Agenda

1. The Problem
2. Who we are
3. Conceptual Foundations of Architectural Thinking
4. Conclusion
The Problem

Dark Waters of Legacy IT

Agile! Agile! Agile!

Innovation!

Vision?
Strategic Management?
Architecture?
Reengineering?
Six Blind Men and an Elephant

Executive

Organization Designer

Service Designer

Process Manager

Software Architect

Project Manager

It’s a Fan!

It’s a Spear!

It’s a Wall!

It’s a Rope!

It’s a Snake!

It’s a Tree!
The Problem: “Six Blind Men and an Elephant”

LEADS TO...

Zero Adaptive Business&IT-Architectures
To survive the speed of business change enterprises need to become adaptive to their surrounding.
Agile

Adaptive
Adaptivity needs collaborative design of business architecture.
Collaborative design needs Architectural Thinking.
But what is “Architecture” all about?

“Architecture is the fundamental organization of systems embodied by their elements, their relationships to each other and to the environment, and the principles guiding their design and evolution.”

IEEE
What is “Design” all about

“Design is the process of creating architectures that have desirable quality characteristics.”

Wolfgang Goebl
Sept. 18th 2019
The Solution?

Four Core Concepts of the Architectural Thinking Framework® ....
#1 – Enterprise Core Model
= Simple Enterprise Model Everybody Understands

simple UX, concise

business-oriented

used&accepted by “everybody”
#1 – Enterprise Core Model

Enterprise Architecture – as usable as an iPhone
#2 – Collaborative Modeling
Bringing the Concept & Mindset of “Architecture” to Everybody

- Service Designer
- Process Manager
- Product Manager
- Software Architect
- Organization Designer
- Enterprise Designer
- Solution Developer
- Architectural Facilitators
- Supporting
#3 – Architectural Model = Basis for Strategic Decisions

Connect Architecture with Business & IT Governance
#4 – Enterprise = Part of Surrounding Ecosystem

ATF® includes early Ideas only
Discussion in this Masterclass
2. Who we are
Architectural Thinking Association®

Who we are...

› Non profit association according to Austrian law
› Goal: “Spreading vision of Architectural Thinking”
› Open Source Architectural Thinking Framework® (ATF®)
› architectural-thinking.com/participate
Our Mission

„We help people to design sustainably adaptive enterprises.“
Organization of the Architectural Thinking Association®

Executive Committee

Content Team

Advisory Board

Users
Architectural Thinking Association® (ATA®)

Who we are...

Leadership Team

The Architectural Thinking Association’s Leadership Team consists of these architecture-passionate people:

- Scott Ambler
  Disciplined Agilist
- Marc Bastien
  Enterprise Architect
- Darryl Carr
  Enterprise Architect
- Wolfgang Goebl
  President
- Milan Guenther
  Enterprise Designer
- Susan Hasty
  Strategy Consultant
- Mike Rosen
  Founder BA Guild
What we do

We bring thought leaders and practitioners of relevant enterprise disciplines together.

We grow an Open Source Architectural Thinking Framework® where everybody wants to connect to.

We spread our vision of Architectural Thinking.
Conceptual Foundations of Architectural Thinking

1. The Problem
2. Who we are
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4. Conclusion
Components of the Architectural Thinking Framework® (ATF®)

Enterprise Core Model

Roles

Design Patterns

=Connection to existing enterprise processes=

25
Components of the Architectural Thinking Framework® (ATF®)

- Executives
- Architecture Facilitators
- Solution Teams

=Strategic Governance=

=Vision=

=Solution Development=

Design Patterns
3.1 Enterprise Core Map
Enterprise Core Map

Common “Language”, Glue Between Specific, Detailed Models

- Detailed Process Model
- Customer Journey
- Product Model
- Business Service Model
- Business Model Canvas
- Software Architecture
- Database Model
- ...and many many more...
(i) widely known (ii) obvious&mature (iii)mandatory as glue concepts only

Org Chart?

Business Service?

Touchpoint?

Product?

Value Stream?

Customer Journey?
Enterprise Core Maps ATF® V0.1
~Business Capabilities – Connector between everything

Hierarchical Breakdown of the Business

Sales & Service

Channels

Branch Location

Online

Selfservice

Management & Support

CRM

Product Management

Marketing

HR

Document Management

Operation & Execution

Giro

Giro

Investments

Depot

Security Paper

Trading

Loan

Consumer Loan

Corporate Loan

Leasing

Cross Product Operation

Account Management

Payment Processing

Collateral Administration
~Capability Modelling Guidelines

Understood by executives within seconds

- Only what's needed for strategic decisions
- Courage for the gap
- Terminology accepted by business people
- Level 1: six to ten capabilities
- Two or three hierarchies
- Half a page of description per capability
Example ~Capability Model Level 1:

Sales & Service

Channels

- Branch Location
- Online
- Selfservice

Operation & Execution

- Giro
  - Giro
- Investments
  - Deposit
  - Security Paper
- Loan
  - Consumer Loan
  - Corporate Loan
- Cross Product Operation
  - Account Management
  - Payment Processing
  - Collateral Administration

Management & Support

- CRM
- Product Management
- Marketing
- HK
- Document Management

“Customer-facing”

Backoffice or Production

Cross Product
Example ~ Capability Model Level 2:

- **Sales Channels**
  - Branch Location
  - Online
  - Self-service

- **Product Groups**
  - Giro
  - Investment
  - Loan
    - Giro
    - Deposit
    - Security Paper
    - Corporate Loan
    - Trade
    - Leasing
  - Credit
  - Leasing

- **Processes**
  - Account Management
  - Payment Processing
  - Collateral Administration
  - Document Management
  - CRM
  - Product Management
  - Marketing
3.2 Connection to ==VISION==
Connect Enterprise Model with Business Vision

- Vision should be based on current strengths (capabilities)
- Formulate vision around new capabilities that arise with new partnerships & technologies
Base Vision on Current Strengths
...by Heatmapping of Your ~Capability Map
Formulate Vision Around New ~Capabilities
...that arise with new partnerships&technologies
“The technologies we use in our daily lives, such as smartphones and tablet devices, could make a real difference in helping patients to manage their own health. We are exploring ways to use these tools to improve compliance rates and enable health-care professionals to monitor patient progress remotely”.

[Novartis 2012]
3.3 Connection to
==STRATEGIC GOVERNANCE ==
What’s the Best Way to Make Strategic Decisions?

Management, Top-down

Democratic, Bottom-up
“Most great works of the human mind have been made by one mind, or two working closely. But now, team design has become the modern standard, for good reasons. The danger is the loss of conceptual integrity in the product, a very grave loss indeed.

So the challenge is how to achieve conceptual integrity while doing team design, and at the same time to achieve the very real benefits of collaboration.”

Connect Strategic Governance to Enterprise Core Map

Collaborative Enterprise Design needs Strategic Decisions

=Strategic Governance=
~Capability Maps: the Perfect Management Tool

Heatmapping

Sales & Service
- Branch Location
- Online
- Self-service

Management & Support
- CRM
- Product Management
- Marketing
- HR
- Document Management

Operation & Execution
- Giro
- Deposits
- Security Paper
- Trading
- Consumer Loan
- Corporate Loan
- Leasing

Cross Product Operation
- Account Management
- Payment Processing
- Collateral Administration

Strategic Focus
- ...not strategic
- ...medium
- ...strategic
~Capability Maps: the Perfect Management Tool

**Budgeting**

<table>
<thead>
<tr>
<th>Sales &amp; Service</th>
<th>Management &amp; Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Channels</td>
<td></td>
</tr>
<tr>
<td>Branch Location</td>
<td></td>
</tr>
<tr>
<td>5.9 M€</td>
<td>6.2 M€</td>
</tr>
<tr>
<td>Online</td>
<td></td>
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<tr>
<td>9.9 M€</td>
<td></td>
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<tr>
<td>Selfservice</td>
<td></td>
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<tr>
<td>0.3 M€</td>
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<table>
<thead>
<tr>
<th>Operation &amp; Execution</th>
<th>Management &amp; Support</th>
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<tbody>
<tr>
<td>Giro</td>
<td></td>
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<tr>
<td>3.4 M€</td>
<td></td>
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<tr>
<td>Cards</td>
<td></td>
</tr>
<tr>
<td>0.2 M€</td>
<td></td>
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<tr>
<td>Investments</td>
<td></td>
</tr>
<tr>
<td>Deposit</td>
<td></td>
</tr>
<tr>
<td>1.2 M€</td>
<td></td>
</tr>
<tr>
<td>Security Paper</td>
<td></td>
</tr>
<tr>
<td>2.2 M€</td>
<td></td>
</tr>
<tr>
<td>Treasury</td>
<td></td>
</tr>
<tr>
<td>0.2 M€</td>
<td></td>
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<tr>
<td>Loan</td>
<td></td>
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<tr>
<td>Consumer Loan</td>
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<tr>
<td>9.2 M€</td>
<td></td>
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<tr>
<td>Corporate Loin</td>
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<tr>
<td>2.3 M€</td>
<td></td>
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<tr>
<td>Leasing</td>
<td></td>
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<tr>
<td>1.1 M€</td>
<td></td>
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<table>
<thead>
<tr>
<th>Cross Product Operation</th>
<th>Management &amp; Support</th>
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</thead>
<tbody>
<tr>
<td>Account Management</td>
<td></td>
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<tr>
<td>1.1 M€</td>
<td></td>
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<tr>
<td>Payment Processing</td>
<td></td>
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<tr>
<td>1.1 M€</td>
<td></td>
</tr>
<tr>
<td>Collateral Administration</td>
<td></td>
</tr>
<tr>
<td>3.3 M€</td>
<td></td>
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<tr>
<td>HR</td>
<td></td>
</tr>
<tr>
<td>0.1 M€</td>
<td></td>
</tr>
<tr>
<td>Document Management</td>
<td></td>
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<tr>
<td>0.1 M€</td>
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</table>
~Capacity Maps: the Perfect Management Tool
Strategic Fields of Action: Connector between Architecture and Initiatives
### Strategic Field of Action: Seamless Multichannel Experience

**Category:** Digital Change

<table>
<thead>
<tr>
<th>Description:</th>
</tr>
</thead>
<tbody>
<tr>
<td>The way that people buy bank products is changing significantly as it becomes easier to access information across a number of channels. We want to improve sales by offering a seamless customer experience across multiple channels.</td>
</tr>
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<table>
<thead>
<tr>
<th>Solutions:</th>
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</thead>
<tbody>
<tr>
<td>• Implementation of new ‘Common Sales System’ (CSS) that supports mobile, tablet, PCs</td>
</tr>
<tr>
<td>• Seamless User Experience between digital and physical channels (phone, branch)</td>
</tr>
<tr>
<td>• Pragmatic Integration with ATMs</td>
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<table>
<thead>
<tr>
<th>Capabilities:</th>
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<tbody>
<tr>
<td>• Sales &amp; Service</td>
</tr>
<tr>
<td>Channels</td>
</tr>
<tr>
<td>Branch Location</td>
</tr>
<tr>
<td>Online</td>
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<tr>
<td>Self-Service</td>
</tr>
</tbody>
</table>

<table>
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<tr>
<th>Projects:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• CSS 1.0 (9.5 M$)</td>
</tr>
<tr>
<td>• SST 2.0 (1.2 M$)</td>
</tr>
</tbody>
</table>

| Cost Indication: | $$$ |
| --- |
| Technical Debt: | - 3% |
Architecture as Core of Company-Wide Governance

Vorstand

Capability 1 Board
Capability 2 Board
Capability 3 Board
‘Cross Product’ Board
‘Technol. Platform’ Board

Autonomous Team

Aggregated SFAs

Strategic Fields of Action (SFA)

Concepts

Ideas
3.3 Connection to SOLUTION DEVELOPMENT
Connect Solution- with Enterprise Architecture

Interfaces

Software Architecture

Process Models of Solution

Etc...
Connect Solution Requirements with Enterprise Architecture

Assign Requirements to Capabilities
Architecture Facilitator: Part of Solution Team

- 80% of architectural work happens in Solution Team
- Everybody is architect on micro level
- Architecture Facilitator accountable for
  - Solution Architecture as a whole
  - Integration with Enterprise Architecture
Conclusion

1. The Problem
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Conclusion

Digital Transformation needs

Adaptive Enterprises need

Well Designed Business Architectures need

Collaborative Design & Strategic Decisions need

Architectural Framework Usable for Everyone.
### Architectural Thinking Framework® Roadmap

<table>
<thead>
<tr>
<th>Year</th>
<th>Milestones</th>
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<tbody>
<tr>
<td>2018</td>
<td><strong>V0.1</strong></td>
</tr>
<tr>
<td></td>
<td>- Foundation</td>
</tr>
<tr>
<td></td>
<td>- Weekly blog</td>
</tr>
<tr>
<td></td>
<td>- Leadership Team established</td>
</tr>
<tr>
<td>2019</td>
<td><strong>V0.5</strong></td>
</tr>
<tr>
<td></td>
<td>- Exec. Board</td>
</tr>
<tr>
<td></td>
<td>- Pilot users</td>
</tr>
<tr>
<td></td>
<td>- Conferences</td>
</tr>
<tr>
<td></td>
<td>- 24,000 web-visitors</td>
</tr>
<tr>
<td>2020</td>
<td><strong>V1.0</strong></td>
</tr>
<tr>
<td></td>
<td>- Advisory Board</td>
</tr>
<tr>
<td></td>
<td>- Memberships</td>
</tr>
<tr>
<td></td>
<td>- Feedback from Pilot users</td>
</tr>
<tr>
<td>2021</td>
<td><strong>V1.0 released</strong></td>
</tr>
<tr>
<td></td>
<td>- Book</td>
</tr>
<tr>
<td></td>
<td>- Marketing</td>
</tr>
</tbody>
</table>

All Enterprises apply AT to be sustainably adaptive
How to Participate in our Vision

Register and discuss at our blog  Follow us and discuss on linkedIn

Provide feedback in our wiki

Apply to become
• member of the Advisory Board
• pilot user
• reviewer of the Architectural Thinking Book

Architectural Thinking Association®
... let’s create it together!
Recommended Reading

[Ambler10]: S. Ambler: ‘Disciplined Agile Delivery’
[Eckstein18]: J. Eckstein: ‘Company-wide Agility’
[Westerman15]: ‘Leading Digital Turning Technology into Business Transformation’