TOGAF® Series Guide

Business Capabilities, Version 2

Prepared by The Open Group Architecture Forum Business Architecture Work Stream

THE *Open* GROUP

Contents

Preface

The Open Group

The Open Group is a global consortium that enables the achievement of business objectives through technology standards. With more than 870 member organizations, we have a diverse membership that spans all sectors of the technology community – customers, systems and solutions suppliers, tool vendors, integrators and consultants, as well as academics and researchers.

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- Working with suppliers, consortia, and standards bodies to develop consensus and facilitate interoperability, to evolve and integrate specifications and open source technologies

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The TOGAF® Standard, a Standard of The Open Group

The TOGAF Standard is a proven enterprise methodology and framework used by the world's leading organizations to improve business efficiency.

This Document

This document is a TOGAF® Series Guide to Business Capabilities. It addresses how to provide the architect with a means to create a capability map and align it with other Business Architecture viewpoints in support of business planning processes. It has been developed and approved by The Open Group.

The intended audience for this document is architects of any kind, business leaders, and users in general of the TOGAF framework.

This document supersedes the TOGAF® Series Guide: Business Capabilities (G189). The major updates are as follows:

- Replaced roles, processes, information, and tools in Chapter 2 with people, processes, information, and resources

- Added a new Chapter 4: The Impact and Benefits of Business Capability Mapping

- Added a new Section 5.2.3: Capability/Business Process Mapping

About the TOGAF® Series Guides

The TOGAF® Series Guides contain guidance on how to use the TOGAF Standard and how to adapt it to fulfill specific needs.

The TOGAF® Series Guides are expected to be the most rapidly developing part of the TOGAF Standard and are positioned as the guidance part of the standard. While the TOGAF Fundamental Content is expected to be long-lived and stable, guidance on the use of the TOGAF Standard can be industry, architectural style, purpose, and problem-specific. For example, the stakeholders, concerns, views, and supporting models required to support the transformation of an extended enterprise may be significantly different than those used to support the transition of an in-house IT environment to the cloud; both will use the Architecture Development Method (ADM), start with an Architecture Vision, and develop a Target Architecture on the way to an Implementation and Migration Plan. The TOGAF Fundamental Content remains the essential scaffolding across industry, domain, and style.

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- Gerard Peters – Capgemini

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- Pieter Steyn – Enterprise Architects

Referenced Documents

The following documents are referenced in this TOGAF® Series Guide.

(Please note that the links below are good at the time of writing but cannot be guaranteed for the future.)

- A Business-Oriented Foundation for Service Orientation, Ulrich Homann, White Paper, February 2006, published by Microsoft, February 2006

- A Guide to the Business Architecture Body of Knowledge® (BIZBOK® Guide), Version 8.5, Business Architecture Guide, 2020

- ArchiMate® 3.1 Specification, a standard of The Open Group (C197), published by The Open Group, November 2019; refer to: www.opengroup.org/library/c197

- Capability-Based Planning Supporting Project/Portfolio and Digital Capabilities Mapping Using the TOGAF® and ArchiMate® Standards, The Open Group Guide (G193), published by The Open Group, July 2019; refer to: www.opengroup.org/library/g193

- The TOGAF® Standard, 10th Edition, a standard of The Open Group (C220), published by The Open Group, April 2022; refer to: www.opengroup.org/library/c220

- TOGAF® Series Guide: Business Capabilities (G189), published by The Open Group, June 2018; refer to: www.opengroup.org/library/g189

- Value Stream Mapping: How to Visualize Work and Align Leadership for Organizational Transformation, Karen Martin, Mike Osterling, published by McGraw Hill, January 2014

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1 Introduction

Many organizations struggle with managing the complexity of their business. They want to answer questions about their progress toward realizing their strategic aims. Are their strategic investments targeted appropriately? Are there areas of redundancy or duplication that are suitable for rationalization? Does the business have what is necessary, or too much to succeed?

As the discipline and practice of Business Architecture continues to grow and mature, the concept of the "business capability" has emerged to become a fundamental component in the development of a Business Architecture. The business capability map represents one of the four core elements of Business Architecture, along with the value stream map, information map, and organization map.[1]

Business capabilities provide an abstraction of the business reality in a way that helps to simplify conversations between interested stakeholders. Defining a business capability's supporting components (people, processes, information, and tangible resources) provides a business context for those supporting components. In addition, creating a business capability map for the enterprise promotes more of a common understanding of the business.

Defining business capabilities and a capability map is a means to an end. Understanding a business's capabilities provides architects and planners with a foundation for making better business decisions. This insight is gained through mapping the business capabilities to different business perspectives and viewpoints. The mapping allows for a more coherent view of the business to emerge.

This document looks to answer some important questions about what a business capability is, and how it is used to enhance business analysis and planning:

- What exactly do we mean by the term "business capability"?

- Why are business capabilities such an integral part of Business Architecture and Enterprise Architecture, and the architecture development process?

- How do we describe business capabilities?

- How (and why) should we construct a business capability map?

- How do business capabilities map to other business perspectives?

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[1] A Guide to the Business Architecture Body of Knowledge® (BIZBOK® Guide); see Referenced Documents.

2　What is a Business Capability?

Within The Open Group, a capability is defined as "an ability to do something". A *business* capability represents the ability for a business to do something. A more formal definition is as follows:

According to Ulrich Homann (see Referenced Documents): *"A business capability is a particular ability or capacity that a business may possess or exchange to achieve a specific purpose or outcome."*

Critically, a business capability delineates what a business does without attempting to explain how, why, or where the business uses the capability.

As part of the practice of Business Architecture, we separate the concern of what we do from who does it within the organization and from how the business achieves value from that activity. A business capability can be something that exists today or something that is required to enable a new direction or strategy. When integrated into a business capability map, business capabilities represent all of the abilities that an enterprise has at its disposal to run its business.

2.1　Defining a Business Capability

Defining a business capability involves identifying and describing what needs to be done by the business in support of its overall mission. A business capability description does not imply how *well* something needs to be done, simply that it needs to exist. The following guidelines explain how to define an individual business capability.

2.1.1　Naming Convention

Naming the business capability is the first step in the capability definition process. It establishes a clear need for the existence of the business capability and helps to ensure it is clearly distinguishable from other business capabilities.

The naming convention involves expressing the business capability in a noun-verb format, whereby each outcome (input, output, or deliverable) is described as a noun and each activity that is associated with producing or controlling or monitoring the outcome is described as a verb; e.g., "Project Management" or "Strategy Planning". The noun part of the business capability is a unique business object – a single, persistent thing that is of interest to the business. The advantage of making a business object the focal point of the business capability is that it simplifies the process of identifying the information objects that are tied to and used by the business capability.

A business object is typically tangible – for example, "Customer" or "Loan" – but it can also be more conceptual and intangible, such as "Research". The most important consideration is to use names that resonate with business leaders and stakeholders. Commonly understood names enable better understanding and improve communication across different stakeholder groups. However, resist the urge to simply repeat the organizational department names. Unlike business

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capabilities (which are inherently stable), organizational structures are not enduring and frequently change in most organizations.

2.1.2 Description

A brief description helps to clarify the scope and purpose of the business capability and to differentiate it from other business capabilities. A useful syntax is to phrase the description of each business capability as "the ability [or capacity] to …". For example, a business capability named "Strategic Planning" might be described as "the ability to develop and maintain the strategic plan and overall direction of the organization".

As with the business capability name, write all descriptions using language that is relevant and appropriate to the business stakeholders. Two important considerations are to:

1. **Be concise**: Provide just enough detail over one or two sentences to enable greater understanding than can be gained from the business capability name alone.

2. **Be precise**: Do not simply repeat the name of the business capability in the description, such as "the ability to manage projects" when describing "Project Management".

2.2 Elements to Implement Business Capabilities

A combination of roles, processes, information, and tools enables a business capability. The process of reviewing each of the business capability components helps refine the business capability name and description, and supports the subsequent analysis of business capability gaps, duplications, and redundancies. This decomposition can be used as a test to check that the capability definition is, in fact, a business capability (rather than a process, organizational function, or service).

Business capabilities are coarse-grained concepts that enable business planning from different viewpoints. Business capabilities are built to focus on what the business does rather than how the business uses capabilities to deliver value. That said, in order for a capability to be defined, we need to understand how the capability is realized in the form of people, processes, information, and resources. The key distinction is that the elements of a business capability can change regularly, whereas the business capability itself can endure over longer planning horizons. The *how* of a capability must be self-contained within the capability.

2.2.1 People

People represent individual actors, stakeholders, business units, or partners involved in delivering a business capability. A single organizational group or team may be wholly responsible for delivering the capability, or multiple business entities may share the delivery of a particular business capability. Do not describe people in ways that are organizationally specific. Role-specific business capabilities should be reviewed as they may be just a component of another business capability, or they may need further elaboration to become a more fully described business capability.

2.2.2 Processes

Individual business capabilities may be enabled or delivered through a range of business processes. Identifying and analyzing the efficiency of the underlying processes helps to optimize

the business capability's effectiveness. Identifying the processes within a business capability provides a focus for maturing the capability in concert with the other capability components.

2.2.3   Information

Information represents the *business* data, knowledge, and insight required or consumed by the business capability (as distinct from IT-related data entities). There may also be information that the capability exchanges with other capabilities to support the execution of value streams. Examples include information about customers and prospects, products and services, business policies and rules, sales reports, and performance metrics.

2.2.4   Resources

Business capabilities rely on a range of tools, materials, and assets for successful execution. Such resources may include:

- Information technology systems and applications

- Physical assets, such as buildings, machinery, and vehicles

- Intangible assets, such as money and intellectual property

3 Business Capability Mapping

A business capability map represents the complete, stable set of business capabilities (along with all of their defining characteristics) that covers the business, enterprise, or organizational unit in question. The end-product of the modeling process is typically a business capability map, which provides the visual depiction (or blueprint) of all the business capabilities at an appropriate level of decomposition, logically grouped into different categories or perspectives to enable effective analysis and planning.

Once defined, the business capability map provides a self-contained view of the business that is independent of the current organizational structure, business processes, IT systems and applications, and the product or service portfolio. However, mapping the business capabilities back to organizational units, value streams, IT architecture, and the strategic and operational plans will provide greater insight into the alignment and optimization of each of those domains.

3.1 Approach

The first goal of business capability mapping is to capture and document all of the business capabilities that represent the full scope of what the business does today (irrespective of how well it does it) or what it desires to be able to do in the future. The second step is to organize that information in a logical manner. This activity is discussed further in Section 3.2.

There are two approaches for identifying a starter set of business capabilities: top-down and bottom-up:

- **Top-down**: a top-down business capability mapping approach starts by identifying (from an enterprise-level perspective) the 20 to 30 highest-level business capabilities, each of which can decompose into more detailed levels

    Senior business leaders can help to develop the top-level business capabilities in the first instance. In practice, developing a draft business capability map from the top down is a more efficient use of time, but is usually only successful if there is meaningful involvement from senior executives.

- **Bottom-up**: when more time is available, business capabilities can be defined from within different parts of the business and built from the bottom up

    However, this approach can be more difficult to reconcile across the business without strong governance and senior leadership support toward ultimately developing an enterprise-wide business capability map.

Usually, a combination of top-down and bottom-up approaches allows for the refinement of the business capability map. Regardless of the approach, there are three good sources of information with which to create an initial draft of the business capability map:

- The organizational structure

- The business model

- Current strategic, business, and financial plans

3.1.1 Organizational Structure

Organizations are often structured in ways that closely align to business capabilities. People execute processes and allocate resources or tools like money, information technology, or other company assets. The organizational structure of a business can thus be used to *inform* the capability map.

A common mistake is to transpose the organizational chart onto the frame of the business capability map itself. Quite often, multiple business units are involved in creating or delivering a single business capability. Organizational structures are naturally also far more transient than business capabilities. Avoid, where possible, a tight alignment between the functional names that denote business units and the top-level business capabilities.

For example, ABC Company has four main functional areas, each with smaller departments that report up to the parent business unit, as shown in Figure 1.
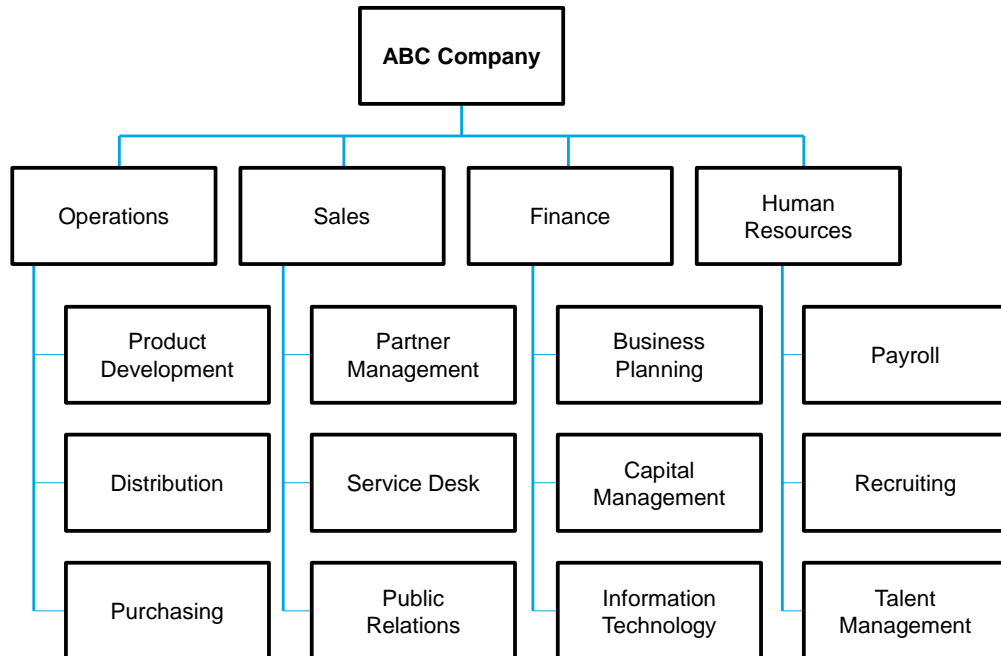
Figure 1: ABC Company Organization Chart

An initial investigation with the managers responsible for each of the business units in the organization chart yields the following starter set of business capabilities, where names are modified to apply the capability naming guidelines identified above:[2]

- Sales:

  — Account Management

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[2] This chart is not a complete list of possible business capabilities, much like any first pass where there is not enough time to meet with all stakeholder groups or there is not enough information to define a particular capability.

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- — Customer Management

- — Market Planning

- — Channel Management

- — Partner Management

- — Agent Management

- Finance:

  - — Finance Management

  - — IT Management

- Human Resources:

  - — HR Management

- Operations:

  - — Capital Management

  - — Policy Management

  - — Product Management

  - — Government Relations Management

  - — Distribution Management

  - — Procurement Management

  - — Operations Management

  - — Training Management

While organizational structure is roughly aligned to capabilities, the alignment is not perfect. It is not uncommon to find duplication or silos of capabilities in organization structures, because organizations do not align clearly to business objects. So, the starter set of capabilities needs to be analyzed to identify the business objects and refine the capability map for better alignment to business objects. Looking at the starter set of capabilities above there are cases in which it is not clear what the operative business concept is:

- IT Management: IT is generally an organization that handles all aspects of information technology systems

  As such, it is a common source of duplication in which IT may have its own Finance, HR, or other capabilities. If we ask what the new business object/concept is that is associated with IT, the clearest concept is "Information".

- Distribution and Procurement Management: distribution and procurement are best thought of as stages in a value stream

  The question is: distribution of what? Procurement of what? Procurement is usually of an asset. Distribution can be of an asset or a product. Product Management is already a defined capability, whereas Asset Management is something new.

- Government Relations Management: the issue here is that "Relations" is a vague concept that covers a variety of concepts

  For example, there could be lobbying efforts to try to influence legislation, or compliance efforts to ensure the organization adheres to regulatory mandates. Therefore, Regulatory Compliance Management is a *potential* capability; influencing regulations through lobbying could be considered an aspect of that capability.

- Business Planning: it is also the case that some capabilities will not have a clear alignment to a particular business unit in the organization, and so may be missed in an organizational structure-based capability analysis

  Strategic business planning may be done at a variety of levels by a number of different business units, none of which may have business planning defined as their sole or even main responsibility.

After this analysis, we have the candidate list of first-level capabilities as follows:

- ABC Company:

  — Business Planning

- Sales:

  — Account Management

  — Customer Management

  — Market Planning

  — Channel Management

  — Partner Management

  — Agent Management

- Finance:

  — Finance Management

  — Information Management

- Human Resources

  — HR Management

- Operations:

  — Capital Management

  — Policy Management

  — Product Management

  — Regulatory Compliance Management

  — Asset Management

  — Operations Management

— Training Management

This detail enables the identification of duplication, redundancy, or gaps in capabilities across organizational units.

3.1.2 Business Model

Business capabilities provide the building blocks upon which to execute an organization's business model. If an overarching business model exists, individual business capabilities (which support each of the core business model elements) can be derived from that. Mapping individual business capabilities back to the business model also ensures that the organization's activities and investments are tightly aligned or targeted in support of the overall enterprise vision and strategy.

3.1.3 Strategic Plans, Business Plans, and Financial Plans

Use the published strategy and operational business plans to identify any business capabilities that are considered strategic or core to the organization. These represent business capabilities that provide a competitive advantage or that are core competencies, unique to the particular industry and market that the business is targeting.

An assessment of the business's financial plans should also highlight additional business capabilities that are essential for the business to operate, especially those that consume significant financial resources.

3.2 Structuring the Business Capability Map

There are two concepts for turning the set of business capabilities into a logical structure that communicates the right amount of detail to different stakeholder groups. Creating these structures will allow them to focus on those capabilities that are most important or relevant to their sphere of influence: stratification and leveling.

3.2.1 Business Capability Stratification

Stratification is the process of classifying, grouping, and aligning business capabilities within categories, tiers, or layers. The purpose of stratification is to break down a business capability map so that it can be more easily understood; a collection of 20 to 30 capabilities without some form of stratification is difficult to read and process.

Each stratification tier provides a different perspective or focal point for different stakeholder groups, allowing each group to organize their analysis and subsequent planning activities in more structured ways. For example, the top tier is often aimed at the executive function's span of control: business capabilities related to strategy and direction-setting. The middle tier typically represents the core, customer-facing elements of the business, while the bottom tier deals with those business capabilities that are essential for the business to function but play a supporting role behind the scenes.

Figure 2 represents an example of a Level 1 business capability map for ABC Company, derived from all the inputs discussed in the previous section.

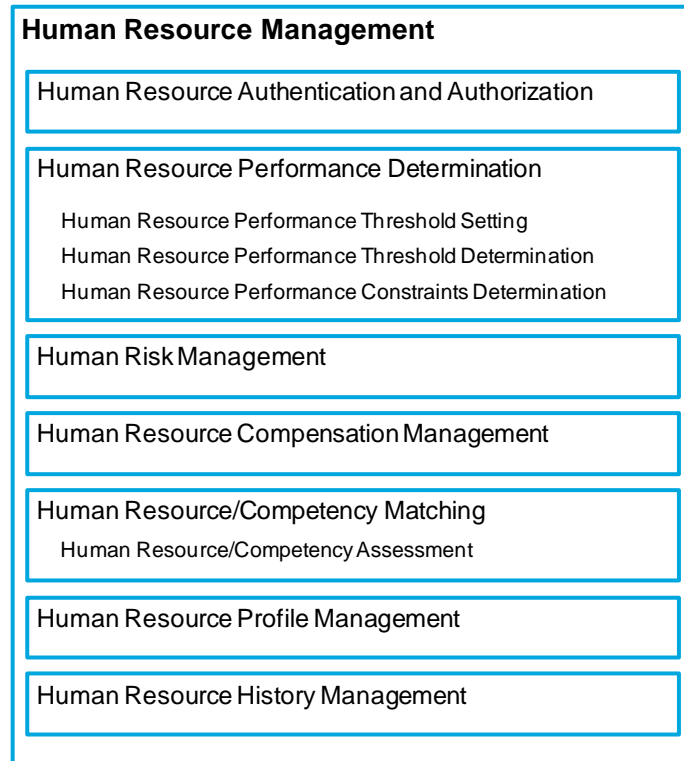| Strategic	Business Planning	Market Planning	Partner Management
	Capital Management	Policy Management	Regulatory Compliance Management
Core	Account Management	Product Management	Distribution Management
	Customer Management	Channel Management	Agent Management
Supporting	Financial Management	HR Management	Asset Management
	Information Management	Training Management	Operations Management

Figure 2: ABC Company L1 Business Capability Map

3.2.2 Leveling

Leveling is the process of decomposing each top-level (Level 1) business capability into lower levels to communicate more detail at a level appropriate to the audience or stakeholder group concerned. Some business capabilities intuitively decompose as part of the modeling process. Others only become evident when capabilities are mapped to show other perspectives.

For example, senior executives may only be interested in the Level 1 view of the business capability map. Architects and planners expect to see a much greater degree of granularity. The number of levels of decomposition is limited only by the degree necessary to communicate the information required by the intended audience or to enable the business to make informed decisions about capability gaps. Between three and six business capability levels of decomposition is common in practice.

Figure 3 shows the Human Resource Management business capability decomposition. Here, Human Resource Management is the Level 1 business capability. There are seven Level 2 business capabilities, including Human Resource Performance Determination, which in turn has been decomposed into three Level 3 business capabilities.

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┌────────────────────────────────────────────────────────┐
│ Human Resource Management                              │
│ ┌────────────────────────────────────────────────────┐ │
│ │ Human Resource Authentication and Authorization    │ │
│ └────────────────────────────────────────────────────┘ │
│ ┌────────────────────────────────────────────────────┐ │
│ │ Human Resource Performance Determination           │ │
│ │                                                    │ │
│ │    Human Resource Performance Threshold Setting    │ │
│ │    Human Resource Performance Threshold Determination│ │
│ │    Human Resource Performance Constraints Determination│ │
│ └────────────────────────────────────────────────────┘ │
│ ┌────────────────────────────────────────────────────┐ │
│ │ Human Risk Management                              │ │
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│ │ Human Resource Compensation Management             │ │
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│ ┌────────────────────────────────────────────────────┐ │
│ │ Human Resource/Competency Matching                 │ │
│ │    Human Resource/Competency Assessment            │ │
│ └────────────────────────────────────────────────────┘ │
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│ │ Human Resource Profile Management                  │ │
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│ ┌────────────────────────────────────────────────────┐ │
│ │ Human Resource History Management                  │ │
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Figure 3: Human Resource Management Capability Decomposition

4 The Impact and Benefits of Business Capability Mapping

As a foundational part of a Business Architecture blueprint, the business capability map can provide benefits at a strategic level, at an enterprise-wide scope, or for individual projects. To the Enterprise Architect, the usage of the capability map is only constrained by the scope of the architecture effort itself and often starts with previous work at a very broad scope across the business.

Some of the impacts and benefits include:

- Providing a common vocabulary or language around what the business does, while being agnostic to specific organizational units, business processes, or technologies

- Allowing business relationships to be understood in terms of how many domains relate back to the same ability to perform a business activity

- Focusing investments and cost savings through mapping to the same business capabilities

- Relating projects to each other through mapping back to a common view of capabilities

- Ensuring stakeholders agree on the capabilities to be delivered to the business before proposing potentially incorrect or incomplete solutions

- Determining which capabilities provide the means to deliver value for the stages of a value stream

For a powerful use-case applying business capability maps for Portfolio and Project Management, see The Open Group Guide to Capability-Based Planning (see Referenced Documents). That document describes capability-based planning, which is a way of creating a line of sight between objectives and goals, and the organization's capability, as well as changing initiatives. Benefits and associated principles are expanded on by the Business Architecture Guild.[3]

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[3] See https://www.businessarchitectureguild.org.

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5   Mapping Business Capabilities to Other Business Architecture Perspectives

Having identified and organized the business capabilities into a business capability map, we can now start to apply the information to business analysis and planning.

There are two aspects to consider:

1. Heat mapping the business capability map itself

2. Mapping the relationships between the business capabilities and other business and IT architecture domains

Heat mapping helps identify opportunities for business improvement or investment. It visually highlights business capabilities that are performing at a sub-optimal level, or that might not exist in a form that is required to meet some future strategic need.

The second approach helps to strengthen alignment across different parts of the business, ensuring that what the business wishes to do is:

- Reflected in the company's strategic and operational plans (the *why*)

- Supported by the appropriate systems, processes, information, and organizational structure (the *how* and *where*)

5.1   Heat Mapping

Heat maps can show a range of different perspectives. These include maturity, effectiveness, performance, and the value or cost contribution of each capability to the business. Different attributes determine the colors of each capability on the business capability map. Typically, a stoplight metaphor highlights, at a glance, those capabilities that may need further attention. For example, a business capability maturity heat map shows capabilities at the desired level of maturity is green; one level away is yellow; and two or more levels away are red. Other colors may indicate other status levels; e.g., purple denotes that the business capability does not exist today but is desired in the future. Missing capabilities signify a significant gap.

The heat map example shown in Figure 4 represents ABC Company's business capabilities when viewed from a capability maturity perspective.

Strategic	Business Planning	Market Planning	Partner Management
	Capital Management	Policy Management	Government Relations Management
Core	Account Management	Product Management	Distribution Management
	Customer Management	Channel Management	Agent Management
Supporting	Financial Management	HR Management	Procurement Management
	IT Management	Training Management	Operations Management

Figure 4: ABC Company Business Capability Heat Map

Here, we can see that Market Planning, Government Relations Management, and HR Management are in need of immediate attention. Partner Management, Customer Management, and Training Management have some issues but are of lower priority. Agent Management is a new business capability that the business wishes to develop. Business leaders can then take this information and ensure that investments and project initiatives are prioritized and funded at an appropriate level to bring those business capabilities shown in purple, red, or yellow up to the desired level of maturity.

Different heat maps can be generated from the same business capability map, depending on what criteria, perspective, or lens the business wishes to apply. Other heat mapping examples include:

- Strategic contribution

- Performance/effectiveness

- Revenue contribution

- Cost contribution

- Coverage (the degree to which each business capability is used by more than one business unit)

- Criticality

5.2 Relationship Mapping

Business capabilities have relationships to organizational units, value streams, information assets, and all other domains of a business and IT architecture. Business capability analysis and capability-based planning must recognize and evaluate the strength or weakness of each of those relationships in order to develop a complete view of the business, and to isolate those areas to target for improvement.

The relationships that business capabilities have with other domains can be depicted using relationship mapping techniques. Three of the most common and useful mappings (from a business planning perspective) are capability/organization mapping, capability/value stream mapping, and capability/business process mapping.

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5.2.1 Capability/Organization Mapping

Many business capabilities align to one and only one part of an organization. Business capabilities executed in many different parts of the organization can sometimes lead to inconsistent deployment and inefficiency. In the earlier example of looking at the organization chart to identify business capabilities, each business capability aligned to a specific business unit. In this case we did not look at duplicated capabilities. The matrix shown in Figure 5 shows how the same business capability can exist across different organizational units.

	Organizational Units			
Business Capabilities	Human Resources	Real Estate	Information Technology	Sales and Marketing
Project Management		🟩	🟨	
Learning Management	🟩		🟩	🟥

Figure 5: Capability/Organization Mapping Example

As an added dimension, the capability heat map shows where there may be opportunities to rationalize or harmonize capabilities across the organization.

One option may be to standardize using a consistent set of tools within the capability. Another option may be a complete realignment of the capability around a specific organizational unit to optimize all the components of the capability.

5.2.2 Capability/Value Stream Mapping

A value stream represents the sequence of activities (or value stages) that an organization undertakes to deliver on a customer request. In this context, a customer can be an external client or an internal stakeholder that is responsible for supporting the delivery of value by the organization.

Value streams help organizations identify which specific business capabilities are required to create and deliver value to their customers. The process of mapping business capabilities to each stage in a value stream serves to highlight which ones are more or less critical to the business operation. That, in turn, supports investment prioritization and initiative planning to develop or enhance those business capabilities that provide the greatest contribution to value delivery.

Figure 6 shows a sample recruit employee value stream and the various value stages mapped to different business capabilities. Each capability enables one or more value stages.
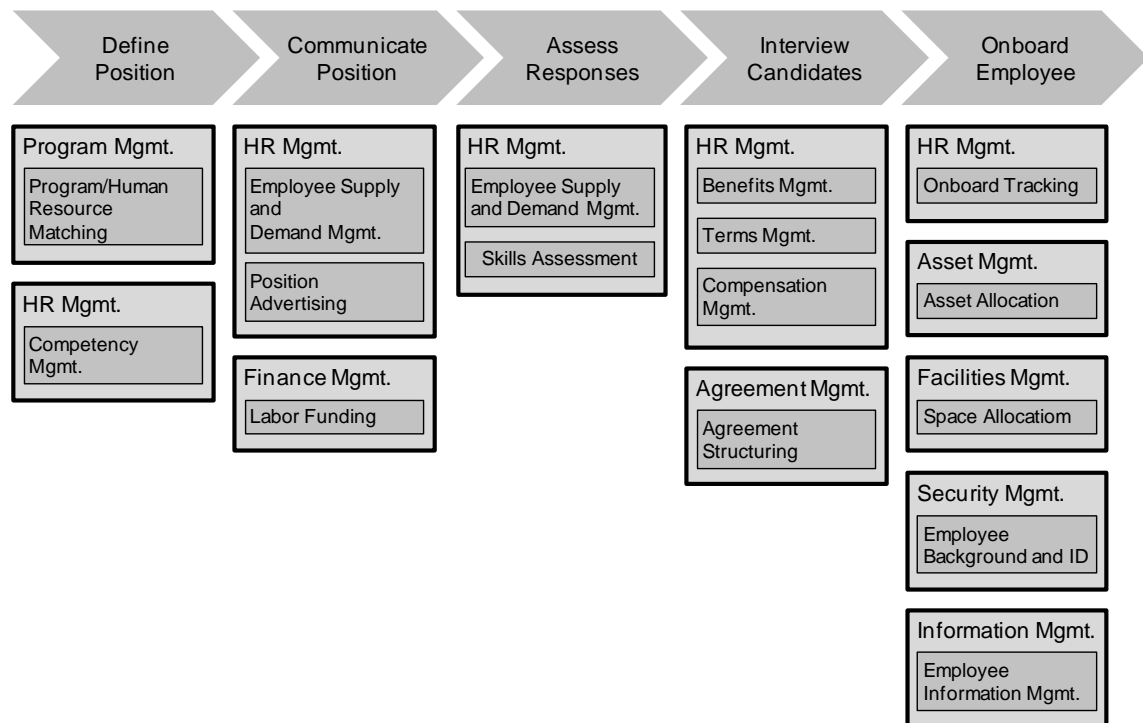
Figure 6: Capability/Value Stream Mapping Example

After identifying which business capabilities are needed to fully realize the value stream, further analysis can look at whether each of those business capabilities exists at the required level of maturity, performance, or effectiveness. Once an organization has defined its entire set of value streams, capability/value stream cross-mapping can also highlight which business capabilities are used in multiple value streams and thus have an even higher level of importance to the operation and in the success of the business.

5.2.3   Capability/Business Process Mapping

In order to clarify the relationship between business processes and business capabilities, it helps to be clear about the relationship between business processes and value streams. As the process management community becomes more focused on end-to-end processes and using more abstract representations beyond task, role, decision, and event descriptions to show how to implement a process, their similarity to value streams starts to emerge. Value stream principles become more suitable for modeling high-level business processes at an abstract, end-to-end level.

Within the context of this document, business processes *enable* business capabilities, which are those abilities the organization must have in order to deliver the value characterized in the value streams (to the stakeholders described). In other words, business capabilities provide the abilities required to execute the processes.

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6 Using Business Capability Maps with the TOGAF Standard

Business capabilities and business capability mapping are both core features of the TOGAF Standard, 10th Edition (see Referenced Documents). We see them introduced early in the Preliminary Phase as part of the process to Define and Establish Enterprise Architecture Team and Organization (see the TOGAF Standard – Architecture Development Method) and determine existing enterprise and business capability. Business Capability Management (the process for determining what business capabilities are required to deliver business value) is also identified as a focus area for coordination with the TOGAF Standard.

In Phase A (Architecture Vision), the architect starts to identify the *required* business capabilities that the enterprise must possess to act on its strategic priorities (see the TOGAF Standard – Architecture Development Method). These business capability requirements, documented using a Business Capability Map, are then used to create a high-level view of the Baseline and Target Architectures.

A detailed assessment of any business capability gaps belongs in the subsequent Phase B (Business Architecture). This is where heat mapping is applied to identify and analyze those gaps. Suggested heat mapping perspectives include maturity, effectiveness, performance, and the value or cost of each capability to the business.

In the TOGAF Standard – Architecture Development Method (Applying Business Capabilities), the business capabilities are mapped back to the organizational units, value streams, information systems, and strategic plans within the scope of the Enterprise Architecture project. This relationship mapping provides greater insight into the alignment and optimizations of each of these domains.

7   Conclusion

Business capabilities are a key building block for developing and optimizing a Business or Enterprise Architecture. Linking business capabilities to their underlying components provides a business context for the underlying people, processes, information, and resources that combine to deliver value in the form of products and services to the stakeholders of a business.

Organizing the business capabilities into a business capability map provides architects and stakeholders with a stable view of the business that is agnostic of the organization's structure. The model describes what the business does, or expects to do, at some point in the future. This abstraction also helps business leaders to manage the overall complexity inherent in their business.

Finally, mapping business capabilities to different business perspectives helps business leaders make better decisions.

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