

Business Architecture



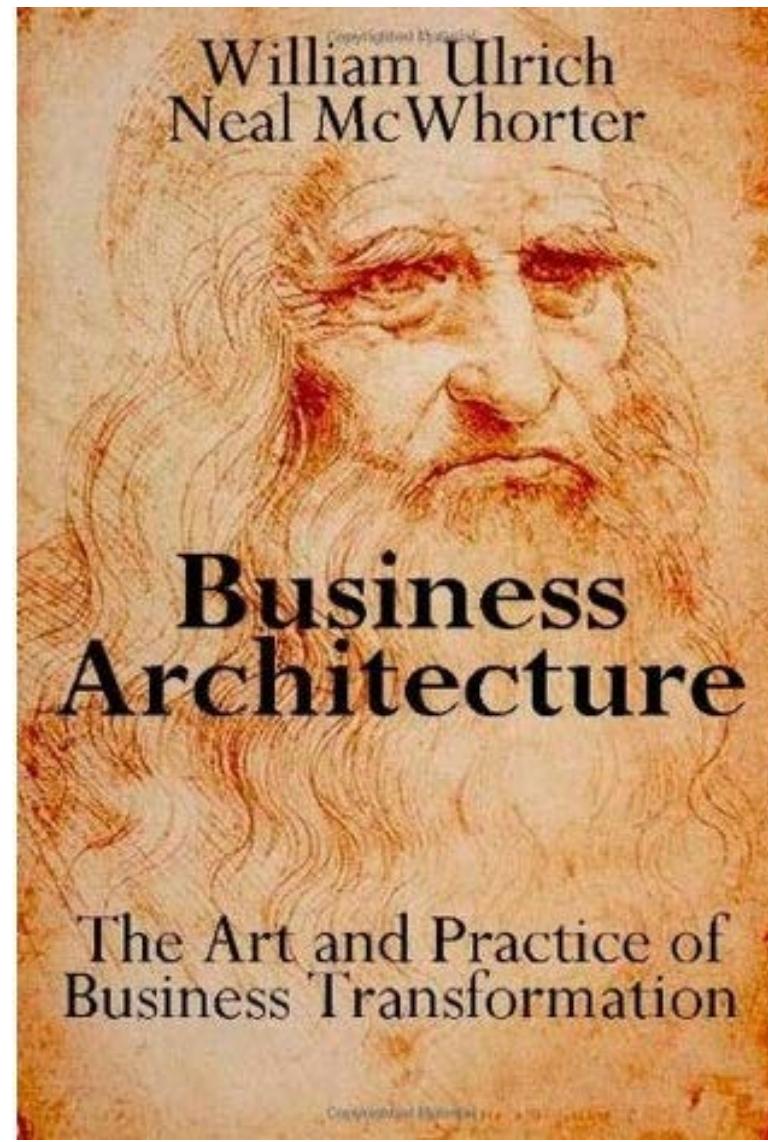
Joseph Anthony
[@ansolabs | www.ansolabs.net](https://www.ansolabs.net)

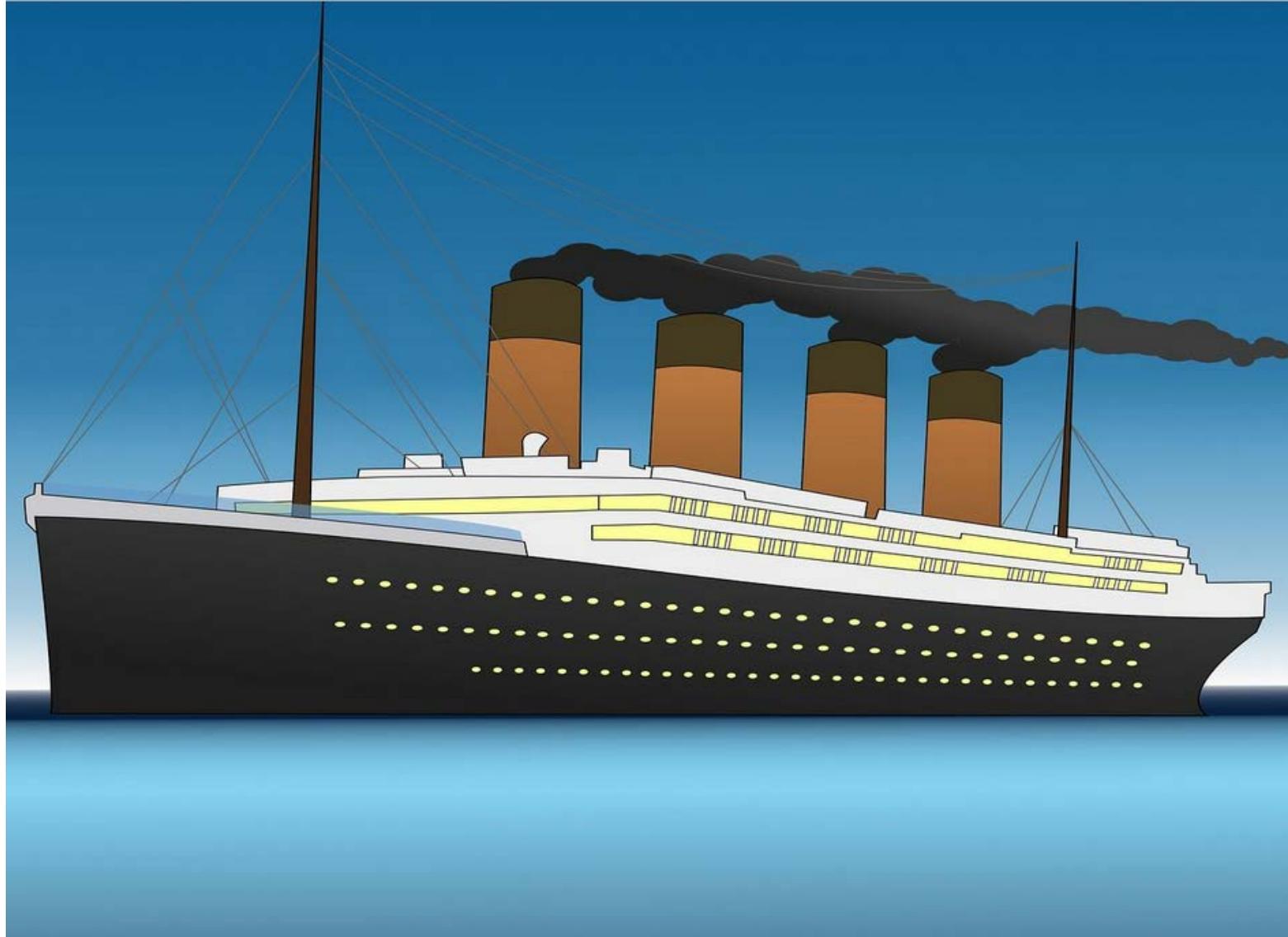
Module Focus

Why Business
Architecture?

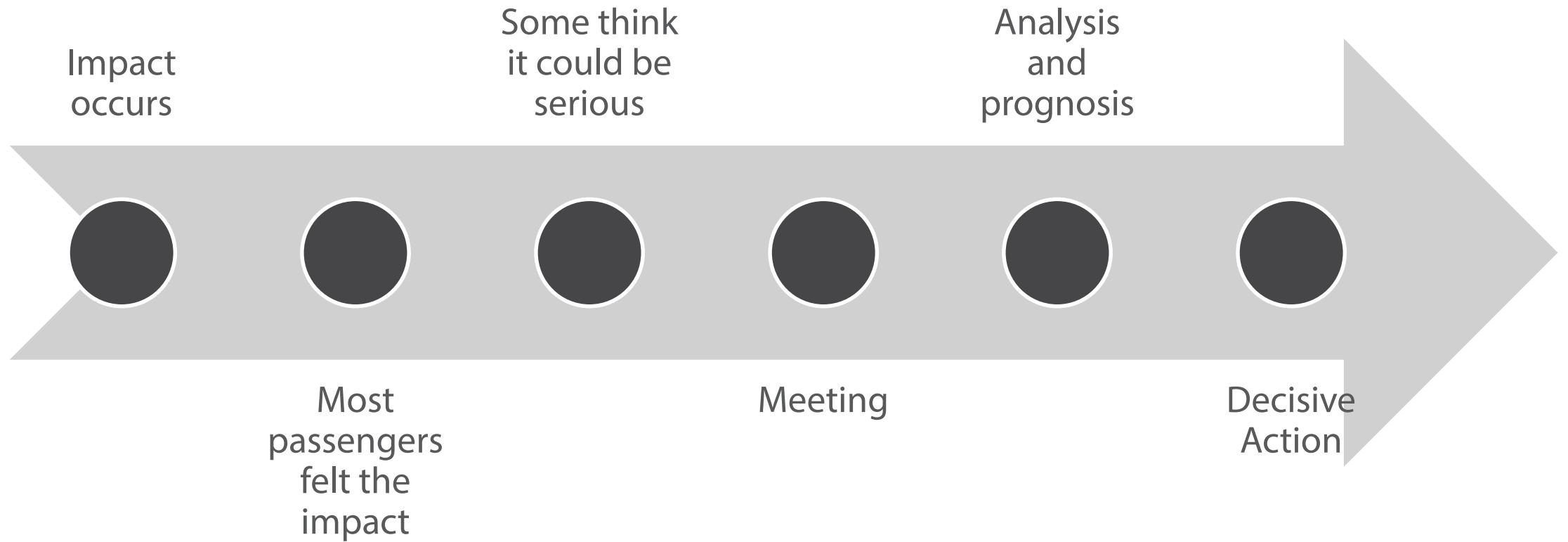
Business
Architecture
Definition

Methods & Tools
Overview



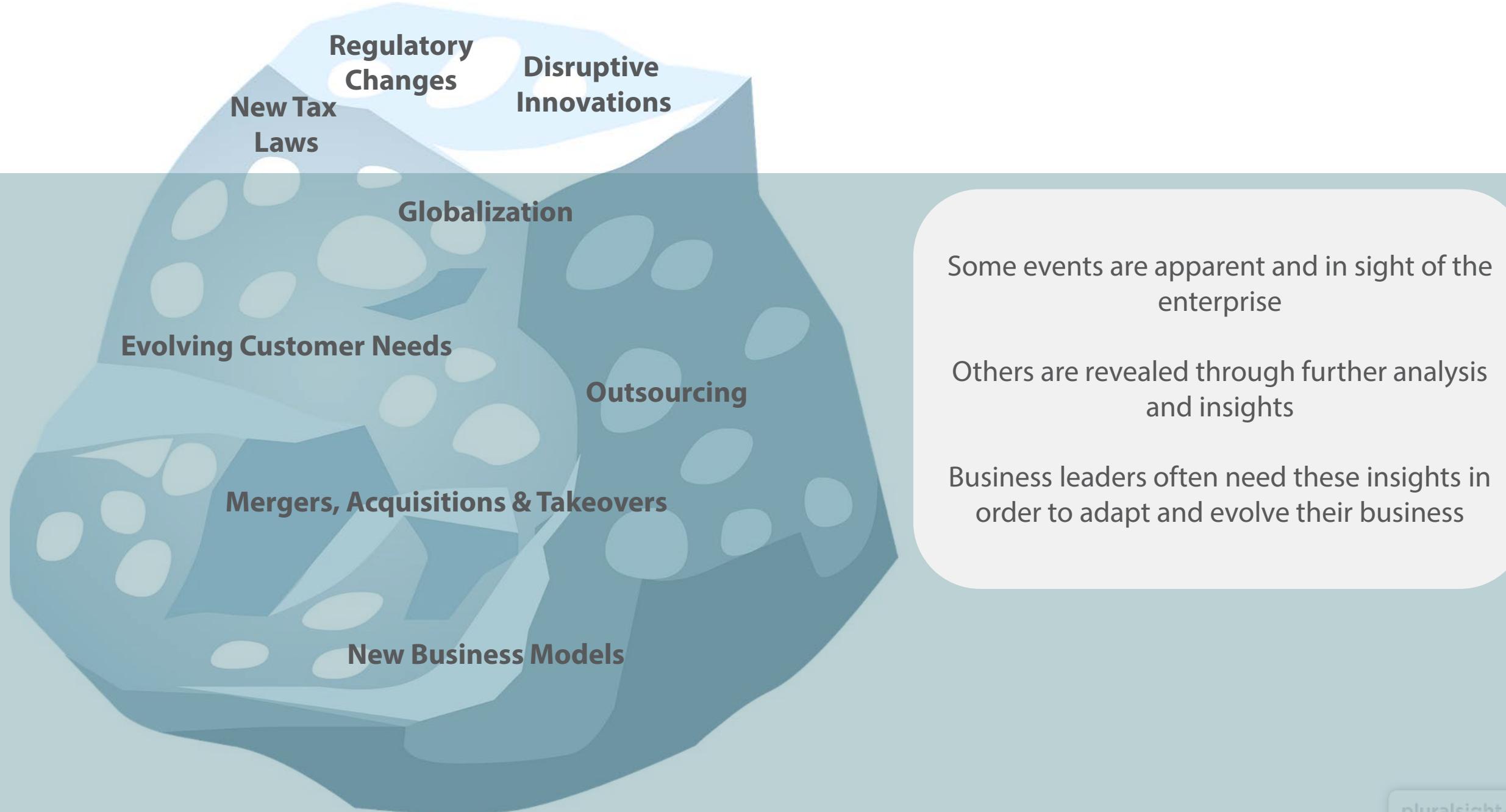


The Titanic Analogy





Enterprise is like a large ship
Business architecture represents the knowledge of how it is put together





Business architecture is an
important tool for business leaders

It brings a purely business
perspective

Informs all other architecture
domains



Transformation Scenarios



- Rolling out strategic changes
- Mergers and acquisitions
- Aligning to a new set of values
- New products/ services
- Globalization
- Operational streamlining
- Regulatory compliance
- Outsourcing

Three Components of The Definition

The blueprint

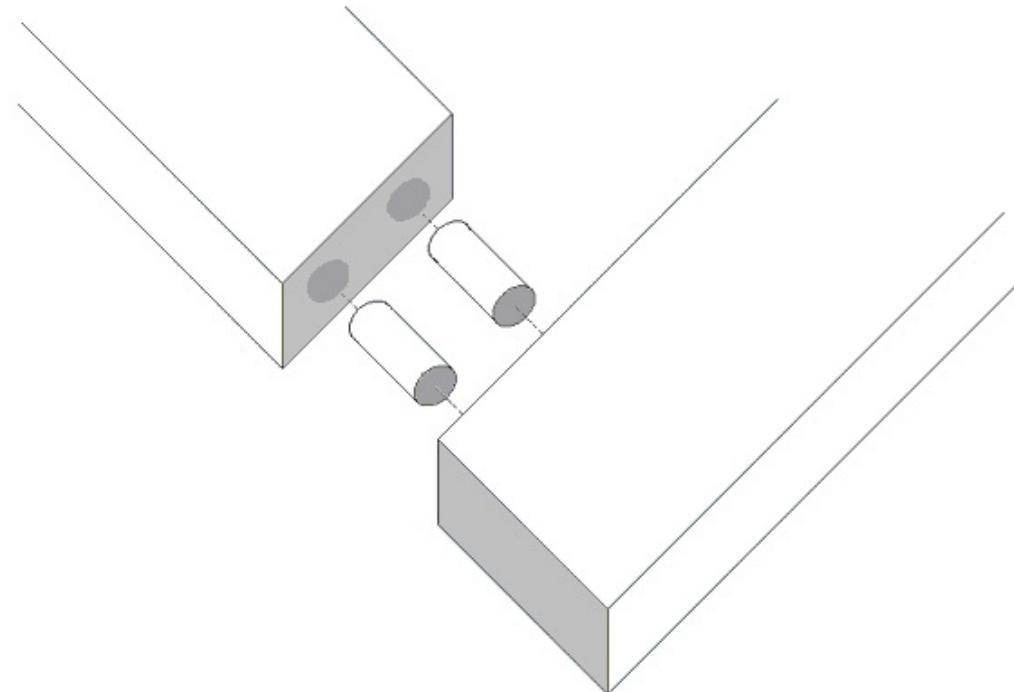
Common
understanding of the
organization

Aligning strategic
objectives to tactical
demands

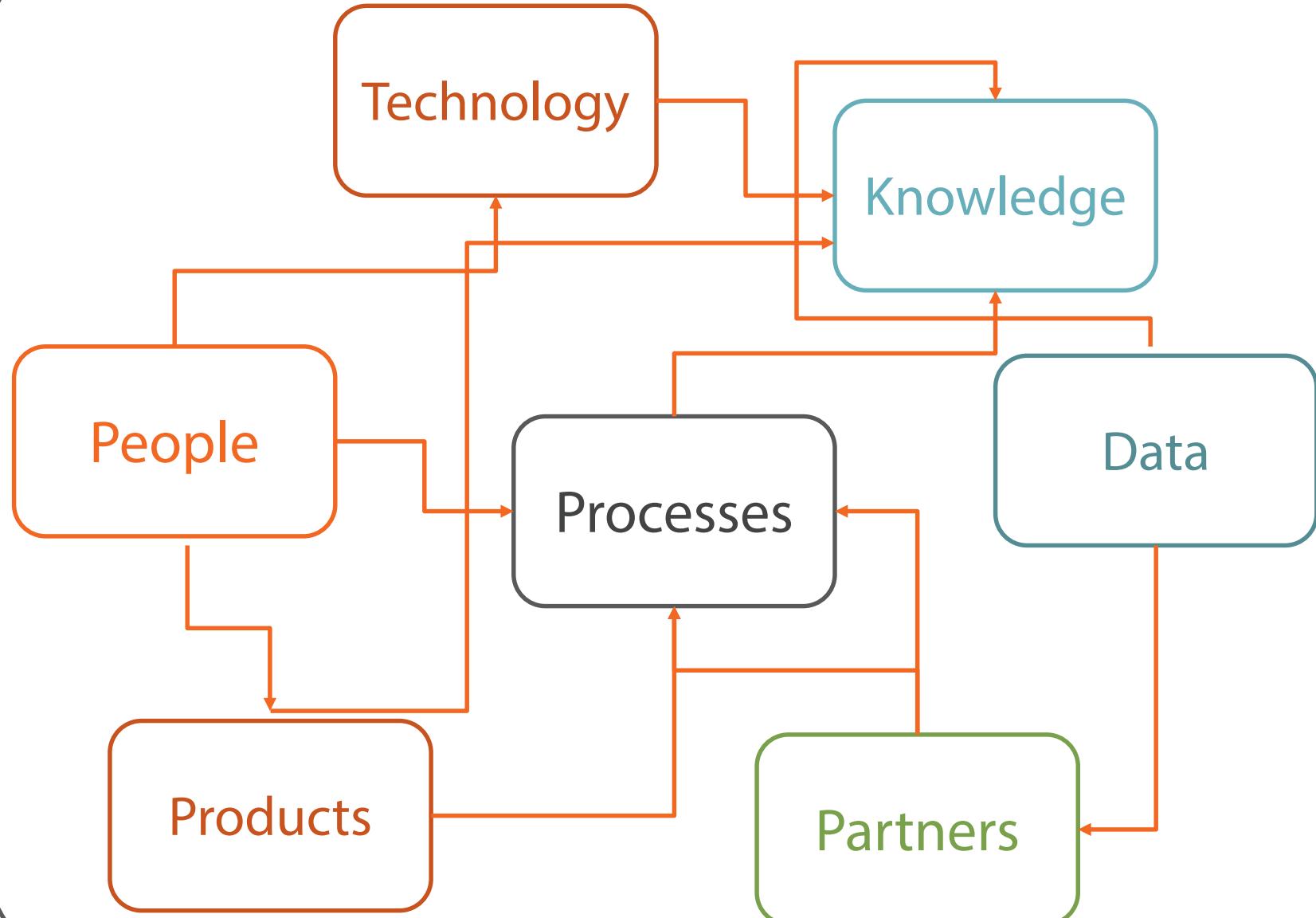
The Blueprint

Blueprint of the Enterprise

Blueprint implies design or a specification that shows how things are or can be put together to deliver an intended outcome



Enterprises Have Many Dimensions



Value
Revenue

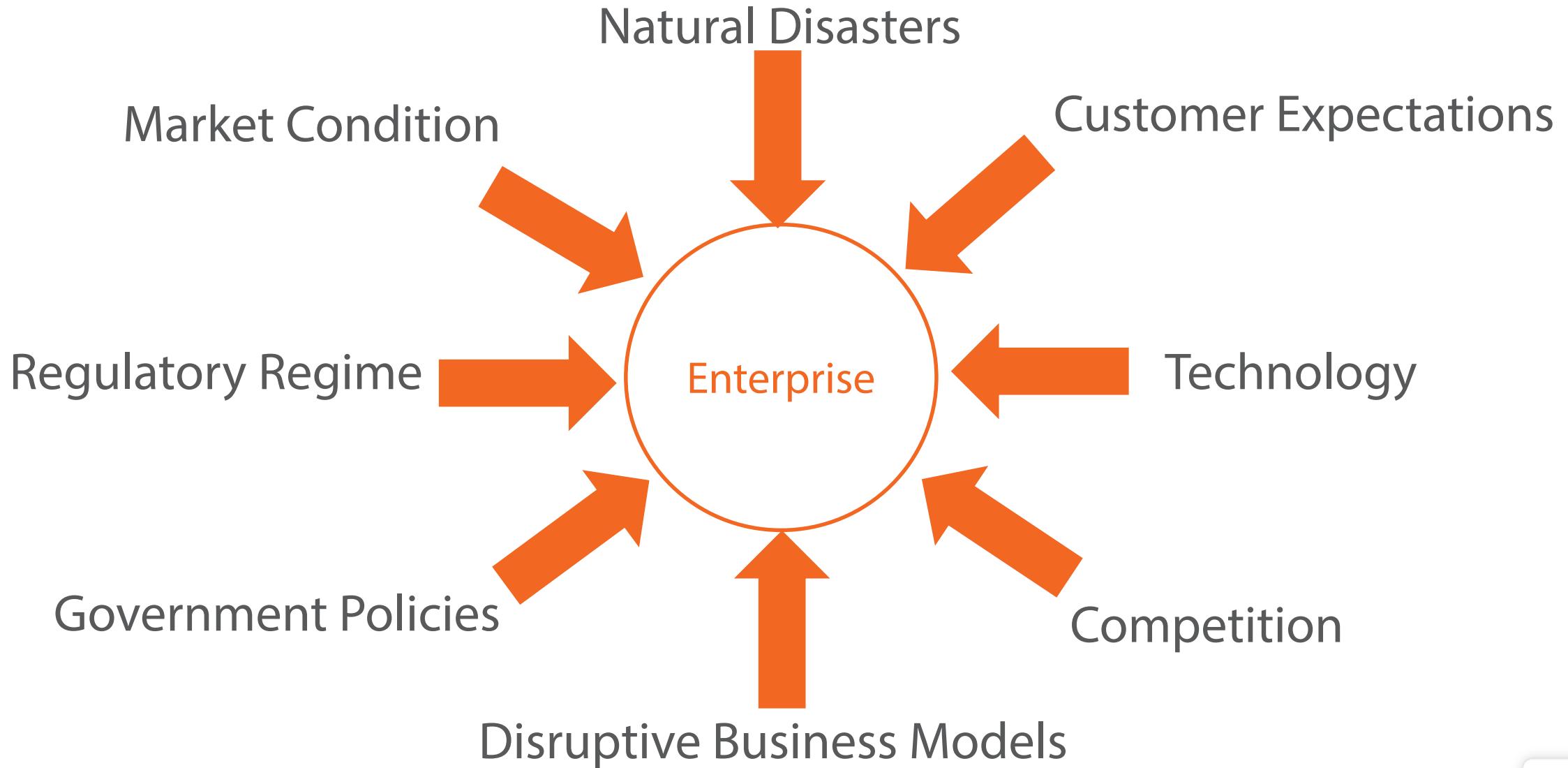


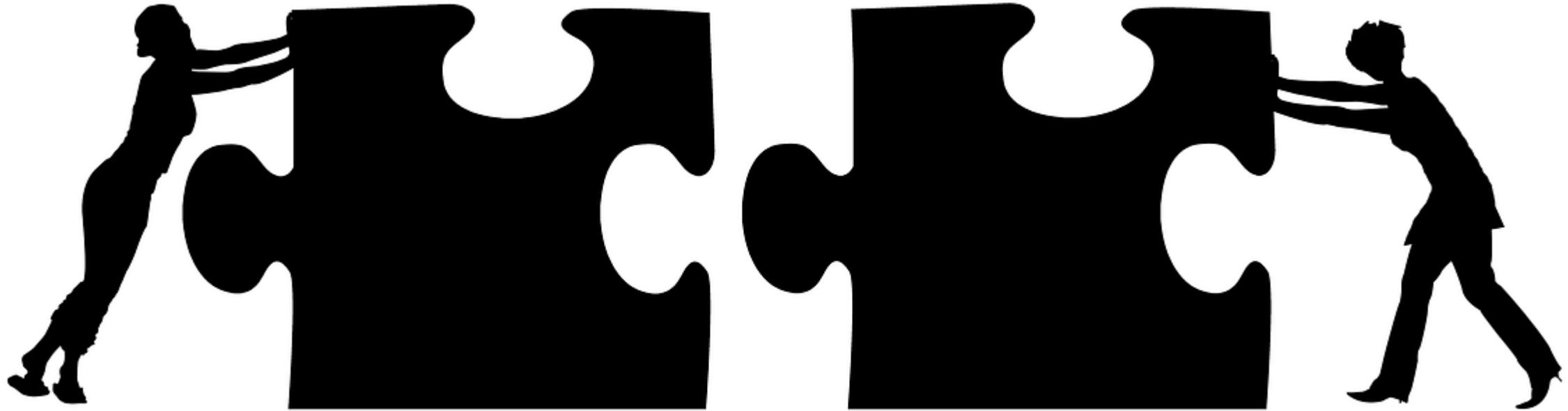
Common Understanding of the Enterprise



80 - 90% of the employees don't understand the enterprise's vision and strategic objectives
Business architecture enables key decision makers at all levels to operate based on a shared understanding of the enterprise

Business Operate in a Dynamic Business Environment





Business Architecture is a dynamic blueprint of the enterprise
And it represents a common (shared) understanding of the enterprise

Aligning Strategic Objectives to Tactical Demands



Enterprises need to negotiate between its strategic priorities and tactical demands
Business leaders need a framework to help them make sound judgements
Business architecture artefacts help create the framework

Lets Focus On ...

Why Business
Architecture?

Business
Architecture
Definition

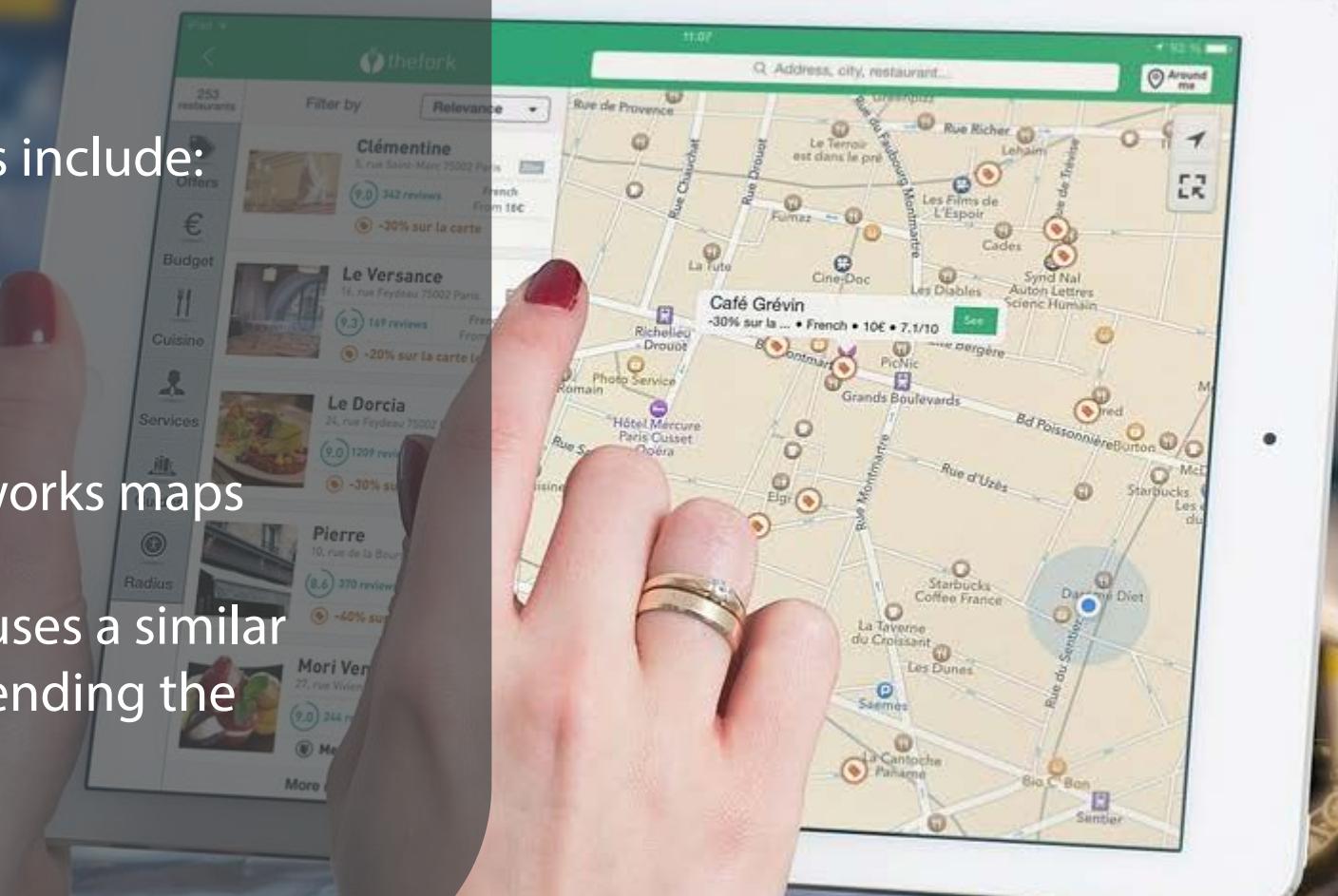
Methods & Tools
Overview

Different kinds of maps reveal different aspects of the terrain.

Typical map categories include:

- Physical map
- Political maps
- Climatic maps
- Transportation networks maps

Business architecture uses a similar approach to comprehending the enterprise



Business Architecture Maps

Capability Maps

Value Maps

Information Maps

Organization Maps

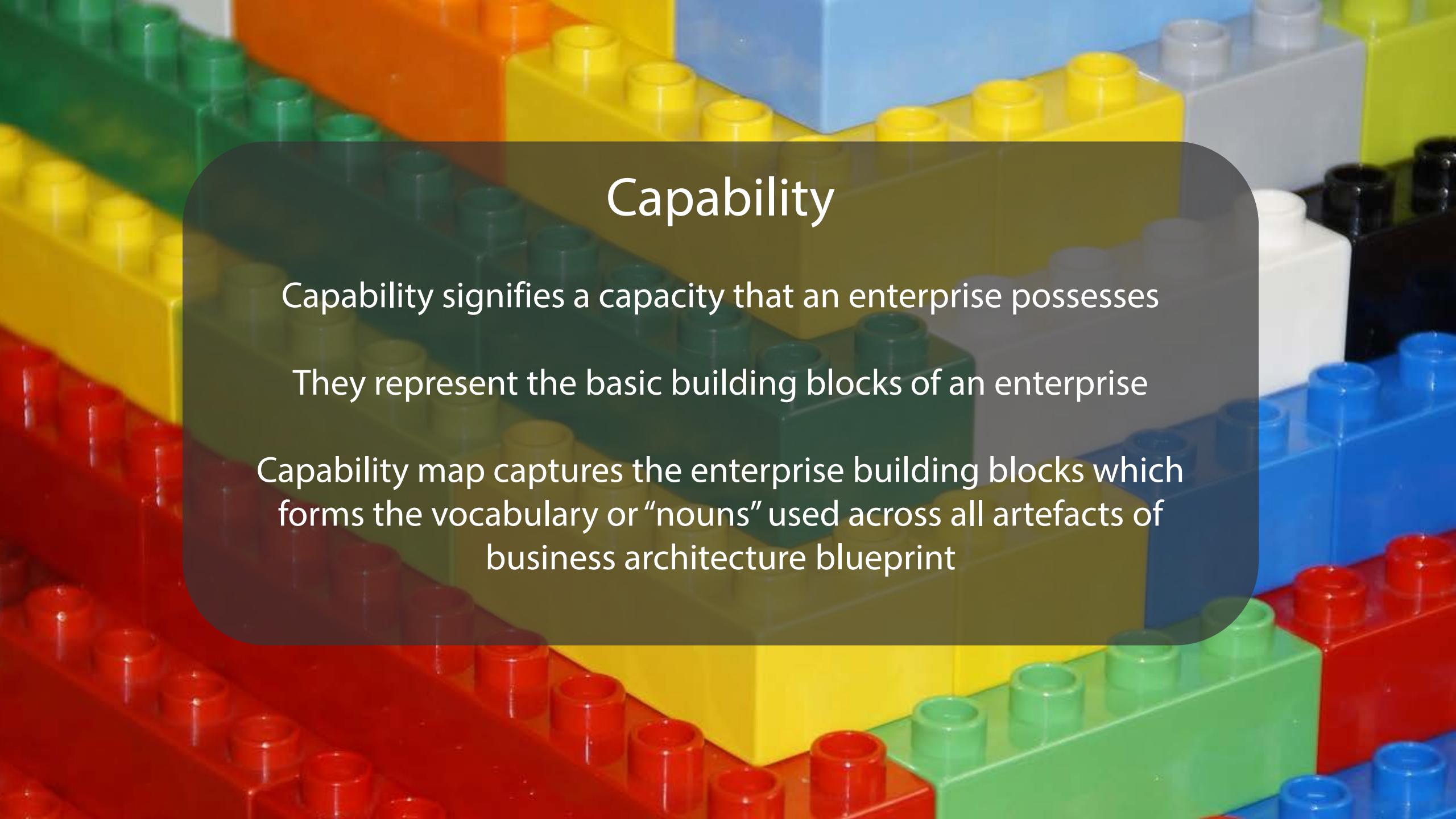
Strategy Maps

Initiative Maps

Stakeholder Maps

Four legs of
business
architecture
blueprint

Capability Maps



Capability

Capability signifies a capacity that an enterprise possesses

They represent the basic building blocks of an enterprise

Capability map captures the enterprise building blocks which forms the vocabulary or “nouns” used across all artefacts of business architecture blueprint

Capability Map Level 1 to 3

Level 1 Manufacturing

Level 1 Procurement

Level 2: Vendor Management

Level 3: Vendor Information
Management

Level 3: Vendor Contracts &
Rates

...

Level 3: Vendor Contact
Management

...

Level 2 Acquisition
Management

Level 1 Customer Service

• • •

Capability Map Level 4 to 6

Level 4 Vendor Information Management

Level 4 Vendor Contracts & Rates

Level 5: Contracts Management

Level 6: New Contracts

Level 6: Amend Existing Contracts

...

Level 6: Cancel Contracts

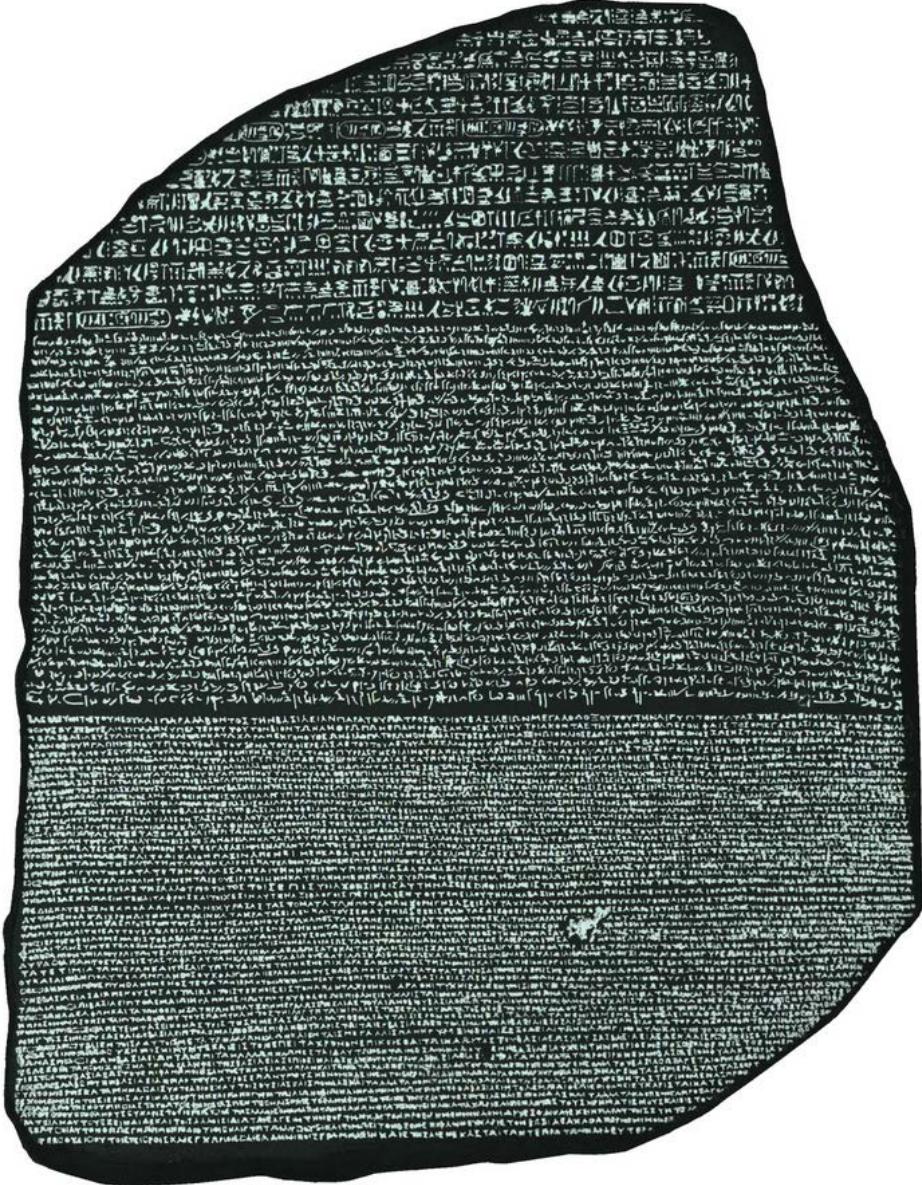
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Level 5 Rates Management

...

Level 4 Vendor Contact Management

Rosetta Stone of Business IT Alignment



Strategy

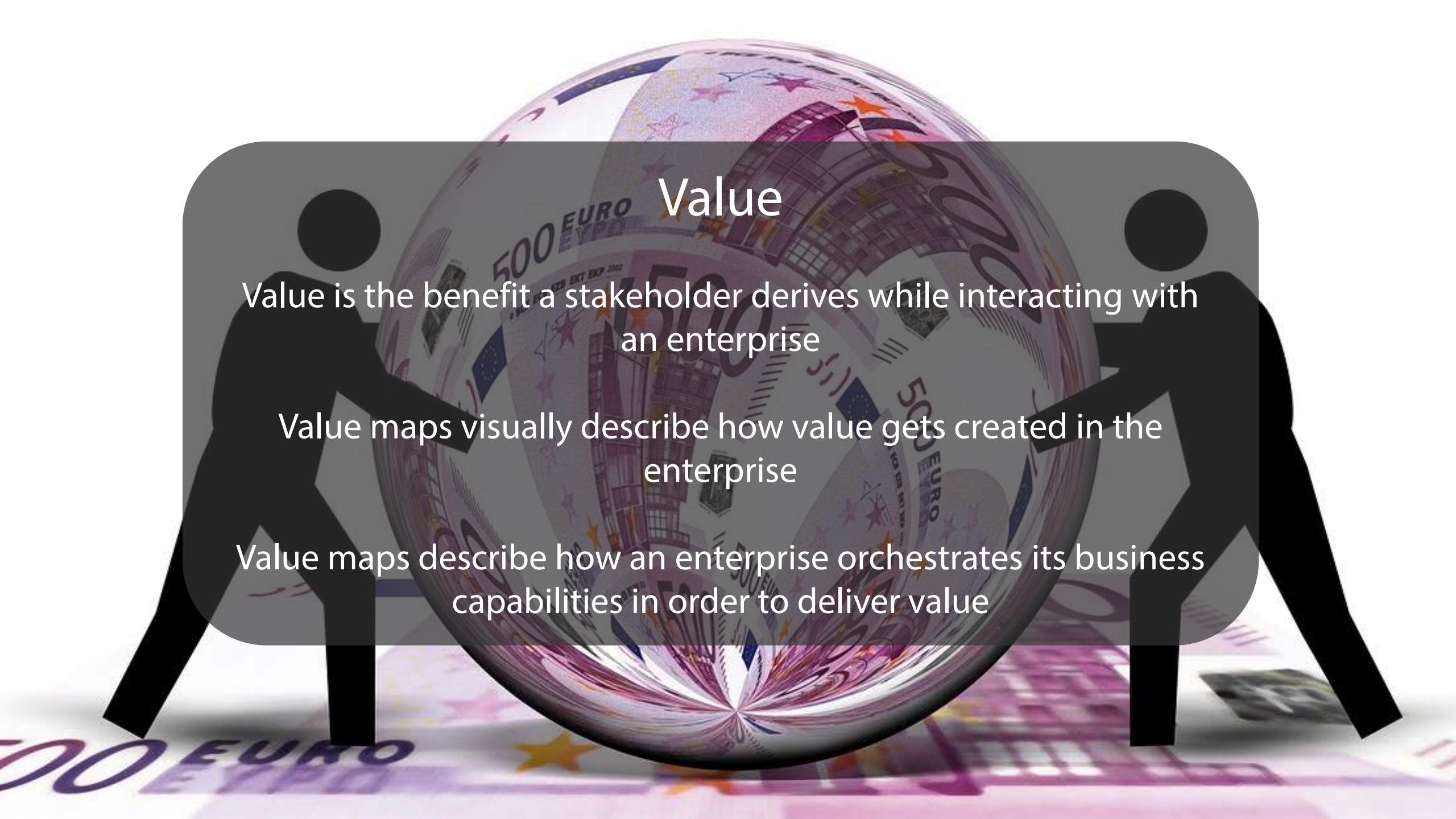


Capability Map



IT Portfolio &
Initiatives

Value Maps



Value

Value is the benefit a stakeholder derives while interacting with an enterprise

Value maps visually describe how value gets created in the enterprise

Value maps describe how an enterprise orchestrates its business capabilities in order to deliver value

Types of Value Maps

Value Chains

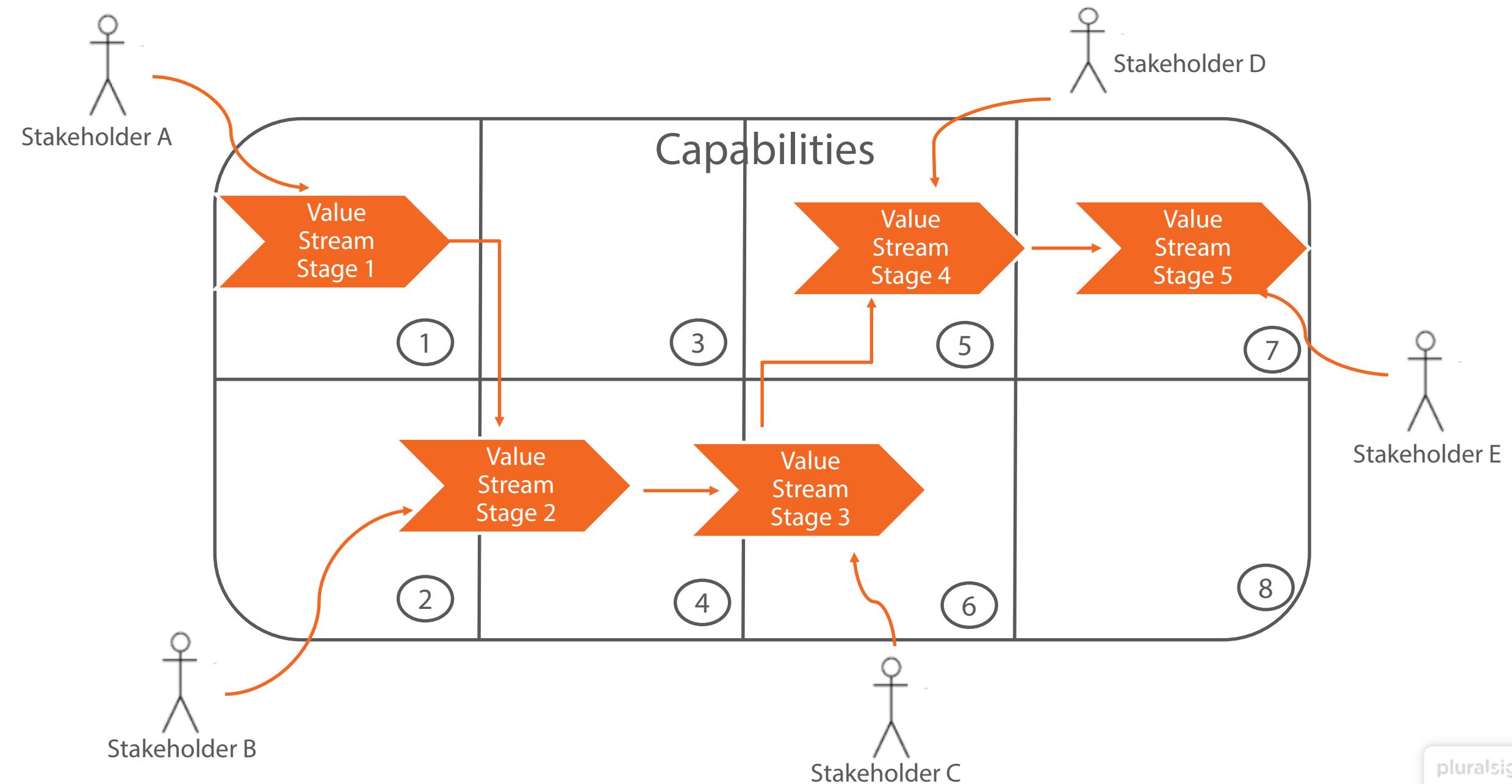
Value Streams

Value Networks

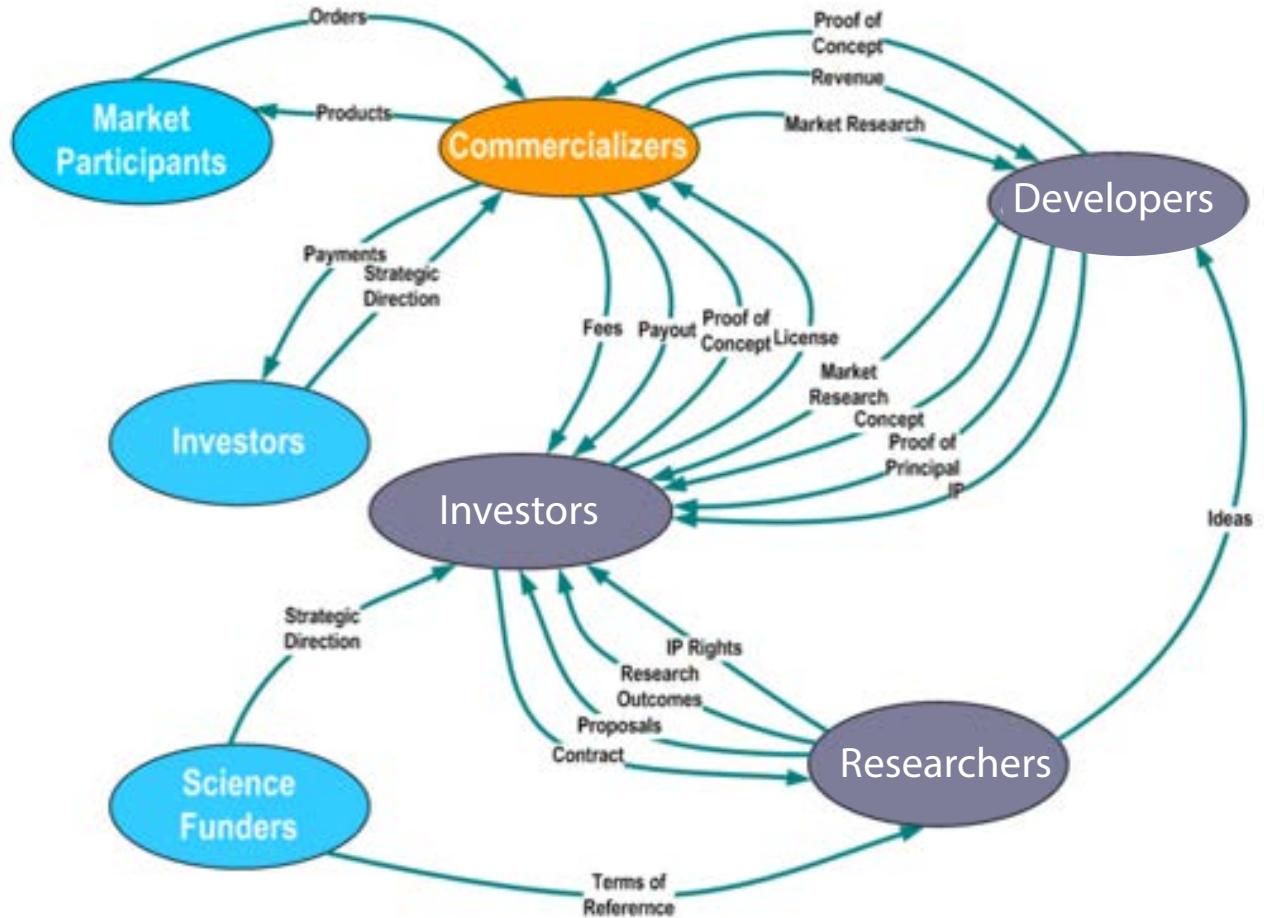
Value Chains



Value Streams



Value Networks



Value networks help capture the complex web of non-linear relationships

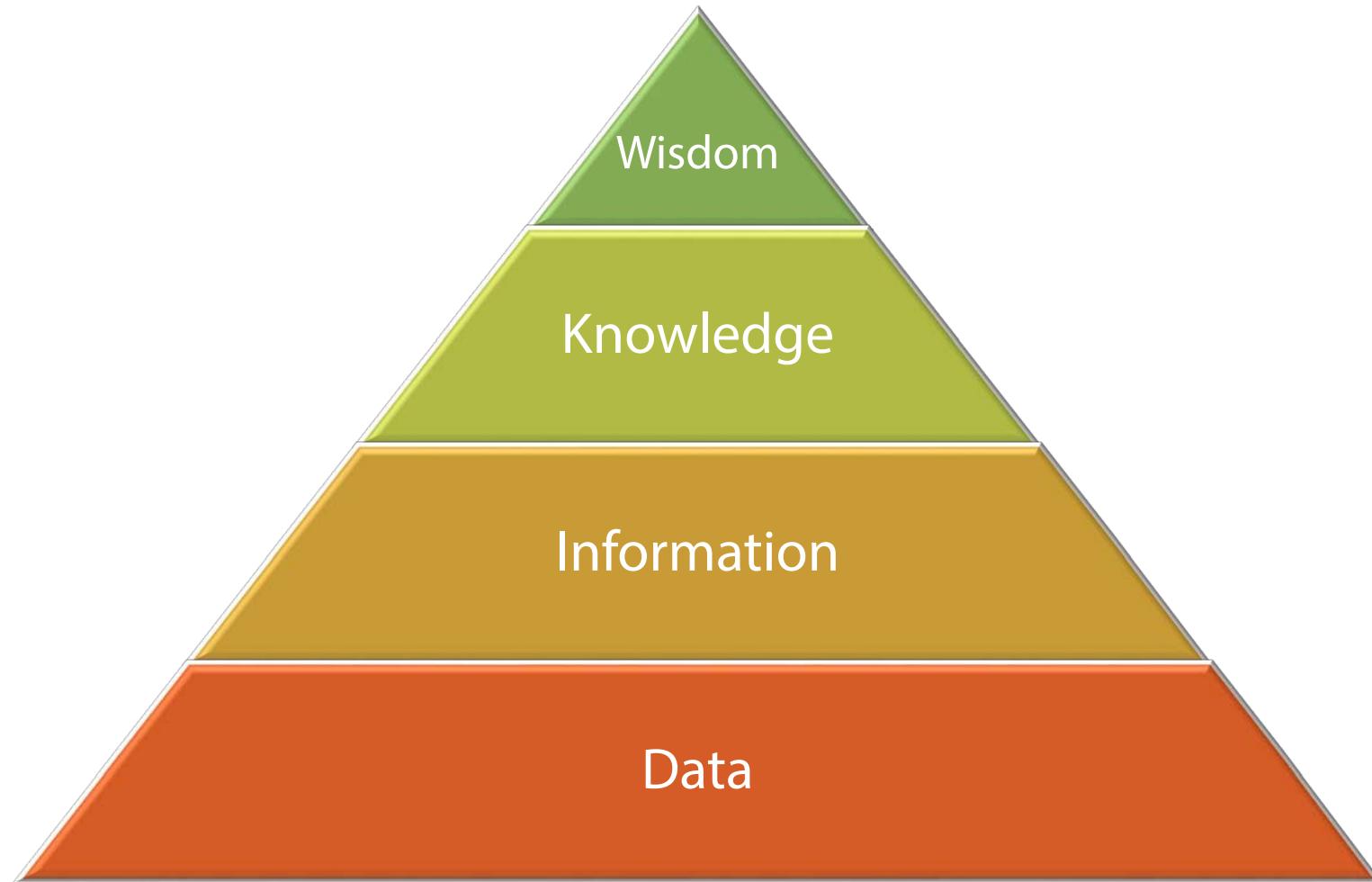
Value networks can be internal focussed or external focussed

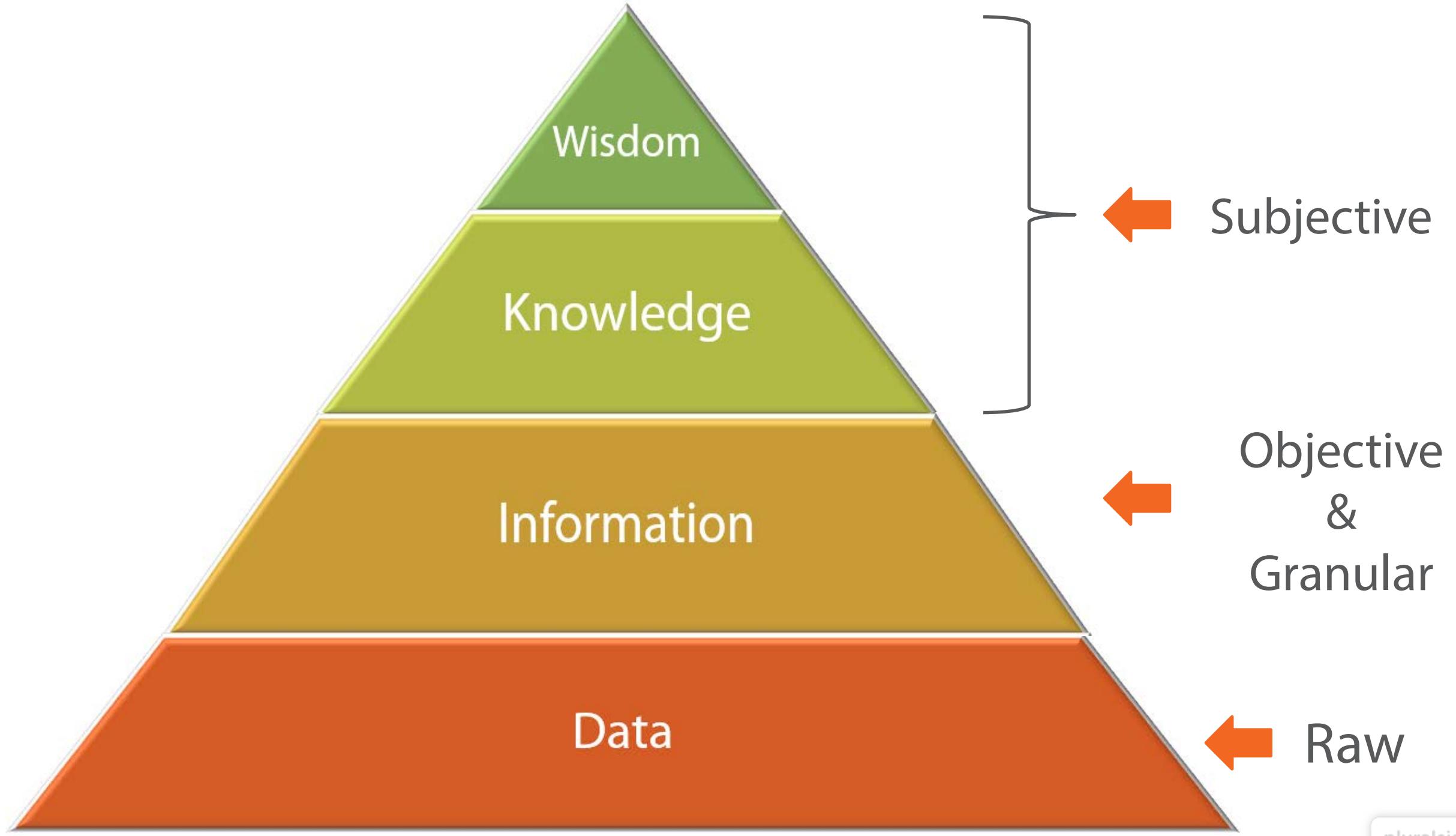
Used by innovators and disruptors to extract greater efficiency and value

<http://bit.ly/1AZjaeS>

Information Maps

Information Pyramid





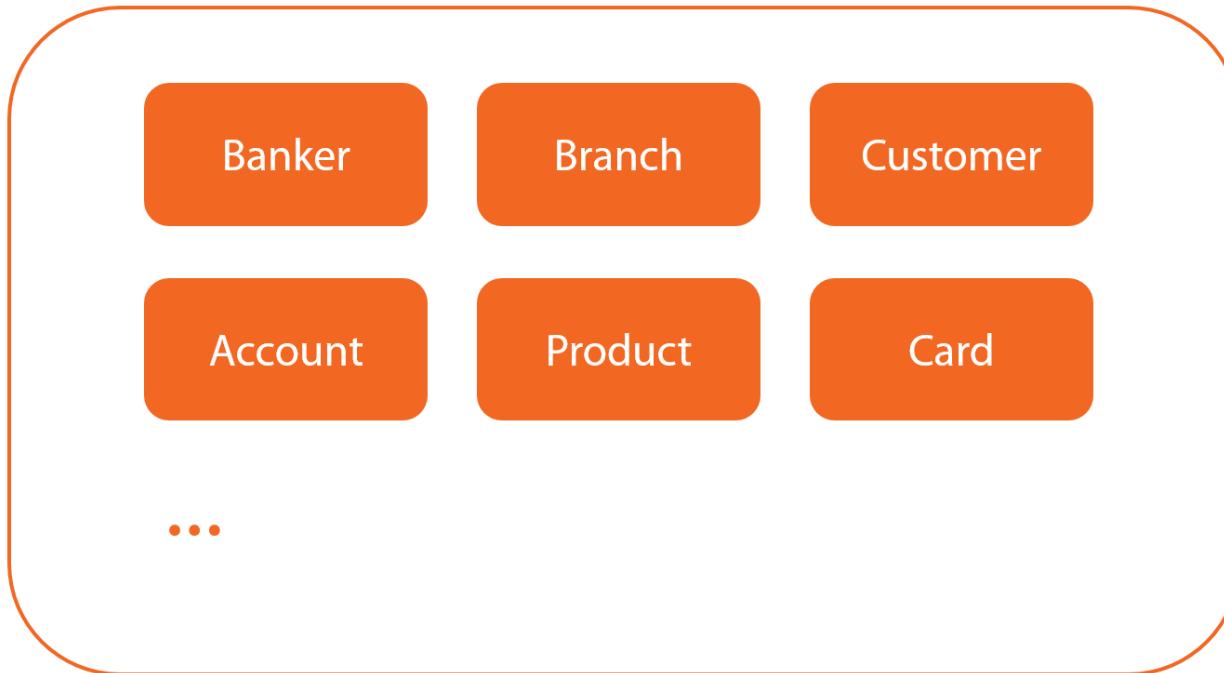
Information Concepts

Encapsulate how the enterprise
collectively thinks about what it does

Along with capabilities they represent
the vocabulary for collaborative
analysis of the enterprise



Information Map



Arrived by examining capability maps along
value streams

Organization Maps

Organization to Capability Maps



Business Units



Organization maps are composed of business units
Business units are a logical segment of an enterprise representing a function
Business units are headed by senior business managers

Organization

A social unit of people, systematically structured and managed to meet a need or to pursue collective goals on a continuing basis

Foundational Maps

Capability Maps

Value Maps

Information Maps

Organization Maps

Strategy Maps



idea → plan → action

Strategy

Strategy is a high level plan that drives enterprise make its choices and decisions

Strategy also drives other more detailed plans

Strategy maps make strategy actionable

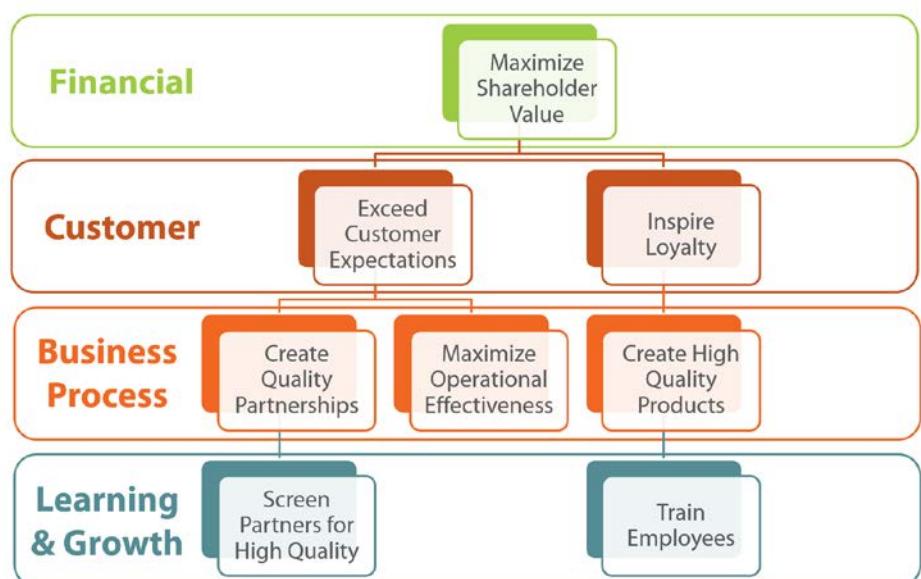
Strength

Weakness

Opportunity

Threat

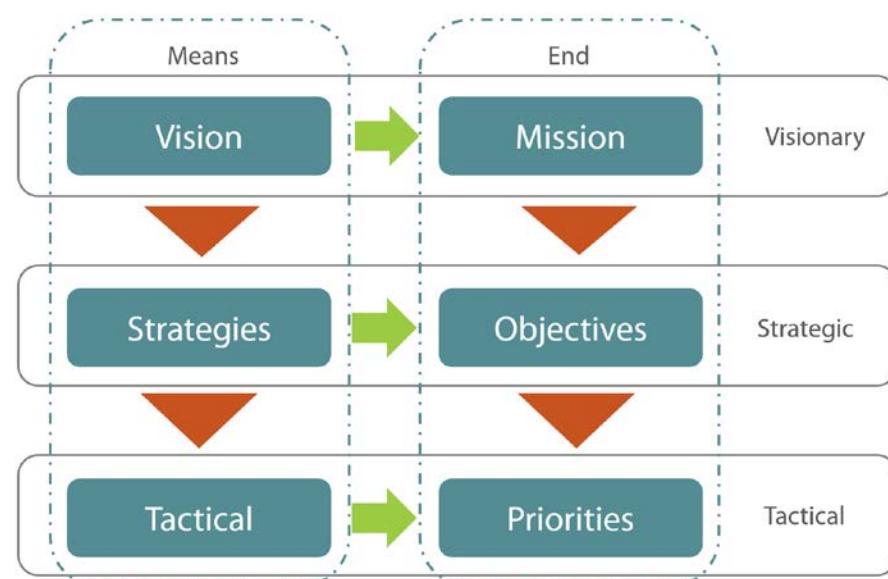
SWOT Analysis



Norton Kaplan Strategy Map



Porter's Five Forces Model



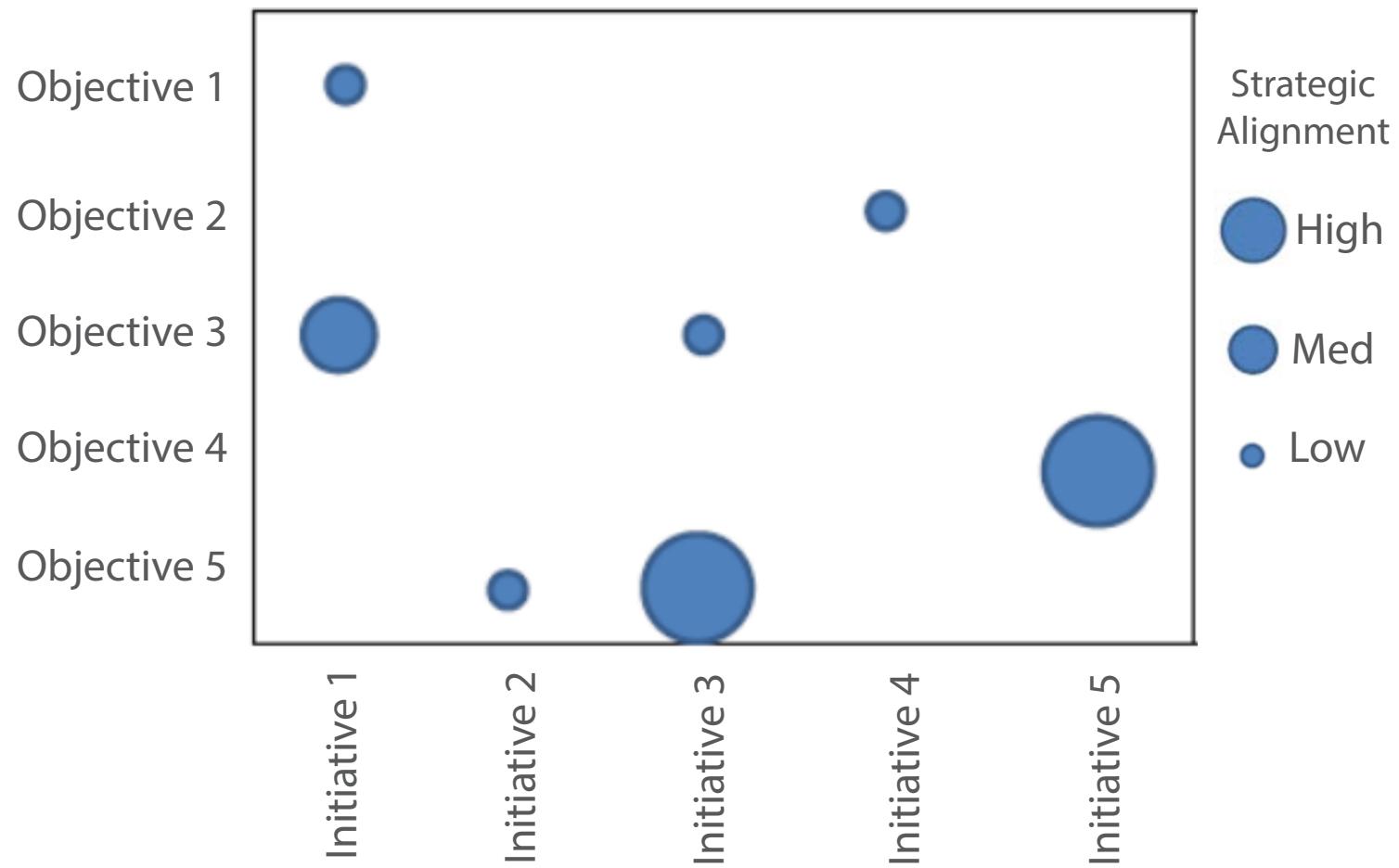
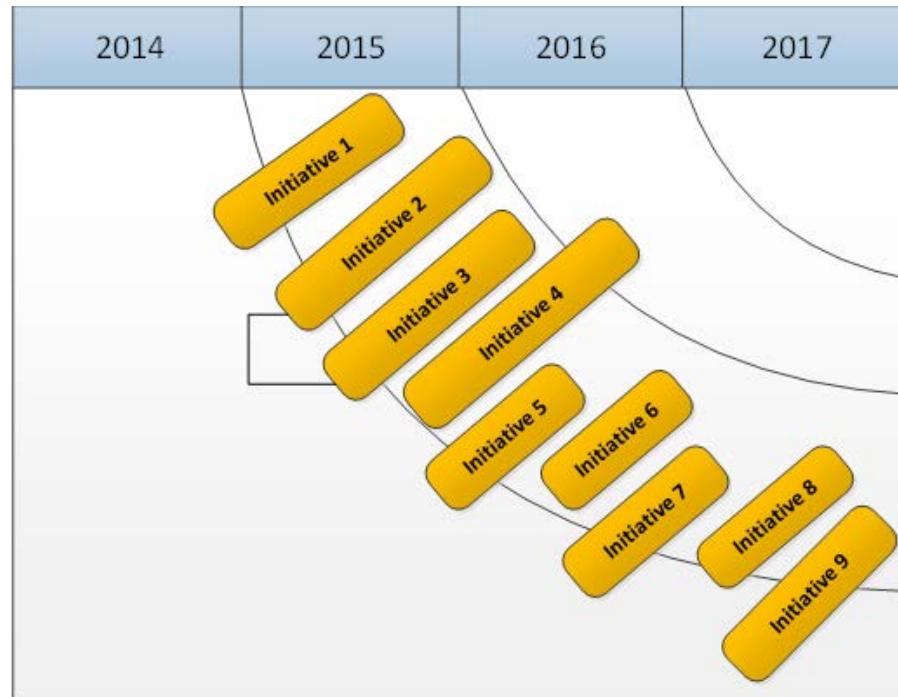
Business Motivation Model

Strategy Formulation

Strategy Execution & Planning

Initiative Maps

Various Approaches to Initiative Mapping



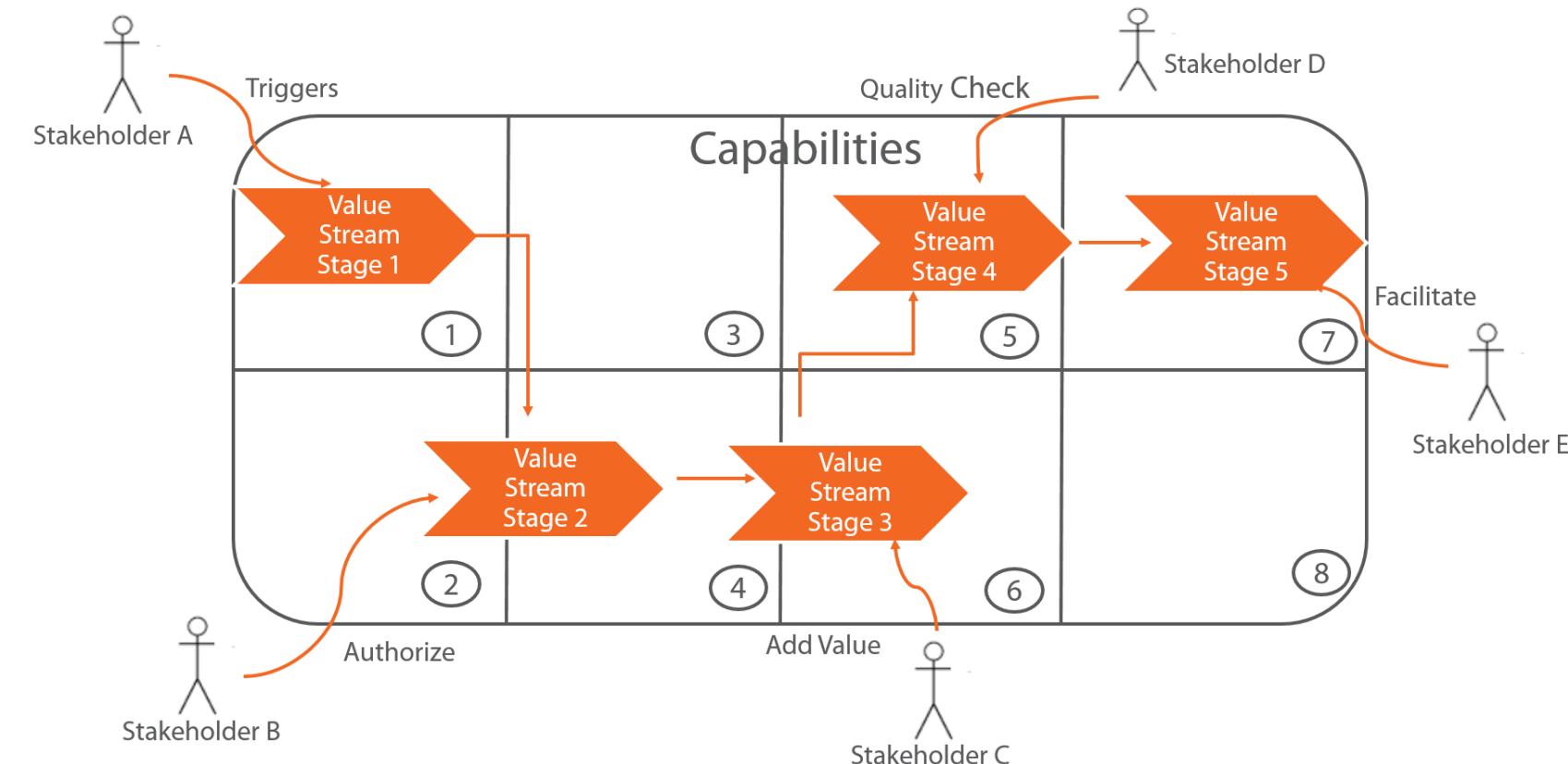
Stakeholder Maps

Stakeholder

Individuals or groups who have a vested interested in the outcomes and the value an enterprise initiative generates are referred to as stakeholders

Examples include:
Customers, Partners, Suppliers,
Distributors, Employees, Regulatory
body etc.

Stakeholder Mapping



Mapping stakeholders to initiatives

Mapping stakeholders to strategy

Mapping stakeholders to capabilities

Module Summary

Business
Architecture
Relevance & Value

Formal Definition
of Business
Architecture

Overview Methods
& Tools