



Business Architects... Building Houses

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INTRODUCTION

Seasoned Business Architects are often well compensated and sit in senior positions within organisations. We look to explore the role of a Business Architect in more detail, their background and whether they add value to an organisations.

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1 INTRODUCTION

1.1 Background

In comparison to other architecture domains, business architecture is relatively new. IT architecture formed during the 1960's with the formalisation of flow charts and has had several reinventions over the decades; data architecture, components & objects, enterprise architecture to name a few. Business architecture in comparison only developed into a formal standard during the 1990's through business processes, and took until around 2010 to have a fully defined framework and standards.

As business architecture is relatively new, it is still commonly misunderstood and it's true value not realised by all. Investment in IT architecture also still far exceeds those investments made in business architecture.

This paper explores what business architecture is, the role of a Business Architect, their role in operating models and whether they truly represent a return on investment.

1.2 Focus Areas

There are many aspects to business architecture and the role of the architect, so in this paper we focus on four key areas:

- What is business architecture
- The role of a Business Architect
- Where do Business Architects come from
- Target Operating Models



02

Business Architecture In Focus *It's Like Building A House*

2.1 Business Architecture

So what is Business Architecture?

The Open Group and The Business Architecture Guild both detail business architecture in depth and are an excellent source of information, but if you don't have a few days to digest a manual, how do you explain it to your colleagues and friends in a simple, easy to understand way?

Business architecture is like building a house. The client employs an architect to design their dream home....they share all of their requirements with the architect such as how big they want it, what style it should be in, how many bedrooms they want, how many bathrooms etc. They also give the architect a set of principles and constraints; it should be eco-friendly, it should allow the maximum amount of sunshine, it can't cost more than £xxx, it must be built in 2 years.

The architect then draws up detailed plans to build the house and meet the clients requirements. The architect works with the clients to continually discuss, iterate and build out the blueprint before agreeing. Finally the architect passes on the blueprint to the builders and works with them to make sure the house is built to the specifications, ensuring the clients requirements are met.

Why not just hire builders? Well, imagine the client hiring a number of contractors and asking them to build a house with 4 bedrooms and 3 bathrooms with plenty of light. The builders may all have different views on what that house should look like. One builder might like grey windows, another white. The builder might assume that lots of light means ultra modern minimalist while another might think traditional with lots of skylights. With no blueprint to follow, is everyone working on the project clear on what the end result should be?

Just as with building houses, an architect plays a crucial role. They ensure that the clients requirements are understood and turned into a set of strategic objectives. A blueprint is developed to build an organisation that meets all of the objectives whilst aligning to the principles and constraints.

Without business architecture, many organisations move from objectives straight into IT initiatives with little understanding of the impact.



The definition of agreed blueprints to show how the organisation undertakes activities to fulfil it's missions and objectives

In reality, most don't have the luxury of building their dream home and get to work from a blank canvas. Instead the architect will draw up detailed plans of the existing property, document the alterations required and how they will fit within the existing structure.

The same applies in business architecture.

Business architecture will document the "AS IS" view of the organisation. This will contain detailed multi-dimensional views of the business, the relationships between them and how they need to evolve (target operating model).

The Business Architect not only enables the creation of the blueprint so everyone is building towards the same objectives, they ensure that the organisation remains aligned as development progresses.

Equally, a Business Architect can take on the role of surveyor. Quantity Surveyors are always involved at the start of a project, being brought in to look at the feasibility of planned construction or repair efforts, they then remain as overseers during the capital expenditure phases of development. This means they are involved, often on the site, through to the completion of construction, keeping a constant eye on the forecasted and actual costs, as well as being required to react quickly to problems and changes in specifications with updated costings and feasibility reviews.



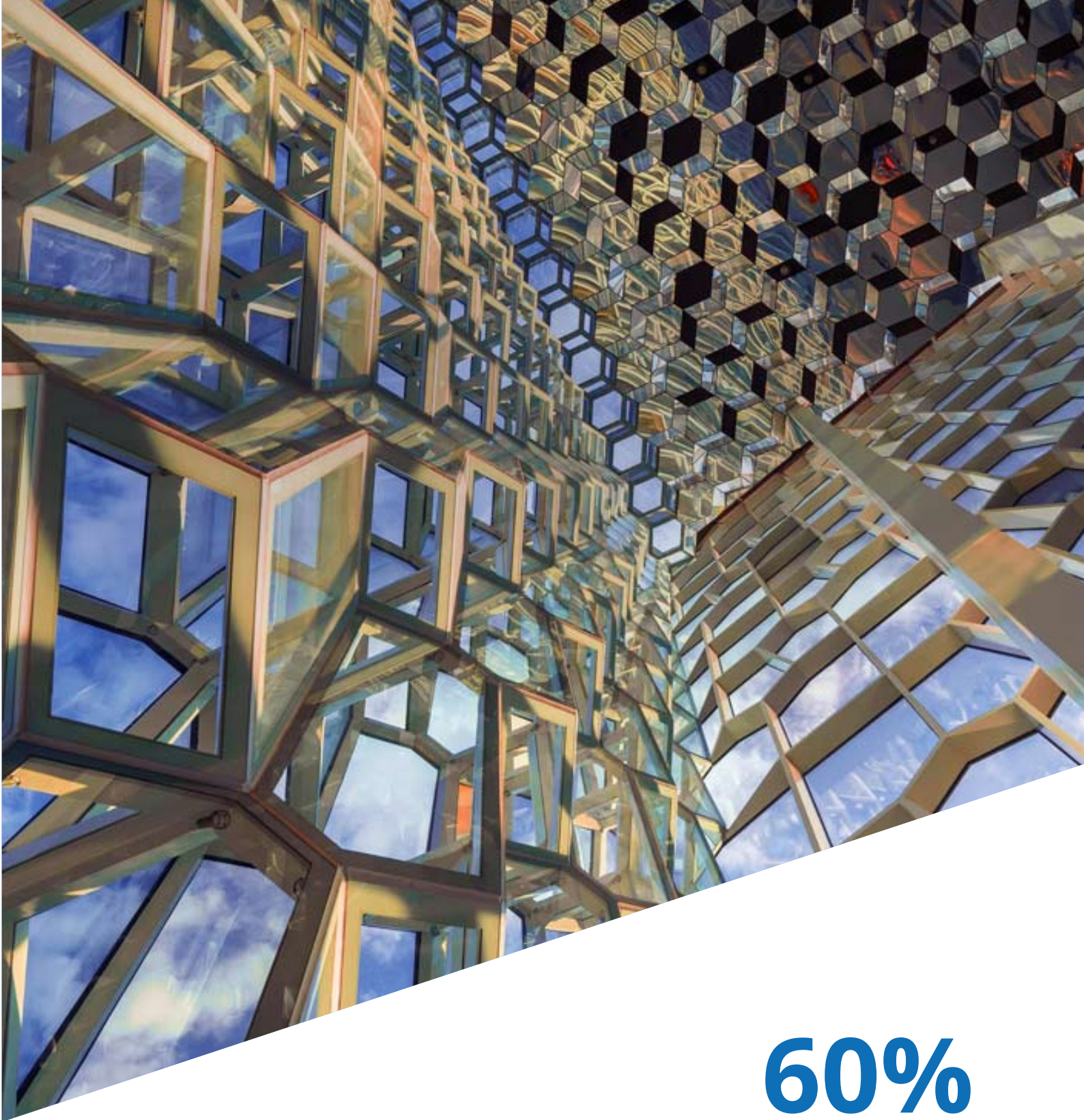
Allowing all stakeholders to communicate from the same 'hymn sheet'

Business architecture provides a transparent view of the business ecosystem in a common language that everyone in the organisation can understand. At its core, it describes what a business does, how it delivers value to its stakeholders, the information it uses and its structure.

An organisations business architecture constantly evolves to align with changing business strategies and vision.

INSIGHT

When asked, only 14% of respondents said their colleagues understood business architecture.



60%

**OF BUSINESS ARCHITECTS
SPEND MOST OF THEIR TIME ON
TARGET OPERATING MODEL DEFINITION
AND CAPABILITY MODELLING**

2.2 The Role Of A Business Architect

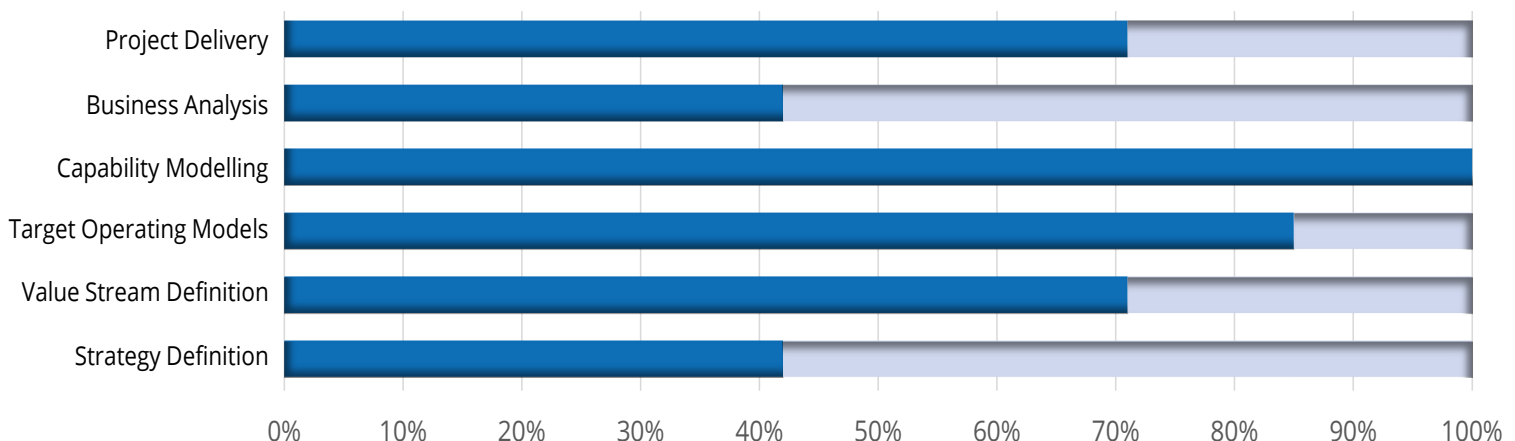
As previously discussed, business architecture as a discipline is relatively young and as a result, the role of a Business Architect is often relative to the organisation. A Business Architect can operate on a variety of levels depending on the level of maturity of the architecture practice within that organisation.

A Business Architect should...

- Contribute to, refine and translate business strategy
- To ensure execution aligns to strategy
- Document the full extent and impact of change - providing business insight
- Understand which levers to pull to achieve results
- Understand, integrate and communicate across enterprise capabilities
- Assure delivery and ensure design compliance

So in reality, how do Business Architects really spend their time?

We asked respondents, how they spend the majority of their time. Modelling an organisations capabilities came out on top, closely followed by Target Operating Model's (TOM). While at the other end of the scale, Strategy Definition and Business Analysis came last.



It's surprising to see that over half of our respondents aren't actively involved in strategy definition. We have seen that this is quite often the case, and a business architect is only called in once the strategy has been defined and expertise is sought to turn strategy into execution.



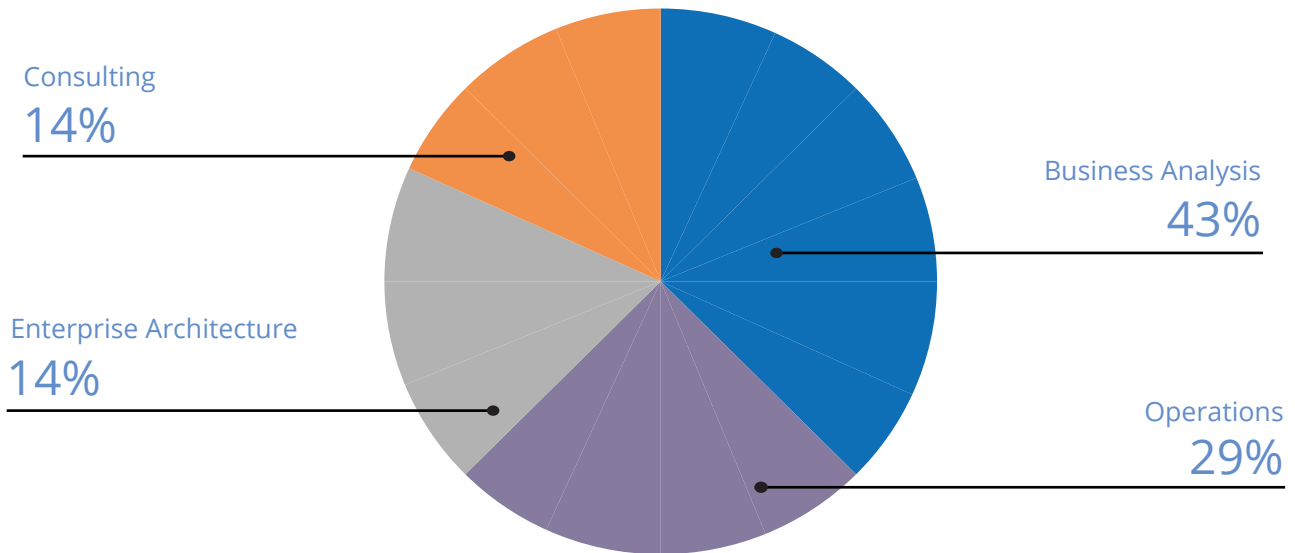
Is Everyone Now An Architect?

Data, Security, Application, Solution, Enterprise, Digital, Product,
Integration, Infrastructure, Network Architect...

Business Architect.

2.3 Where Do Business Architects Come From?

Of the Business Architects we surveyed, respondents came from a range of roles including consultancy, enterprise architecture, business analysis and operations. With such a range of backgrounds and experiences, coupled with roles sitting in various parts of organisations, it's no wonder the role is commonly misunderstood.



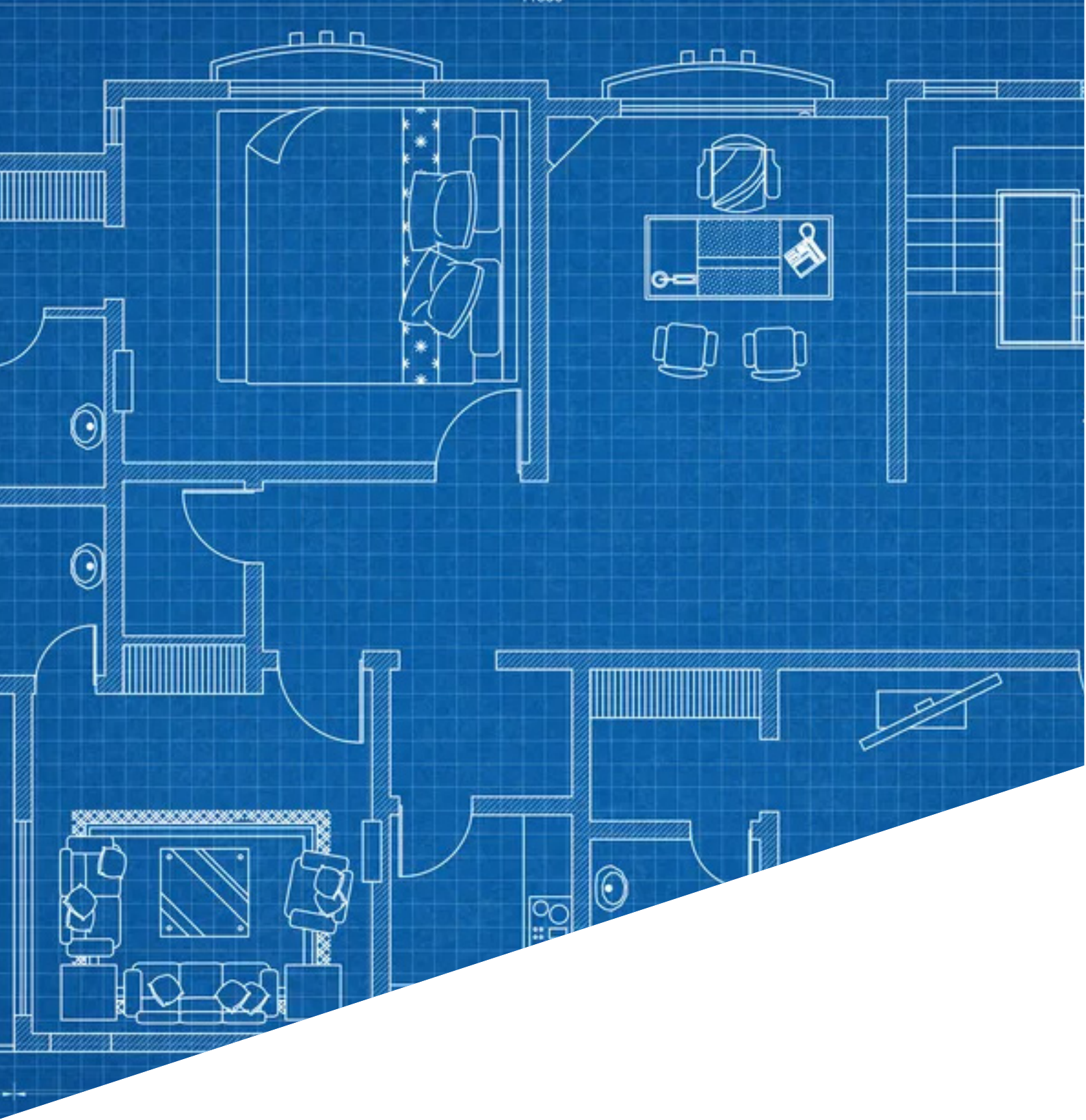
Whilst backgrounds can be varied, it's very clear from our research that Business Architects have strong roots from within the business. With 72% of those surveyed either coming from a business analysis or operational background, it compounds the view that business architecture is about the business and not about IT.

When you compare these backgrounds to the typical skills required by a Business Architect, is there a potential skills gap or does this further compound the confusion around the role of a Business Architect in many businesses?

Progressing from a Business Analyst into Business Architect for example is a logical path for analysts looking to develop, however the skills required are different. Analysis often focuses on project specific detail where as architecture focuses on the enterprise level as a whole. Analysis is most commonly used when a project is already agreed, where as architecture determines whether the project should happen in the first place. This is not to say Business Analyst can't make that transition.

Of the respondents that took part in our survey, only 20% had a qualification directly related to business architecture. While 95% of respondents had some form of architecture qualification to help make that skills transition, gaining a recognised qualification in business architecture remains relatively niche. It is therefore challenging to assess a Business Architects competency on an even playing field.

The industry is responding to this challenge with accreditations through the Business Architecture Guild and BCS but as a profession, we still have some way to go before there is significant adoption.



TOM...

How to build your house

2.4 Target Operating Models

No. A TOM is not just an org chart.

Business architecture enables businesses to drive operating model investments based on strategy, focusing on WHAT not HOW. Business Architecture provides the basis for operating model improvements built on a common foundation.

A Target Operating Model is made up of many architecture components across a number of architecture domains. It doesn't have to include all domains, nor does it have to have all of the artefacts a framework such as TOGAF describes. A Target Operating Model should be relevant to the organisation and situation in question; it should be as light or as detailed as required.

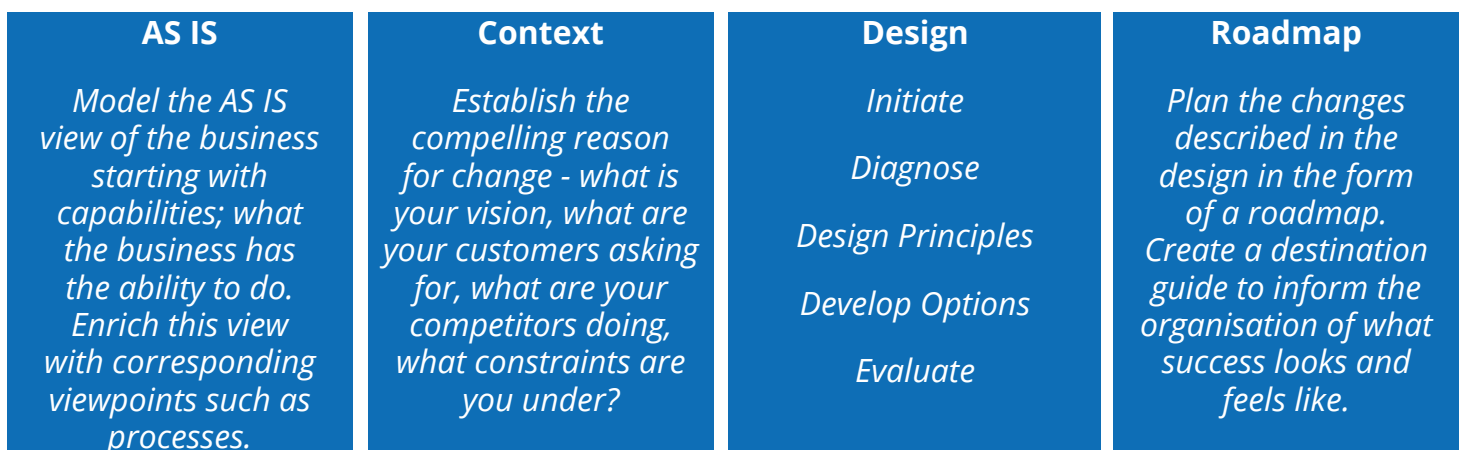
The majority of Business Architects spend a significant proportion of their time working on operating models in one shape or another. Let's keep it as simple as possible:

Model the business as it looks today using capabilities as the focus; think about the services it provides, the people it needs, the customers it serves, the suppliers it sources from, the technology it uses and the culture that surrounds it.

Understand where the business is going, where it wants to be in the short, medium and long-term and the principles, values and beliefs it will adhere to, to get there.

Model how the business will look in the future; what will change and what will stay the same. Show how the business might change as it evolves.

Begin the process of moving the business towards its target. Decide upon the programmes of change that will deliver the transition, ensuring each change activity is aligned to the businesses strategic drivers.



Business Architecture

Simplify's Proposition...

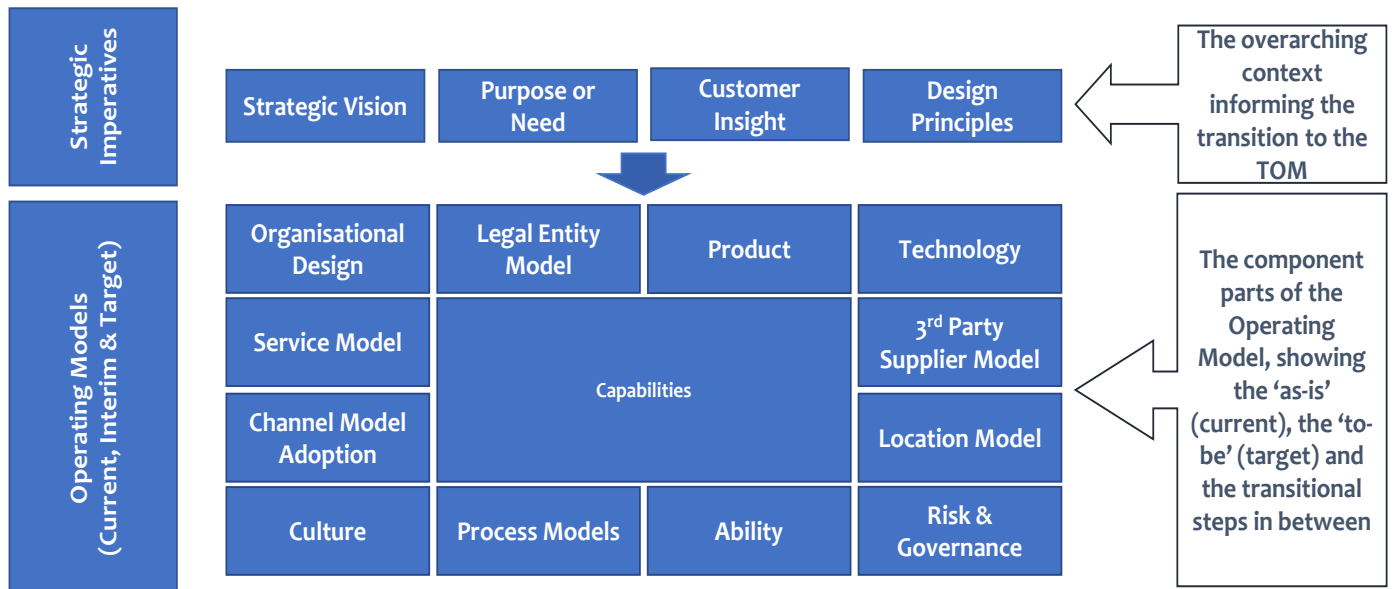
OPERATING MODEL CONSULTANCY

Our capability model has been used extensively in our engagements with our clients to help them; structure vendor selection processes, identify missing or weak capabilities in their business, to assess technology solutions, to drive change programmes and structure business requirements for new product launches or capabilities. Our model has depth of content, but we use flexibility to answer the problem statement.

The model brings significant benefits to our engagements, enabling our clients to consistently assess their business using a standard framework and approach. We specialise in...

- Current operating model definition and maturity assessment
- Target operating model and transition plan development and implementation

We have supported a range of businesses transform their operating model to help deliver their strategic objectives. Our approach is built using Business Architecture principles starting with understanding business capabilities which sit at the core of our framework and are complimented with corresponding viewpoints.



We are able to use our capability model as a “fast start” approach or to benchmark your business against other providers in the wealth management sector. An example of our capability modelling approach is shown on the next page.

Case Study: Capability Modelling

OVERVIEW

We were engaged by a business process and technology outsourcer to support them in winning a bid with a major Life and Pensions business, who also needed to outsource their internally managed transfer agency capability. We used our Capability Model to help our client assess the functional requirements of a Transfer Agency (TA) provider and to size the development effort required to build out their platform to enable them to offer TA services.

After successfully winning the bid, the model was used to help shape the programme and the delivery of functionality onto the platform to then facilitate a migration initiative.

Elements of the Model Used



Capability Maturity Assessment



Project Planning



Requirements Traceability

APPROACH

We conducted a detailed assessment of our client's platform vs. the functional capabilities required of a TA to understand where the gaps were. This provided a list of areas requiring some enhancement and areas where the gaps were more significant. This was then presented back to our client's own client to demonstrate an understanding of the key areas requiring development and to provide confidence in the deliverability of the overall tender.

Our model was then used to scope the rest of the programme and helped drive requirements, design and testing, in a structured, consistent and achievable roadmap.

RESULTS

Our capability model not only helped our client win their tender, demonstrating understanding of the subject matter and a clear handle on the gaps that needed to be addressed, but helped shape a delivery plan and provide certainty in how the programme would realise our client's ambitions. This ultimately enabled our client to stand up a platform and instigate a migration plan consistent with the timescales set out at the beginning of the engagement.

4 REFLECTION

While nobody questions the value of the architect when it comes to building a house, it is perhaps the failings on the part of Business Architects that they have failed to describe the role and purpose of business architecture and demonstrate the value of the discipline.

It can mean different things to different people, in different environments, but at its core it is...

An independent, consistent and re-usable model for understanding how a business is organised today and how it might look in the future. It provides a common language and view for all stakeholders of a business to share and reference.

With such a range of backgrounds and experience, it is on both businesses and architects to invest adequately in business architecture to ensure success.

Equally it is down to the industry to respond in developing qualifications that support Business Architects and maturity of the profession. When two of the three main certification programmes* are largely bolt-ons to IT led qualification paths it presents significant challenges which must be overcome.

We have listed a few of the key points and outcomes business architecture will bring to your business.

- Is focused on what not how
- Breaks down business silos
- It provides the business with a common reference point
- It serves as a baseline from which to build upon for activities such as strategy and change programmes
- It provides a way of understanding what levers to pull or the impact analysis of pulling certain levers
- It provides a way to see synergies across complex businesses
- It enables improved investment focus
- Businesses & Architects should invest in specific Business Architecture training and qualifications to create a “benchmark status” or “minimum skill set”
- Greater focus needs to be placed on building both buy in and the value it can bring to an organisation

* *Business Architecture Guild, TOGAF, BCS*

5 SUMMARY

While business architecture as a profession is definitely still driving towards a state of maturity and beginning to hold the same credibility as it's IT equivalents, overlook it at your peril.

We believe organisations should be utilising business architecture to align strategy with execution in a robust, repeatable and concise way. Business architecture is a proven return on investment and provides the framework to build a complete picture of what a business does and how it can evolve.

While architects might tell you about the importance of their architecture repository, about reference models or producing the full collection of architectural artefacts, good business architecture comes down to a few key components:



1. Buy In

Building fit for purpose, appropriate and robust visual output that stakeholders can buy into.

Use the principles but flex your approach depending on the audience.

You might be right, but without buy-in you're going nowhere fast.



2. Outputs

Delivering pragmatic outputs that are tailored to the problem statement.

Use repositories and reference models where appropriate but use them to drive the outputs not be the outputs.

Tailor to suit the audience. If they like videos, turn it into a video.



3. Insight

Building recommendations and insight based on factual analysis.

Use your expertise to become a trusted advisor that works on facts.

Whether you are architecting a new build, embarking on major renovations, making small improvements or just surveying, business architecture has a significant role to play.

If you need help setting up an architecture practice, face operating model challenges, about to embark on a transformation programme and want advice or support then please get in touch.

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