Building Business Capabilities
using
BiZZdesign Architect® and ArchiMate®

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Your presenter today

- Business and IT majors, University of Twente, Netherlands
- Experience in application, business consulting, BPM and EA
- BiZZdesign North America
- Consultant and Trainer EA and BPM
  - TOGAF®9.1 and ArchiMate®2.0
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BiZZdesign helps building strong and agile organizations

**Tools**
- Design tools for EA and BPM
- Monitoring tools for Governance
- Publication via InSite Portal
- Acknowledged by Gartner in MQ

**Consultancy**
- Architecture, Business and IT
- Project Management
- Design / modeling

**Best practices**
- ArchiMate® and TOGAF™
- BPMN and TDM
- Reference models

**Training**
- Foundation
- Practitioner
- Certification
- Accredited by The Open Group

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BiZZdesign Service Lines

- Business Model Management
- Enterprise Architecture Management
- Business Process Management
  - Business Rules
- Lean Six Sigma
- Governance and Riskmanagement
Clients and offices worldwide

- Netherlands: Amersfoort, Enschede
- North America: Toronto, Boston
- Belgium: Leuven
- UK: London
- Germany: Dusseldorf
- France: Paris
- Eastern Europe: Bratislava
- Partners in Central and South America, Australasia

Agenda

- Why Business Capabilities?
- What are Business Capability (maps)?
- How to create Business Capability maps?
  - ArchiMate®
  - BiZZdesign Architect®
- Questions?
- Contact information
**WHY BUSINESS CAPABILITIES**

Organizations face many questions:

- "How do we make sure that security standards are implemented in a consistent way?"
- "What is the impact of this new acquisition on our business processes?"
- "Who is the authoritative source for customer, product, etc.?"
- "How do we align our technology portfolio with our strategy roadmap?"
- "We have many outsourced capabilities, how do we support cooperation with our partners?"
- "How do we adopt new technology and integrate it into our existing landscape?"
The answer?

The role of Enterprise Architecture

A business model describes the rationale of how an organization creates, delivers, and captures value.

The operating model describes how a company wants to thrive and grow, and which strategies are going to be supported.

- Business model
  - Enterprise architecture
    - Strategic architecture
    - Segment architecture
    - Capability architecture
  - Operating model
Enterprise Architecture: “A” definition

EA is a conceptual tool that helps organizations get a deeper understanding of their own structure and of the way they work. It provides a map of the enterprise and it is a “route planner” for business and technology change. Important uses of it are in systematic IT planning/architecting and in enhanced analysis and support for decision-making.

Challenges for Enterprise Architects

- Communication
- Various types of stakeholders
  - Different messages
  - Level of detail
  - Different requirements
- Complexity
- Business dynamics
Tailor the message!

- Tailor your message to address interests and concerns of the stakeholder!
  - What part of the architecture?
  - What characteristic of the architecture?
    - Vocabulary?
    - Format?

Talk the talk of the business

- CIO’s need IT and technology strategies that resonate with business leaders
  - Business processes are too detailed
  - Applications are too technical

- Business capabilities separate what the business needs from how to meet those needs
  - What is an organization’s most stable element, How changes dramatically over time
WHAT ARE BUSINESS CAPABILITY (MAPS)

Source: http://itblagger.wordpress.com/category/utility-computing/
Business Capability: Definition

- A business capability defines the organization’s capacity to successfully perform a unique business activity
  - That delivers measurable value related to business goals

- Business Capabilities
  - Represent stable business functions
  - Capture the business’ interests
  - Are the building blocks of the business
  - Are unique and independent from each other
  - Are abstracted from the organizational model

Example Business Capabilities

Source: The Anatomy of Capability Maps, Forrester Research (as presented on EAF10, San Diego and EAE10 London)
Example from TOGAF®

Business capabilities are the basis for:

- Introduction of new products and services
  - Reuse existing business capabilities
  - Identify and focus on gaps
  - Assess readiness for introduction of a new product
- Strategic Analysis
  - Enterprise view on customer, product etc.
  - Identify opportunities for simplification/rationalization
  - Identify opportunities for aggregation and delivery of shared services
- Governance
  - Metrics (KPI's)
  - Roles and responsibilities
Business capability map: Definition

A model of the firm associating the business capabilities, processes, and functions required for business success with the IT resource that enables them.

Levels of abstraction

Levels of abstraction are important in understanding the different perspectives and details required for effective planning and implementation. The levels typically include:

1. **Capability Model**: This level focuses on the core business capabilities and how they align with the overall business strategy.
2. **Architecture Model**: This level provides a structured view of the technology infrastructure and how it supports the business capabilities.
3. **Solution Model**: This level details the specific solutions and technologies to be implemented to support the architecture model.

Each level builds upon the previous one, providing a comprehensive view from high-level strategic goals to specific technical implementations.
Model types

<table>
<thead>
<tr>
<th>Model types</th>
<th>Text / templates</th>
<th>ArchiMate</th>
<th>BPMN, UML, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capability model</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Architecture model</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solution model</td>
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Capability based planning

Capability-based planning frames all phases of the architecture development in the context of business outcomes, clearly linking the IT vision, architectures (Architecture Building Blocks and Solution Building Blocks), and the Implementation and Migration Plans with the corporate strategic, business, and line of business plans.
Capability dimensions

Capabilities touch all aspects of the organization and therefore have different dimensions such as “people”, “process”, etc.

Example: increments
Creating Business Capability Maps using BiZZdesign Architect® and ArchiMate®
What is ArchiMate®?

- A **Language** to describe Architectures
- **Graphical** language with formal semantics
- **Framework** describes the business layer, application layer, and technology layer
  - With **Relations** between the layers
- Techniques for **Visualizations** and **Analyses** for different stakeholders
- **Open standard** developed and maintained by The Open Group
- [www.opengroup.org/archimate](http://www.opengroup.org/archimate) / [www.archimate.org](http://www.archimate.org)

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Why use ArchiMate®?

- “ArchiMate closes the gap between ‘free-format’ strategy models and detailed solutions architecture models”
- Consistent and integrated modeling:
  - It is a tool for knowledge management
  - It helps to integrate various (types of) models
  - It enables stakeholder-specific view generation
  - It enables analysis
- Insight in the various domains, but also their interrelationships
- It is a widely accepted open standard, i.e., no vendor lock-in
- “ArchiMate makes it easier to communicate with architects across organizational boundaries, domain boundaries and between architect and designer”
- Easy to use, low complexity, step-by-step increase in advanced use
The BiZZdesign tool suite for EA and BPM

- Modules for modeling, visualizing and analyzing
  - Business models based on the Business Model Canvas
  - Enterprise architecture based on ArchiMate and TOGAF
  - Requirements based on ArchiMate
  - Process models based on BPMN and Amber
  - Process logic based on The Decision Model
  - Process optimization based on Lean Six Sigma
  - Data modeling based on UML
- With one underlying repository
  - Including relations between the various models
- With various publication possibilities
  - Publication to Html, Word, pdf, publication portal InSite, Wiki
Phases in Business Capability Management

Identification
- Value stream approach
- Organizational approach

Documentation

Mapping

Analysis

Source: The Anatomy of Capability Maps, Forrester Research (as presented on EAF10, San Diego and EAE10 London)
Capability mapping

- Use capabilities to build business views
  - Landscape maps
  - Customer views

- Relate technology components to business capabilities
  - Visualize value add of technology components
  - Group technology components in portfolio’s by business capabilities
Capability analysis

Visualize capability performance
- Heat map

- Impact analysis
  - Technology components
  - Projects

Wrap up

- Business capabilities support effective communication between business and IT
  - Business capability defined as functionality (what) while abstracting from how
  - IT systems and components map to business capabilities

- ArchiMate supports modeling business capabilities
  - Model relations between business capabilities with other components in the EA, business as well as technology (application, data, infrastructure)
Decompose high-level capabilities

Align business- and IT

- Business projects and IT resources are linked to a capability
- Quick understanding of IT related to a specific capability
Heat map

- Use a heat map to understand business areas of concern

Questions?
Contact us!

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