Down Under

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Business Architecture: A Down Under Perspective

In March and September 2012 Mike Rosen wrote Columns on 'Introducing Business Architecture' and 'Business Architecture and IT'. The first Column elicited debate and comments from readers that he had taken "an IT perspective to business architecture". Mike was surprised about this, and in the latter Column tried to address this perceived shortcoming.

For me, the reason it is called "**Business** Architecture" is because it is all about the business. Seems obvious really! While IT is familiar with the need for various architectures – how to complete them and why they are necessary, and may be able to assist the business in its development - it is not IT's job to start or complete the 'Business Architecture'. IT certainly needs to support and participate in its development however.

Unless the business:

- understands why a Business Architecture is necessary;

- what value it can and will add to the business; and

- has ownership of its completion and use;

it will never buy-in or use the Business Architecture, no matter how hard IT tries to sell business on it.

From a BPM or business process perspective, the Business Architecture will provide perspective for BPM activities; and the detailed information required (elements and guidelines) that must be provided to support and enable business capabilities which will enhance the successful delivery of all components of the organization and BPM strategy.

It provides the link between the organization's strategy and the BPM programs and projects initiated to assist in the delivery of the strategy.

I will devote the remainder of this Column to present a view Business Architecture from a BPM or business process perspective.

In order for a business strategy to be implemented the organization's management must establish a set of rules, guidelines or principles related to how the business will be conducted. An outcome of the Business Architecture could perhaps be the specification or definition of a target operating model (TOM). Some refer to this as Enterprise Architecture. Whatever it is called it must always remain holistic and pragmatic. Figure 1 shows the relationship of the various aspects.
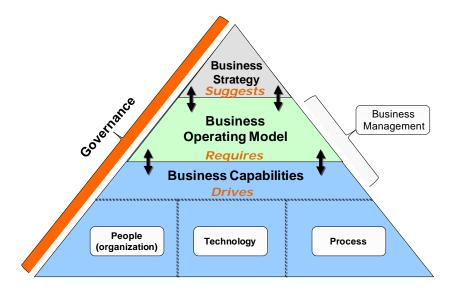
Figure 1 – Organizational alignment

The execution of a TOM will *require* the creation, or further development, of specific Business Capabilities and it is these required capabilities that drive the creation of the components:

- People (organizational structure, culture and accountability);
- Process (approach and architecture); and
- Technology (IT strategy and capability) within the business.

It is the combination of the business operating model and the three components of business capability that is often referred to as business management.

It is governance that brings all aspects of figure 1 together and provides the alignment between an organizations strategy and its ultimate execution.

Gartner have defined enterprise architecture as:

> *"the process of translating business vision and strategy into effective enterprise change by creating, communicating and improving the key requirements, principles and models that describe the enterprise's future state and enable its evolution"*[1].

Others have suggested:

> *"An enterprise architecture (EA) is a conceptual blueprint that defines the structure and operation of an organization. The intent of enterprise architecture is to determine how an organization can most effectively achieve its current and future objectives"*[2].

It is critical for the organization to understand that:

> *the establishment of BPM basic business foundation models and principles (whatever they are called) need not take months or cost a large amount of*

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[1] http://www.gartner.com/it-glossary/enterprise-architecture-ea/

[2] http://searchcio.techtarget.com/definition/enterprise-architecture

> *money if approached in a pragmatic way.*

In fact, it is essential that it does not take too much time or cost too much money.

Once basic foundation models and principle components have been established and agreed upon, BPM activities should commence and start yielding value to the business. If these basic foundations have been established in an appropriate way, each subsequent BPM activity will add more value to them and they will grow and become more robust over time while delivering business value. It is this balance that is critical. Mike refers to these as: iterative; reusable; not being prescriptive.

While there are basic concepts that work in most situations, they need to be tailored for each organization's business and process maturity, ensuring that they are fit-for-purpose.

Once the foundation models and principles have been established, and prior to the commencement of any BPM activities, the organization's executive team needs to ensure that sufficient resources have been allocated to yield the desired outcomes. Resources include not only money, but people and particularly management focus and commitment.

Business Architecture is all about the business. While the involvement of all stakeholders is critical, it must be driven and subsequently 'owned' by the business.

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