank's hierarchies and bureaucracy and shift the workforce into "agile" teams mimicking the way businesses such as Google, Facebook and Spotify operate, to launch new products faster as the bank grapples with an era of low credit growth.

Senior and middle-management jobs are at risk in the transition, which will start with the Australian division, then spread to New Zealand and the Institutional division. The bank will restructure into teams of about 10, known as "squads" that group into "tribes", replacing managers with coaches and product owners, who will be picked based on their adaptability and capacity to work collaboratively in multidisciplinary teams, rather than their work experience.

Agile is standard operating procedure in technology businesses and is characterised by daily stand-up meetings and six-week project delivery "sprints". The change is aimed at gaining competitive advantage in its payments, mortgage and business banking. Bank branches won't be included in the shift.

"It radically changes the way you assign work, fund work, manage things, what you measure, what you reward and what kind of capabilities people need in order to succeed," Mr Elliott told *The Australian Financial Review*.

Change agents



Shayne Elliott said the senior team knew the traditional siloed approach that relies on handing things one to another wasn't going to work for the bank in the digital age.

Leadership p12

"It's much more collaborative. It's more of a generalist world than a specialist world.

"Hierarchies in a sense disappear. At the highest level, you still have divisions, still have an Australia business and an NZ business, but very quickly the way of work changes. So instead of having departments that are heavily specialised and functions and heads of those things, you organise yourself around customer outcomes. That might be about being the best bank for people who buy and own a home. So what are the skills we need there? So the hierarchy disappears very quickly. That has big implications for how we pay people, how we reward them."

ANZ will offer computer coding training to upskill some employees and will ramp up its efforts to hire software engineers. Jobs will be lost and traditional career paths disrupted in senior and middle-managerial ranks where being a "boss" is no longer relevant.

"If you go back to where your competitive advantage is, coding has to be a core skill in a bank," Mr Elliott said. "It

Continued p12



Shayne Elliott and head of agile transformation Katherine Bray. PHOTO: PETER BRAIG

Students get caning in uni budget cuts

University students will be squeezed with a 7.5 per cent tuition fee hike and earlier repayment of government-provided loans, while universities will be hit with a 2.5 per cent efficiency dividend under higher education funding changes announced last night.

Education Minister Simon Birmingham is gearing up for a propaganda war targeting universities' healthy surpluses, lavish new buildings and vice-chancellors' million-dollar salaries to win public support for the \$2.8 billion in budget funding cuts. ▶ News p4

Officeworks valued at up to \$1.5 billion

The days of double-digit growth for Officeworks may be behind it, but the office supplies retailer has been valued at as much as \$1.52 billion. The three sponsor brokers – Macquarie, UBS and JP Morgan – sent detailed pre-IPO marketing reports to fund managers yesterday, as first reported by Street Talk. Macquarie valued the retailer at between \$1.33 billion to \$1.52 billion.

▶ Street Talk report p14

▶ Boart block, Allegro digs deep p14

▶ Chanticleer Value questions back page

ASX climbs strongly after US Congress deal

The local sharemarket rose strongly after a deal in the US Congress to avert a government shutdown that sent Wall Street futures solidly higher.

The benchmark S&P/ASX 200 closed up 32 points, or 0.6 per cent, to 5956.5, with the big four banks rising. Outside the financial sector, yield stocks and utilities performed well as Qantas rose 2.6 per cent to its highest trading level since March 2008 while Transurban, Sydney Airport and Telstra all gained ground.

▶ Companies n29, World n9

ROLE & SQUAD ROLES

BUSINESS & TECHNOLOGY, WORKING TOGETHER

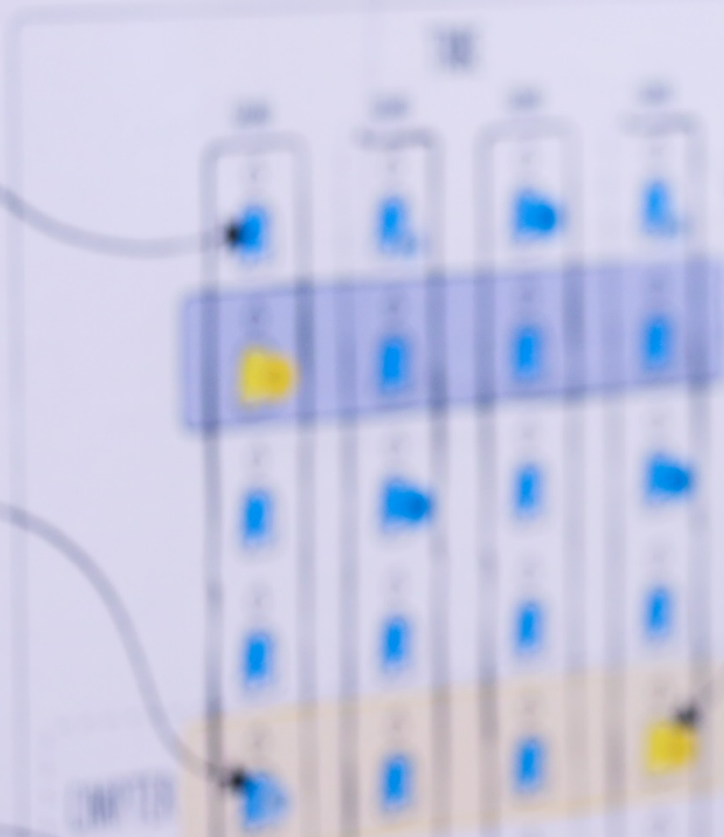
SQUAD MEMBER

Squad members work collaboratively to multi-disciplinary team to deliver their shared customer-obsessed mission. Squad members bring diverse range of experience and skills.

PRODUCT OWNER

Every squad has a product owner who leads across the squad when they face a number of choices at the time. They work for the squad members, keep the squad on track and manage the work that needs to get done. Called the "backlog" to help the squad deliver their customer-obsessed mission.

SCRUM MASTER





ASK AN ANZ TRUST HOME COACH TODAY

CUSTOMER SELF-SERVICE TRIBE
With small, collaborative people empowered to make great customer experiences in their zone

OMNI-CHANNEL EXPERIENCE TRIBE
From the front line of customer interaction to the back office, we're focused on providing a seamless, consistent experience across all channels

DIGITAL SALES & SALES OPTIMIZATION TRIBE
We're focused on providing a seamless, consistent experience across all channels

ZONE 2 CUSTOMER EXPERIENCE
We're focused on providing a seamless, consistent experience across all channels

ZONE 2 CUSTOMER EXPERIENCE

We're about delivering great experiences and digital solutions to all our customers regardless of which segment our customers are in, which is why you'll find information about the latest technology areas and centres of expertise within the Customer Experience portfolio.

TRIBES AND TECHNOLOGY AREAS

- Customer self-service
- Digital sales and sales optimisation
- Customer authentication
- Operational excellence
- Customer experience
- Customer contact

CENTRES OF EXPERTISE

- Self-Service System

LEGEND

- Tribe
- Technology area

ZONE 3 CUSTOMER ENGAGEMENT

We're about really understanding our priority segments, designing great experiences to meet their needs and keeping our relationships with them, ensuring the right commercial, ethics, technology areas and centres of expertise within the Customer Engagement portfolio.

TRIBES AND TECHNOLOGY AREAS

- Home banking
- Business banking
- Everyday banking
- Global and innovation
- Data and analytics

CENTRES OF EXPERTISE

- Marketing
- Pricing

LEGEND

- Tribe
- Technology area

ZONE 4 CUSTOMER OPERATIONS

We're about providing simple, industry leading products and quality service that meet our customers' needs and work tirelessly behind the scenes to ensure the information that powers our business is accurate and secure.

TRIBES AND TECHNOLOGY AREAS

- Home lending
- Business lending
- Trade collections and workflow
- Deposits and wealth
- Card and payment services
- Supplier relationship management
- Compliance
- Assurance

CENTRES OF EXPERTISE

- Trade collections and workflow

LEGEND

- Tribe
- Technology area

NOW IS AN IMPORTANT PART OF THE ANZ WAY

Icon: Star

Icon: Lightning bolt

Icon: Coffee cup

Icon: Book



THE
COUNTDOWN
02:30
NWOW

WE'RE MOVING TO A NEW WAY OF WORKING

THANK TO OUR WANDERLUST CUSTOMERS FOR PUSHING ATTENTION TOWARDS US

HOPEARDO

A little under a year ago, we began our journey to build a better ANZ with cross-functional collaborative teams empowered to deliver great things for our customers and make ANZ a better place to work.

Today we think in terms of our customers, with our business units, technology areas and centres of expertise now working in this new way.



MY NWOW STORY... BRENDAN





HOW CAN
I HELP?