Governance, Architecture and Strategy
Fuelling business value

Cape Town
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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.

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

Introduction
Programme Management of Enterprise Architecture

Project B – Business Project

Operate a Value-adding and Cost Effective EA Practice

Business Project (Solution Focus)

Business Architecture
Information Architecture
Data Architecture
Applications Architecture
Technology Architecture

Intellectual Capital

Products / Services
People
Content
Processes
Tools

Enterprise Architecture Practice
EA Capability and TOGAF (adapted)

- Preliminary Phase
- A Architecture Vision
- H Architecture Change Management
- G Implementation Governance
- F Migration Planning
- E Opportunities And Solutions
- B Business Architecture
- IA Information System Architecture
- D Technology Architecture
- C Information System Architecture

Project Focus
- Intellectual Capital
- People
- Content
- Processes
- Tools

Enterprise Architecture Practice
**Governance or Enterprise Architecture or Strategy?**

- Best and - Worst Governance Performers Use Different Arrangements

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<th>Governance Archetype</th>
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**Convergence**
Mapping CobiT, TOGAF and The Val IT Framework

23.1 Role
23.2 Responsibilities
23.3 Setting Up the Architecture Board
23.4 Operation of the Architecture Board

Chapter 23: Architecture Board

26.1 Introduction
26.2 Architecture Governance Framework
26.3 Architecture Governance in Practice

Chapter 26: Architecture Governance

Value Governance (VG)

VG1 Ensure informed and committed leadership
VG2 Define and implement processes.
VG3 Define roles and responsibilities.
VG4 Ensure appropriate and accepted accountability.
VG5 Define information requirements.
VG6 Establish reporting requirements.
VG7 Establish organisational structures.
VG8 Establish strategic direction.
VG9 Define investment categories.
VG10 Determine a target portfolio mix.
VG11 Define evaluation criteria by category.
Case Study – Global IT Strategy

0. Mobilisation
1. Confirm Understanding of Business Direction
2. Understand Impact of Key Issues
3. Consolidate & Confirm Business Process Vision
4. Current IT Inventory
5. Establish Programme Office
6. Set Context
7. Information & Data
8. Applications
9. Technical Infrastructure
10. Organisation & Governance
11. Change Programme Design
12. Business case development

Business Architecture
- Business Model
- Current Position
- Drivers for Change
- Challenges
- Best practice
- Key Opportunities
- Potential areas for commonality
- Business Capabilities
- Business Priorities

IT Architecture
- Business Insight
- IT Architecture
- Investment

IT Governance
- Business Architecture
- IT Architecture
- Convergence
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

Conclusion
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.

Conclusion
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