Enterprise architecture maturity stage of AB Volvo

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Stages of Enterprise Architecture Maturity

1. The company assigned to me is AB Volvo. AB Volvo is an intercontinental manufacturer of trucks, buses, construction equipment, and marine & industrial engines. This company provides commercial transport solutions. This company also offers solutions for financing and services to its customers. This company proliferated on many continents.

With global process standards and independent business units with different customers and expertise, I have decided that this company comes under Stage 4 i.e., Business Modularity Architecture.

There are four enterprise maturity stages.

Stage 1, Business Silos Architecture, This is a stage where the needs of the individual business are met. This stage also focuses on opportunities and problems of every individual unit. This stage creates a variety of systems but they cannot communicate among their units. This stage requires integration. AB Volvo company meets all these requirements and the functionalities and processes of individual units of this company are far ahead of this stage.

Stage 2, Standardized Technology Architecture, Standardization of functionalities are met in this phase. There is also increased centralization of units when compared to the previous stage. This stage looks towards shared infrastructure. As a result of shared infrastructure some local needs will be removed but this shared infrastructure provides a greater benefit. AB Volvo has a shared infrastructure for its financial services.

Stage 3, Optimized Core Architecture, This stage replaces all the local needs with an enterprise view. Major changes in business processes and structures are more difficult. This stage helps in automates the business and makes decision-making easier. This stage should be able to

develop reusable processes. AB Volvo's production units follow this stage and also have their own reusable processes.

stage 4, Business Modularity Architecture, all the processes that were adopted in stage 3 are more refined in this stage. Businesses are managed using reusable processes and components that connect loosely. Interfaces of units are more standardized.

AB Volvo productions and financial services have standardized interfaces. Strategic direction and decision-making are seen in this company. AB Volvo has its own management policies to meet the needs of customers. Refined re-usability processes and focus on the quality of products are two main characteristics of this company that follows business modularity architecture. As the process of production of different products is more refined, products of trucks, buses, and construction equipment are produced within a short period according to the need of customers. As this process of developing products is the same for individual business units of products, this process of production is reusable. Volvo also focuses on the quality of a product. Volvo maintains high-quality standards throughout its business activities to retain its customers. Volvo follows strict management policies to deliver high-class services and products to its customers. Let us take the example of the construction equipment production of AB Volvo. This production component develops the products according to the needs of the customer. They manufacture the products within a short time using their refined reusable process. They market this equipment for construction and other industries under Volvo, SDLG, etc. They produce their products with highly refined quality for their customers. Hence this individual unit of construction equipment of AB Volvo generates 11.6% of the company's revenue.

The main goal of this stage is to create seamless connections between modules in business processes through standardized interfaces.

In enterprise architecture, an optimized core refers to a central component of an organization's technology infrastructure that has been optimized for maximum efficiency, scalability, and performance. This could refer to hardware, such as a high-performance computing cluster or an optimized data storage system, or to software, such as an optimized database management system or a custom-built application that has been optimized for a specific use case. The goal of an optimized core in enterprise architecture is to ensure that the organization's technology infrastructure can support its business operations and goals effectively, efficiently, and at scale.

All these examples and characteristics of the company are aligned with stage 3 of enterprise architecture maturity which is optimized core

2. As an enterprise architect, my suggestions for my leadership team to move towards business agility are,

- Creating reusable modules and letting all the individual business units select the process of their available choice.
- Give the greater choice of design for individual business unit managers to develop processes that can be linked to core processes.
- The whole team needs to be quickly skilled in how efficiently we develop processes that strengthen the core.
- Priorities of investments should be done wisely for developing products according to the need of customers.

The company should be rapid, and continuous and be able to adapt systematic revolutionaries.

References

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