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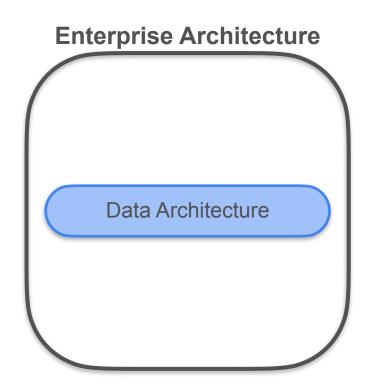
Introduction to Data Engineering

Week 3



Data Architecture

Enterprise & data architecture

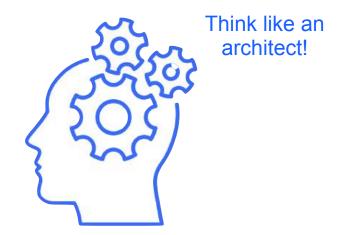


- Enterprise & data architecture
- Specific architecture examples

- Enterprise & data architecture
- Specific architecture examples
- Choosing technologies



- Enterprise & data architecture
- Specific architecture examples
- Choosing technologies
- Guiding architectural principles



- Enterprise & data architecture
- Specific architecture examples
- Choosing technologies
- Guiding architectural principles
- Trade-off evaluation



- Enterprise & data architecture
- Specific architecture examples
- Choosing technologies
- Guiding architectural principles
- Trade-off evaluation
- AWS Well-Architected Framework

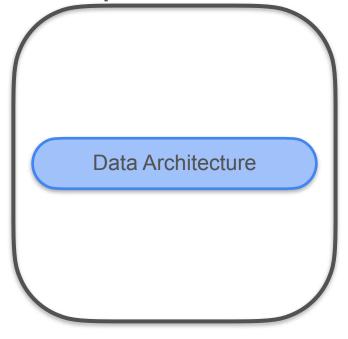




Data Architecture

What is Data Architecture?

Enterprise Architecture



"the design of systems to support change in an enterprise, achieved by flexible and reversible decisions reached through a careful evaluation of trade-offs"

"the design of systems to support the evolving data needs of an enterprise, achieved by flexible and reversible decisions reached through a careful evaluation of trade-offs."

Enterprise Architecture

Business Architecture

Application Architecture

Technical Architecture

Data Architecture

Enterprise Architecture

Business Architecture

Product or service strategy and business model

Application Architecture

Technical Architecture

Data Architecture

Enterprise Architecture Business Architecture Product or service strategy and business model **Application Architecture** Structure and interaction of key applications

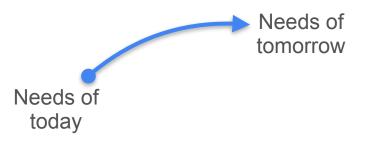
Enterprise Architecture Business Architecture Product or service strategy and business model **Application Architecture** Structure and interaction of key applications Technical Architecture Interaction of software & hardware components

Enterprise Architecture Business Architecture Product or service strategy and business model **Application Architecture** Structure and interaction of key applications Technical Architecture Interaction of software & hardware components **Data Architecture** Supporting the evolving data needs

Enterprise Architecture

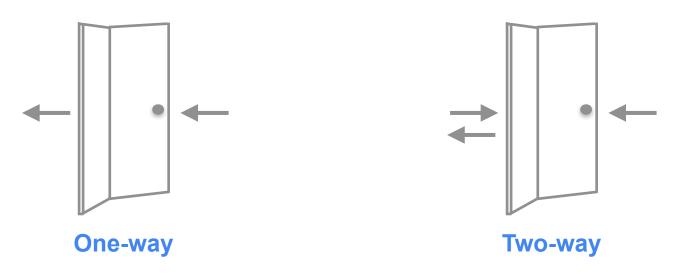
Business Architecture Application Architecture Technical Architecture **Data Architecture**

Change management

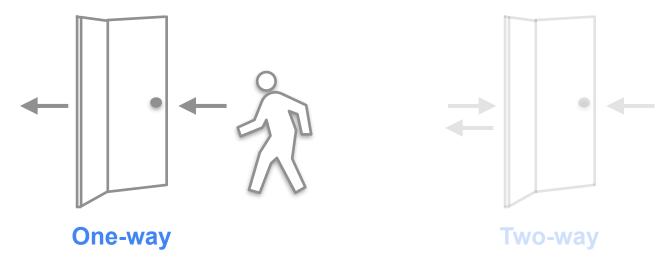


Adapt to organizational changes

Organization Decisions

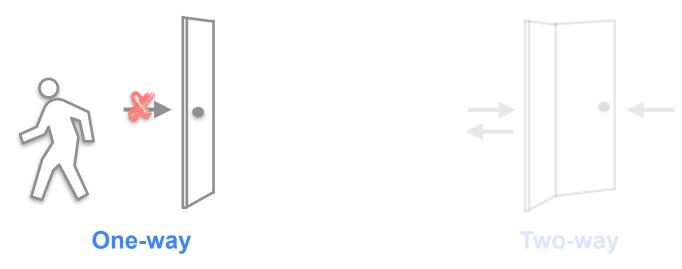


Organization Decisions



A decision that is almost impossible to reverse

Organization Decisions



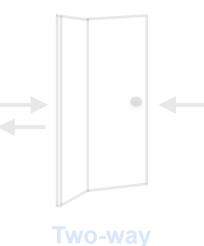
A decision that is almost impossible to reverse

Organization Decisions

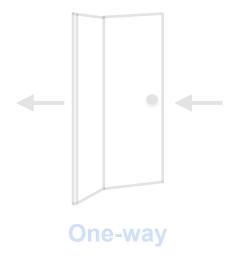


One-way

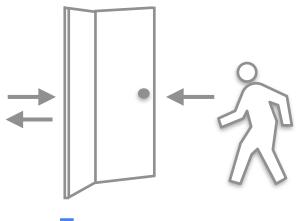
A decision that is almost impossible to reverse



Organization Decisions



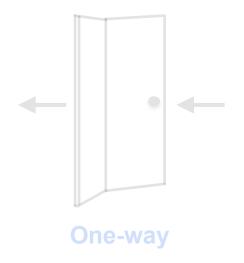
A decision that is almost impossible to reverse



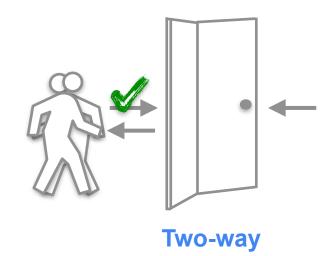
Two-way

An easily reversible decision

Organization Decisions



A decision that is almost impossible to reverse



An easily reversible decision

Two-Way Door Decision

S3 Object Storage Classes





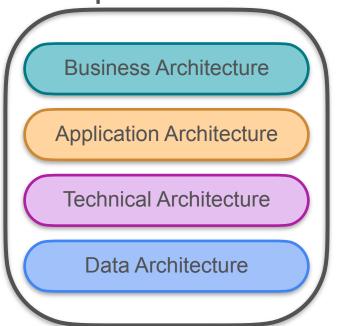
Reversible Decisions

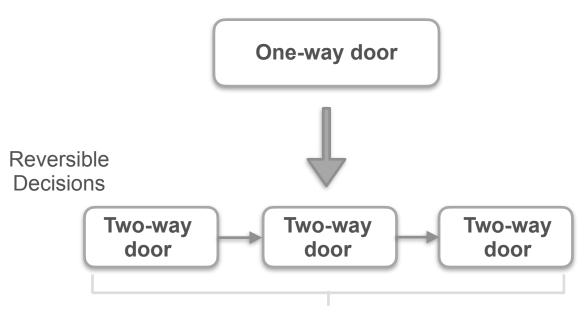
Organization Decisions



Reversible Decisions

Enterprise Architecture







Data Architecture

Conway's Law

Conway's Law

"Any organization that designs a system will produce a design whose structure is a copy of the organization's communication structure."

- Melvin Conway



Conway's Law

"Any organization that designs a system will produce a design whose structure is a copy of the organization's communication structure."





Data Architecture

Principles of Good Data Architecture

Principles of Good Data Architecture

- 1. Choose common components wisely
- 2. Plan for failure!
- 3. Architect for scalability
- 4. Architecture is leadership
- 5. Always be architecting
- 6. Build loosely coupled systems
- 7. Make reversible decisions
- 8. Prioritize security
- 9. Embrace FinOps



Principles of Good Data Architecture

- 1. Choose common components wisely
- 4. Architecture is leadership

How data architecture impacts other teams and individuals

- 5. Always be architecting
- 6. Build loosely coupled systems
- 7. Make reversible decisions

Data architecture is an ongoing process

- 2. Plan for failure!
- 3. Architect for scalability
- 8. Prioritize security
- 9. Embrace FinOps

Unspoken but understood priorities

Principles of Good Data Architecture

- 1. Choose common components wisely
- 4. Architecture is leadership

How data architecture impacts other teams and individuals

Common Components

Common Components

Examples



Object Storage



Version-Control Systems

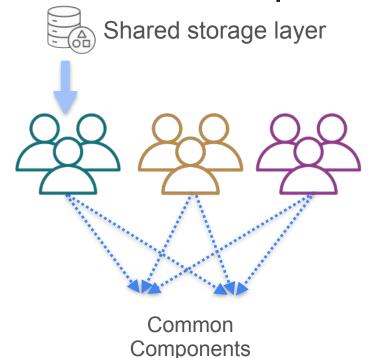


Observability & Monitoring Systems



Processing Engines

Common Components



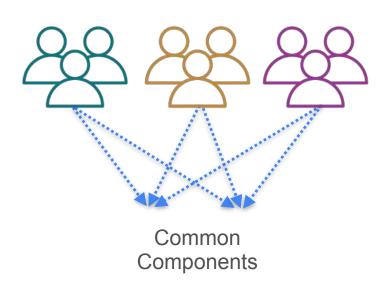
Common components:

- Facilitate team collaboration
- Break down silos

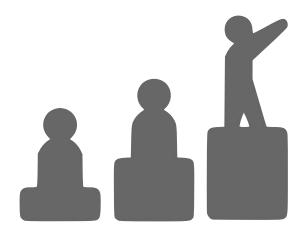
"Wise" Choice:

- Identify tools that benefit all teams
- Avoid a one-size-fits-all approach

Architecture Leadership



Architecture is leadership



Seek mentorship from data architects



Data Architecture

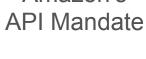
Always Architecting

Application Programming Interface



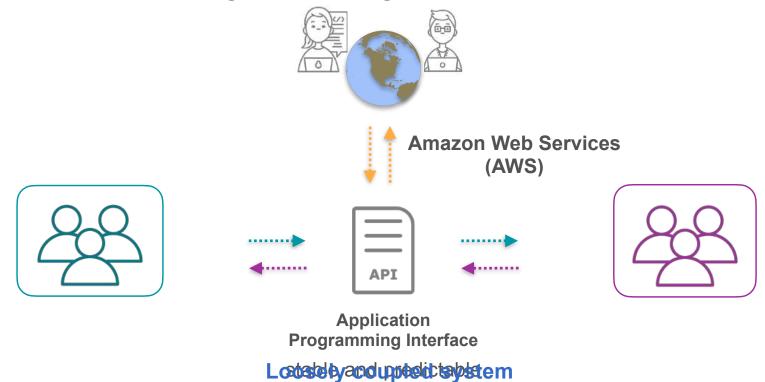








Application Programming Interface





Always Architecting

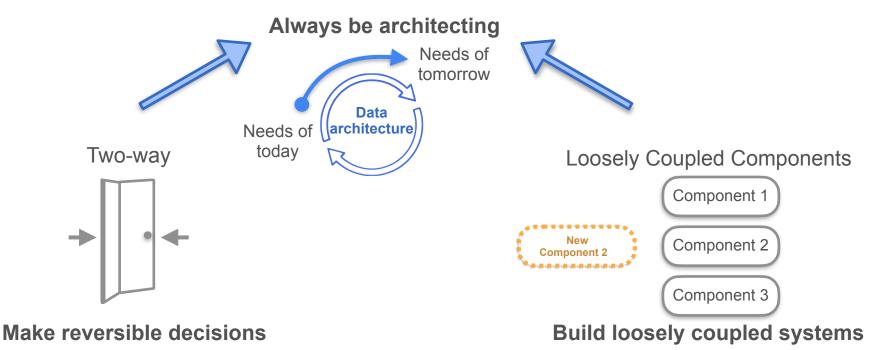
Make reversible decisions

Build loosely coupled systems

Always be architecting



Always Architecting





Data Architecture

When Your Systems Fail

When Your Systems Fail

Plan for failure

Architect for scalability

Prioritize security

Embrace FinOps



Practical and Quantitative Approach

System metrics:

Availability

Reliability

Durability

Availability

The percentage of time an IT service or a component is expected to be in an operable state.



Examples of S3 Classes	S3 One Zone-IA	S3 Standard	
Availability	99.5%	99.99%	
Annual Downtime in hours	44-hour downtime	1-hour downtime	

Reliability

The probability of a particular service or component performing its intended function during a particular time interval



Durability

The ability of a storage system to withstand data loss due to hardware failure, software errors, or natural disasters.



Durability

99.99999999%

(11 nines)

Recovery Time Objective RTO

Recovery Point Objective RPO

The maximum acceptable time for a service or system outage

For example: Consider the Impact to customers

A definition of the acceptable state after recovery

For example: Consider the maximum acceptable data loss



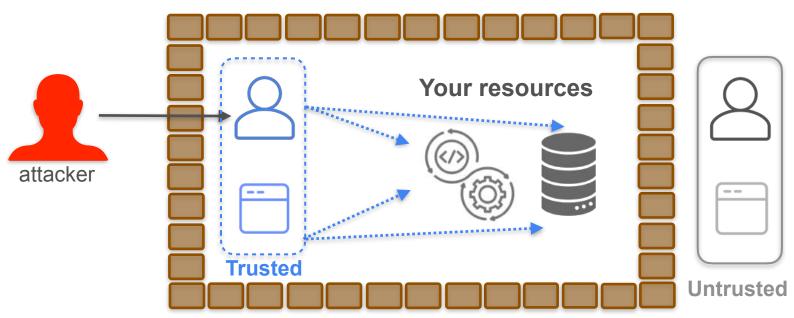
Prioritize Security

- Culture of security
- Principle of least privilege
- Zero-trust security



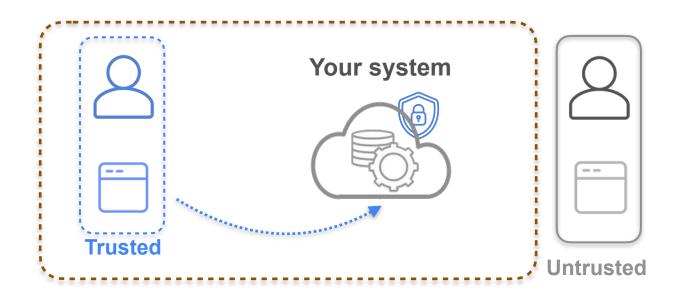
Prioritize Security

Hardened-Perimeter Approach



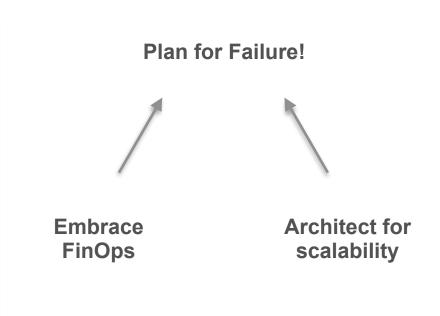
Prioritize Security

Zero-Trust Security



Architecting for Scalability & Embrace FinOps

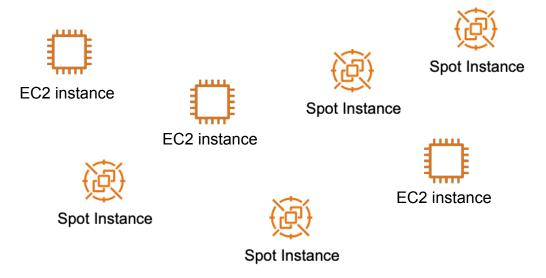




Embrace FinOps



How to optimize a daily job in terms of cost and performance?



Embrace FinOps

Pay-as-you-go models:

- Cost-per-query model
- Cost-per-processing-capacity model



Readily Scalable:



When Your Systems Fail

Plan for failure

Architect for scalability

Prioritize security

Embrace FinOps



Serve the needs of your organization

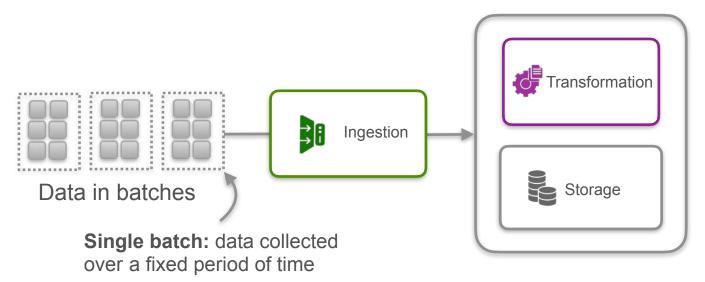


Data Architecture

Batch Architectures

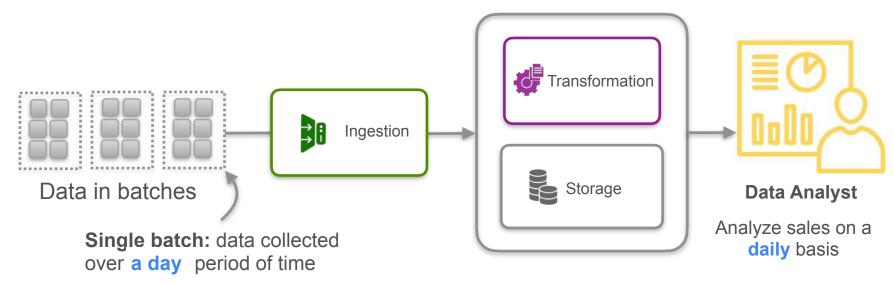
Batch Data Architecture

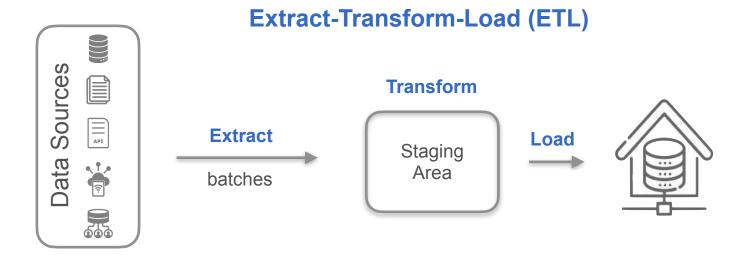
Real-time analysis is not critical



Batch Data Architecture

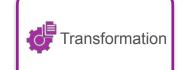
Real-time analysis is not critical



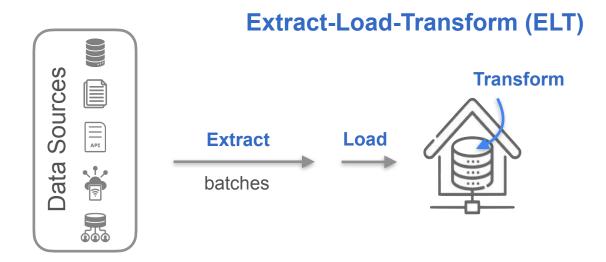


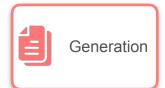






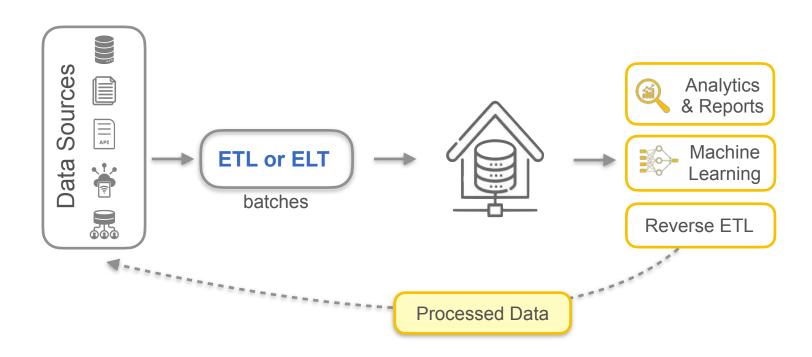


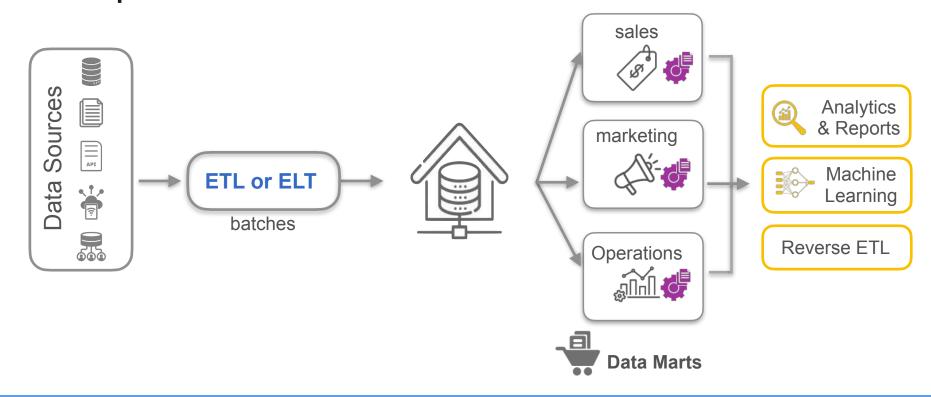




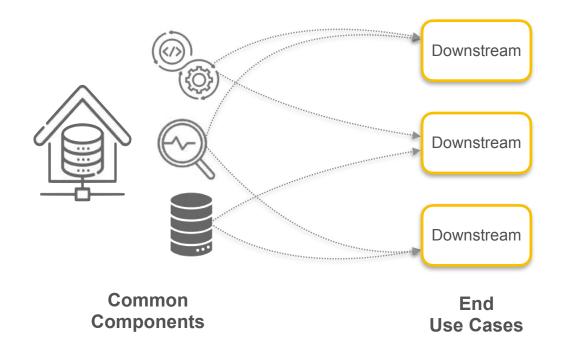




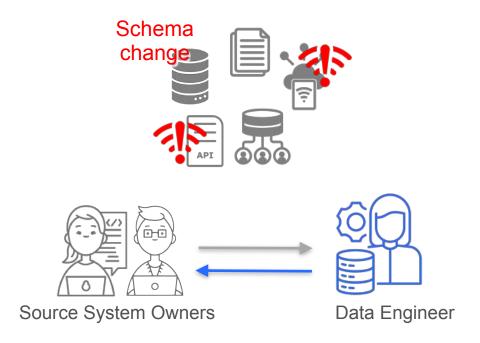




Choose Common Components



Planning for Failure

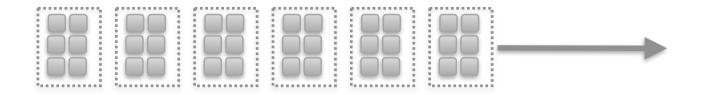


Availability and reliability specs



Make Reversible Decisions

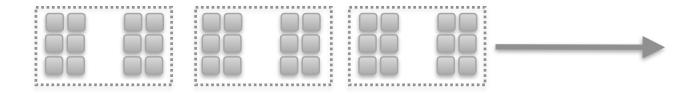
Build flexibility into your system



Ingest 1 day's worth of data

Make Reversible Decisions

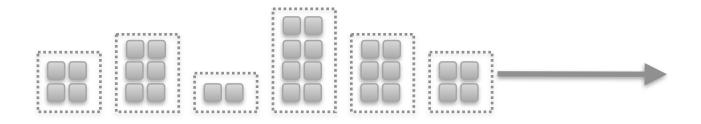
Build flexibility into your system



Ingest 2 day's worth of data

Make Reversible Decisions

Build flexibility into your system



Ingest different amounts of data

Embrace FinOps

Cost-Benefit Analysis

	Component 1	Component 2
Performance	High	Low
Cost	High	Low



Value for the business



Data Architecture

Streaming Architectures

Data - Stream of Events

At its source, data is a continuous stream of events

> Event Producer

Data - Stream of Events

Batch Data Pipeline



Data - Stream of Events

Streaming Data Pipeline

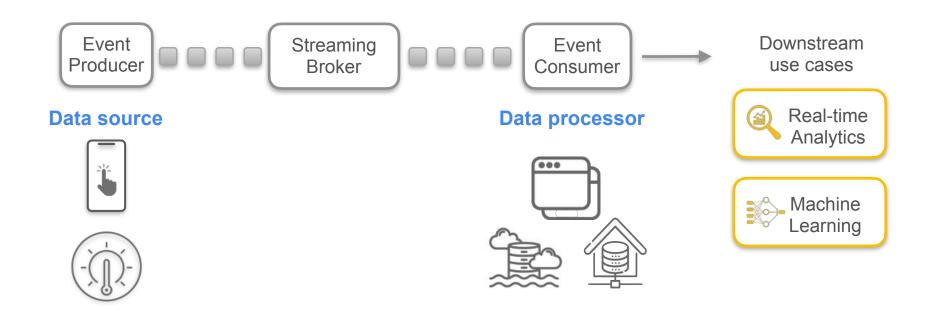
Event Producer

Continuous, near real-time ingestion

Event Consumer

Data available shortly after it is produced (<1s)

Streaming Systems



Streaming Frameworks





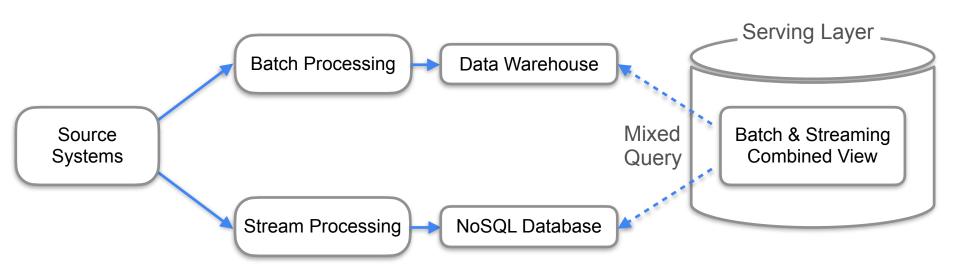


Event Streaming Platform

Streaming & Real-time Analytics

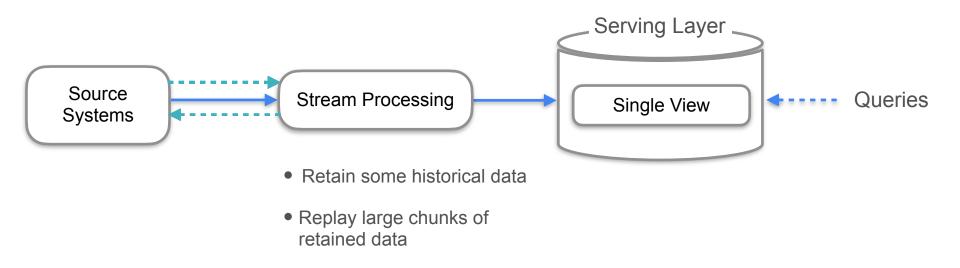
Lambda Architecture

Challenges: managing parallel systems with different code bases



Kappa Architecture

A true event-based architecture



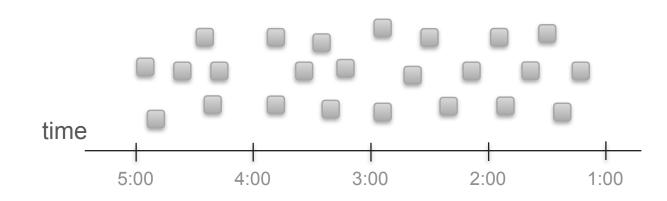
Unified Batch & Streaming

Unifying multiple code paths

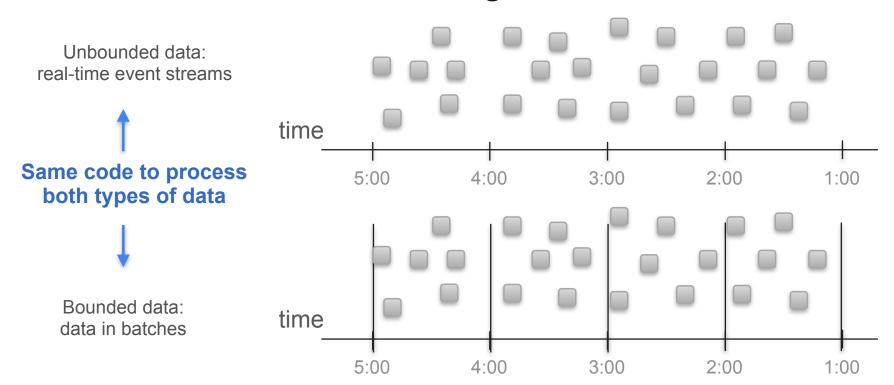




Data viewed as events



Unified Batch & Streaming



Unified Batch & Streaming







Data Architecture

Architecting for Compliance

Architecting for Compliance

General Data Protection Regulation (GDPR)

Enacted in European Union in 2018

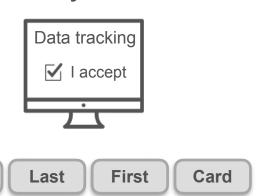


Personal Data

- Personal Identifiable Information (PII)
- Other information collectively used to identify an individual

Right to have your data deleted

ID

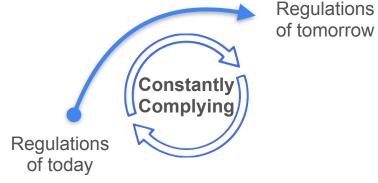




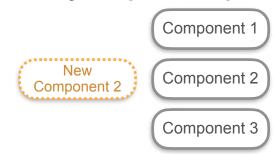
Architecting for Compliance

GDPR and similar regulations have been enacted globally

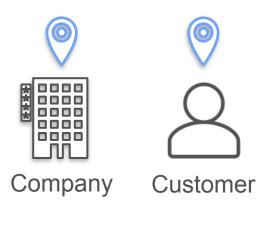




Loosely Coupled Components



Architecting for Compliance



Industry





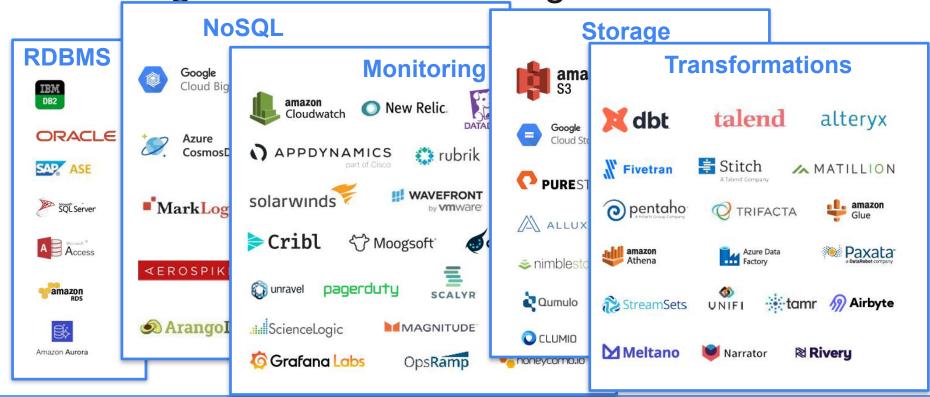
Sarbanes Oxley Act in the U.S



Choosing the Right Technologies

Choosing tools and technologies

Choosing Tools and Technologies



Choosing Tools and Technologies

Options of software solutions



Open source software

Managed open source software

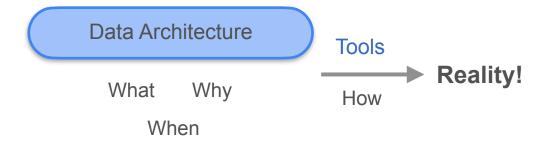
Proprietary software

Choosing Tools and Technologies

Keep in mind the end goal!

Deliver high-quality data products





Choosing Tools and Technologies - Considerations

Location







Other Considerations



Cost Optimization



Team's size & capabilities



Build



Buy



Choosing the Right Technologies

Location

Location - On-Premises



On-Premises

Company **owns and maintains** the hardware and software for their data stack.

- Provisioning
- Maintaining
- Updating
- Scaling

Location - Cloud

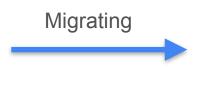


- Cloud provider is responsible for building and maintaining the hardware in data centers
- You rent the compute and storage resources
- You don't need to maintain or provision any hardware



Location







Regulations, security and client privacy concerns



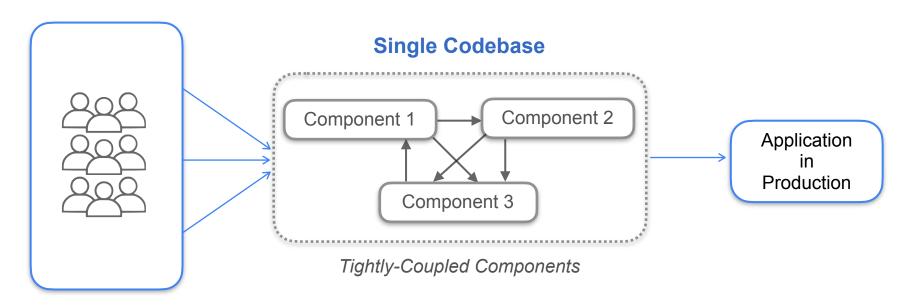
Flexibility and scalability



Choosing the Right Technologies

Monolith versus modular systems

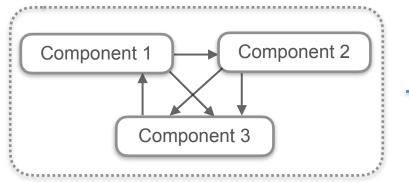
Monolithic Systems



Large Teams

Monolithic Systems

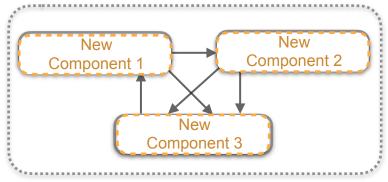
Single Codebase



Tightly-Coupled Components

- Easy to reason about and to understand
- Deal with one technology

Hard to maintain



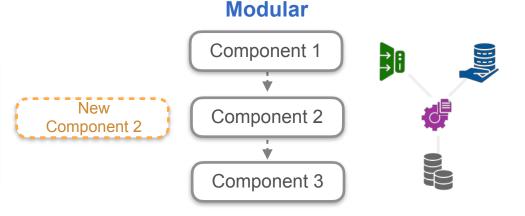
Entire application has to be re-written

Monolithic VS Modular Systems

Component 2 Component 3 Component 3

Tightly-Coupled Components

- Easy to reason about and to understand
- Deal with one technology



- Interoperability
- Flexible & reversible decisions

Loosely-Coupled Components

Continuous improvement



Choosing the Right Technologies

Cost Optimization and Business Value

Total Cost of Ownership (TCO)

Total Opportunity Cost of Ownership (TOCO)

FinOps

Total Cost of Ownership (TCO)









Hardware & Software

Maintenance

Training

The total estimated cost of a solution, project or initiative over its entire lifecycle.

Direct Costs

Easy to identify costs, directly attributed to the development of a data product.

- Salaries
- Cloud bills
- Software subscriptions

Indirect Costs (Overhead)

Expenses that are not directly attributed to the development of a data product.

- Network downtime
- IT support
- Loss of productivity

Total Cost of Ownership (TCO)

The total estimated cost of a solution, project or initiative over its entire lifecycle.



Capital Expenses (CapEx)

The payment made to purchase long-term fixed assets



Total Cost of Ownership (TCO)

The total estimated cost of a solution, project or initiative over its entire lifecycle.



Capital Expenses (CapEx)

The payment made to purchase long-term fixed assets



Operational Expenses (OpEx)

Expense associated with running the dayto-day operations.



Total Cost of Ownership (TCO)

The total estimated cost of a solution, project or initiative over its entire lifecycle.

On-premises

Capital Expenses (CapEx)

The payment made to purchase long-term fixed assets



Cloud

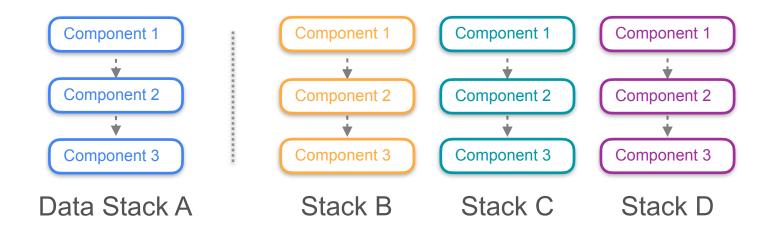
Operational Expenses (OpEx)

Expense associated with running the dayto-day operations.



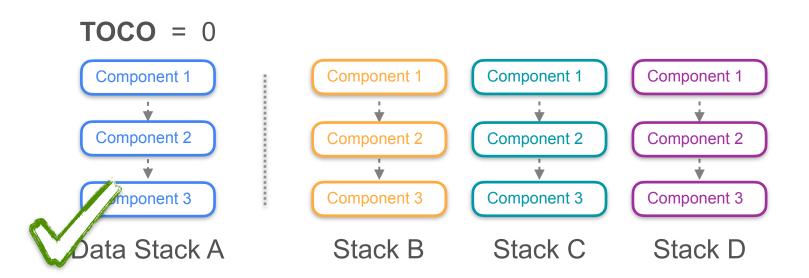
Total Opportunity Cost of Ownership (TOCO)

The cost of lost opportunities that you incur in choosing a particular tool or technology.



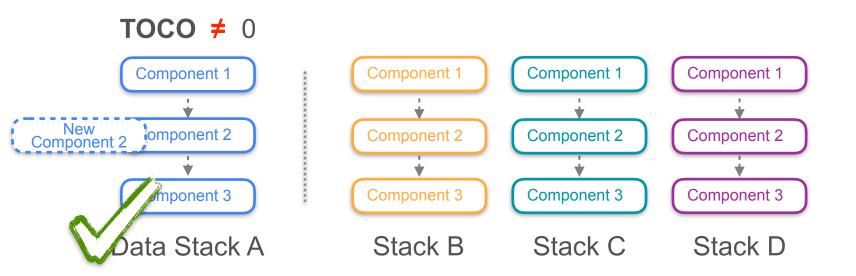
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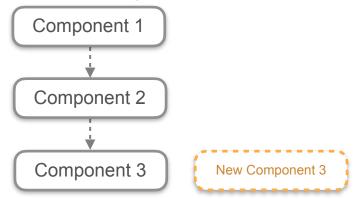


Total Opportunity Cost of Ownership (TOCO)

The cost of lost opportunities that you incur in choosing a particular tool or technology.

Minimize TOCO

Build flexible systems



Recognize components that are likely to change

- Immutable technologies
 Object storage, Networking, SQL
- Transitory technologies
 Stream processing, Orchestration, AI

Loosely-Coupled Components

FinOps



Minimize TCO and TOCO



Maximize revenue generation opportunities



OpEx-first

- Flexible, pay-asyou-go technologies
- Modular options



Choosing the Right Technologies

Build vs Buy

Build Your Own Solution





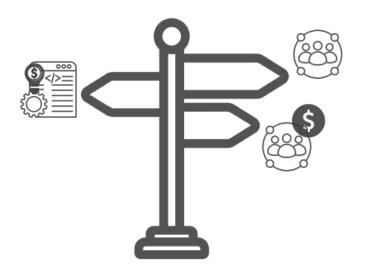
Customize your own solution



- Get exactly the solution you need
- Avoid licensing fees
- Avoid being at the mercy of a vendor



Use Existing Solution



- Open-Source (community)
- Commercial Open-Source (vendor)
- Proprietary Non-Open-Source

Considerations



Your team



Cost



- Does your team have the bandwidth and capabilities to implement an open source solution?
- Are you a small team? Could using a managed or proprietary service free up your time?
- How much are licensing fees associated with managed or proprietary services?
- What is the total cost to build and maintain a system?
- Do you get some advantage by building your own system compared to a managed service?
- Are you avoiding undifferentiated heavy lifting?

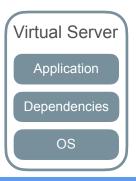


Choosing the Right Technologies

Server, Container, and Serverless Compute Options

You set up and manage the server

- Update the OS
- Install / update packages
- Patch software
- Networking, scaling, and security



Example:



Server

You set up and manage the server

- Update the OS
- Install / update packages
- Patch software
- Networking, scaling, and security

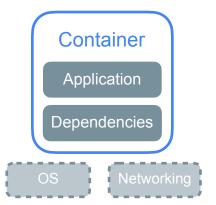




Container

Modular unit that packages code and dependencies to run on a server

- Lightweight & portable
- You set up the application code and dependencies



Serverless



Server

You set up and manage the server

- Update the OS
- Install / update packages
- Patch software
- Networking, scaling, and security





Container

Modular unit that packages code and dependencies to run on a server

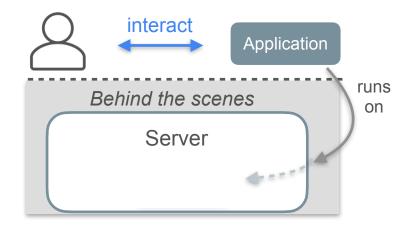
- Lightweight & portable
- You set up the application code and dependencies



Serverless

You don't need to set up or maintain the server

- Automatic scaling
- Availability & fault-tolerance
- Pay-as-you-go



Amazon Serverless Services

Serverless services you've worked with





Service that popularized serverless services



AWS Lambda

Run code in response to an event

Advantages of serverless services

- Execute small chunks of code on asneeded basis
- Run services on as-needed basis
- Pay a little bit each time you run code or use a service

When To Use Serverless Services?

Cloud cost



Example:



Expensive in a high event rate environment

Model & Monitor



- Event rates
- Event duration
- Cost per event

Limitations



- Limits on execution frequency, concurrency, and duration
- Use container if your application can't function within limits

Best for:

Simple & discrete tasks

Not good when:

Many parts require a lot of compute or memory power

Container orchestration

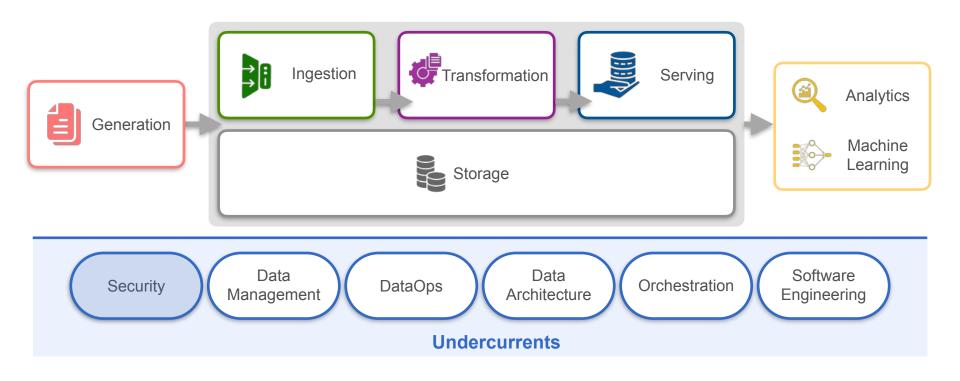




Choosing the Right Technologies

How the Undercurrents Impact Your Decisions

The Undercurrents



Security

What are the security features of the tool?



Use tools from reputable sources.



Know where your tools come from!

Data Management

How are data governance practices implemented by the tool provider?







DataOps

What features does the tool offer in terms of automation and monitoring?



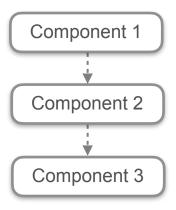


Monitoring



Data Architecture

Does the tool provide modularity and interoperability?



Loosely-Coupled Components

Orchestration



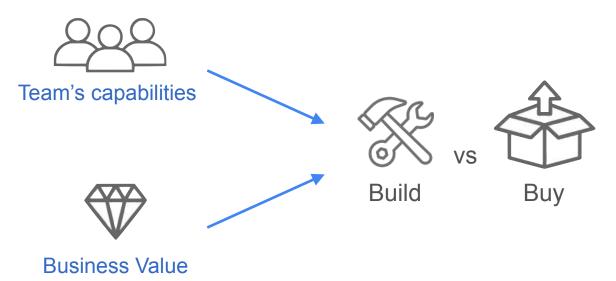






Software Engineering

How much do you want to do?



Avoid undifferentiated heavy lifting!



Investigating your architecture (on AWS)

Intro to the AWS Well-Architected Framework

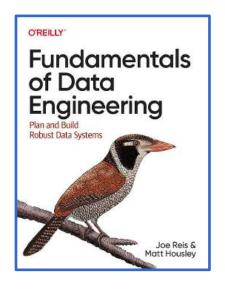
AWS Well-Architected Framework



Set of principles and best practices that help you build:

scalable & robust architectures on AWS.

AWS Well-Architected Framework



Principles of good data architecture







Investigating your architecture (on AWS)

The AWS Well-Architected Framework

AWS Well-Architected Framework



Operational Excellence

Performance Efficiency

Security

Cost Optimization

Reliability

Sustainability



Operational Excellence

- How you can develop and run your workloads on AWS more effectively
- Monitor your systems to gain insight into your operations
- Continuously improve your processes and procedures to deliver business value

Security

• How to take advantage of cloud technologies to protect your data, systems, and assets

Reliability

• Everything from designing for reliability to planning for failure and adapting to change

Performance Efficiency

- Taking a data-driven approach to building high-performance architecture
- Evaluating the ability of computing resources to efficiently meet system requirements
- How you can maintain that efficiency as demand changes and technologies evolve

Cost Optimization

- Building systems to deliver maximum business value at the lowest possible price point
- Use AWS Cost Explorer and Cost Optimization Hub to make comparisons and get recommendations about how to optimize cost for your systems

Sustainability

- Consider the environmental impact of the workloads you're running on the cloud
- Reducing energy consumption and increasing efficiency across all components of your system



Operational Excellence

Security

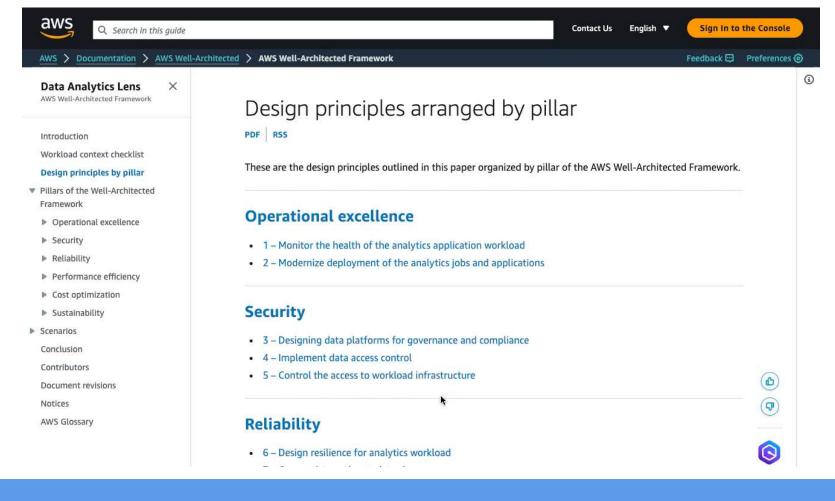
Reliability

Performance Efficiency

Cost Optimization

Sustainability

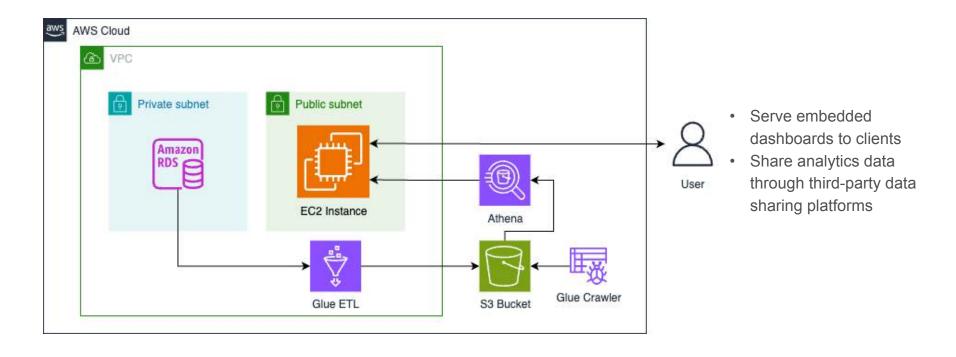
- Set of principles and questions
- Helps you design and operate reliable, secure, efficient, cost-effective, and sustainable systems in the cloud
- Helps you think through the pros and cons of different architecture choices

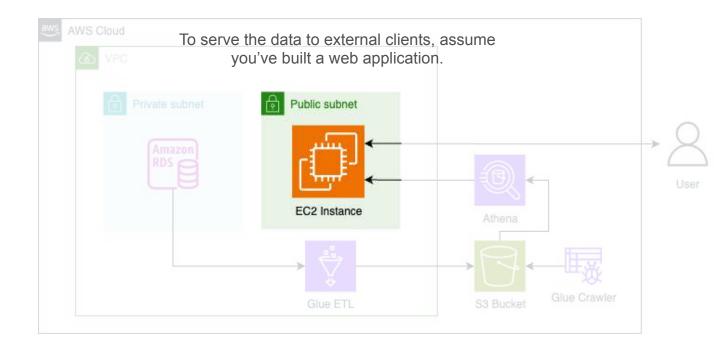




Lab Walkthrough

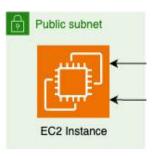
Introduction to the Lab





- Serve embedded dashboards to clients
- Share analytics data through third-party data sharing platforms

To serve the data to external clients, assume you've built a web application.



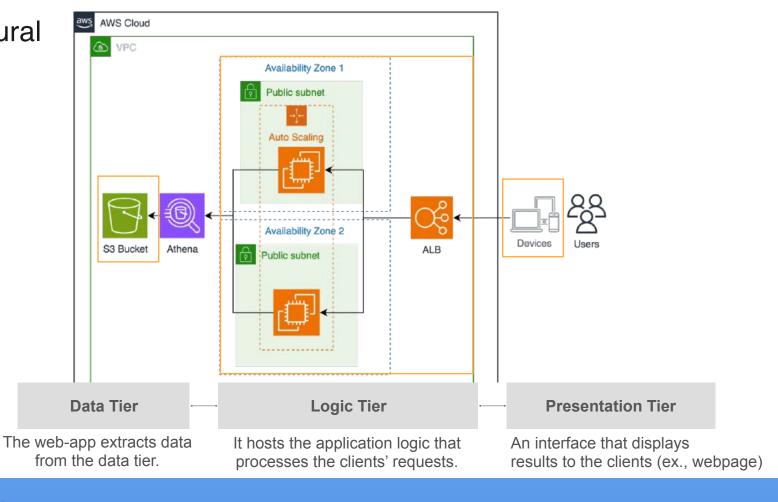
In this lab, ensure that the web app:

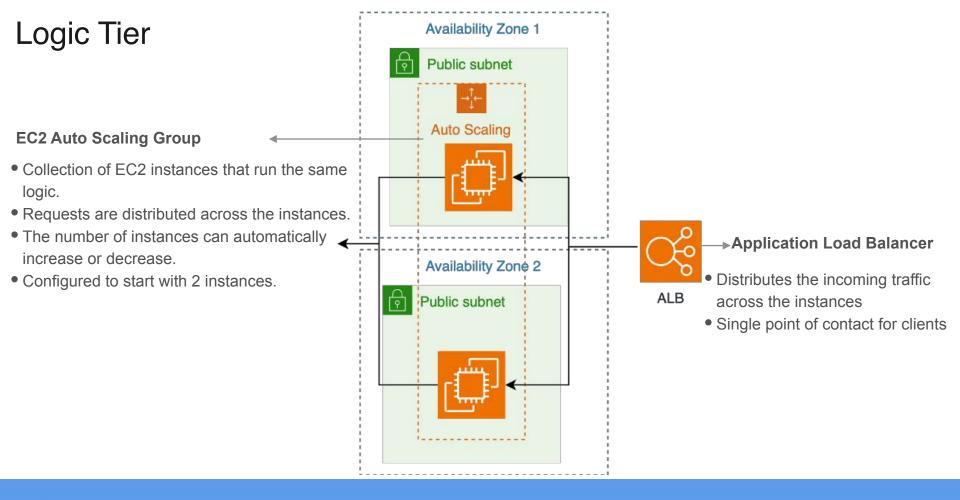
- Capable of scaling to meet the clients' needs
- Uses computing resources efficiently
- Designed in a secure and reliable way

Principles of good data architecture.

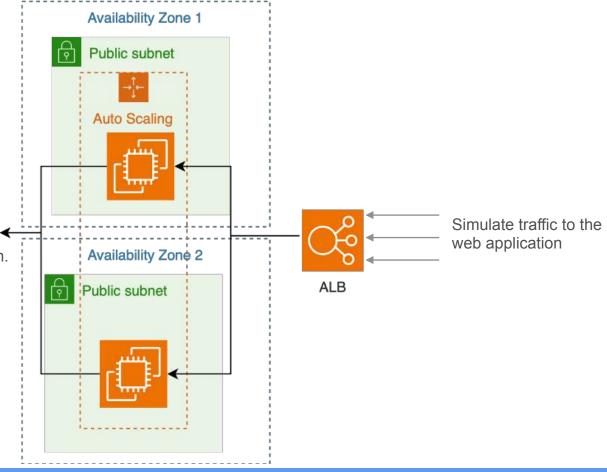
AWS well-architected framework.

Architectural Diagram





- Assess the scalability of the app.
- Monitor computing resources and network activity.
- Configure EC2 instances to enable performance efficiency and cost optimization.
- Adjust the security options of the load balancer.



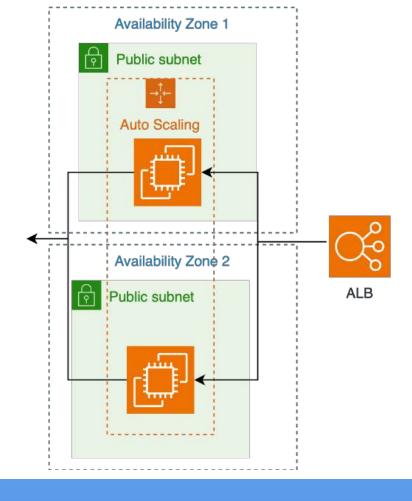


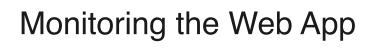
Lab Walkthrough

Monitoring the Web App

Monitoring the Web App

- 3. Getting the address of the web application
- 4. Monitoring CPU usage and networking activity

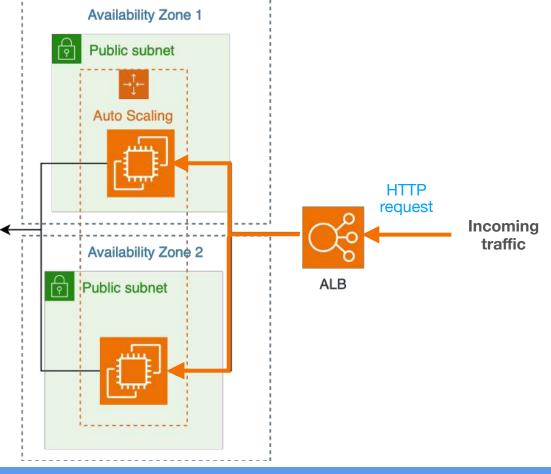




Monitor the incoming traffic and usage of computing resources.

DataOps
Observability

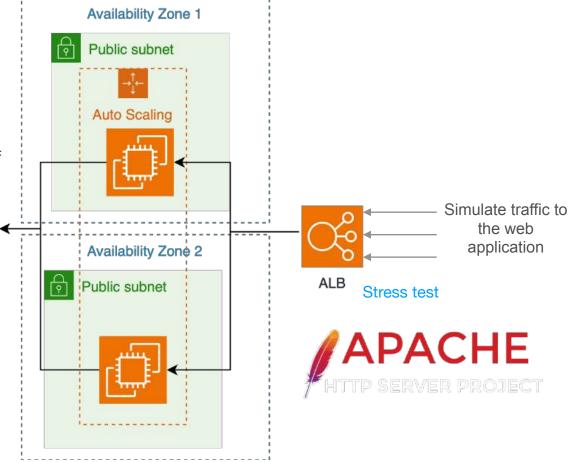
Operational Excellence



Monitoring the Web App

Monitor the incoming traffic and usage of computing resources.







Lab Walkthrough

Applying the Principles of Good Data Architecture

Security

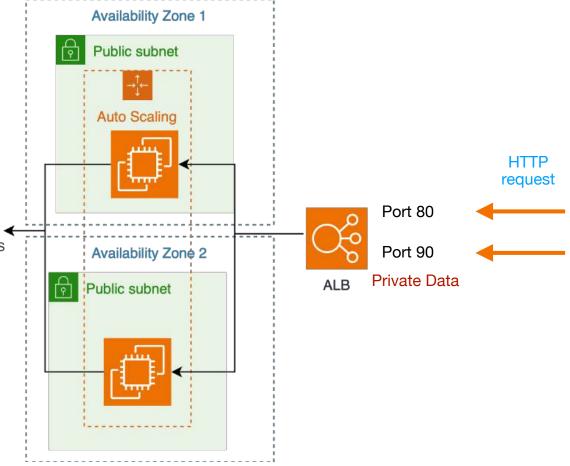
Prioritize Security

Security Pillar

 Configure the ALB to only receive certain types of requests.

 A request needs the address and the port number.

 A port number is a virtual identifier that applications use to differentiate between types of traffic

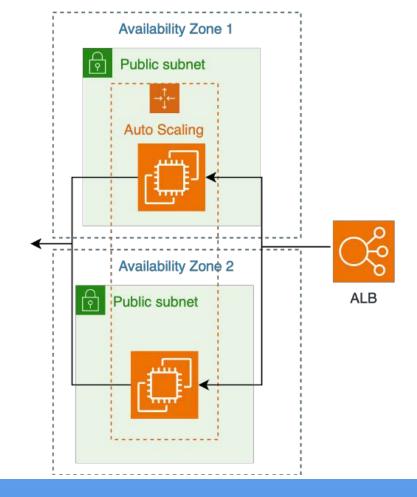


Reliability

Plan for failure

Reliability Pillar

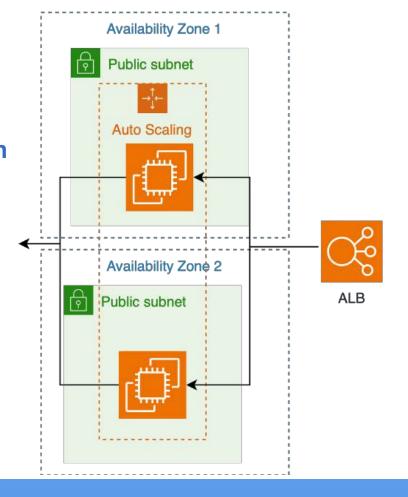
If something goes wrong with one of the availability zones, the requests can still be processed by the EC2 of the other zone.



Cost Optimization

Embrace Cost Optimization FinOps Pillar

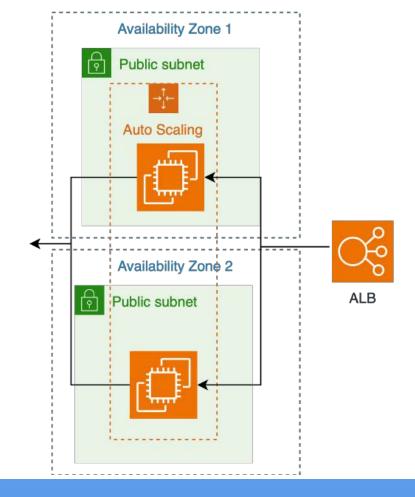
- Use the right resources efficiently.
- Currently, t3.micro instances are used.
- Switch to t3.nano.
- Modify the Launch template of the auto scaling group.



Scalability

Architecting for scalability

- With auto scaling groups, you only pay for what you use.
- Extra EC2 resources will be automatically removed when demand decreases.



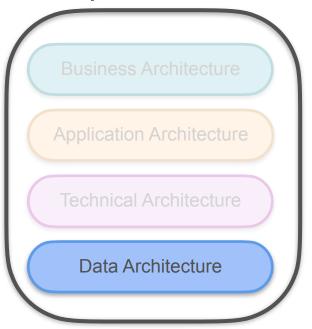


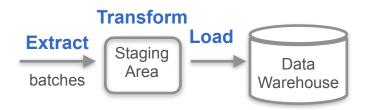
Data Architecture

Week 3 Summary

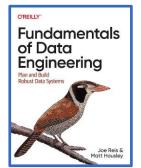
Week 3 Summary

Enterprise Architecture





Principles of good data architecture



Hands-on Lab



