BUSINESS ARCHITECTURE MODELS THE ENTERPRISE IN ORDER TO SHOW HOW STRATEGIC CONCERNS OF KEY STAKEHOLDERS ARE MET AND TO SUPPORT ONGOING BUSINESS TRANSFORMATION EFFORTS.
BUSINESS ARCHITECTURE AND BUSINESS ANALYSIS

ENTERPRISE

“GREENFIELD”

“BROWNFIELD”

“OFF THE SHELF”
STRATEGY ANALYSIS AND THE ARCHITECTURE PROCESS
CASE STUDY

Two great tastes that go great together?
BUSINESS ARCHITECTURE CENTERS ON THE BUSINESS MODEL

FRESH SUSHI BAR

BUSINESS ARCHITECTURE
(MODEL 1)

IT ARCHITECTURE

BUSINESS ARCHITECTURE
(MODEL 2)

DRY CLEANING

ENTERPRISE ARCHITECTURE
UNDERSTANDING BUSINESS MODELS

Business Model Canvas, http://businessmodelgeneration.com
CUSTOMER SEGMENTS AND VALUE PROPOSITIONS

Gain Creators

Products & Services

Pain Relievers

Gains

Pains

Customer Jobs

Value Proposition Canvas, http://businessmodelgeneration.com
THE VALUE CHAIN

MARGIN

ORGANIZATIONAL CAPABILITIES

PRIMARY ACTIVITY

INBOUND LOGISTICS  PRODUCTION & OPERATIONS  SALES & MARKETING  OUTBOUND LOGISTICS  SERVICE

SUPPORTING ACTIVITY

MANAGEMENT  TECHNOLOGY  FINANCE  HUMAN RESOURCES
COSTS AND REVENUES

REVENUES
- ASSET/PRODUCT SALE
- SUBSCRIPTION & USAGE FEES
- LENDING, LEASING, LICENSING
- ADVERTISING & BROKERAGE FEES

COSTS
- OPERATING COSTS, ECONOMIES OF SCALE/SCOPE
- SALES, GENERAL, & ADMIN
- RESEARCH & DEVELOPMENT
- FIXED & VARIABLE COSTS

MARGIN
- COST DRIVEN BUSINESS MODELS
- VALUE DRIVEN BUSINESS MODELS
CASE STUDY

Based on our discussion of business models, how does this work?
VALUE CHAINS AND CAPABILITIES

PRODUCT MANAGEMENT

CONCEPT ➔ INVESTMENT ➔ DELIVERY ➔ EXPLOITATION ➔ RETIREMENT

MARKET ANALYSIS ➔ BUSINESS CASE DEVELOPMENT ➔ REQUIREMENTS ANALYSIS ➔ SALES & MARKETING ➔ TRANSITION PLANNING
IDEA GENERATION ➔ FEASIBILITY ANALYSIS ➔ SOFTWARE DEVELOPMENT ➔ CUSTOMER SUPPORT ➔ PARTNER MANAGEMENT

INNOVATION

FUTURE BAKING
VALUE CHAINS AND ORGANIZATIONAL DESIGN

ORGANIZATIONAL ARCHITECTURE =

Human Resources + Formal Organization + Informal Organization + Business Process + Strategy
VALUE CHAINS AND BUSINESS MOTIVATION

ENDS

VISION

DESIRED RESULT (GOALS AND OBJECTIVES)

MEANS

MISSION

COURSE OF ACTION (STRATEGY, TACTIC)

DIRECTIVE (BUSINESS RULES AND POLICIES)

VALUE CHAIN

POTENTIAL IMPACT

ASSESSMENT

INFLUENCER

VALUE CHAINS AND PERFORMANCE METRICS

Balanced Scorecard, Kaplan & Norton
Do these value chains have shared underpinnings?
INITIATIVE SELECTION AND ENTERPRISE ROADMAPS
BUSINESS ARCHITECTURE LETS YOU ANSWER THESE QUESTIONS

- What capabilities are we enhancing?
- What value streams and processes will be affected?
- Who are our stakeholders?
- What is the top and bottom line impact of success?
- What metrics will we use to measure success?
- What is the relative priority of this change against everything else?
- What depends on this change?
BUSINESS ARCHITECTURE IS STILL EVOLVING AND CHANGING

FOR MORE, CHECK OUT:

- Business Architecture Guild
  - [http://www.businessarchitectureguild.org](http://www.businessarchitectureguild.org)
- BPTrends Business Architecture Program
  - [http://www.bptrends.com](http://www.bptrends.com)
- Open Group
  - [http://www.opengroup.org](http://www.opengroup.org)
- Business Relationship Management Institute
  - [http://brminstitute.org](http://brminstitute.org)
Q&A

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