

JANUARY COMMUNITY MEETING

BOARD UPDATE



The TC Business Architecture Forum

THE 2019 BUSINESS ARCHITECTURE SUMMIT

- December 6, 2018
- 216 Registered
- 17 Presentations
- Overall satisfaction: 4.1/5
- Presentations available on tcbafe.org
- “This is a great event.”
- “Very well organized and executed.”
- “Very motivational! Great content.”
- “Wow! On point!”
- “Food—very good. Content excellent!”
- “Two days next year!”
- “Excellent Summit! Perfect level of content for me!”

SUMMIT SUGGESTIONS FOR IMPROVEMENTS

- Pre-register for Sessions
- Fewer Sessions
- Expand to 2 days
- Add more Skills sessions
- Ran out of lunch
- Add a morning snack
- Put business names on name tags
- Add more sessions for novices

A4G (ARCHITECTING FOR GOOD)

Main Action Steps

- ❑ Collect names and contact information of interested business architects
- ❑ Develop information sheet/distribute survey for volunteer business architects
- ❑ Create TCBAF A4G presence on both tcbaf.org and A4G website
- ❑ Brainstorm list of potential partner organizations/gather details on leads for potential non-profits who would benefit from A4G services
- ❑ Develop materials, plan and schedule to approach potential non-profit partners (Value Propositions, business model, process and benefits)
- ❑ Review survey responses from business architects to align resources to partner projects

Background work in parallel

- ❑ Glossary and FAQ
- ❑ A4G and TCBAF agreement and structure
- ❑ Develop shared library for documents, work in progress, and archive
- ❑ Consider further integration of organizational structure (TCBAF Board level)
- ❑ Identify and document “service offerings”

What we need from you:

- ✓ *Share your interest in working on formation and launch*
- ✓ *Input and referrals for volunteer business architects and non-profit partners*
- ✓ *Your participation in launch and planning, beginning in February 2019*

UPCOMING COMMUNITY MEETING DATES

- March 19
- May 21
- July 16
- September 17
- October Social Gathering – TBA
- December TBA

THANK YOU FOR BEING PART OF THE COMMUNITY

- Follow tcba.org and join our linkedin group for information and updates
- We have a blog area on the website, we're just waiting for your content!
- We're on Instagram now! Follow us!

- Thank you to US Bank for hosting us!

VALUE MAPPING: THE FOUNDATIONAL DOMAIN OF BUSINESS ARCHITECTURE

DEAN LARSON



The TC Business Architecture Forum

PART I

THE WHOLE NINE DOMAINS OF BUSINESS ARCHITECTURE



DOMAIN I: BUSINESS STRATEGY

- Benefits of Strategy Mapping Frameworks: *
 - Supports organizational alignment
 - Improves communication and fidelity of objects
 - Helps organizations to adapt rapidly
 - Enables rationalization of initiatives
 - Supports capability-centric investment
 - Provides ability to monitor progress toward strategic objectives
- Strategic Objectives are associated with the creation of value. They imply a change to Value Items.

* BIZBOK® Guide v7.0, Section 2.1

DOMAIN 2: CAPABILITY MAPPING

- Benefits of Using Business Capabilities: *
 - Provide a common vocabulary
 - See what's common across a business
 - Enable a business investment focus
 - Provide a baseline for i) strategic mapping, ii) change management, and iii) impact analysis
 - Basis for transformational design and deployment
- Capabilities enable “value stages”.

* BIZBOK® Guide v7.0, Section 2.2

DOMAIN 3: ORGANIZATION MAPPING

- Benefits of Organization Mapping: *
 - Provides organizational context for i) issue analysis, ii) planning, and iii) solution deployment
 - Improves strategic planning and investment analysis
 - Exposes opportunities for improved collaboration and communication
 - Fills in the white-space of transitional hierarchy chart (by showing interactions and collaborations across the business)
- It's the “fourth leg” of business architecture. Four disciplines: i) capability, ii) value, iii) information, and iv) organization mapping, provide a complete baseline on which other business architecture analysis can be performed
- Use organization map to see the impact of changing a given value stream. Show linkages between value creation and business units

* BIZBOK® Guide v7.0, Section 2.3

DOMAIN 4: VALUE MAPPING

- Benefits of Using Value Streams: *
 - ❑ Provide means for effective articulation and delivery of stakeholder value
 - ❑ Provide common baseline model for how to deliver stakeholder value
 - ❑ Provide focal points for prioritizing how to achieve stakeholder value
 - ❑ Enable delivery of near-term, mid-term, and long-term value to stakeholders
 - ❑ Provides new ways to envision stakeholder engagement
 - ❑ Enable prioritization and managed deployment of business capabilities

* BIZBOK® Guide v7.0, Section 2.4

DOMAIN 5: INFORMATION MAPPING

- Benefits of Information Mapping: *
 - ❑ Allow different parts of the business to see a common information view of customer
 - ❑ Provides a foundation for data governance analysis
 - ❑ Information vocabulary provides a “Rosetta Stone” for both i) inter-business unit and ii) business partner communication and collaboration
 - ❑ Streamlines mergers and acquisitions
 - ❑ Improves integrity of financial and other executive reporting
 - ❑ Increases accuracy, integrity, and timeliness of regulatory compliance
- Objects (both tangible and intangible) create value for stakeholders, and these objects are represented as information concepts in an information map

* BIZBOK® Guide v7.0, Section 2.5

DOMAIN 6: INITIATIVE MAPPING

- Benefits of Initiative Mapping: *
 - Demonstrate how initiatives focus on improving stakeholder value delivery
 - Allow organization to view how investments support investment priorities
 - Provide visibility into alignment of organizations efforts to pursue its strategy objectives
 - Enable portfolio decisions by mapping relationships among initiatives
 - Support creation of roadmaps to provide horizon-based planning
 - Enable reevaluation of in-flight initiatives
- Linking initiatives to value streams ensures that investments improves values delivery

* BIZBOK® Guide v7.0, Section 2.6

DOMAIN 7: PRODUCT MAPPING

- Benefits of Product Mapping: *
 - Visibility into overall product ecosystem
 - Enables targeting specific products in response to business strategies
 - Provides a focal point for making product investment decisions
 - Provides a basis for streamlining product design and creation
 - Provides additional viewpoint for aligning value-specific context to other views of the business architecture
 - Visibility into how initiatives affect products
- Products (and services) are the primary way in which businesses deliver value

* BIZBOK® Guide v7.0, Section 2.7

DOMAIN 8: STAKEHOLDER MAPPING

- Benefits of Stakeholder Mapping: *
 - Provides context for determining how to achieve and deliver customer value
 - Identifies third-party partners, suppliers, agents, and other stakeholders within the context of value delivery
 - Offers a perspective on how to organize values streams
 - Highlights stakeholder commonalities
 - Provides a basis for identifying the role of stakeholders participating in value stages
 - Offers executives a concrete set of stakeholder-orientated inputs to strategic planning
- Stakeholder mapping delivers a deeper perspective into the importance of values streams because it is stakeholders that initiate, participate in, and receive value from value streams.

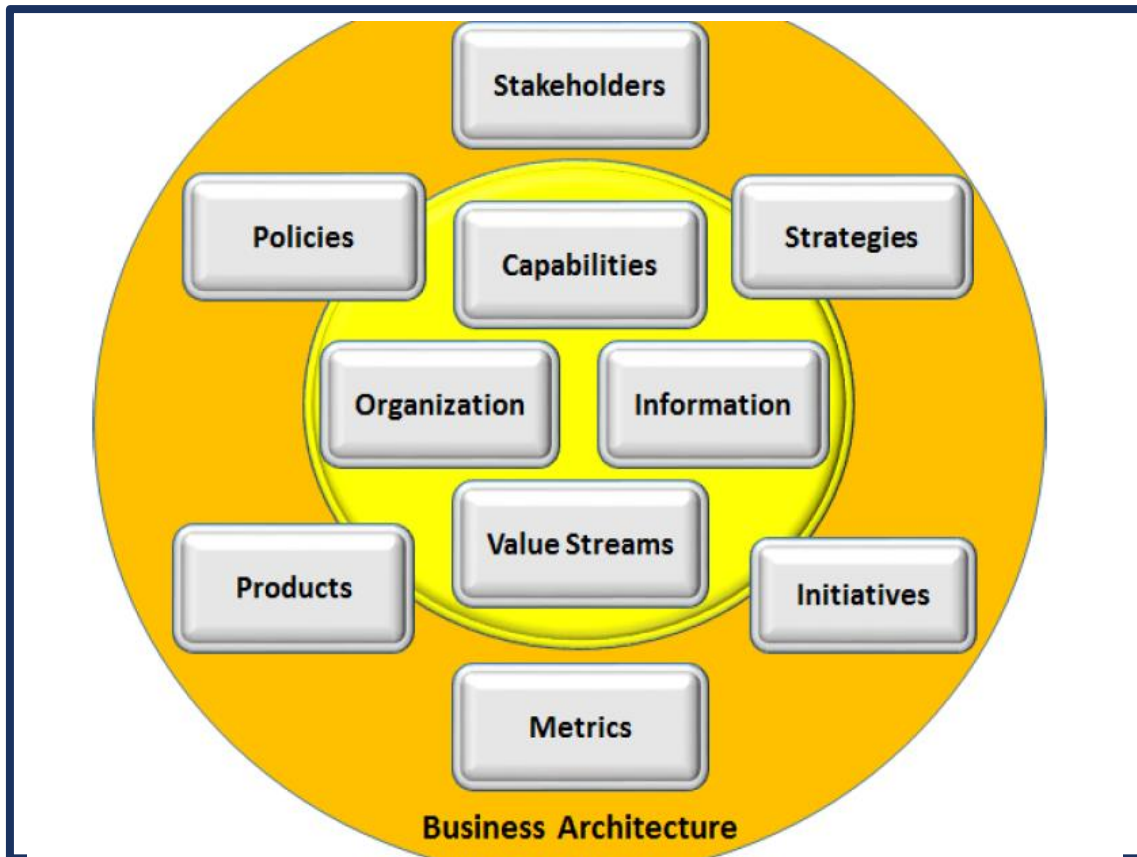
* BIZBOK® Guide v7.0, Section 2.8

DOMAIN 9: POLICY MAPPING

- Benefits of Policy Mapping: *
 - Improves sophistication and execution of compliance, crisis, and risk management practices
 - Increase level of policy definition, dissemination, enforcement, and compliance maturity
 - Enables a demonstration of compliance to management, auditors, and regulators
 - Relationship between policy and strategic objectives helps frame started that aligns to policies
 - Facilitates creation of holistic business metrics and KPIs
- Policy to capability relationships provides link to value streams.

* BIZBOK® Guide v7.0, Section 2.9

THE NINE DOMAINS



- Nine Domains
- Four in the Core
- Value Streams and Capabilities are essential
- Value Streams is the most foundational;
 - because organizations exist to create and provide value, not to provide capabilities

PART 2

CRITICAL CONCEPTS OF VALUE MAPPING



CRITICAL CONCEPTS TO KNOW

- Value
- Value Mapping
- Value Streams
- Value Propositions
- Triggering and Participating Stakeholders
- Value Stages
- Value Items

VALUE AND VALUE MAPPING

- Value *
 - “The benefit that is derived by an organization’s stakeholder while interacting with that organization”
 - Defined by the stakeholders
- Value Mapping *
 - Generic term
 - Encompasses a variety of analytical techniques focused on end-to-end creation of value from standpoint of the stakeholder
 - Results in the creation of formal value maps

* BIZBOK® Guide v7.0, Section 2.4

VALUE STREAM

- Preeminence of Value Stream Analysis *
 - Multiple techniques for doing value mapping
 - Most popular approach is the Value Stream
 - Others include:
 - Porter's Value Chain: deriving internally oriented margin value
 - Lean Value Stream: optimizing internal processes
 - Value Network: entity-to-entity value exchange
 - Wide spread acceptance of Value Streams is due to it's a more end-to-end depiction of how a business delivers value to stakeholder

* BIZBOK® Guide v7.0, Section 2.4, pp. 138-140

VALUE STREAM ANALYSIS, PT. I

- Minimum Aspects of a Value Stream *
- Name
- Description
- Triggering Stakeholder(s)
- Value Proposition(s)

* BIZBOK® Guide v7.0, Section 2.4, pp. 144-146

VALUE PROPOSITION

- Start with the end in mind
- Value Proposition *
 - “An **innovation**, service, or feature intended to make a company, **product**, or service attractive to **customers** or related stakeholders”
 - Identifies what’s provided to the triggering stakeholder
 - Provides outside-in perspective
 - Tied to a specific value stream

* BIZBOK® Guide v7.0, Section 2.4, p.134

TRIGGERING STAKEHOLDER

- Now to the beginning
- Triggering Stakeholder *
 - A category of stakeholder that initiates a value stream for the purpose of achieving a stated value proposition
 - May be acting on behalf of another stakeholder in a proxy role
- The relationship between the Triggering Stakeholder and Value Proposition is grist for improving definition of both

* BIZBOK® Guide v7.0, Section 2.4, pp.136-139

NAME AND DESCRIPTION

- Now define what lies between Triggering Stakeholder and the sought after Value Proposition
- Name of the Value Stream *
 - Verb phrase
 - Reflects what the Triggering Stakeholder is seeking to achieve
- Describe the Value Stream
 - BIZBOK says a one sentence description. I say 1-2 paragraphs is what's needed
 - A rich description can then be unpacked in the subsequent Value Stage analysis

* BIZBOK® Guide v7.0, Section 2.4, pp.150

VALUE STREAM ANALYSIS, PT. 2

- In Pt. I, the Value Stream was treated as a black box. In Pt. 2, we analyze what's inside.
- What's inside a Value Stream? Value Stages
- Minimum Aspects of a Value Stage *
 - Name and Description
 - Entrance and Exit Criteria
 - Participating Stakeholders
 - Value Item(s)

* BIZBOK® Guide v7.0, Section 2.4, pp. 144-146

VALUE STAGE

- A Value Stream is a progression of Value Stages
- Stages are the meaty part of Value Stream analysis
- Each Value Stage has: *
 - Name & Description
 - Specific entrance and exit criteria
 - These allow for non-linear reentering of a stage
 - Exit criteria cannot be undone or reset by another stage
 - Value Items

* BIZBOK® Guide v7.0, Section 2.4, pp. 144-146

VALUE ITEM

- The output of a Value Stage is a Value Item *
 - A judgement of worth for a stakeholder within the context of stage within a value stream
 - Tangible and Intangible
 - While a Value Proposition is the gold at the end of the Value Stream rainbow, a Value Item is a road marker along the journey.
 - Can be cumulating; accruing value along the way
 - If a Value Stream is terminated before completion, the value items obtained still accrue to the Stakeholders involved even though the final Value Proposition was not accomplished.

* BIZBOK® Guide v7.0, Section 2.4, pp. 134-135

HOW MANY?

- How many Value Streams should there be?
 - BIZBOK says there are often about a couple of dozen Value Streams for a business *
 - I keep abstraction level high enough for value streams that I expect only about 4-8 Value Streams
- Value Stages **
 - Can be decomposed, but you should only do it when needed to cover unique scenarios
 - Can also be combined:
 - If two stages have same entrance and exit criteria; combine them
 - If there's a lot of interaction between two adjacent stages; combine them
 - If they share a lot of the same capabilities; combine them

* BIZBOK® Guide v7.0, Section 2.4, pp. 151 ** pp. 146-147

PART 3

VALUE MAPPING AND BUSINESS PROCESS MODELING

AND

VALUE MAPPING AND CAPABILITIES



VALUE STREAMS VS. BUSINESS PROCESSES

- Value Streams do have some things in common with business processes;
 - Both are active; they show progression in a left-to-right manner
- But there are significant differences
 - Value Based vs. Flow Based
 - Business processes have planned, anticipated decision structures
 - Value Streams accrue value, but don't dictate how
- Value Streams are part of a business architecture (stable)
- Business processes are part of an business operating model (subject to change)

* BIZBOK® Guide v7.0, Section 2.4, pp. 164-166

CROSS REFERENCING VALUE STREAMS TO BUSINESS CAPABILITIES

- Value Stream-to-Capability relationships
 - The most important cross-mapping between any two of the nine domains
- Capabilities enable Value Streams
 - Map capabilities to Value Stages (value stream are too broad to be effective)
 - Best to use L3 or L2 capabilities (L1 capabilities are too broad)
- Capabilities sharpen Value Streams
 - If there are core capabilities that don't map to value streams; then maybe your Value Streams need work
- Value Streams sharpen Capabilities
 - If there are value stream stages that have no mapped capabilities or they have sets of capabilities redundant with other stages; then maybe your capabilities need work

* BIZBOK® Guide v7.0, Section 2.4, pp. 160-164

WHAT TO DO

- Appreciate the Breadth of Business Architecture
- Become proficient on the Core Four
 - Value Mapping
 - Capability Mapping
 - Information Mapping
 - Organization Mapping
- Lead with Value Stream and Capability analysis

THANK YOU!

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