



The Strategic Role of Enterprise Architecture

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Agenda

- The strategy vectors of Enterprise Architecture
- Adding functional depth
- Impact on EA Domains
- Q & A

Th!nk.....

.....of the decision making process you made to buy your present car.....or the one you aspire for!

Form



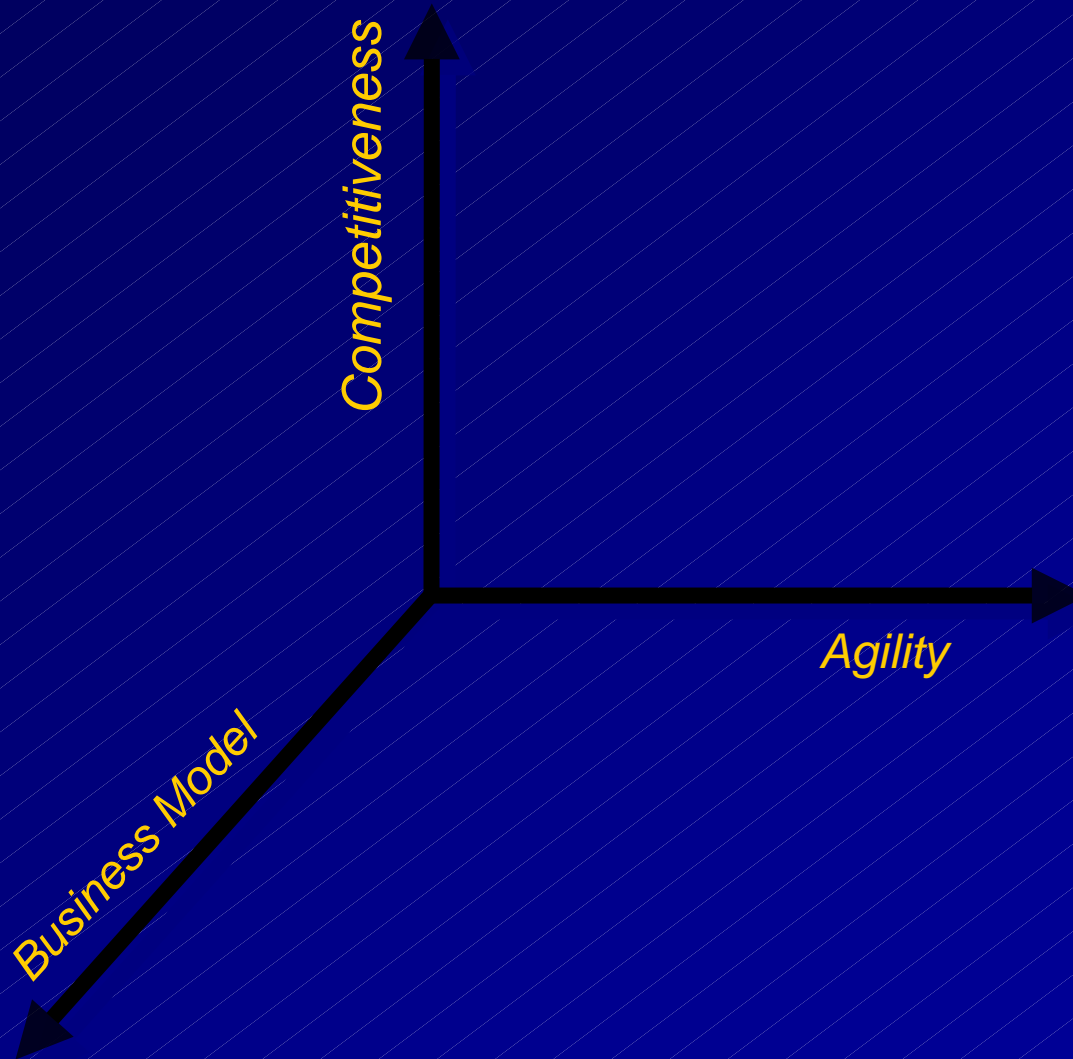
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An Organization's Enterprise Architecture



- Just like a car, a company has a structure
- Inside any company is a base foundation of business processes, IT systems and information that processes thousands of daily transactions.
- “Yes, we have a great business strategy, a good IT systems to support, but then why does execution have a mixed efficiency??.....why the heroics to ‘rescue’ key account requirements??.....do we sometimes have the Reva on the Expressway, and the Ferrari on the commute rush??”
- Every company has an enterprise architecture.....by default or design! Is it the one you need now or for the future??

An Organization's Enterprise Architecture



Three types of Competitive Positioning



Competitive Positioning

IT Investment category

IT priorities

Differentiate

Rule-changing Innovations

- Enable creating new / unique products or services
- Generate hard to replicate cost or performance advantage.

Examples: RFID based Inventory automations, Event triggered decision making systems, Global Account support systems, Service oriented architecture (SOA) for leveraging legacy / custom systems.

Compete

Competitive Advantage Investments

- Focus on improving services and cut prices,
- Increase effectiveness of decision making and/or efficiency of operations

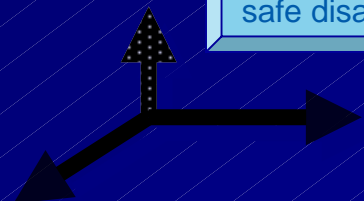
Examples: Supply chain automations, Online Purchase / eAuction systems, Data Warehouse, Business Intelligence solutions, Portal solutions for decision support.

Sustain

Scale IT investments

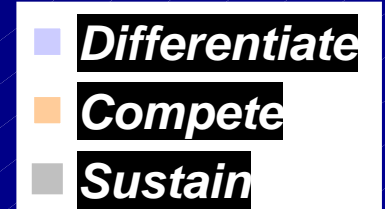
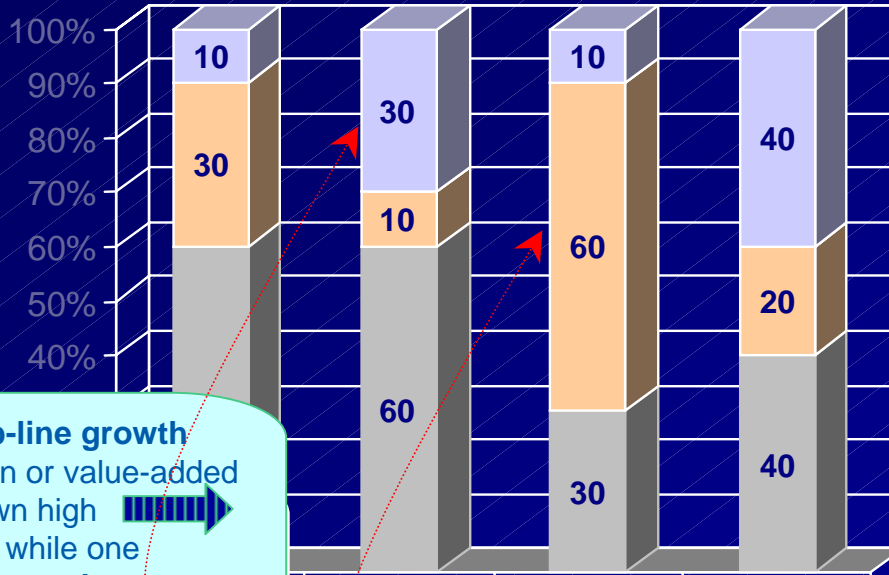
- Focus on reducing Operational costs
- Ensure service and quality levels

Examples: Applications Rationalization, Standardization of hardware & operating systems, Create fail-safe disaster recovery capabilities, network upgrades.



Strategy based IT Investment patterns

% of Company's total IT investment



Companies pursuing top-line growth through product innovation or value-added service offerings are shown high in 'Aspiration for Growth', while one focused on consolidating market position is shown low

Peer group, while one focused on industry benchmark levels is shown low

Competition Vectors

Operating performance vs. peer group

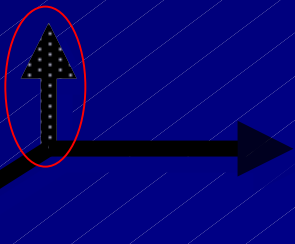
IT Investment patterns

The proportion of Company's total IT investment in each category decides the appropriate execution foundation for chosen business strategy

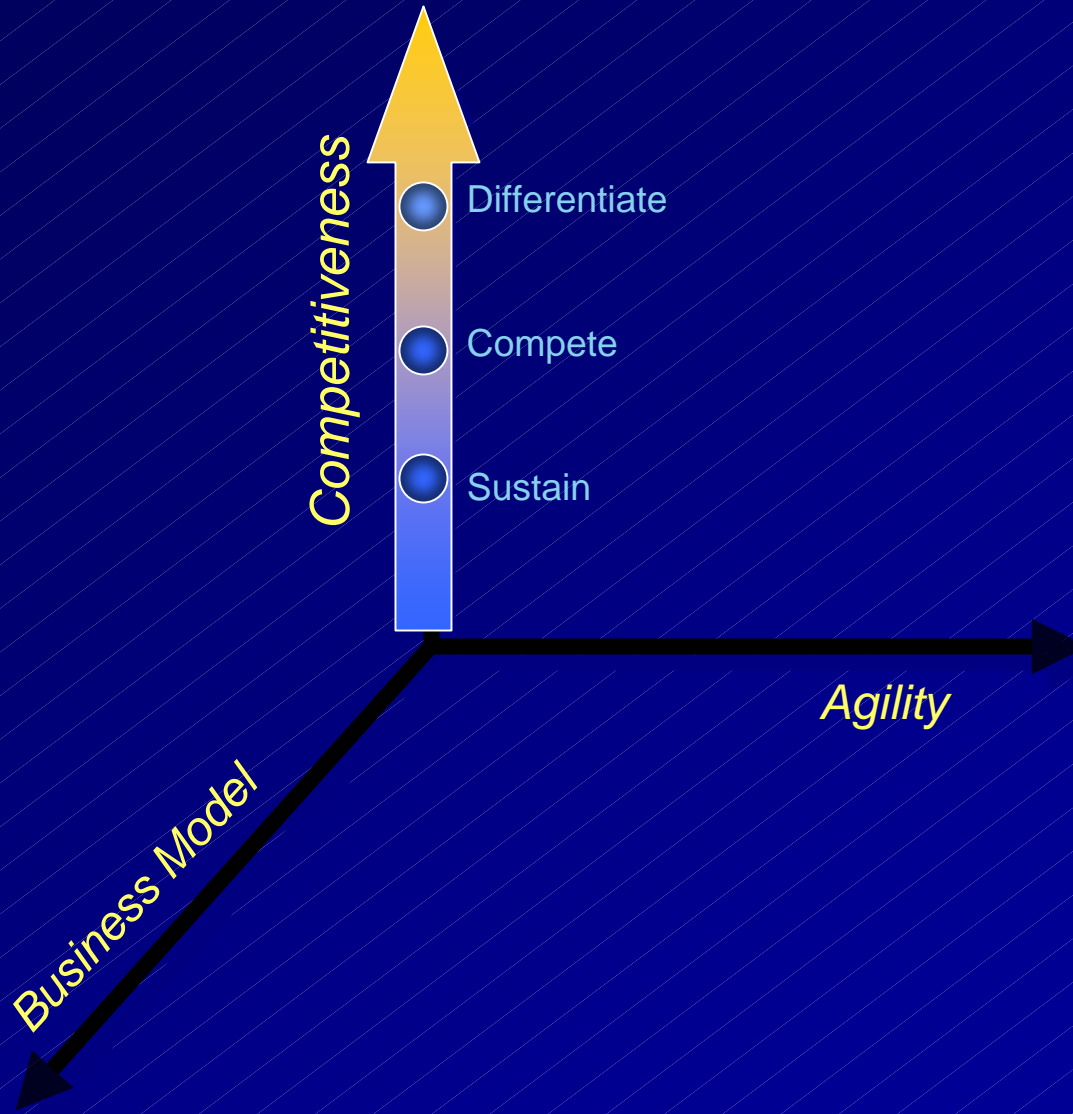
"Design to future aspirations rather than current capabilities"

Impact on EA domains

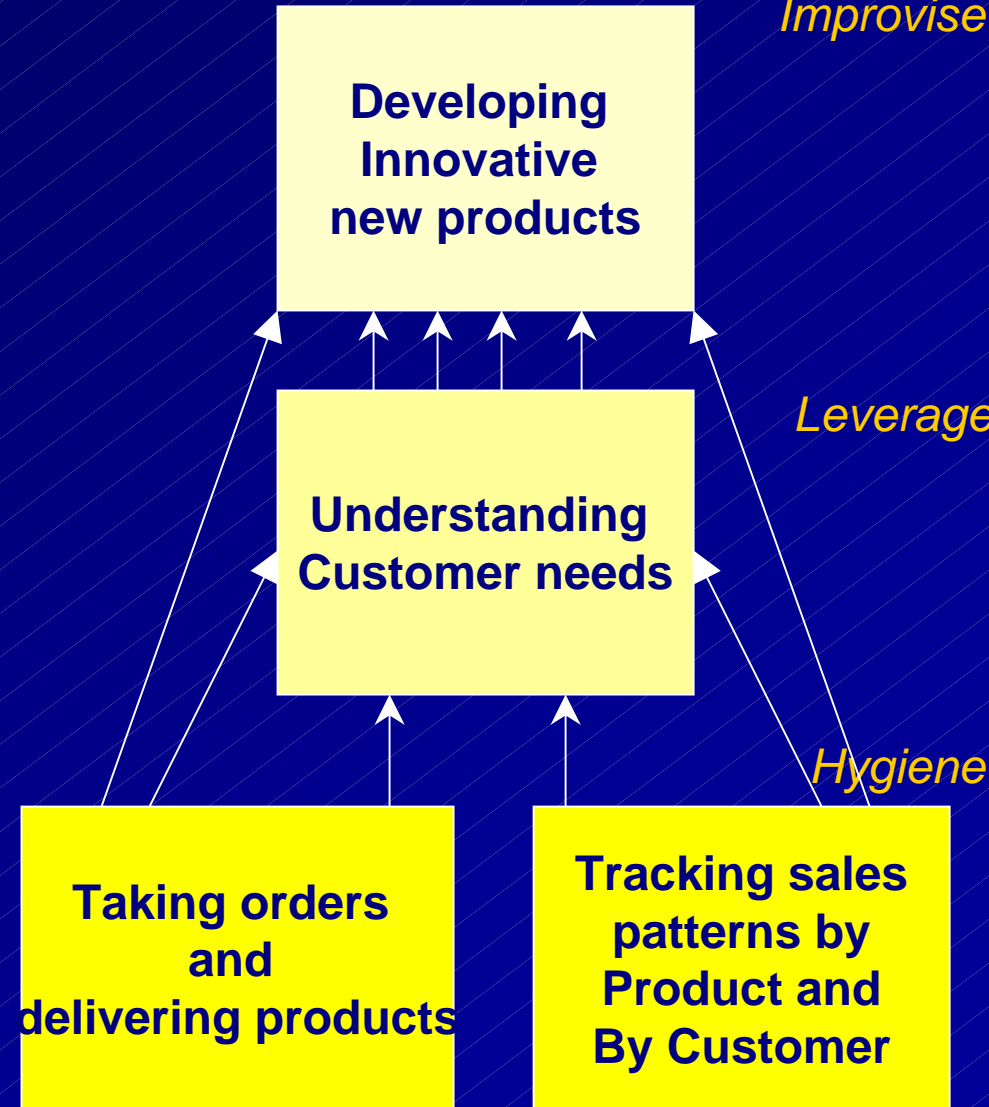
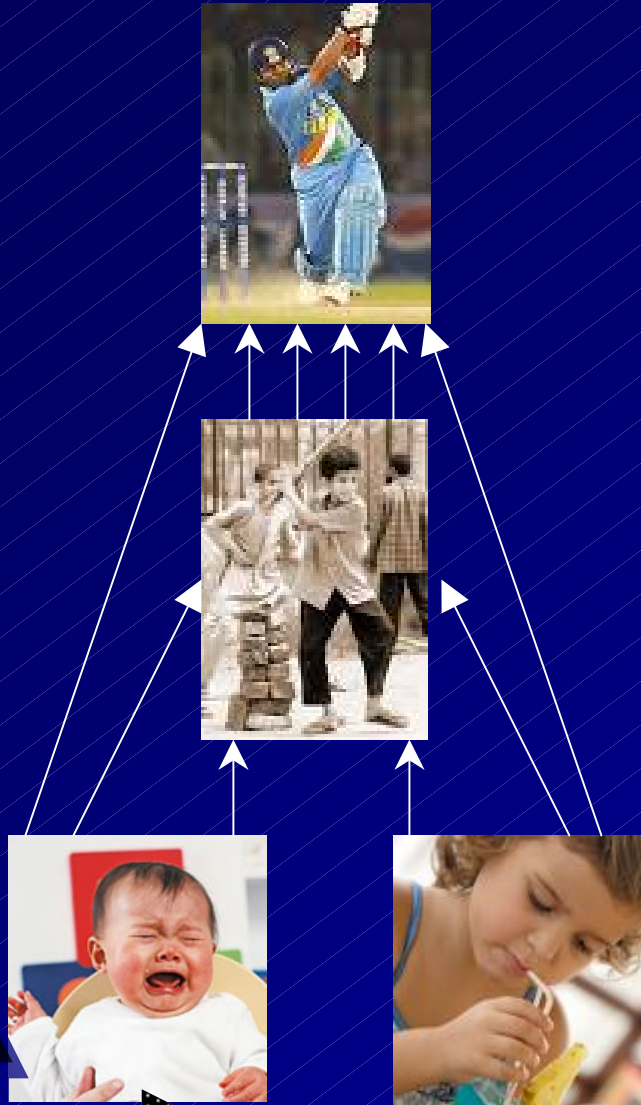
- Identify the competitive positioning mix relevant for the Organization's growth aspirations and operating performance needs.
- Use the appropriate decision making criteria for the competitive position – **ROI / NPV / Staged Model.**
- Assess maturity levels of Architecture domains to support the competitive positioning stages
- Prepare roadmap to reach/redress minimum requirement levels of domains to leverage the IT investment category



The Strategy Vectors of Enterprise Architecture

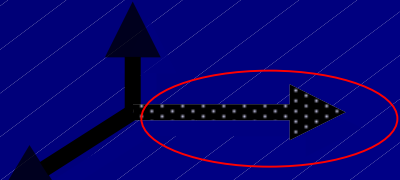


Focus on High value tasks versus routine everyday tasks

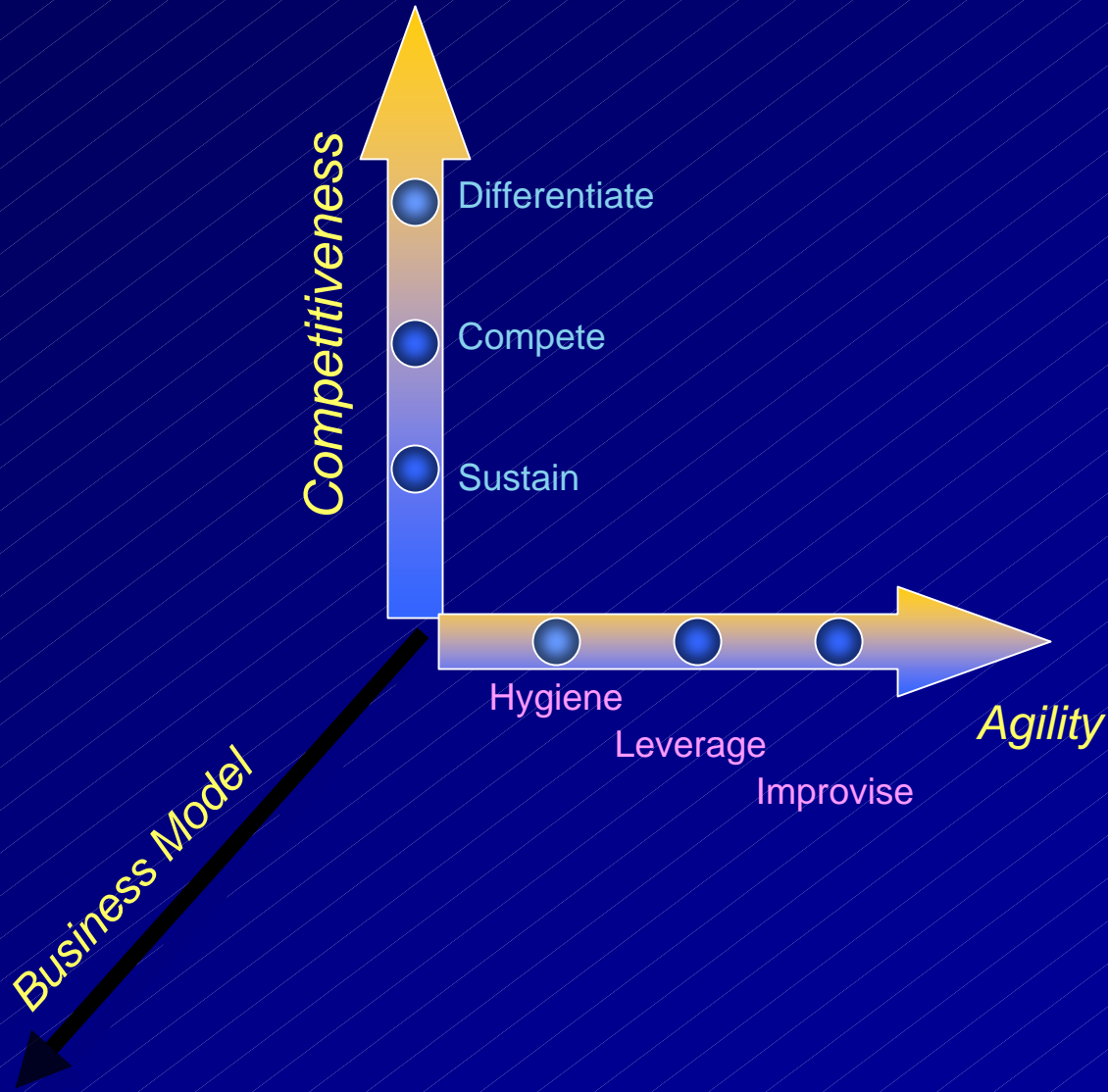


Impact on EA domains

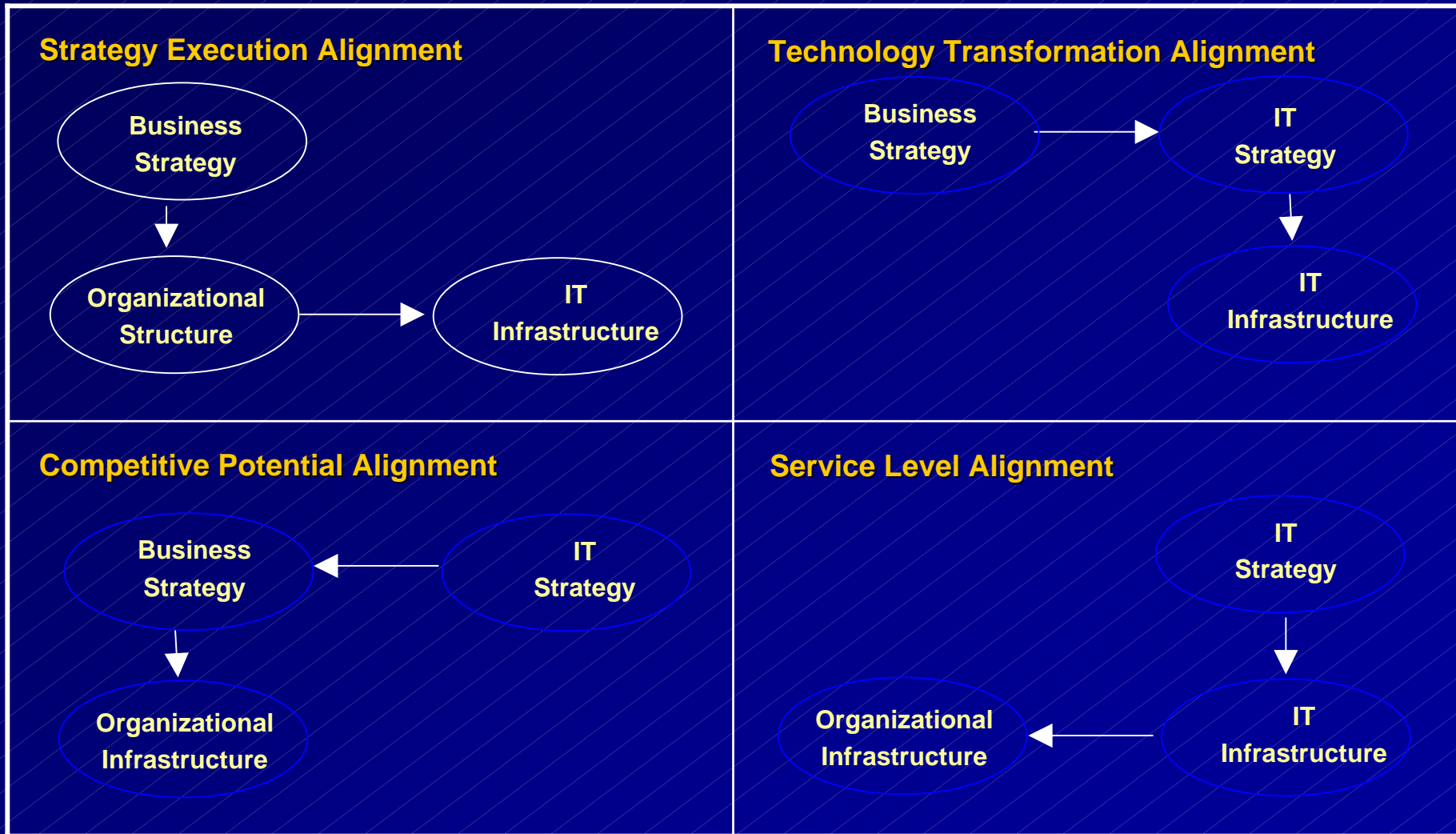
- Identify the right Operating Model (Process Standardization – Integration mix) suited for the Enterprise – Diversified / Replication / Co-ordination / Unification
- Assess maturity and scope for digitized core, and incorporate in respective EA domains.
- Ensure EA Governance procedures for monitoring and re-tuning Operating Model and digitized core requirements in line with evolving Enterprise needs – Eg: M&A, New business scenarios.



The Strategy Vectors of Enterprise Architecture

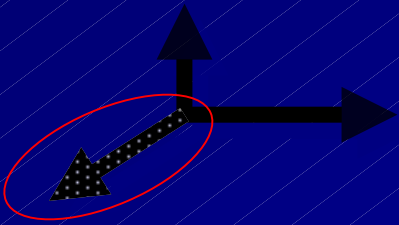


The dominant model approach to Strategic Alignment of EA.

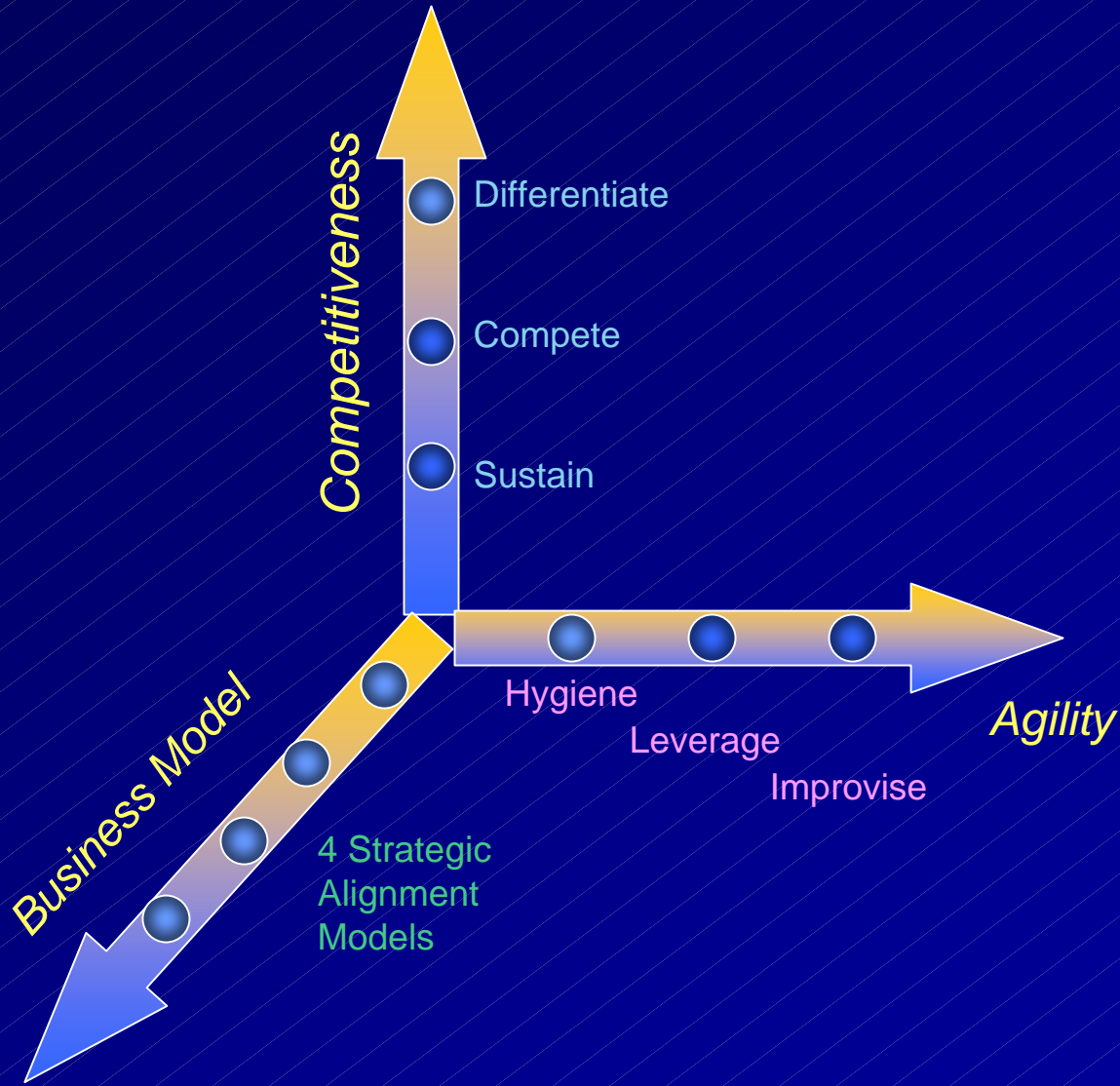


Impact on EA domains

- For **Competitive Alignment Models**, ensure focus in IT Domains on Technology scans, early adoption or scaled replication of new technologies.
- Combine Strategic alignment model requirements in the Competitive positioning investment decisions.
- Benchmarking and best practices focus of **Service Level alignment model**.



The Strategy Vectors of Enterprise Architecture



It was the best of times, it was the worst of times
it was the age of wisdom, it was the age of foolishness,
it was the epoch of belief, it was the epoch of incredulity,
it was the season of Light, it was the season of Darkness,
it was the spring of hope, it was the winter of despair,
we had everything before us, we had nothing before us,
we were all going direct to heaven, we were all doing direct
the other way

-in short, the period was so far like the present period, that
some of its noisiest authorities insisted on its being
received, for good or for evil, in the superlative degree of
comparison only.

Charles Dickens, *A Tale of Two Cities*
English novelist (1812 - 1870)

Q & A

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