Application modernization through cultural change

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Modernizing legacy systems is not just about upgrading software and hardware - it's a transformation that often requires a cultural change within an organization.
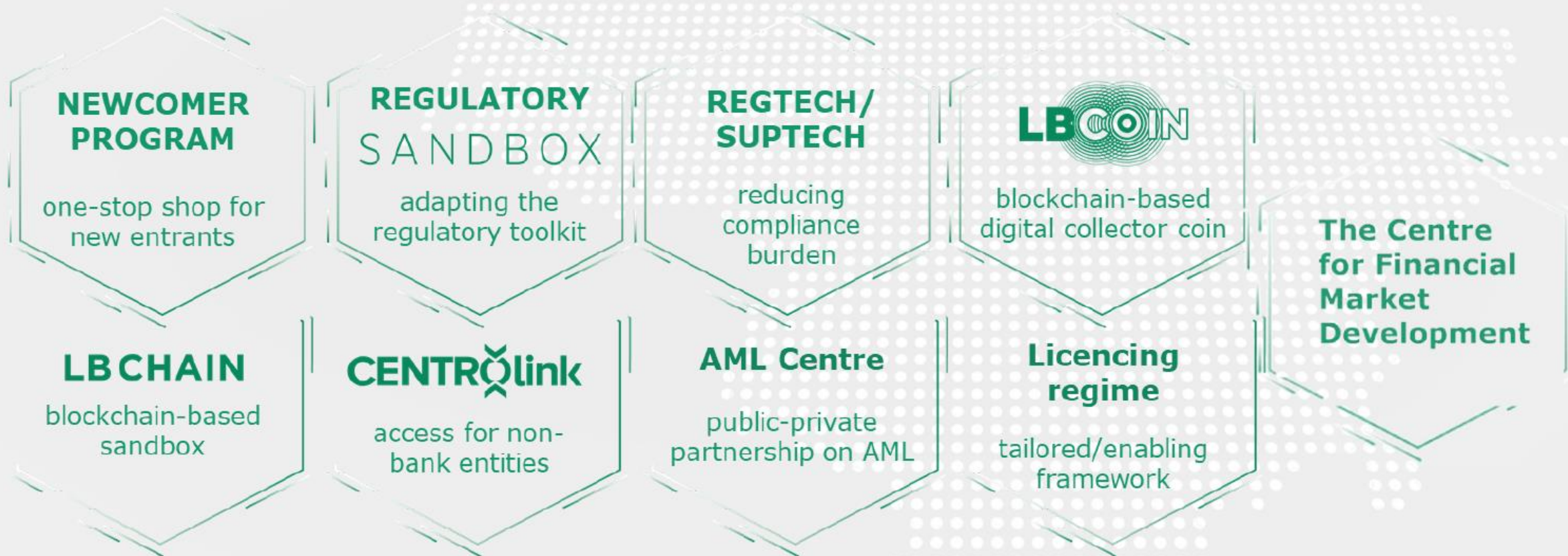
Bank of Lithuania

Our vision is an innovative, proactive and open Eurosystem central bank.

- **VALUE TO SOCIETY**

- **ACCOUNTABILITY**

- **CONTINUOUS PROGRESS**

Toolkit to foster innovations and market development

NEWCOMER PROGRAM

one-stop shop for new entrants

REGULATORY SANDBOX

adapting the regulatory toolkit

REGTECH/ SUPTECH

reducing compliance burden

LB COIN

blockchain-based digital collector coin

The Centre for Financial Market Development

LB CHAIN

blockchain-based sandbox

CENTROlink

access for non-bank entities

AML Centre

public-private partnership on AML

Licencing regime

tailored/enabling framework

According to Fintechmagazine.com Lithuania is **fourth of the ten best** countries for Fintech business.
Strengths: Payments, Lending, Banking

https://fintechmagazine.com/top10/top-10-fintech-countries-2020

3 Top technological challenges

Long time to market and limited scalability.

The need for new tools and technologies is increasing significantly.

95% of new Projects involve technology changes.

Microservices Approach

BOO!

- **Your Apps are a monoliths.**

- **Virtualization is fine.**

- **We can't trust programmers.**

- **We are just developers, not sysadmins.**

- **Maybe it's not secure enough.**

Pushing Through Decision - Starting Openshift project.

You don't have to make a perfect decision. Many times people are afraid. They want to be smooth and perfect, but there are going to be flaws and loose ends.

We struggled a lot... Why?

Vision and goals were unclear, and not aligned with business goals.

We were not ready for innovation and collaboration.

The learning curve was longer than we expected.

We lack agility.

We are resistant to change.

How did we do?

1. We finished the Openshift project (Platform, CI/CD, first APP, new development standard), but it took us almost two years (2021.07 - 2023.04)

2. We changed our work culture, but not enough, and we still have a lot of things to improve. It takes time, really takes a lot of time.

Key Strategies for Culturally-Driven Application Modernization

Leadership and champions commitment.
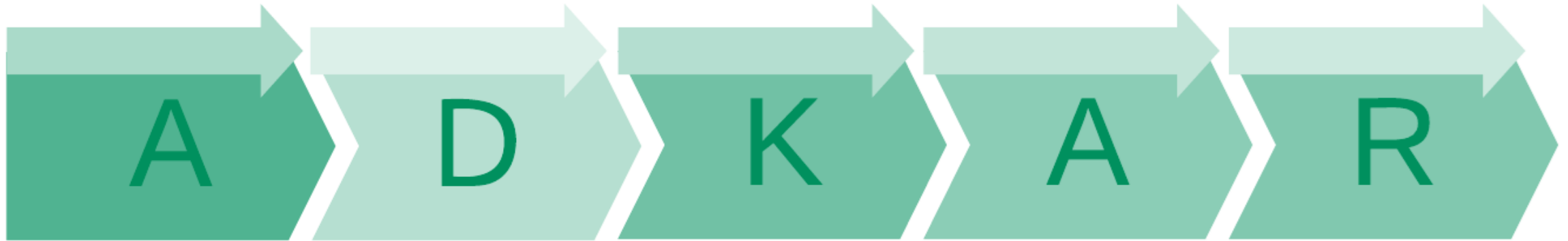
Communication and transparency.

Empowerment and inclusivity (don't exclude external teams).

Early training and skill development.

Start small, but be smart.

Continuous improvement.

Celebrate and share successes.

A D K A R

Awareness
- Announce the change to employees well ahead of time.
- Explain your reasoning behind the change, including current pain points and potential ROI of the new solution.
- Give employees an opportunity to ask questions and make suggestions.

Desire
- Gauge employees' reactions to the change.
- Identify champions.
- If employees are resistant or indifferent, address their concerns or show them how the change benefits them personally.

Knowledge
- Provide training or coaching to show what employees need to do after the change takes place.
- Address any skill gaps.
- Offer resources, such as process flowcharts, that employees can reference later on.

Ability
- Schedule practice runs before the change is fully implemented.
- Monitor performance immediately following the change and provide constructive feedback.
- Set reasonable goals and metrics at the start.
- Adjust processes as necessary.

Reinforcement
- Monitor the change over time to ensure it fulfills your desired outcome.
- Use positive feedback, rewards, and recognition to encourage employees to keep following the new process.

Enablement zone

Engagement zone

"The habits that took years to build, do not take a day to change.

Susan Powter

Have questions? Get in touch with me!

More about our Journey!