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7 Steps to Business Architecture

A value-based approach for greater success

Business Architecture is the glue that links everything together as a coherent whole. It is the approach by which you can step forward and deliver the navigation system for business, enabling your business to ask smart questions and get intelligent answers.



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Executive Summary

For some, the term “Business Architecture” (BA) is seen as a play on words, often interchanged with the more general term of “Enterprise Architecture” (EA). Traditionally, EA has been viewed as an IT-centric view of the business. This is not the right way to view or define Business Architecture—it is far more powerful than that. Progressive organizations now realize that the true value lies in when business takes a lead role in such initiatives. Organizations whose business users collaborate closely with the IT organization to blueprint their environment in support of the business objectives—and understand the impact on the company’s bottom line—will be poised to deliver meaningful value to the organization.

Business Architecture is a key decision tool for organizations and could be thought of in a similar way as GPS systems—being a “navigation system for business.” It allows static blueprints to be transformed into dynamic models for greater insight more than ever before. With business managers in the driver’s seat, different questions will be asked from the traditionally technical ones normally associated with EA. In order to support these questions, a different approach to tools and solutions will be required.

The need for Business Architecture is obvious: the growing complexity of organizations (both large and small) through various activities such as mergers and acquisitions; “rightsizing” efforts; adherence to regulatory actions; etc. This results in enterprises trying to find meaningful opportunities to become stronger, more efficient, more effective, and more agile. This is the value that Business Architecture brings to the table.

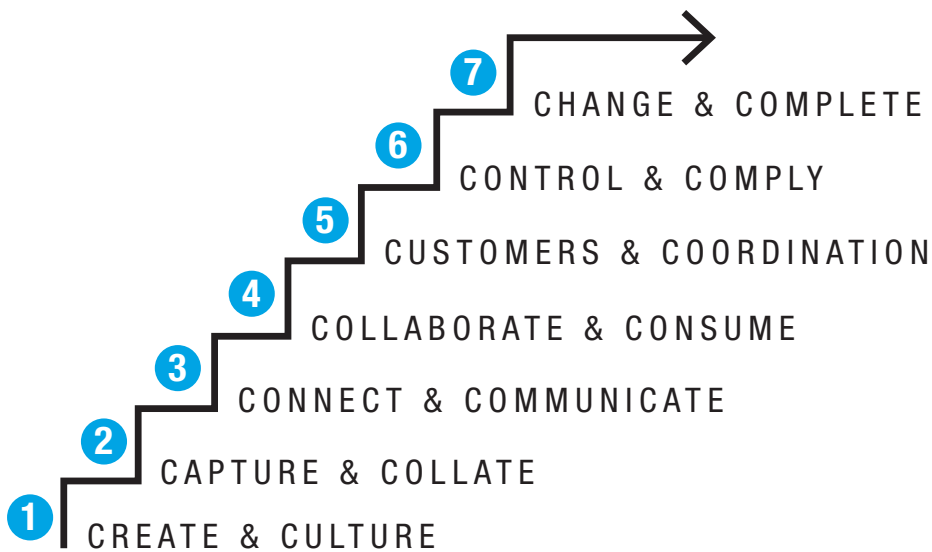
Business Architecture will help you answer questions like: What processes are not supporting my corporate objectives? Am I paying too much support on systems I don’t need? What will be the impact of relocating or closing an office? These and potentially thousands of questions like these will be answerable with a good Business Architecture in place.

In addition, Business Architecture is becoming increasingly important to assist in dealing with issues around governance, risk, and compliance. From a management perspective, the ability to be able to trace and audit what is going on in your organization is crucial.

Ultimately, having a good Business Architecture in place allows for smart decision making. It enables your organization to use knowledge effectively in order to react to business needs (revenue generating, cost cutting, enhancing customer experience, etc.) and will allow you to respond to emerging opportunities; thus, allowing you to compete more effectively.

Introducing the 7 Steps

The purpose of the 7 step approach presented here is to ensure that visible value is driven out of the process at every stage. This will help to ensure the survivability of your Business Architecture initiative. It is not suggested that these are the steps, just that they are a logical set of steps that, when executed together, will enable you to deliver on the value and promise of Business Architecture.



7 STEPS TO BUSINESS ARCHITECTURE

By focusing on the values, rather than tools and technology, it will be easier to get engagement with business managers. Each of the steps are designed to address a particular general business need. It may be that while looking at each stage you choose to customize and add your own focus. If you do, then please ensure you talk to the problem/opportunity agenda of your line of business managers.

Although the project may be carried out by staff from the IT department, it is vital that they stay focused and engaged on business needs and avoid being sidetracked into technology. From step 2 onwards, you will see that technology will be required to store and report on the information, but the emphasis is on storage and reporting, not on applications or technology (e.g., Business Process Management systems).

By demonstrating value across the early stages of your project, you may find that the project moves from a “push” into the business to a “pull” from the business—we all like to be associated with success!

Going through the steps, be wary of allowing the team to be pulled too wide too quickly. By “shouting” about successes at every step, you will be providing people with something they are not used to—timely and appropriate information—the key to any organization’s continued success.

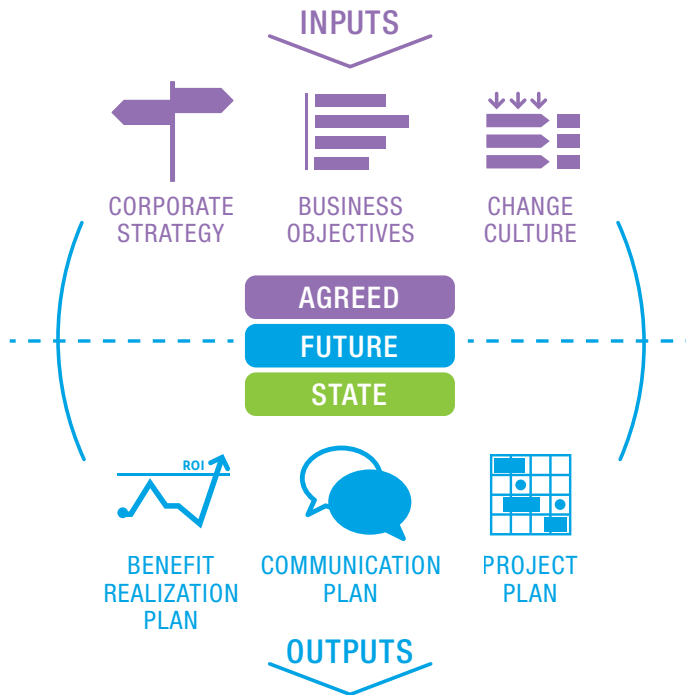
As you will discover, each step leads you in an easy and logical manner toward achieving a usable Business Architecture that can evolve and grow with your operational needs.

Step 1

Create and Culture

Many architecture initiatives have failed to deliver on the grandiose benefits promised by some. These less successful projects come from looking at things from a pure technology perspective—or, in some cases, teams appear to have tried to “boil the ocean.” Step 1 of this process seeks to ensure that your initiative becomes one of the success stories—by providing the right grounding.

Successful projects understand and focus their efforts on solving the business problems that their organizations face. You can achieve this by identifying and studying annual reports, CXO strategy documents, and management objectives as well as listening to line managers and executives. This allows you to stay focused on solving the real problems that the business has as opposed to the problems you may think they have!



IT ALWAYS PAYS TO START WITH END IN MIND AND THEN WORK BACKWARDS

Additionally, success depends on understanding your organization’s appetite for change. Once you understand this, you can select the appropriate change strategy. All too often when reading books or taking advice we forget to understand the culture of our own organization. What is the point in planning for a two-year project in a culture that demands quick wins; or simply aiming at quick wins at the expense of long-term benefit? It is crucial to understand how to balance these two objectives in a way that gives maximum benefit at both levels in a coordinated fashion.

With the inputs and understanding gained, we can now start to create the deliverables for this step. Perhaps the most important will be the benefits realization plan. This will illustrate to the business how we will deliver, measure, and track the promised value of our initiative. Then we need a communication plan that will help us to promote the benefits across the organization and talks to the various agendas. Finally, we will deliver our project plan.

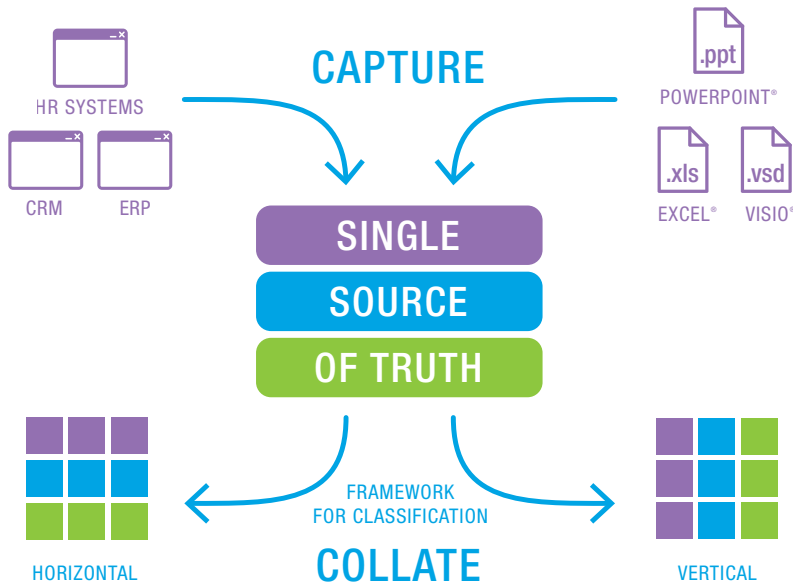
Business value: Agreed consensus on why we are undertaking the project and the benefits that will be derived from the initiative, along with clear costs and timeframes.

Step 2

Capture and Collate

With our objectives agreed, we can start collecting information that already exists. This is very important as all too often architecture projects start with some sort of analysis phase, completely ignoring the fact that much of what we might require already exists in the organization.

In order to make the most use of such data, you should ensure that your project makes use of a good repository, helping create a single source of truth for the organization. Billions of dollars are wasted globally every year as a result of people doing the same work over and over again as a result of the inability to see or access information that already exists in organizations.



**YOU CAN'T CHANGE
WHAT YOU CAN'T SEE;
CONNECTING ALL THE KEY
INFORMATION TOGETHER**

If you are like most organizations, the chances are much of your business data will be held in a combination of Excel®, Visio®, and PowerPoint®. Effective BA tools will allow you to easily bring in and store that information (as well as information from other operational systems). Data you seek should include information about the processes and procedures you use, the structure of the organization, the information or data that is important, details of the locations where you do business or geographies of your customers, and some details on the applications and technology you use. We do not require detailed technical information, just the high-level business information.

With such a large amount of collected information, you will need a classification system to sort the information into a more usable form. Depending on your organization or preference, it might make sense for you to use one of the existing frameworks for this. If you require something that is industry-agnostic, then the recommendation would be the Zachman Framework™—a great classification scheme. If you prefer industry-centric, then something equivalent to the enhanced Telecom Operations Map (eTOM) model for telecom companies could make sense. At this level, we only use the frameworks as a guide for classification and collation.

Business value: A single source of truth will promote common understanding and save repetition and waste in the future.

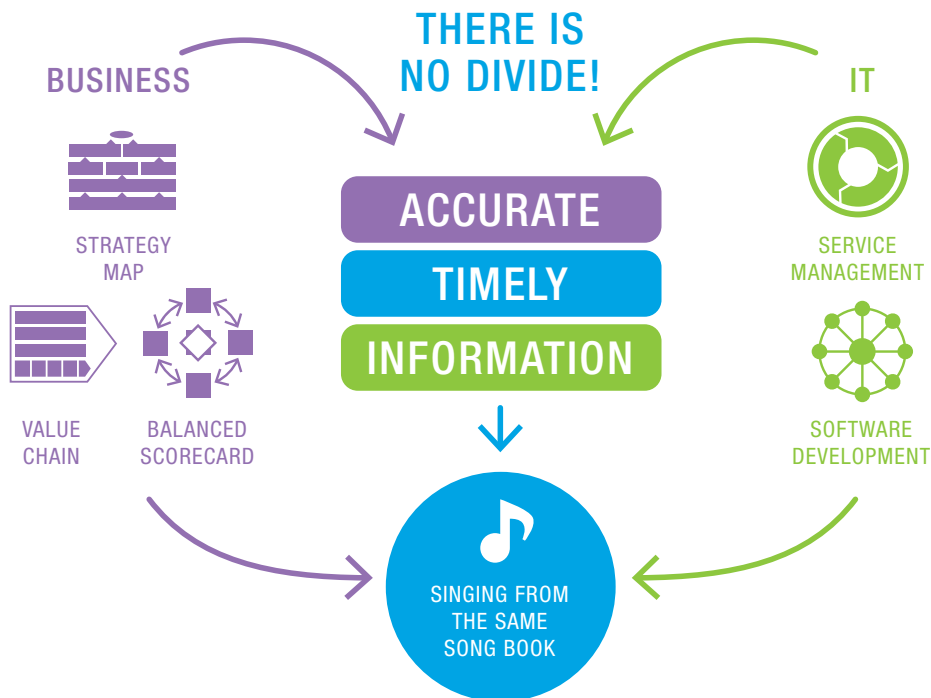
Step 3

Connect and Communicate

This step addresses a significant issue in business—how to link different functional groups within the business. It connects different initiatives within those areas and enables greater reuse. People often talk about business/IT alignment—we suggest this is flawed. Instead we need to integrate them! There is no such thing as IT projects, just business projects enabled by IT, so this step is all about helping to connect people together and building communication between them.

Capturing and managing key business documents, such as value chain maps, balanced scorecards, and strategy maps, helps to identify how projects, processes, and systems address or impact the business. Connecting these with the key IT processes and frameworks, we might have systems such as Information Technology Infrastructure Library (ITIL) for service management or TOGAF® for systems development to ensure that IT is always connected and using information that is important to the business. This connection greatly increases the acceptance of IT proposals by the business—they can understand the reasons for a system and allows IT to ensure that the systems they create deliver to the real needs of the business.

BREAKING DOWN THE BARRIERS TO CHANGE



Connectivity works at two levels. Firstly, it involves linking information about our processes, organization, data, locations, applications, and technologies together. This linkage is missing in many of the tools people use to support their architecture initiatives. Secondly, it is also about connecting things within functional areas. For example, we need to connect scorecards with strategy from a business perspective while, within IT, we need to connect service delivery with systems development. Historically, these latter two have used their own standards and frameworks and duplicated each other’s work.

Once we have all the information centrally stored and located, then it is available to all who need access. Our role is then to communicate that information to all those who need it in order to aid their understanding of how what they work on connects to what others work on.

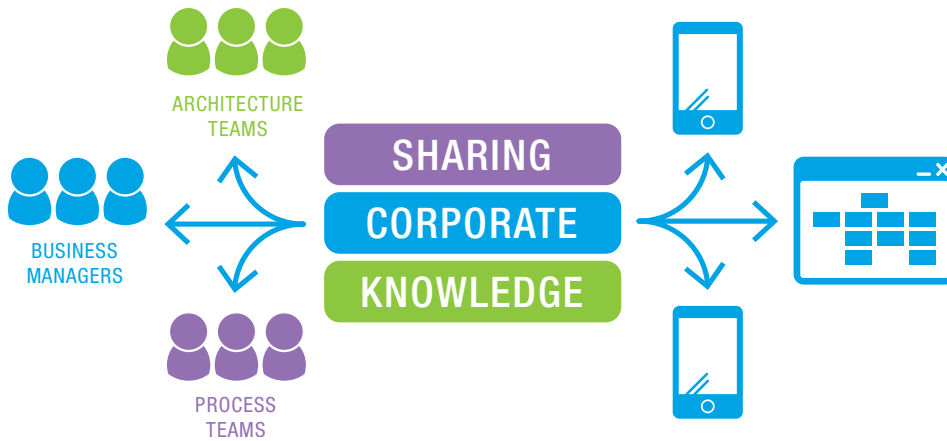
Business value: Having everyone in the business and IT groups singing using the same language avoids misunderstanding and reduces potential failures.

Step 4

Collaborate and Consume

Having stored, connected, and communicated information in our data store for sharing, we now go further and use the information in ways that enable people within the organization to collaborate. Organizations around the globe are seeking smarter ways of enabling people within and across departments, functions, and teams to work together. As a part of our Business Architecture initiative, we are helping deliver on that need.

In the previous step, we talked of communication—this was about telling people what information was available. Here we are talking about consumption of information—getting them to use it. The distinction is important as it has been a point of failure for architecture initiatives in the past. There is no point in collecting, collating, and communicating if people do not make use of what is available.



AVOID CORPORATE MEMORY LOSS AND MAINTAIN VISIBILITY

In order to aid this consumption, we need to think differently about how we serve up the information.

We need to ensure that we are able to provide the information people might want in the format they want it and at the time they want it. In this respect, we are the servants and they are the masters. If they want information via the web or a portal, this is what we provide. If they want the data “pushed” to their iPad® or smartphone, then we do this too. We should always remember it is their information—we are simply helping to look after it and to help them join the dots.

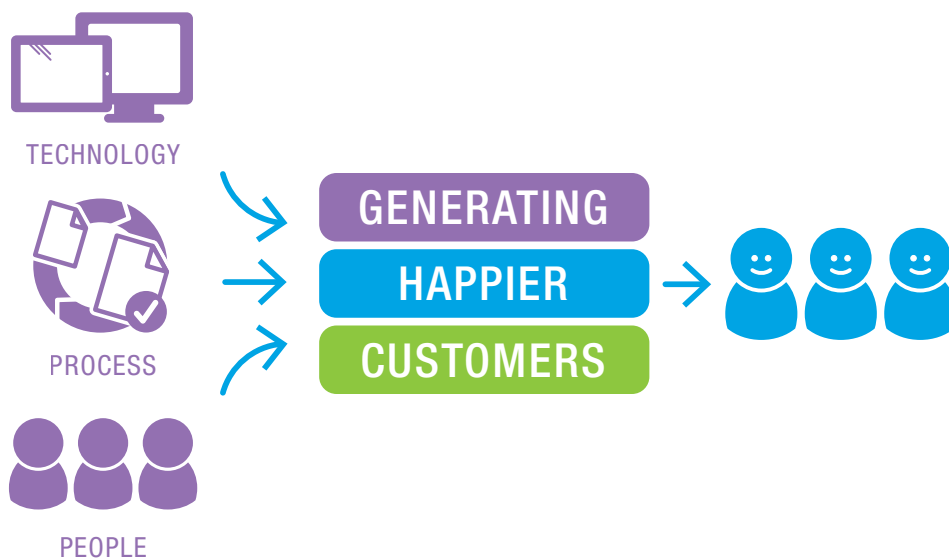
It is worth stating at this point that our perception of the Business Architecture function is that it is there to assist and support, not to govern or mandate. This may be one of the biggest differences when compared to traditional architectural approaches, where “architects” specify solutions. In this model, architects are just another group of users who consume and contribute to the information.

Business value: Ensures everyone is playing on the same team and contributing to the corporate knowledge base.

Step 5

Customers and Coordination

Sometimes when working on architecture initiatives we forget what business is about—winning and retaining customers who spend in ways that are profitable for our organization. If we don’t do this then we have no business. So the reality is that a key purpose of our Business Architecture has to be to help deliver to and support those customers.



THE KEY TO BUILDING OR STAYING IN BUSINESS—REMEMBERING THAT THE CUSTOMER IS KING

There are many ways in which we can help this. Not least is to assist the organization with those joined up processes we discussed in step 3 and by making it easy for staff to work together, as seen in step 4. Enabling the organization to bring the full power of the combination of people, process, and technology to bear on the customer massively increases our chances of success. That success is both at the architecture—where we can be seen to be delivering real value—and at the business level.

At this step, we change from being passive with data to being active with information. We can identify overlaps across processes and data that, when removed, will improve organizational ability. We can also assist business managers to identify new and different ways of working and support them in their ever-changing needs.

You will have a unique ability, through your knowledge at this stage, to enable far greater coordination among project teams, business users, and staff than is likely to have occurred before.

The value and importance of this step can never be overstated. A quick look around the globe at highly successful organizations reveals that all succeed as a result of great coordination between their staff, customers, and suppliers, and a strong focus on understanding and delivering value to their customers. The value of having people, process, and technology aligned may be more valuable in the long-term to an organization than any single innovation or product offering.

Business value: When all parts of our organization work in harmony, then we generate happier customers, who stay longer and spend more.

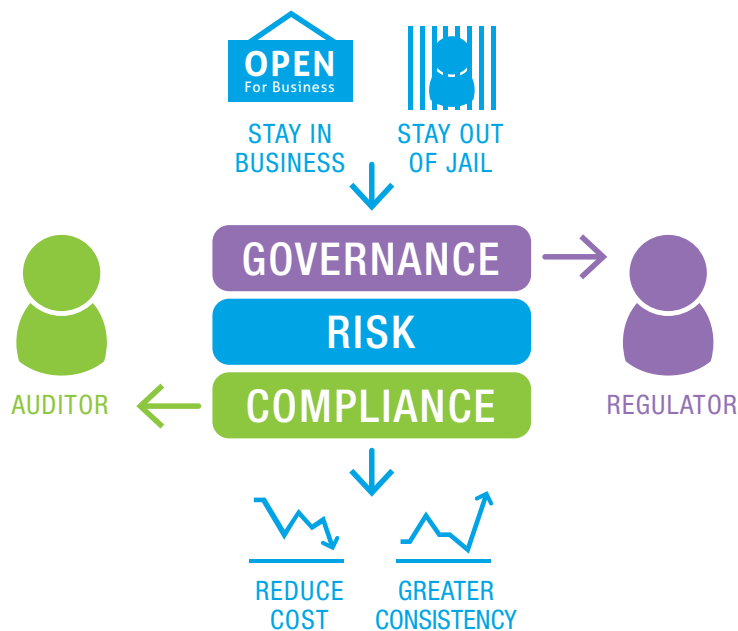
Step 6

Control and Comply

Often Governance, Risk, and Compliance (GRC) are seen as a check-the-box exercise; instead, it is key to keeping you in business and your executives out of jail! These are the two things that rank highest on most executive agendas. Of course it can also contribute considerable overhead in the running of your business.

Much overhead comes about because GRC initiatives frequently run as separate projects with separate teams working on different information. This may get you through an initial audit, but does not ensure that what happens within your organization is in line with what the GRC folks think they have captured. Very often, GRC is looked at purely in terms of financial perspectives. In reality, it is an operational issue that, when done right, will automatically address many of the financial issues.

By following the steps thus far and having all your processes, policies, and procedures and organizational and data information in the same place, it makes it easier for operational managers to lead their people and ensure consistency in how work gets done. By having users of process/data, etc. and the operational managers working on the information in your repository ensures that if things break or need changes then they will inform you. (As an example, if you can't book your vacation because a process is broken, how long will it take before you tell someone about it?)



GOVERNANCE, RISK, AND COMPLIANCE: MORE THAN JUST A CHECKLIST EXERCISE

Having your auditors use your data for compliance and regulatory purposes acts both as a sanity check for what you do and how you do it. It also helps executives ensure that their “stay-out-of-jail card” will work.

We have touched on reduced costs in earlier steps, but here we are looking at the reduced cost of compliance and audit. In one case we are familiar with, the client reported an audit saving of \$2,000 per process and a reduction in audit time of 33 percent.

Business value: Greater consistency and compliance with significantly reduced costs.

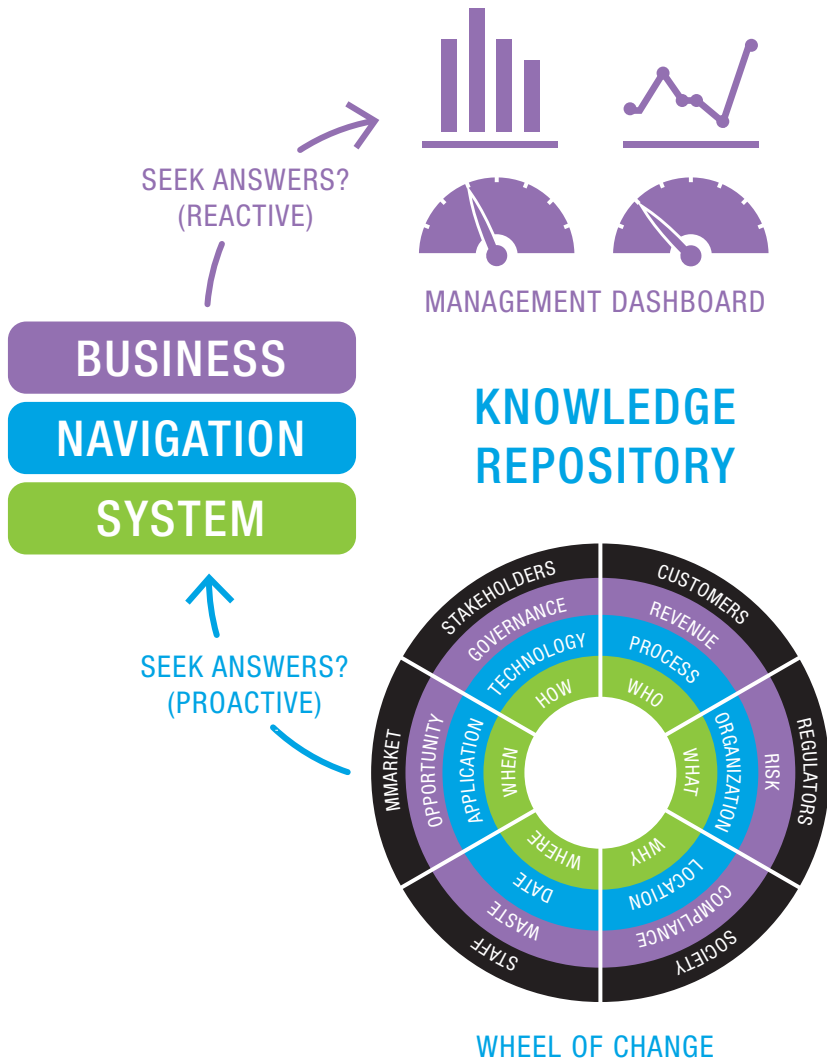
Step 7

Change and Compete

Ultimately, the only reason to take the time and put in the effort is so that you can ask smarter questions and get smarter answers. Business Architecture will provide you with a decision support system that understands the complexity of your organization. All too often, when making one change you risk breaking many other parts.

Your ability to sense and respond to changes in your customer or market behavior is vital. With organizations of all sizes entering new markets and new geographies, there is no such thing as business as usual.

LEVERAGING A BUSINESS NAVIGATION SYSTEM FOR EFFECTIVE CHANGE



The “wheel of change” is a simple tool designed to provide you with examples of the categories of questions you are likely to need answers to. As you can see, it only has four rings, each of which rotate, but still, these four generate over 1,250 categories, each of which will contain many questions. Sometimes it is not possible to simplify; sometimes we just have to accept that things are complex and that what we need are systems to help us with that complexity.

Use the wheel to help guide you through your own path. The important thing here is to make sure that the repository upon which you will rely for your answers needs to be robust, properly populated, well-maintained, and available to all. A good tool should provide you with all the things you need.

The right tool will also enable you to see your information presented graphically, either via dashboards or reports, in the way that suits your business need best. Good Business Architecture, just like good Enterprise Architecture, is a process. Consider one cycle round these steps akin to taking one flight of stairs—the number of flights you need to take depends on how high your business wants to climb and how much you can prove the value of each flight.

Conclusion

Business-driven, business-owned, and business-led—these will be the difference between initiatives that fail and those that succeed. Success with Business Architecture results not just in the obvious bottom-line results, but will provide your IT teams with more accurate requirements and a greater insight into how best they can support the organization.

We don't talk of bridging the gap between "Sales and Accounts" or between "Marketing and Production;" instead, each understands that they have to play their part in the overall achievement of the organization's goals and objectives. So it should be with IT; instead of trying to run the business or tell the business how to run, they need to stay focused on how they can help and support the business.

Business Architecture is the "glue" that links the pieces together as a coherent whole. It is the approach by which you can step forward and deliver the navigation system for business, enabling your business to ask smart questions and get intelligent answers. Ultimately, your success hinges upon your ability to serve your customers better than the next company; this is only achievable if everything and everyone in your organization pulls together in the same direction.

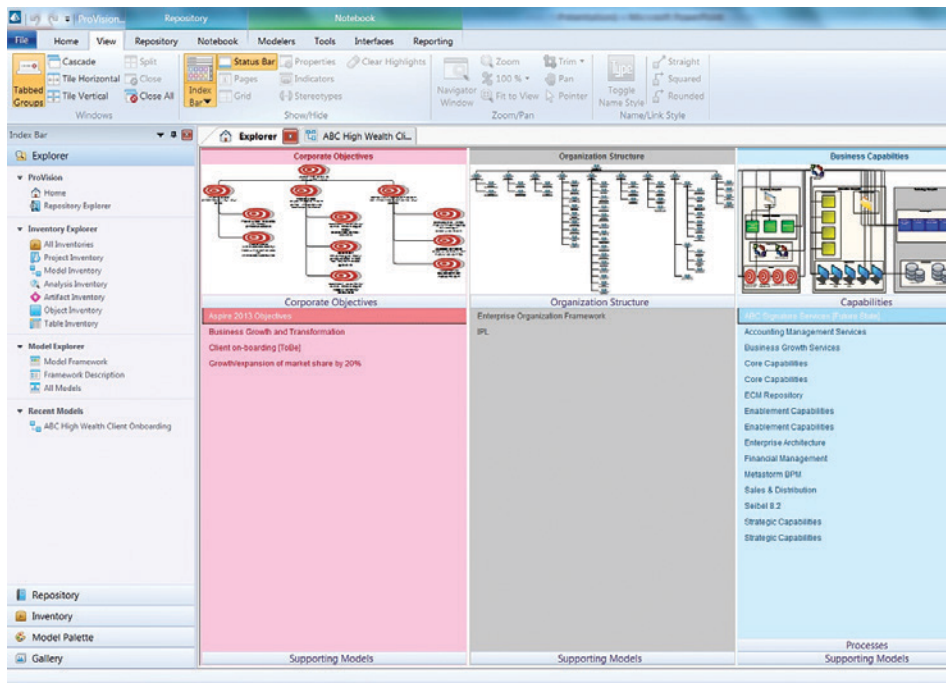
Although you may not need to buy tooling on day one, understanding what tools you will use early in your cycle will certainly save you a lot of pain later.

OpenText ProVision

Helping you make smarter decisions, OpenText ProVision is an easy-to-use tool for Business Architecture. Typically supporting process excellence, merger and acquisition, enterprise resource planning, and information management projects, ProVision enables customers to translate business strategy and operational objectives into successful enterprise change through views that describe enterprise assets and their relationships. This understanding of the enterprise serves as the context for business analysis and effective future state planning.

ProVision enables you to capture, visualize, analyze, and present your entire enterprise—resulting in a thorough understanding of the cause-effect relationships between business strategy, business processes, your organizational structure, and the systems and technology that support them. Enterprise visibility and the resulting business and IT alignment are the foundation for true enterprise agility.

For more information, visit www.opentext.com/provision.



OPENTEXT PROVISION PROVIDES AN INTEGRATED VIEW OF YOUR KEY BUSINESS ARCHITECTURE ASSETS

About The Author

Mark has worked in the IT industry for over 30 years; he currently serves as a Director of Product Marketing at OpenText. He has held executive positions with a number of software vendors. Well known for his ability to help companies bridge the gap between business and IT, more recently he has focused on helping businesses understand how to maximize the value of process programs, from both a people and systems perspective.

Mark has authored five books: "People-Centric Process Management," "In Search of BPM Excellence," "Thrive! How to Succeed in The Age of The Customer," "Winning With Enterprise Process Management," and "Extreme Competition" (contributor). The range and depth of his experience lead him to be sought after for speaking, advice, and workshops by users, vendors, analysts, and conference organizers alike.

About OpenText

OpenText provides Enterprise Information Management software that enables companies of all sizes and industries to manage, secure, and leverage their unstructured business information, either in their data center or in the cloud. Over 50,000 companies already use OpenText solutions to unleash the power of their information. To learn more about OpenText (NASDAQ: OTEX; TSX: OTC), please visit www.opentext.com.

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