

BUSINESS ARCHITECTURE

What is a business architect?

David Winders discusses the role of the business architect



The dictionary defines an architect as a designer or planner in a particular pursuit; therefore a business architect is a designer and planner for a business. A business architect is concerned with the commercial dimensions of the overall business model. The scope of a business architect covers all the non-technical aspects of business model design.

In sales and marketing, customer interactions are specifically visited, especially the definition of customer experience. The customer experience is expressed in showing "customer journeys" i.e. how the customer experiences the processes and what the perception of service is at key touch points: "Moments of Truth". The understanding of the interaction of customer journeys to the products, propositions and how these offerings are obtained through the channels to market is a key contribution of the business architect.

In operations the Business Architect guides how the process model is constructed to enhance the customer experience whilst maintaining a balance with operational efficiency and cost control. The business architect ensures that the processes are owned and made accountable to specific individuals for ongoing process management in order to deliver both efficiency measures and critical-to-quality performance to maintain customer experience.

In Human Resources a business architect has the responsibility to ensure the organisation has appropriate management structures, roles, skills and job families to support the defined business

model. The organisation's culture is examined to see if behaviours and ways of working are appropriate for the type of business it wants to become and whether cultural change is required to deliver the business strategy.

The business architect has a joint interest with the technical or data architect: the use of data and its fitness for purpose. Whilst data might at first seem a technical matter, the use of data is firmly a business issue. The business architect and technical architects work closely together on this aspect of the architecture.

What is an Enterprise Architect?

The term Enterprise Architect in its true form should mean an individual who architects the whole business from both a technical and a commercial basis. Individuals who can successfully carry out this dual role are exceptional.

The I.T. world has had architects for some years i.e. designers and planners of I.T. systems. This is often done at a company-wide level or enterprise level; hence the enterprise I.T. architect is known as an "Enterprise Architect" as he or she designs the I.T. system's landscape for the whole business.

The Enterprise Architect can be a bit of a grand job title which can be somewhat overstated because, although the Enterprise Architect in an I.T. function designs the systems architecture across the whole business, or enterprise, they rarely have the holistic business experience to create the whole commercial design of the organisation. It is rare to find a senior I.S. professional who has had an earlier commercial career in sales, finance or operations to give this duplicate skill set, as most I.T. Architects have risen through the ranks of their own technology based profession.

The pragmatic approach for most organisations is to mix a technical architect with a business architect with mutually supportive relevant and appropriate backgrounds to work together. This collaborative approach gives the organisation both the technical and business skills to undertake enterprise architecture competently. In terms of stakeholder management this works well as the Business Architect can assist in facilitating commercial

clarity and understanding of technical matters and approaches using business language appropriate to the organisation.

Business Architecture: the Systems Beginning...

Enterprise architecture originally arose from the I.S. world where systems people have been keen to try to map and codify business activity to make systems design more effective. Some software development approaches use enterprise mapping tools to assist in corporate-wide system design; these case tools became and are still popular for enterprise architectural design. They were however designed from an I.T. point of view built by I.T. people for I.T. people. The past tense is used in this respect because now modern tools are becoming more business focussed and becoming true enterprise architecture tools accessible to business leaders rather than just technical experts.

The development of business architecture from this systems origin has developed gradually outwards from a close I.S. base origin into the commercial world.

Originally process and data were linked to applications and technologies - the so called "hard systems" - and then later allied to the human elements (people) articulating "soft systems". This developed into the phrase "People, Process and Technology". This simple approach is today a little outdated but can still be relevant in smaller, simpler organisations. The modern expression of holistic architecture, both hard and soft systems, manifests itself in looking at the architecture from various stakeholder specific perspectives or viewpoints. The viewpoints look at the business and examine its dimensions specifically relevant to the organisation under scrutiny, not just "People, Process and Technology".

Many well known consultancies developed tools, techniques and approaches using this soft systems approach. Most consultancies came from a technological point of view - as they were often systems integrators who used their architectural design expertise to embed enterprise-wide software platforms. These organisations have created a lot of interest and traction in the business architectural

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dimension of enterprise architecture.

Business Architecture: the Business Beginning...

Most business leaders and middle managers are not I.T. professionals; most are accountants, sales, marketing or operations people. There is often a synaptic divide between business people and technologists. The two groups come from a different educational upbringing and background of experience. They therefore often tend to think and operate differently. This creates difficulties in understanding each other's way of doing things and can result in conflict and dysfunctional team work

Stereotypically, I.T. people think in a highly structured and sequential way whilst business people are perhaps more diverse and varied as a group. A Belbin analysis of a management team will illustrate this quite clearly: some are creative types with a natural aversion to structure and process; some are financial folks with a focus on delivering cost control and financial value; the sales types sometimes want to deliver now or yesterday, based on entrepreneurial enthusiastic drive and intuitive feel.

To make things even more difficult executive level employees often cloud vision-forming with architecture stating that they, the board, are the "business architects". What they really mean is that they have the vision. Architectural skills can assist them to develop the vision onto paper into a practical business design and operating model. Rarely do we see a CEO or board member of a sizable organisation having the time, or attention span, to delve down into the details of the business design. Unfortunately so often the ego takes the upper hand; the opportunity to deliver good architecture disappears because senior people can be too protective of their position and unwilling to accept assistance.

Getting all these different business personalities to sit down, strategise, design and plan is not that easy within the constraints described. This is why the discipline of business architecture development from within the commercial parts of organisations has had a much slower start and uptake.

Business architecture started within the business dimension of organisations with transformation or change managers working primarily with process architectures to create process architecture frameworks, to allocate process ownership and to measure effective commercial operational activity. With the advent

of customer relationship management (CRM) there has developed a much clearer focus on customer value development; this generated a requirement for the development of a clearer commercial understanding beyond process management to customer relationships, product holdings and channels to market.

This, coupled with work conducted in the BPR initiatives in the nineties, and more recently supplemented by the introduction of Six Sigma programmes and lean design in service organisations, has led to the development and enhancement of business architecting skills.

Why does an organisation need Business Architecture?

In recent years there has been a growth in the need to architect modern businesses as the competitive pressures have removed the ability to operate in an inefficient, cumbersome and un-designed way. The days of inherent waste and "fat" are rapidly disappearing forcing change upon big and small alike. In reality the older and bigger your business is the worse the issues can become.

Lots of businesses were never designed they just happened. Historically many businesses grew organically from a small beginning over many years. New activities were created; companies bought and mergers undertaken. Systems were acquired and processes developed incrementally by bolting on new functionality to adapt to a new opportunity or requirement. The service industries were particularly affected by this phenomenon as, without the physical constraints of production lines and material movement, incremental business model "morphing" was easy to achieve without constraints. The "buy in a package, build a few interfaces and, hey presto, the new functionality is up and running" methods were common place. A few years later with several of these initiatives having been delivered, what a mess!

With the wholesale adoption of automated I.S. systems within service organisations this "organic" growth pattern has often resulted in huge complexity and legacy constraints which threaten the development of a business beyond what it is today and ultimately its longer term survival.

In the competitive world of new entrants, low costs regimes, new technologies and the great leveller of globalisation, further business development via the spontaneous organic route is a risky approach. Effective and agile response to change is a business essential of any organisation wishing to survive today. Purposeful busi-

ness design and planned transformation is an ever growing business essential.

Business and I.S. ~ Systems Thinking Combined for Synergy and Strength...

Today the learning and expertise from the two schools of origin of business architecture, both from the I.T. and business, come together in a strong discipline. With well tested tools and techniques, the approach can provide a well balanced enterprise architecture capability. This capability will lead organisations away from the historic "organic" spontaneous non-design to a purposeful, intentional and intelligent architecture.

The Next Steps for an organisation wishing to develop Enterprise Architecture.

Enterprise architecture must be business led from a "top down" perspective following an architectural life cycle:

- The strategy must be developed to define the future based on a clear understanding of the external market drivers and the competitive landscape.
- In turn the strategy will inform solid design principles for designing a target operating model that sets out the future vision of the business in all its architectural dimensions from customer experience, channels, the operational processes that facilitate the business through to the technology and human capital and organisational design that supports it.
- From the Target Operating Model comes a gap analysis derived from examining the current model and establishing what capabilities are required to develop the future desired operating model.
- From the Gap Analysis comes the route map or high level plan which sets out the agenda for change. The route-map provides the tasks and baseline for the enterprise's journey between today and its future vision.

This is "*Business Architecture in Action*"

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