HOW CAN WE ALL INFORM AND ENABLE STRATEGIC PLANNING

Tying Business Architecture to Business Strategy
Association of American Medical Colleges (AAMC)
• Purpose of the presentation is to:
  • Present the framework for strategic planning established at the AAMC to facilitate cross-functional strategic decisions
  • How this framework enabled AAMC to tie their strategic needs to tactical needs.

• Presentation Overview
  • Strategic planning and Business Architecture at AAMC
  • Business Challenges and IT challenges
  • How to tie Business Strategy to Business Architecture
  • Framework to align Business Strategy to Business Architecture
  • Benefits of this approach
"Would you tell me, please, which way I ought to go from here?"
"That depends a good deal on where you want to get to," said the Cat.
"I don't much care where—" said Alice.
"Then it doesn't matter which way you go," said the Cat.
"--so long as I get somewhere," Alice added as an explanation.
"Oh, you're sure to do that," said the Cat, "if you only walk long enough."

".........if you don't know where you are going then any road will take you there"
STRATEGIC PLANNING @ AAMC

- Traditionally no central framework to answer “....what should be attempted”
- No enterprise wide view of needs and gaps
- Lack of long term roadmaps to understand what else is needed and when
- Poor visibility into how our investments are performing
- Centered around project requests (mostly upgrades, enhancements and procurement)

......to summarize - Siloed
Business Architecture @ AAMC

• Practice Started in 2008 reporting into the CIO
• Used capability based approach but at a disaggregate level, mainly at project(s) level
• Very well understood by IT but a tough sell across the business
• Since, there was no formal strategic planning the concept of capabilities and the capabilities road map was understood only at a project level
BUSINESS CHALLENGES AND IT CHALLENGES

- Business was unable to identify opportunities and plan for change
- Implement similar business capabilities, applications and infrastructure redundantly across multiple business units and projects
- No alignment with localized business needs and IT tactical needs
- Slow delivery times and high maintenance costs
- Redundant and costly investment in multiple technical solutions
- Recurring capital investments and low asset realization
- Limited budget resources and every business unit wants a stake in the pie.
HOW TO TIE BUSINESS STRATEGY TO BUSINESS ARCHITECTURE

• Formation of new group: Business Integration Alignment (BIA)
  • Comprises of EA, BA and BPM practice

• This was outside of IT reporting to the COO

• Tasked with tying business strategy to business architecture
Business Capability Relationships helps us tie strategy to action
HOW DO WE MANAGE CAPABILITIES
TO DELIVER SUCCESSFUL EXECUTION OF OUR STRATEGIES

Capability is made of people, process and technology

We need to take all three into account for all strategic needs
BUT WHY ALIGN CAPABILITIES WITH STRATEGY

For

Prioritization
Budgeting
Portfolio planning
Operations

Thus enabling organization to make better decisions.
CAPABILITY MAPS HELPS US ANSWER QUESTIONS LIKE

- Which applications support what business capabilities
- How many applications provide a specific capability
- Which applications provide the same service
- Which applications support the same business process
- What is the cost of running an application and how many business units fund it
- How many user defined applications provide the same capabilities as the core applications
FRAMEWORK TO ALIGN CAPABILITIES TO STRATEGY
And now let's try to apply these to strategic planning.
## Capability Driven Strategic Execution Helps

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<tr>
<th>Capability</th>
<th>Description</th>
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<tr>
<td>Long Term outlook</td>
<td>• Able to know where all our efforts are taking us</td>
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<td>Working towards a common vision</td>
<td>• All individuals involved in programs and projects are aware of the strategic vision. This ensures that decisions which are made or content which is created is in accordance of a strategic plan.</td>
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<td>Concerted approach</td>
<td>• Enables everyone at the organization understand where their work fits in the bigger picture</td>
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<td>Cost Savings</td>
<td>• Able to plan for long term helps supporting decisions to realize scalable cost savings</td>
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<td>Flexible</td>
<td>• Due to the nature of having a plan and a view of the organization we are able to respond to change quickly without impacting our customers.</td>
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<td>Customer Driven</td>
<td>• How strategy impacts the lives of our customer and how these changes can impact their experiences when they use our products and services.</td>
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<td>Visibility</td>
<td>• We can trace which programs and projects are realizing our strategy and where these are being implemented.</td>
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Enable to identify strategies & goals

Help establish capabilities and their roadmap

Assist to prioritize and plan based on these strategies and roadmaps
IN THE END

We can’t blame the technology when we make mistakes.
THE BUSINESS MODEL CANVAS, IS A STRATEGIC MANAGEMENT AND ENTREPRENEURIAL TOOL. IT ALLOWS YOU TO DESCRIBE, DESIGN, CHALLENGE, INVENT, AND PIVOT YOUR BUSINESS MODEL.