WELLS FARGO

The Value of Business Architecture

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Wells Fargo Home Lending Customer Excellence - Digital Service Design & Development

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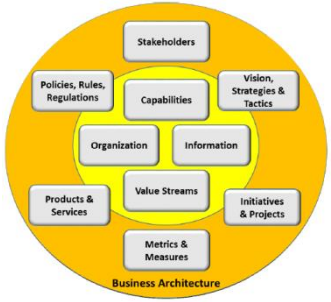
Transparency



Source: A Guide to the Business Architecture Body of Knowledge, 2016. Print.

STAKEHOLDERS

PRODUCTS & SERVICES

CAPABILITIES

VALUE STREAMS

STRATEGIES & OBJECTIVES

ORGANIZATIONS

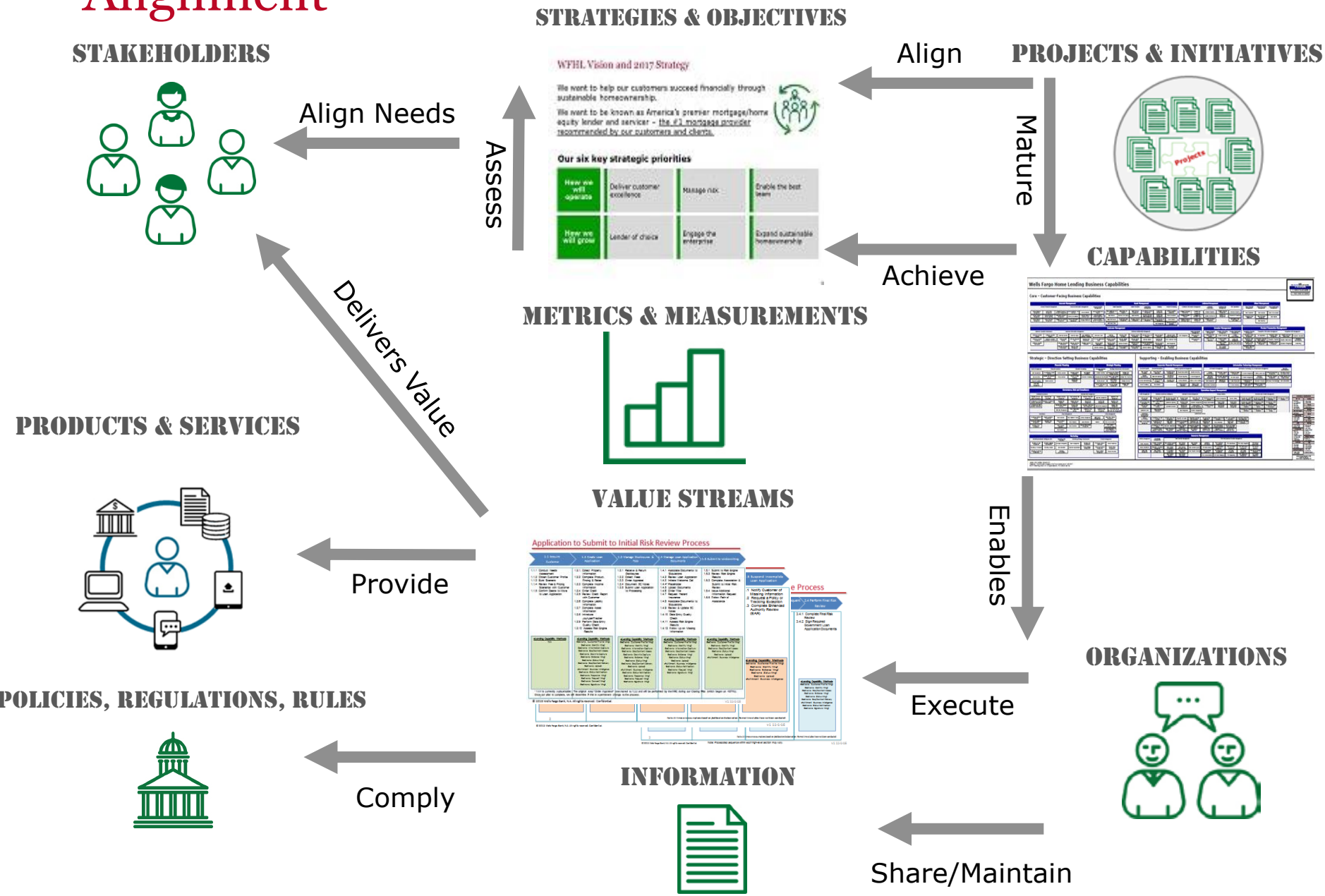
INFORMATION

METRICS & MEASUREMENTS

PROJECTS & INITIATIVES

POLICIES, REGULATIONS, RULES

Alignment


STRATEGIES & OBJECTIVES
STAKEHOLDERS
Align
PROJECTS & INITIATIVES
Align Needs
Assess
Mature
Achieve
CAPABILITIES
METRICS & MEASUREMENTS
Delivers Value
PRODUCTS & SERVICES
VALUE STREAMS
Enables
Provide
ORGANIZATIONS
Execute
POLICIES, REGULATIONS, RULES
Comply
INFORMATION
Share/Maintain

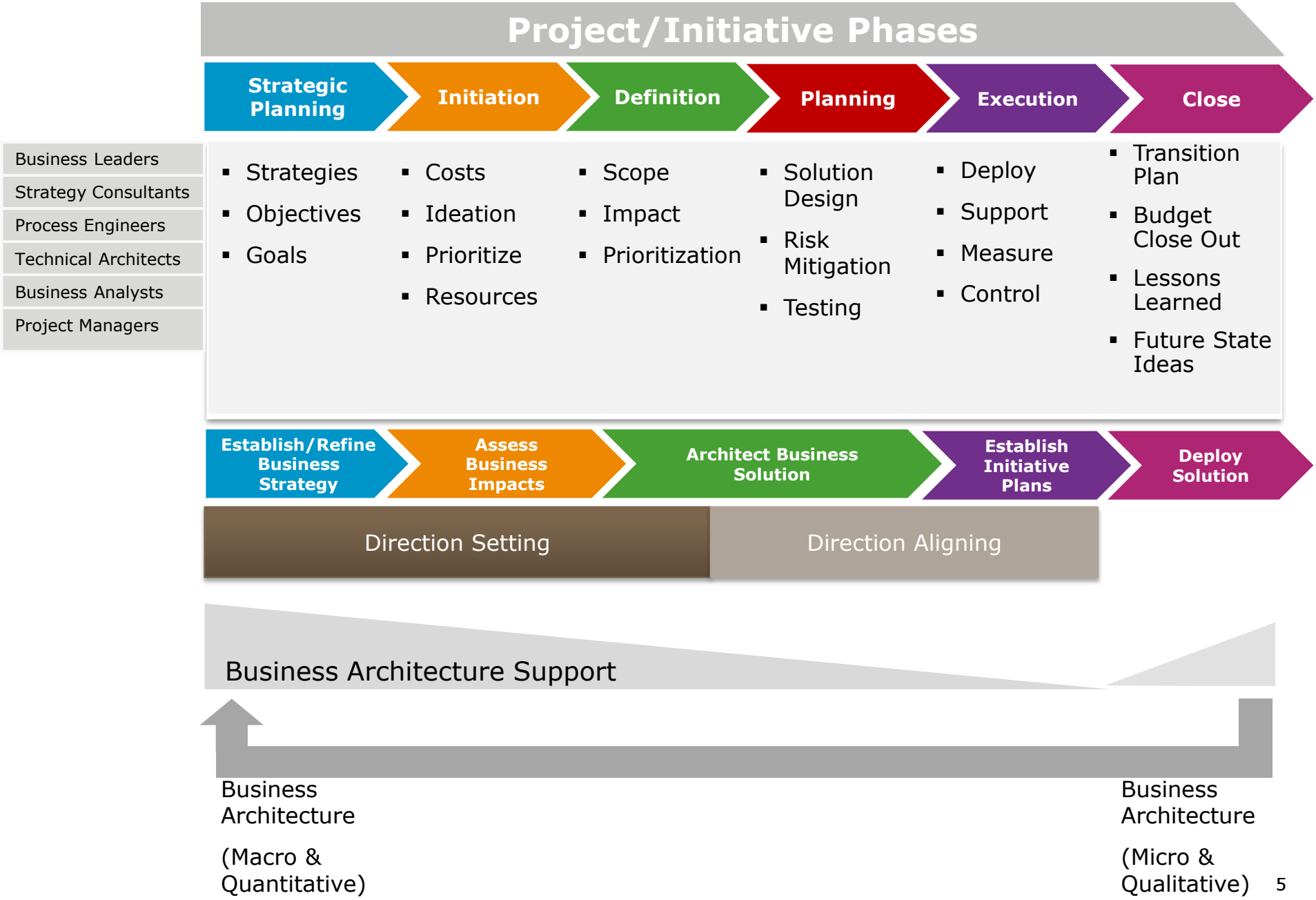
Outline

- OUR Stakeholders
- Value Exchange
- Transparency
  - Answers Questions
  - Value Stream Analysis
  - Process – Capability Matrix
- Alignment
  - The “Ideas” Problem
  - Capability to Initiatives/Project Mapping
  - Business Driver/KPI Alignment
  - Business – Technical Alignments

Business Architects' Stakeholders

Stakeholder	Pains	Gains
Business Leaders	Investing in the projects/efforts that are not aligned with strategic objectives and goals	Quantitative portfolio data on which projects/efforts are maturing which capabilities and their alignment to goals
Strategy Consultants	Mired in the analysis phase of strategic planning	A blueprint of the stakeholders, organizations, value streams, capabilities, policies, etc. associated to the problem (s) addressed in their Strategic Business Plan
Process Engineers	Not accounting for all permutations in a workflow causing missed requirements	Analysis of the value streams, products, capabilities that map to the process being designed or re-engineered
Technical Architects	Gaps in defined business scenarios the technical solution needs to support	Transparency to capabilities, values streams they enable, and mapping to processes
Business Analysts	Unintended impacts to other processes, technology, etc.	Analysis of value streams, products, capabilities that map to the proposed solution and federated architecture to applications/systems
Project Managers	Scope expansion due to project definition not accounting for all aspects of the needed change	Improved impact assessment using blueprints that include all stakeholders, value streams, policies, capabilities, etc. related to the change

Stakeholders Engagement



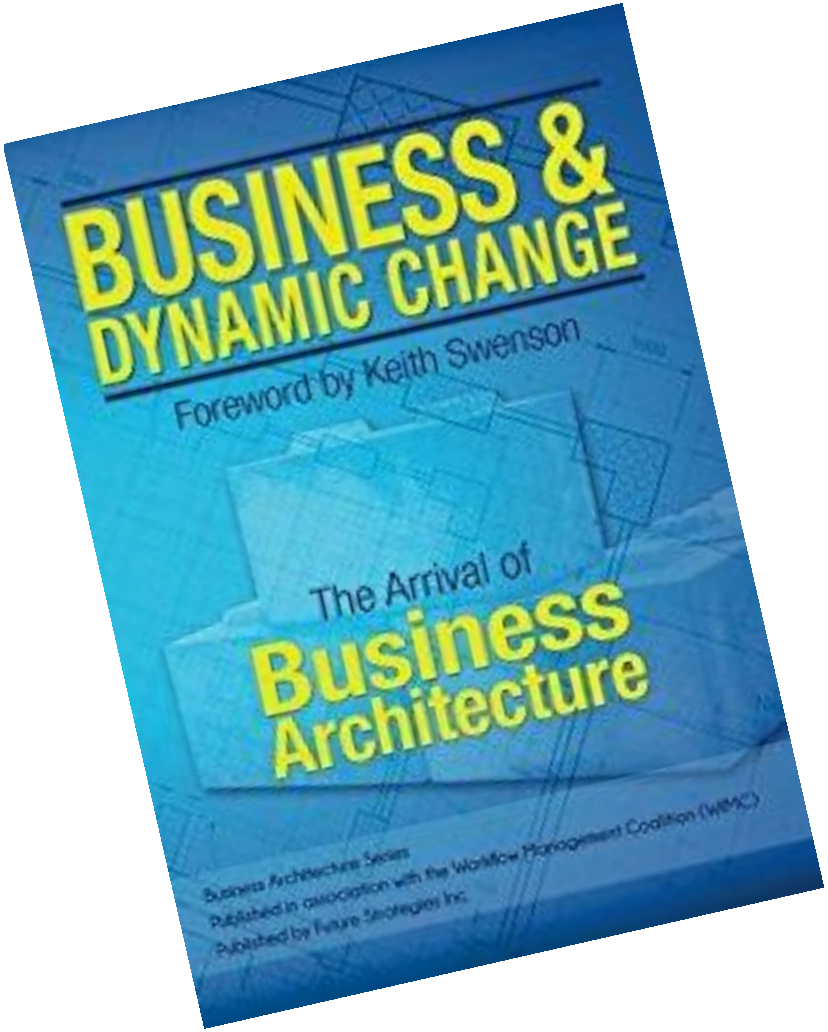
Business Architecture Value Exchange

- Refines strategic objectives and goals
- Provides transparency for efficient and thorough impact assessment
- Improves alignment across the organization
- Enables business agility
- Fosters collaboration
- Promotes autonomy with self-governing teams

Transparency

A Blueprint to Organize Your Organization

“Business & Dynamic Change”



“Business architecture transparency delivers the most value when applied cross-business unit, cross- program, cross-project perspective.

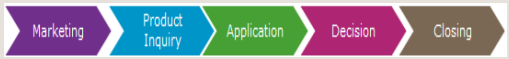
…

Business architecture artifacts surface issues that are often hidden from a given business unit’s or executive’s line of sight.”

Source: Ulrich, William. *Business & Dynamic Change: Business Architecture*, *Setting the Record Straight.* Future Strategies, Inc. , 2015.

Business Architecture Helps Answer Questions

- What value streams do the capabilities need to enable?
- What are the value exchanges the trigger stakeholders expect?



Value Streams

- How many capabilities are reused across the value streams?
- Which capabilities are core: customer-facing and require a certain rigor due to customer interaction?

Capabilities

- Who are the trigger stakeholders?
- How many of each stakeholder are there and how many value streams are they associated with?
- Do the organizations with shared stakeholders have a coordinated communication plan?

Stakeholders

- How many processes have use the same capabilities?
- How many processes are automated vs. manual?

Processes

- How many different systems support the same capability?
- How many systems are used to support a process?

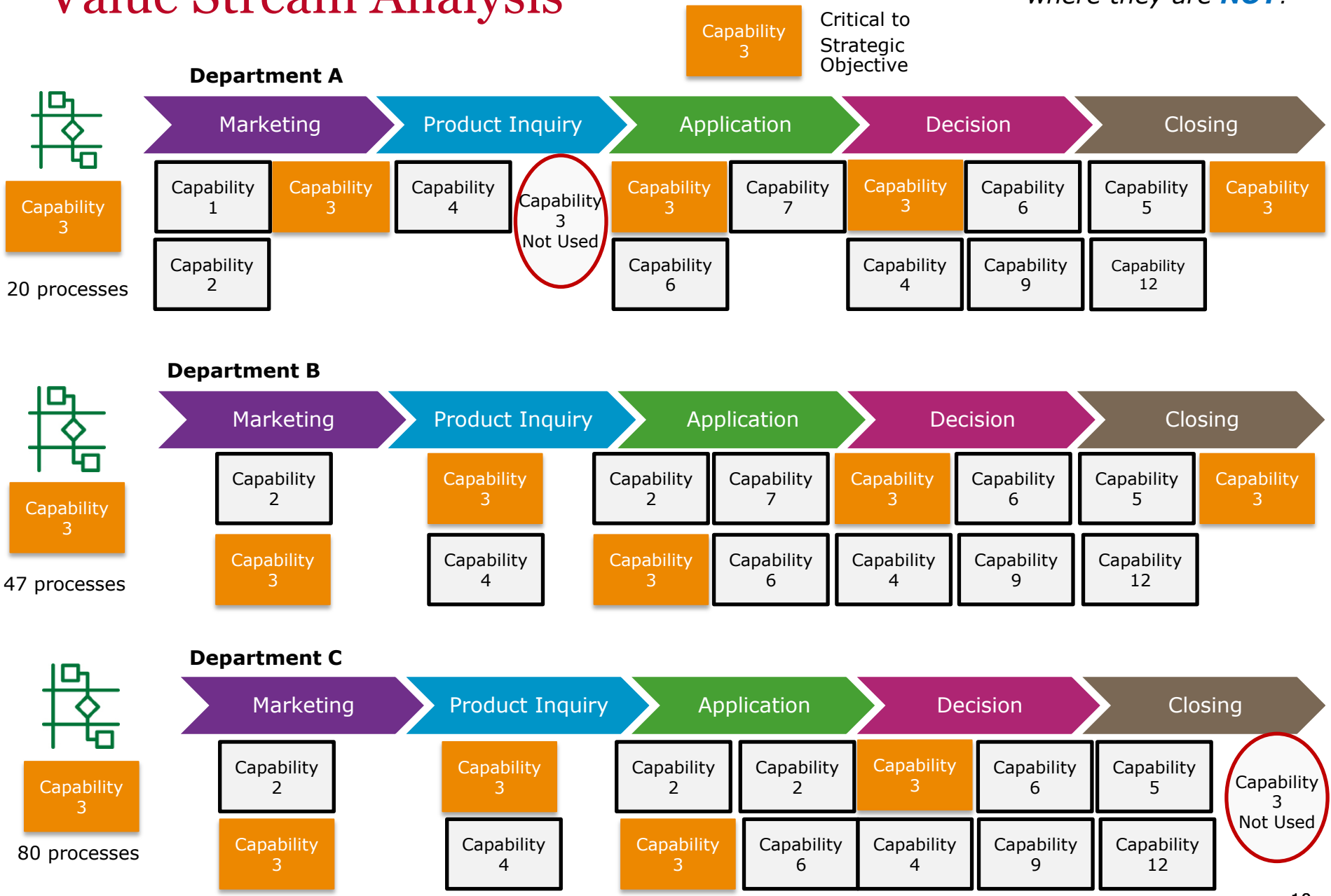
Systems

- How many projects/initiatives are impacting the same capabilities? Do they conflict or align?
- Are stakeholders aware of how the projects/initiatives will mature the capabilities?

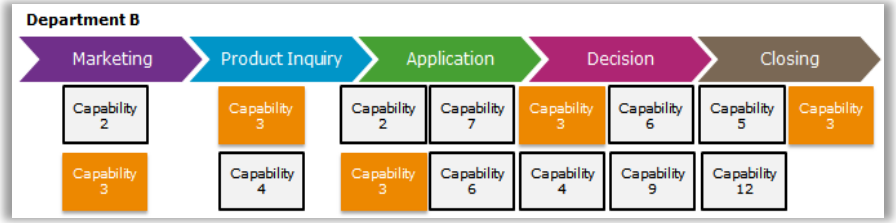
Projects/Initiatives

Value Stream Analysis

*Where capabilities **ARE** being leveraged and where they are **NOT**?*



Department B – A Deep Dive



Capabilities

Capability 3

- Document Generation
- Status Management
- Document Collection

Processes

- Process 1
- Process 2
- Process 3
- Process 4
- Process 40
- Process 41
- Process 42
- Process 43
- Process 44
- Process 45
- Process 46
- Process 47

What do **order vendor service**, **decision transaction**, **price product**, **status updates**, and **change terms** all have in common?

Delivery Methods

- Mail
- Email
- Online

- eMail
- Phone Calls
- Online

- eMail
- Phone Calls
- Online

Systems

- System 1
- System 2
- System 3

- System 2
- System 3
- System 4
- System 5

- System 2
- System 3
- System 4

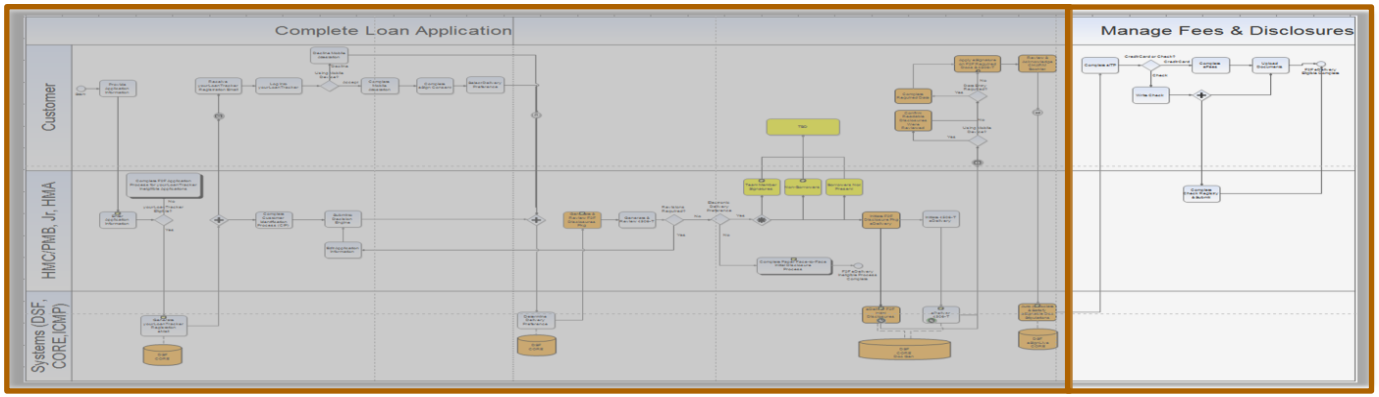
Stakeholders

- Stakeholder 1
- Stakeholder 2
- Stakeholder 3

- Stakeholder 1
- Stakeholder 2
- Stakeholder 3
- Stakeholder 4

- Stakeholder 2
- Stakeholder 4
- Stakeholder 5

Process – Capability Matrix

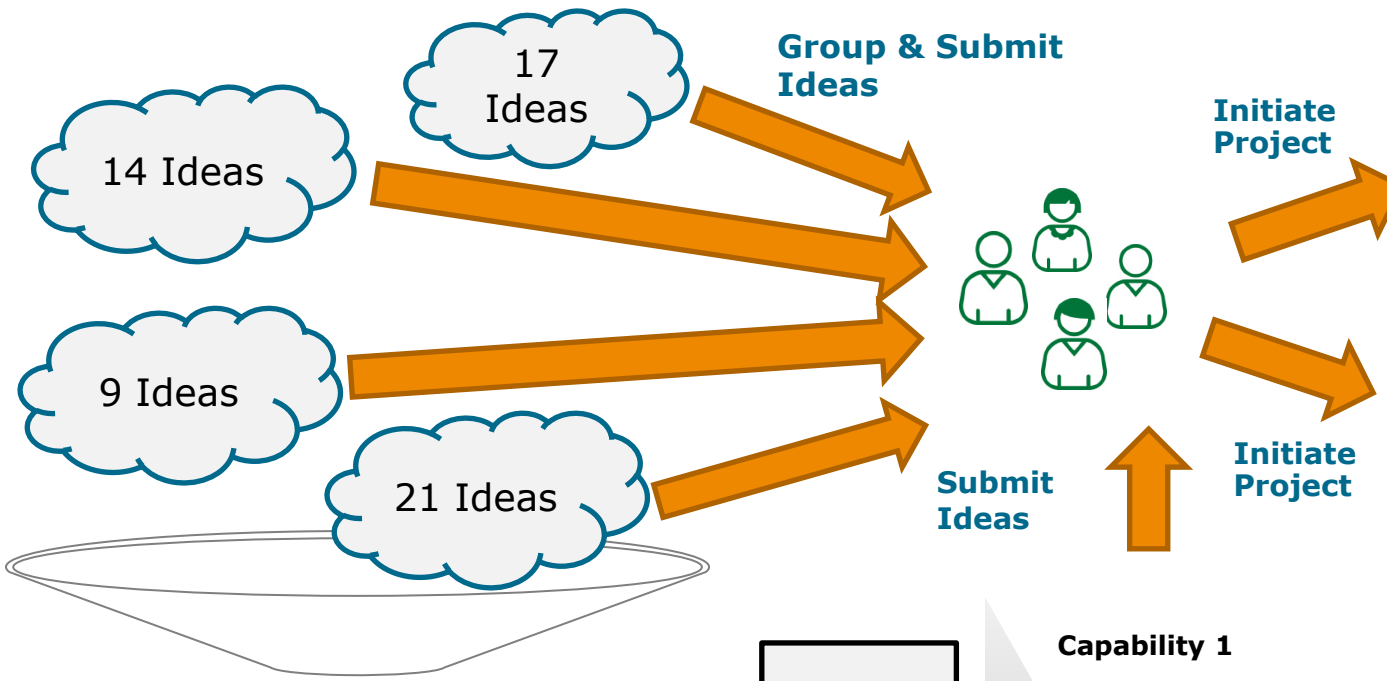


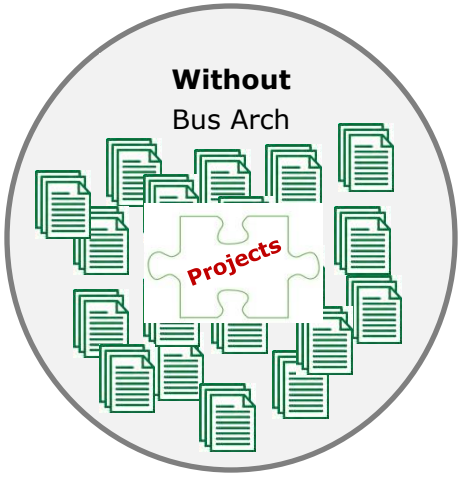
Manage Fees & Disclosure Process Step	Status Notification Management	Signature Management	Payment Management	Audit Evidence Management	Business Intelligence Management
Generate Disclosures	X			X	X
Review Disclosures				X	
Sign Disclosures		X		X	X
Pay Fees	X		X	X	X

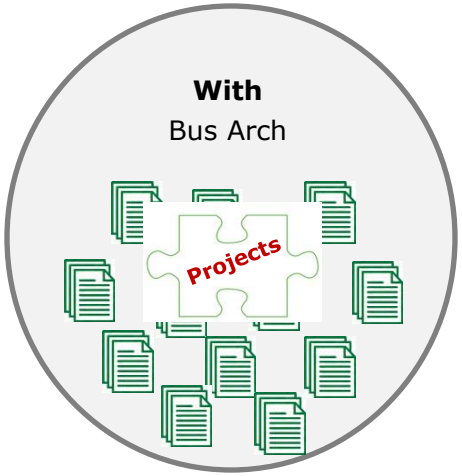
Alignment

Getting People Going The Same Direction On The Same Path

The "Ideas" Problem







Business Architecture Analysis

Capability Analysis

Stakeholder Analysis

Information Analysis

Value Stream Analysis

Strategies/ KPI Analysis

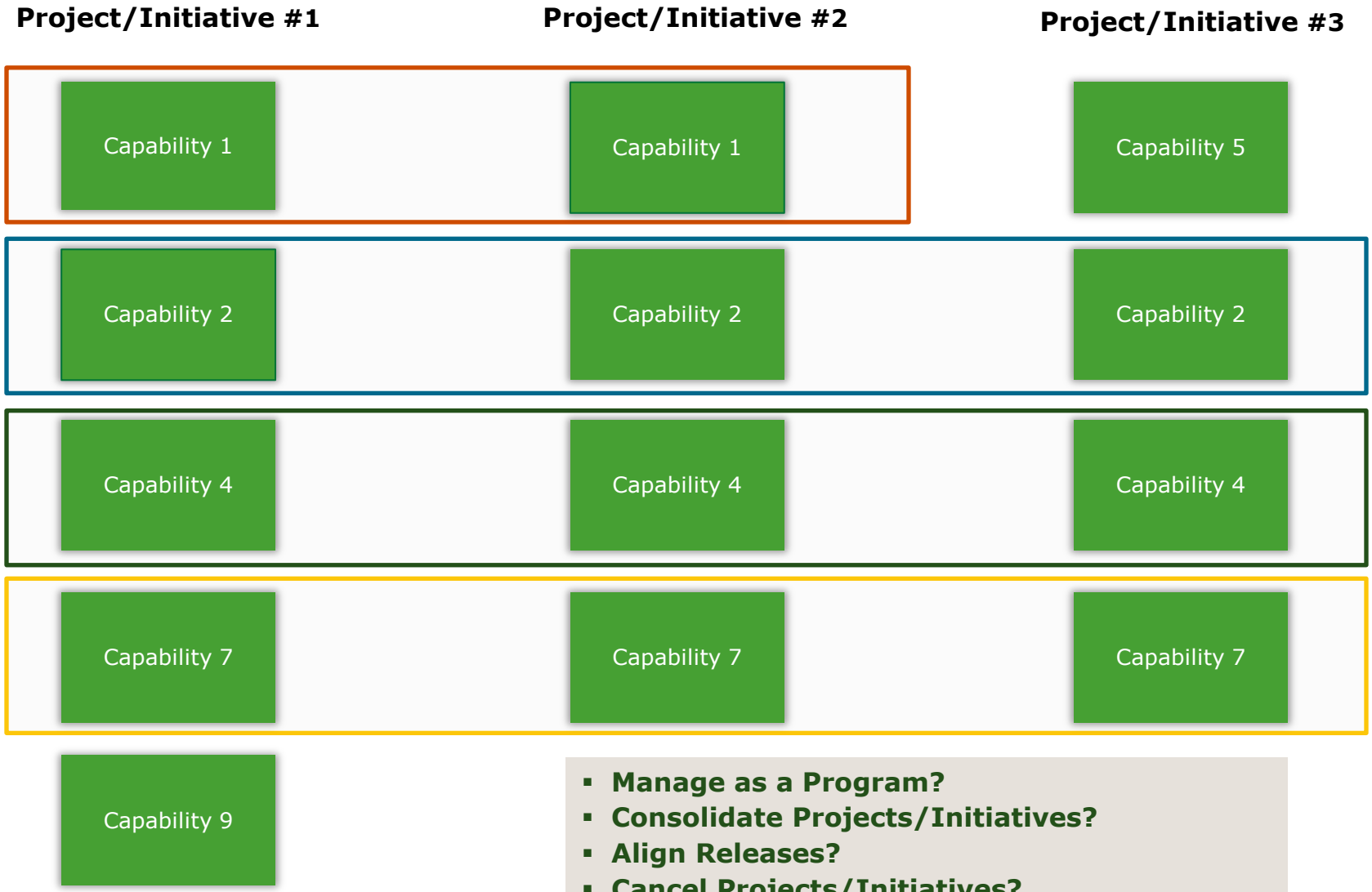
Project Portfolio Analysis

Project/ Initiative	**Capability 1** **Capability 2** **Capability 3**
Project/ Initiative	**Capability 3** **Capability 4** **Capability 5**
Project/ Initiative	**Capability 3** **Capability 6** **Capability 7**

Types of Changes:

- Process
- Organizational Structure
- Technology
- Policy/Guidelines
- Project Portfolio
- KPIs/Metrics

Capability To Project/Initiative Mapping



- **Manage as a Program?**
- **Consolidate Projects/Initiatives?**
- **Align Releases?**
- **Cancel Projects/Initiatives?**

Business Driver/KPI Alignment – Example 1

				Business Drivers/KPIs				
Recommendation	**Document Delivery (Customer Facing)**	**Status Management (Customer Facing)**	**Signature Management (Customer Facing)**	Objective 1	Objective 2	Objective 3	Objective 4	Objective 5
Send Status Notifications		X			L		L	
Send Documents Electronically	X	X		L	M			
Send Documents Electronically & Enable Electronic Signature	X	X	X	L	H		H	

Business Driver/KPI Alignment – Example 2

Business Drivers/KPIs

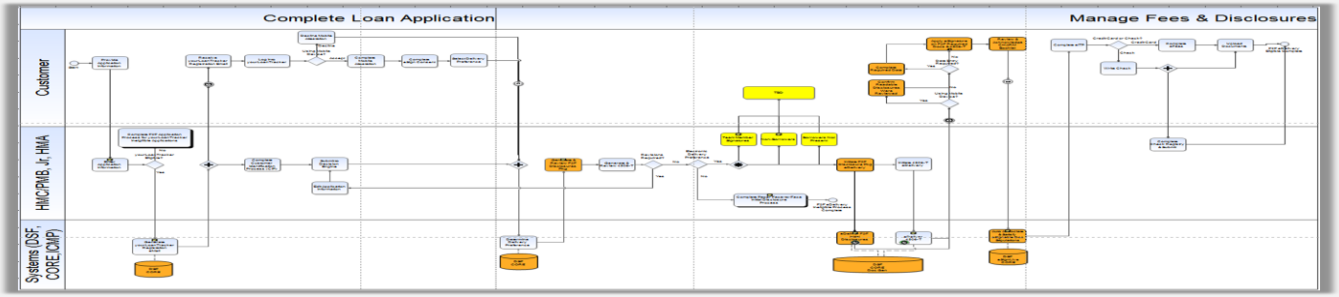
Capability: Customer Profile Management	Workflow Management	Status Communication	Document Generation	Signature Management		Customer Complaint Themes: Theme 1	Theme 2	Theme 3	Theme 4	Theme 5
x					Driver/KPI 1 (Goal - 70%) Current = 48%				x	x
x	x	x	x	x	Driver/KPI 2 (Goal - 70%) Current = 50%		x	x	x	x
	x				Driver/KPI 3 (Goal - 80%) Current = 75%					
x		x			Driver/KPI 4 (Goal - 90%) Current = 75%	x		x	x	x
					Customer Profile Management	x			x	
					Workflow Management				x	
					Status Communication	x	x		x	
					Document Generation				x	
					Signature Management			x	x	

Capability

Customer Complaint Themes

Business – Technical Architecture Alignment

Business Process



Process Orchestration

Value Stream

Complete Loan Application

Manage Fees & Disclosures

Business Architecture

Capabilities

Functions/ Services

Metrics/ Measurements

Organizations Internal, External

Systems/ Integration

Products/Service

Stakeholders Internal, External

User Configs/ Access

Information

Policies, Regulations, Rules

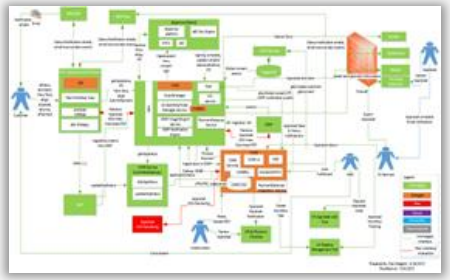
Rules Engines/ Controls

Reporting

Features

Data

Technical Architecture



Key Takeaways

- Business Architecture provides transparency and alignment. You cannot align what you cannot see.

- Be actively engaged in the Strategic Business Planning. Business Architecture provides significant value to executives/leaders to define strategy and direction.

- Demonstrate how business architecture abstractions are foundation to answering critical questions and surfacing others.

- Employ capability-based planning to align against strategic objects and effective portfolio management.

- Leverage various techniques and federated models to align "what" your organization is doing with "why", "how" and "when".