



*Governance, Architecture and Strategy
Fuelling business value*

Cape Town

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March 2007

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Agenda

- ❑ Introduction
- ❑ Convergence of Governance, Architecture and Strategy
- ❑ Conclusion



Business Value

Effective IT governance is the single most important predictor of the value an organization generates from IT...

Top-performing enterprises generate returns on their IT investments up to 40% greater than their competitors.

- They clarify business strategies and the role of IT in achieving them.
- They measure and manage the amount spent on and the value received from IT.
- They assign accountability for the organizational changes required to benefit from new IT capabilities
- They learn from each implementation, becoming more adept at sharing and reusing IT assets.

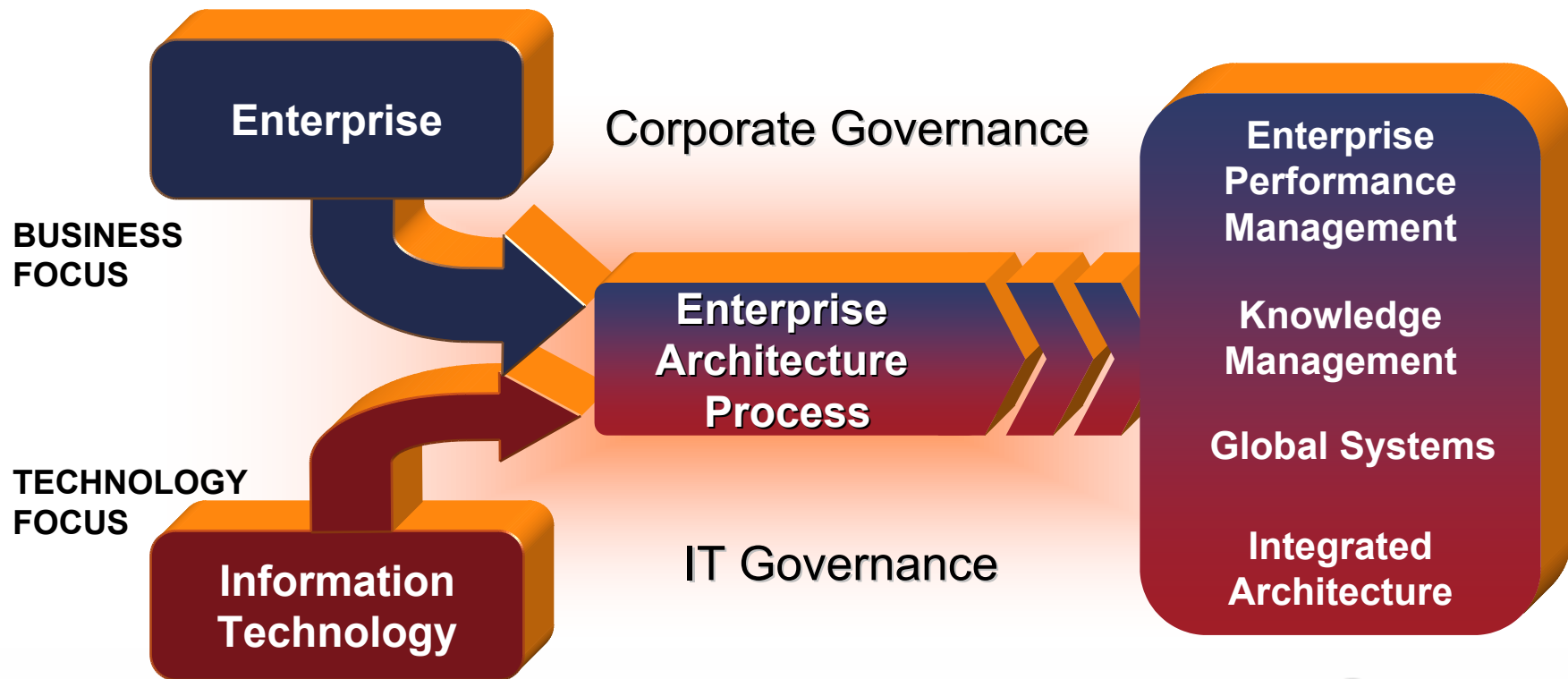
...but there is no single model of good corporate governance

Peter Weill and Jeanne W. Ross, *IT Governance: How Top Performers Manage IT Decision Rights for Superior Results*, Harvard Business School Press, 2004



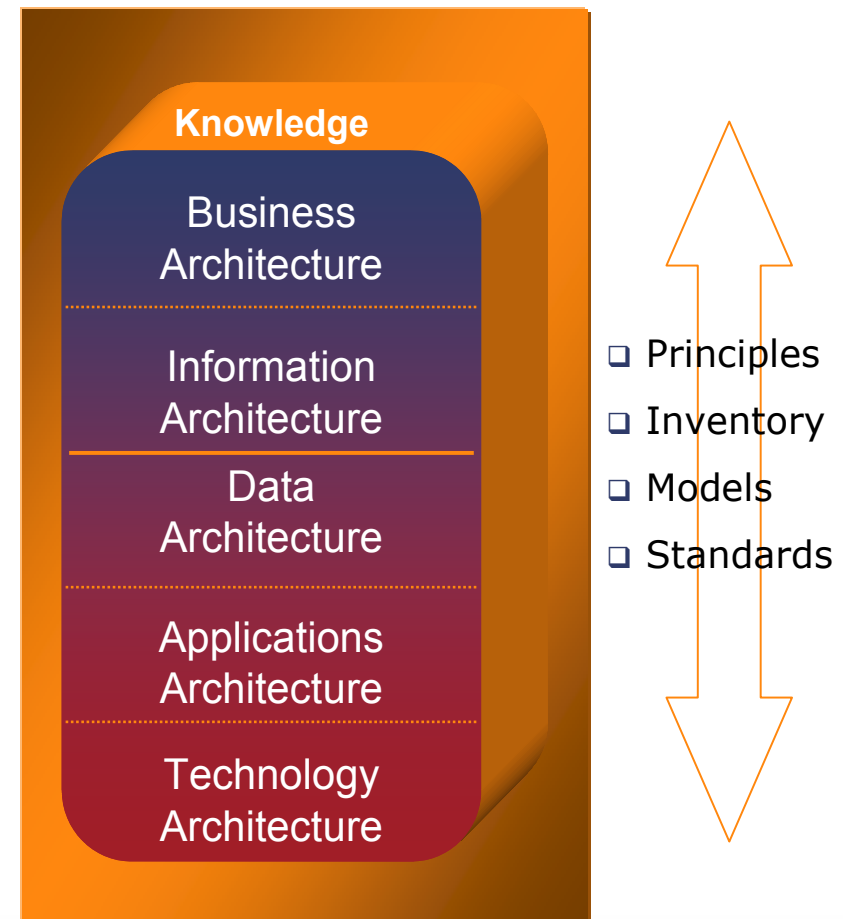
Enterprise Architecture is a Strategic Imperative...

...required to transform a legacy of fragmented applications, organizational structures and processes (both manual and automated) into an integrated environment with optimised processes that are responsive to change and the delivery of the business strategy.

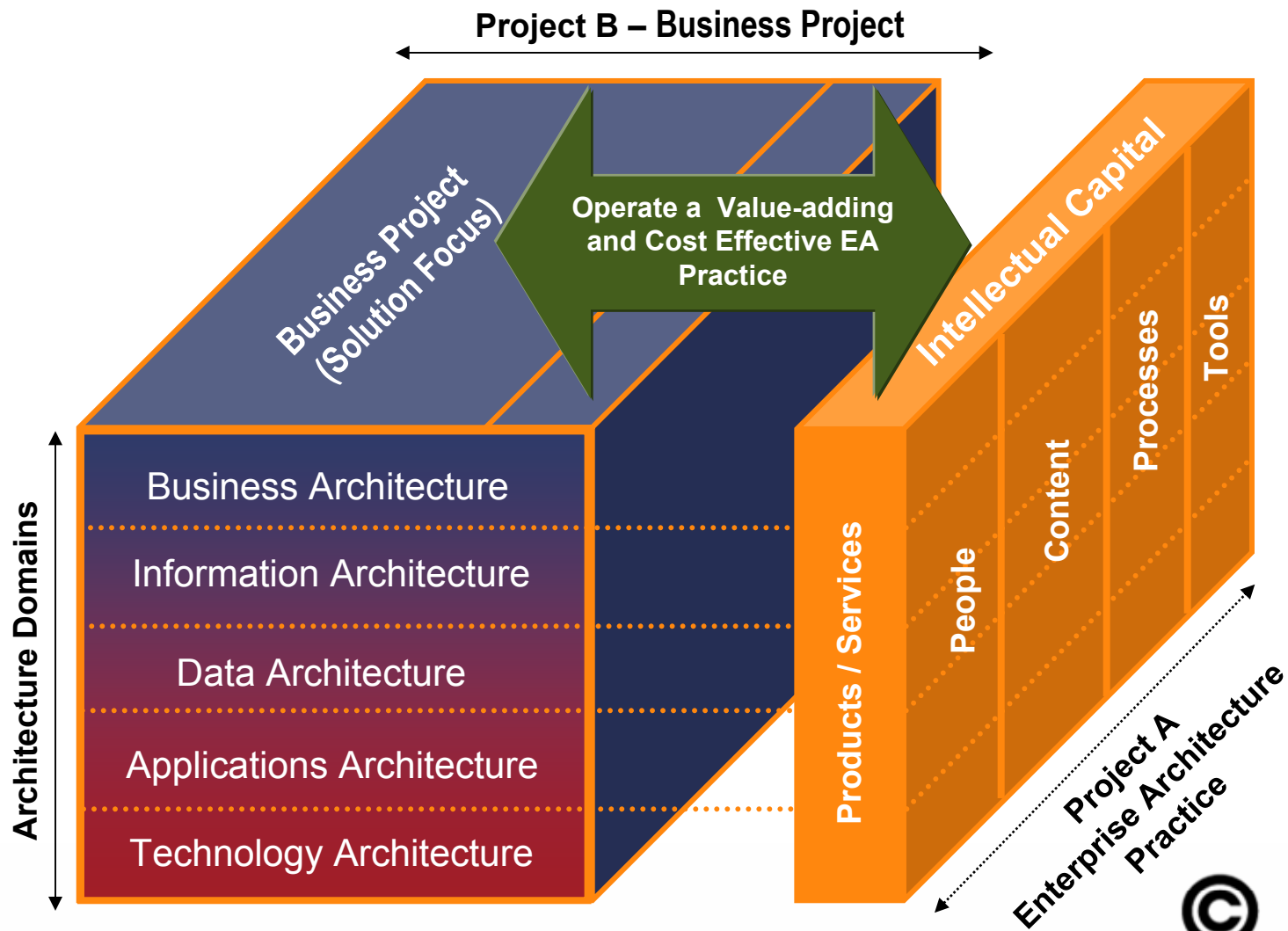


Enterprise Architecture Domains

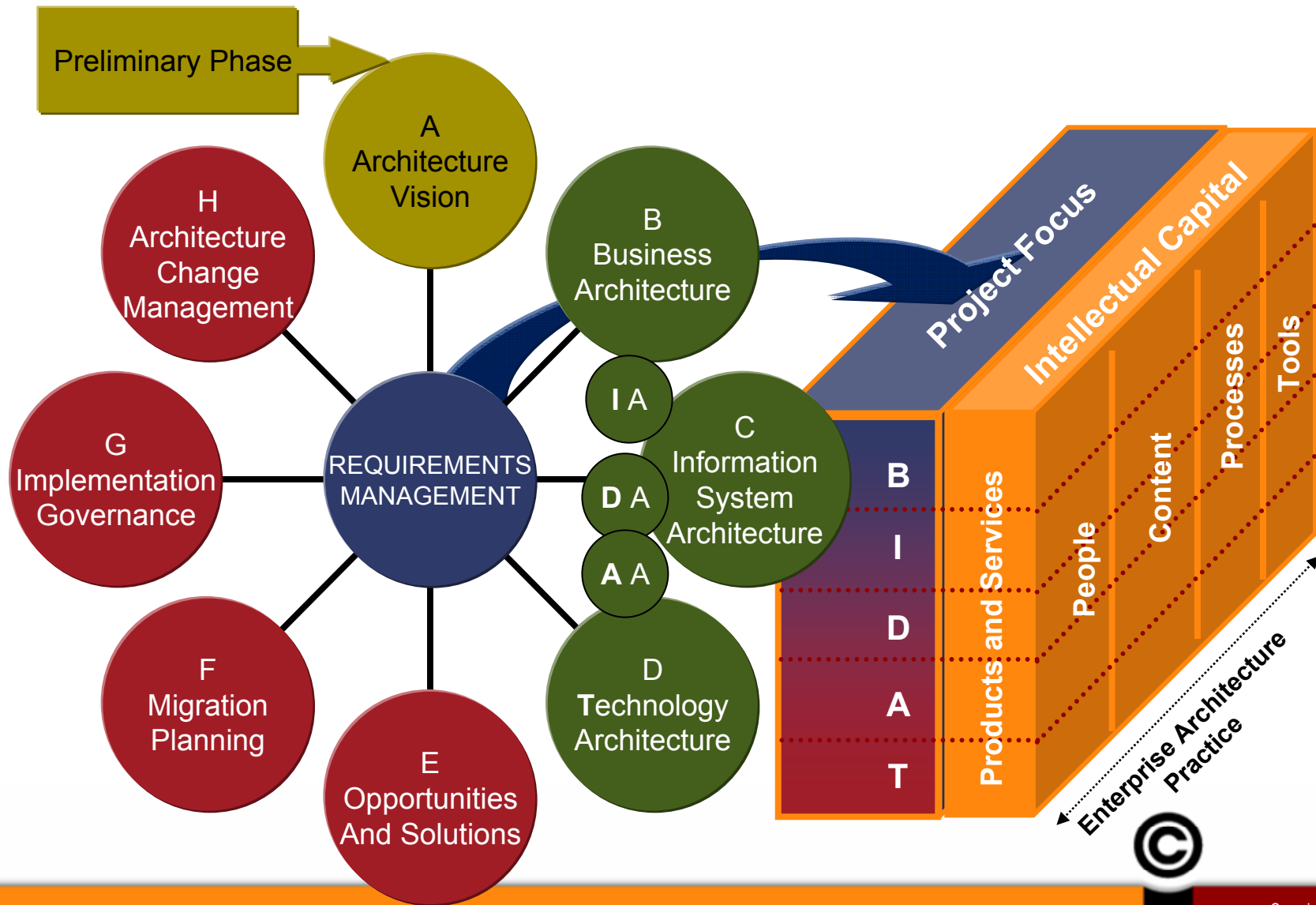
- ❑ Consists of current and future state models
- ❑ Is implemented through the Enterprise:
 - Business architecture,
 - Information architecture,
 - Data Architecture,
 - Applications portfolio, and
 - Enterprise-wide technical architecture
- ❑ Provides organizations with the ability to conduct impact assessments, analyze alternative scenarios and implement appropriate strategies
- ❑ (Re-)Defines the business design for sustainable competitive advantage



Programme Management of Enterprise Architecture



EA Capability and TOGAF (adapted)



Governance or Enterprise Architecture or Strategy?

+ Best and **-** Worst Governance Performers Use Different Arrangements

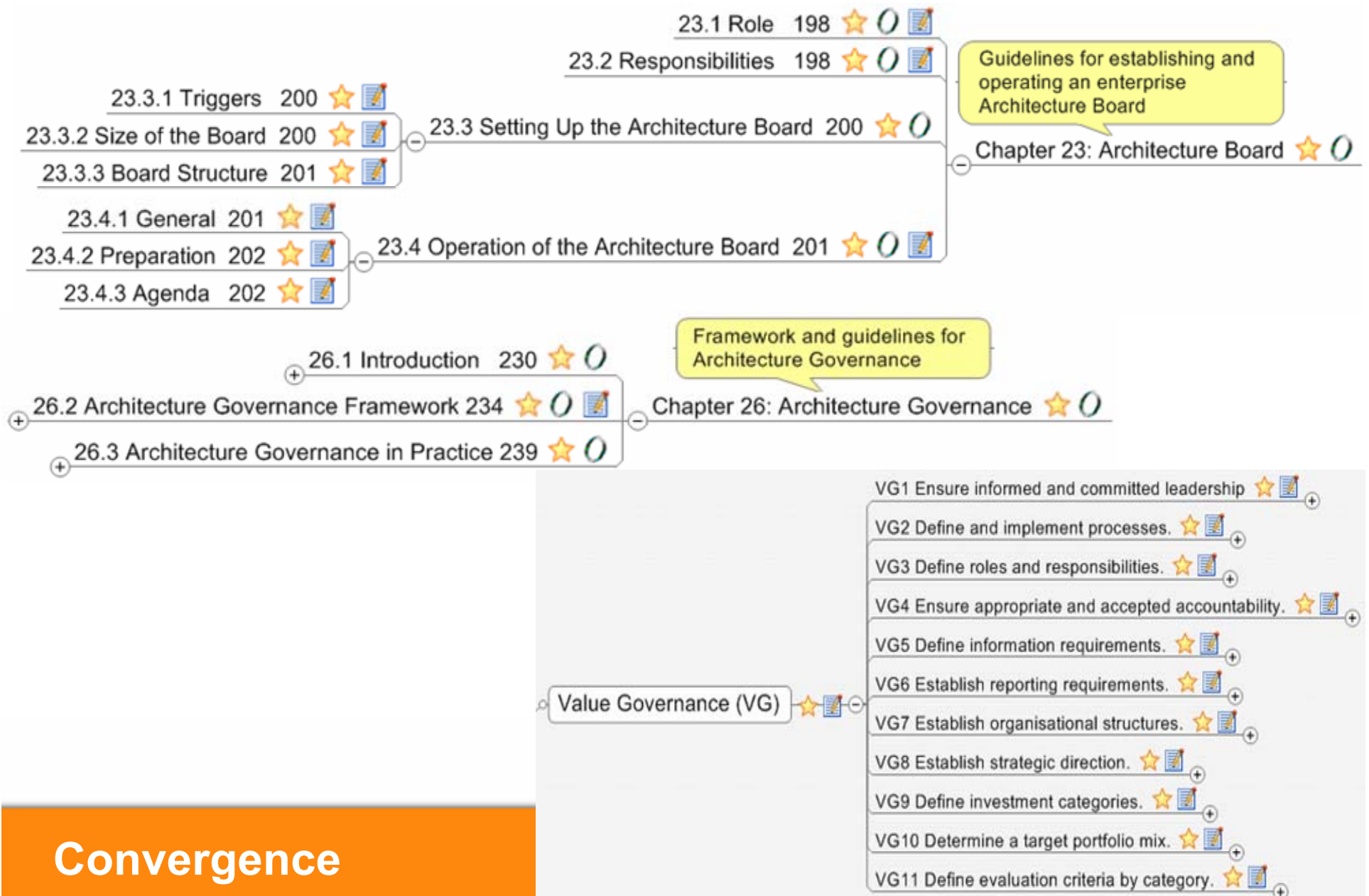
Decision

Governance Archetype	IT Principles		IT Architecture		IT Infrastructure Strategies		Business Application Needs		IT Investment	
	Input	Decision	Input	Decision	Input	Decision	Input	Decision	Input	Decision
	Business Monarchy									
IT Monarchy										
Feudal								-		
Federal	+	-		-		-	+			-
Duopoly	-	+					-			+

Peter Weill and Jeanne W. Ross, *IT Governance: How Top Performers Manage IT Decision Rights for Superior Results*, Harvard Business School Press, 2004

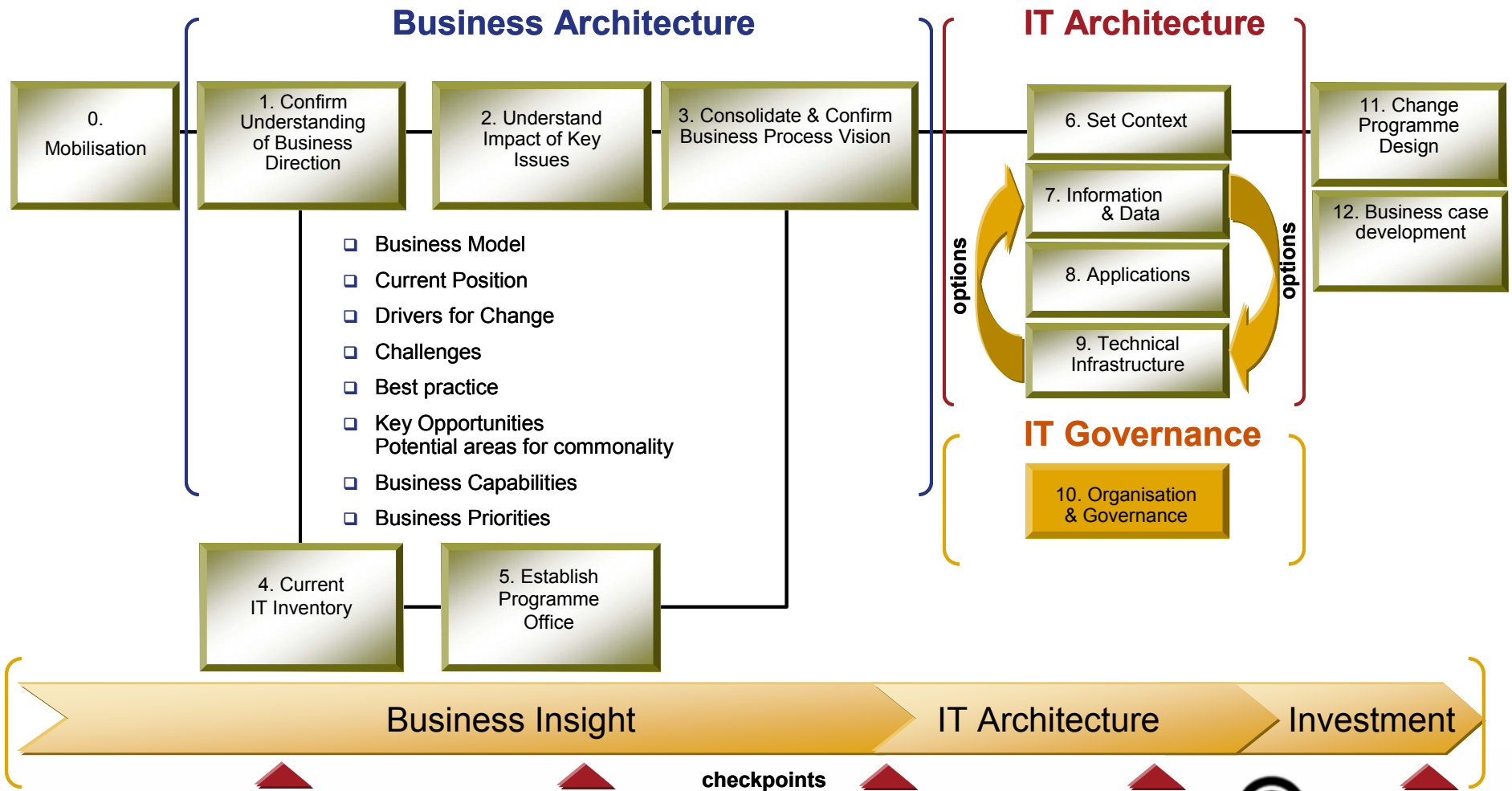


Mapping CobiT, TOGAF and The Val IT Framework

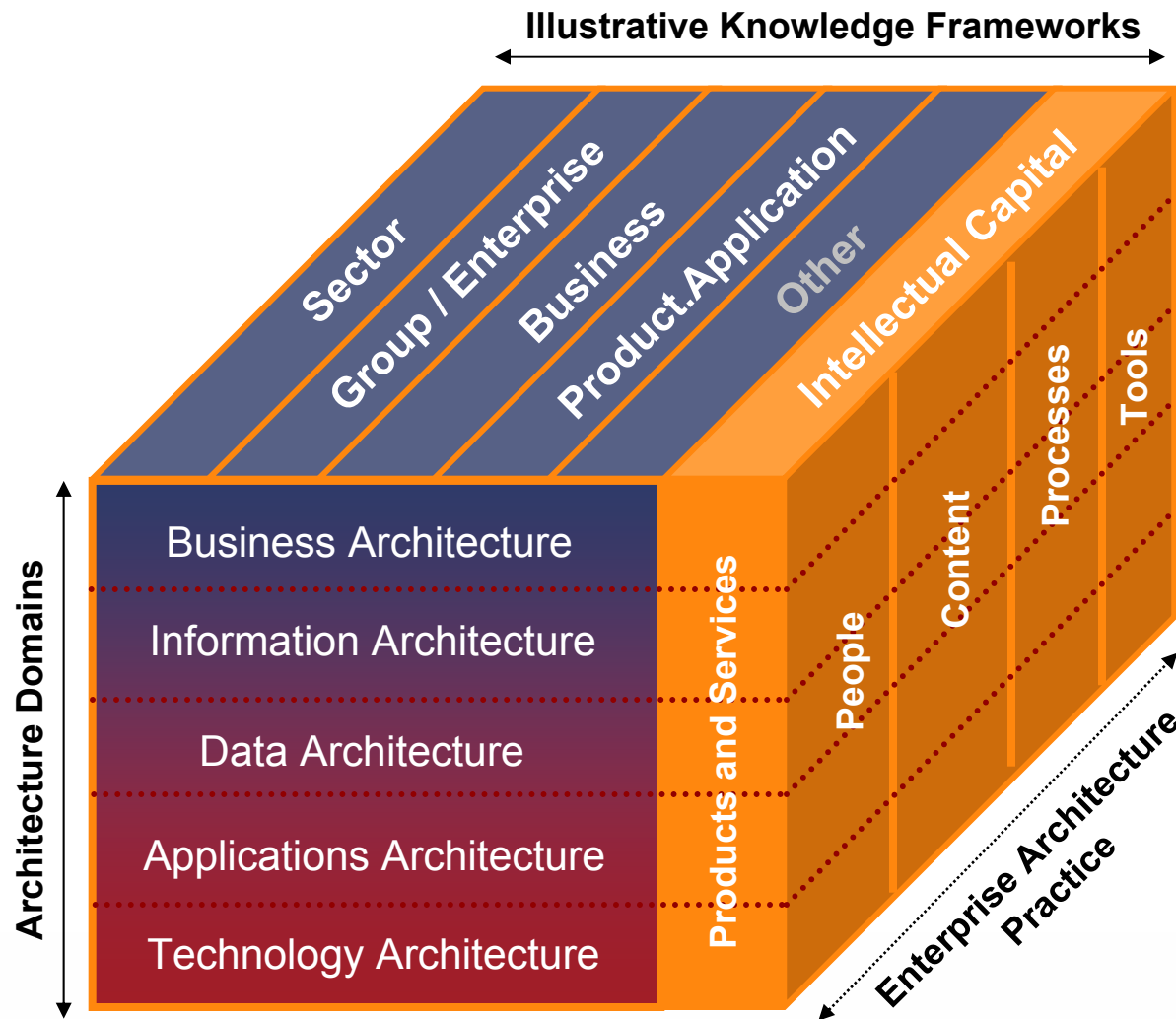


Convergence

Case Study – Global IT Strategy



A Business Appropriate Enterprise Architecture Practice



Conclusion

Enterprise Architecture as a Business Discipline

- ❑ Acquisitions and Mergers
- ❑ Application Development and Integration
- ❑ Benchmarking and Managing Best Practice
- ❑ Business Transformation, Engineering
- ❑ Competencies and Skills Identification
- ❑ Continuous Improvement
- ❑ Designing Delivery of Packaged Products (New Business Products)
- ❑ Organisation Structuring
- ❑ Outsourcing the Business
- ❑ Package Evaluation
- ❑ Risk Management
- ❑ Specifying Business Requirements to Technologists
- ❑ Strategic Planning



Governance entrenches Enterprise Architecture

- ❑ Enterprise Architecture is cross-disciplinary, requiring integration of diverse skills, methods, and tools, within and beyond the technology community.
- ❑ Enterprise Architecture is fundamental for successful participation in the global interaction of twenty first century enterprises.
- ❑ Enterprise Architecture is the principle structural mechanism for:
 - Establishing a basis for assimilating high rates of change,
 - Advancing the state-of-the-art in Enterprise design,
 - Managing the knowledge-base of the Enterprise,
 - Integrating the technology (automated and/or non-automated) into the fabric of the Enterprise.
- ❑ Enterprise Architecture is universal - that is, every Enterprise of any substance and any expectation of longevity will have to employ architectural concepts.
- ❑ Without adequate governance, however, Enterprise Architecture will remain a theoretical concept and will fail to deliver the desired business benefits.



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