Business Trends in Global IT Markets Provide New Traction and Value for Enterprise Architecture

Transcript of a sponsored podcast discussion on the global adoption of enterprise architecture in response to regional business trends.

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Dana Gardner: Hi. This is Dana Gardner, Principal Analyst at Interarbor Solutions, and you're listening to BriefingsDirect. Today, we present a sponsored podcast discussion, coming to you from The Open Group's Security Practitioners Conference in Boston, the week of July 19, 2010.

We've assembled a panel to examine the key market trends impacting enterprise architecture (EA) in different regions of the world. We'll evaluate how the use and value of EA is emerging and progressing worldwide, and how the expanding use of EA offers a unique window into global business trends as well.

Our guests will share their knowledge on several developing and mature markets, as well as present a focus on China. We'll hear about the cultural barriers and/or accelerants for EA adoption from region to region.

Here to help better understand the role of EA as it bestrides the globe is our panel. Please join me in welcoming Allen Brown, President and CEO of The Open Group. Welcome, Allen.

Allen Brown: Thank you.

Gardner: We're also here with Eric Boulay, president and CEO of Arismore and also CEO of The Open Group, France. Welcome, Eric.

Eric Boulay: Good morning, Dana.

Gardner: Chris Forde, vice president of Enterprise Architecture & Membership Capabilities of The Open Group, also joins us. Welcome, Chris.

Chris Forde: Good afternoon.

Gardner: And Mats Gejnevall. He is a Certified Enterprise Architect with Capgemini, Sweden. Welcome.

Mats Gejnevall: Thank you very much.

Gardner: We are also here with [Stuart Macgregor](#). He is the CEO of [Real IRM](#) and CEO of The Open Group, South Africa. Welcome Stuart.

Stuart Macgregor: Good afternoon. Glad to be here.

Gardner: Allen, let's start with you. Tell us a little bit about what's happening globally. Why is EA so popular now? We'll get into the regions in a moment, about why it's happening here and there, but are there any general perceptions as to why EA is such an important aspect of IT business development at this time?

Brown: Thank you, Dana. A trend over a number of years now is that the barriers within enterprises; the silos, the departments, the stovepipes, have been broken down.

Organizations are working cross-functionally. They're bringing people together. They're working with their business partners, and they have their IT infrastructure integrated with their business partners. That has caused a requirement for people to be able to look across the entire organization and think about how IT impacts different parts of the organization and how it integrates together.

Many parts of the organization have had applications built for the stovepipes that now need to work together in ways that they were never intended, when those legacy applications were put in, because we never intended those legacy applications to last this long. But, they did, and you can't just replace them.

What's happened with what we call [boundaryless](#) information flow, or the requirement for access to integrated information under security issues, is that we're now having to deal with something called EA on a number of different levels.

Different aspects

Many people have tried to define EA, and I don't think anyone has come up with a satisfactory overarching definition yet. But, there are a number of different aspects to it. At the moment, EA is focused on the IT element, although it has ambition to look at the architecture of an entire enterprise at some stage.

People are looking at the entire enterprise from an IT perspective, like a city planner would. So you've got that kind of EA. Then you have got other folks that are more focused on specific solutions, and that's also EA.

EA is an umbrella term that relates to an awful lot of activity that flows further down, whether it's business IT architecture, data architecture, and so on. There are many things, but the driving force in many organizations is this need to integrate and share information.

In governments, you're seeing joined-up government and citizen-centric government. To deliver those services, and to do so economically, requires this boundaryless information flow concept, and that requires the discipline of EA.

Gardner: Of course we are in an environment where not only are the technology trends unfolding at different rates, but we have a different economic environment from region to region. Some regions are struggling, and others are growing quite well.

Being based in the UK, being familiar with Europe and North America where the economies are still struggling, do you see anything about the economy and the position of budget pressures that is accelerating or having impact on the adoption of EA?

Brown: It varies from enterprise to enterprise. We're seeing continued growth in the adoption of EA in general and [TOGAF](#) in particular -- and it's continuing to grow. There are organizations that are saying that EA isn't delivering near-term bottom lines, so they're going to cut the cost.

There are more organizations that are saying that this is the time to invest, to rationalize, and to really drive out value from their IT investment. So, you're starting to see a mix of things, but, generally speaking, my experience in the developed or struggling economies is that there are more people focused on EA than not.

Gardner: Eric Boulay in France, tell me what the market for EA is there, and what some of the drivers are?

Boulay: Key drivers are the necessity to move forward for big and small enterprises. Because of the downturn, the future of the enterprise is to roll out in an international standard view. In order to roll out -- for example, for big banks on a European or worldwide basis -- they have to welcome big transformation, and this kind of big transformation can be helped by EA.

Huge opportunity

It's an architecture issue to transform local enterprise to a worldwide or a European enterprise. This is a huge opportunity for enterprise architects and for EA to help in this big change. So, there is no downturn for EA, because if we use it and build a new EA practice in order to better address this kind of job, it's a huge opportunity for us. There is no downturn for us. It's only a matter of finding the right skills in order to help enterprise go abroad.

Gardner: Mats, based in Sweden with experience in Northern Europe, is transformation a real driver here regardless of the economy?

Gejnevall: Transformation has always been a big driver in the enterprise architecture forum, but what we see these days is that getting your IT under control has been a major factor for going into the EA side of things. Slowly the companies now are connecting the IT structures they have with the business.

It was a struggle in the beginning, and most of the EA projects were IT-based projects, but now, business is starting to understand the full impact and understand that the IT solutions that we create should really be aligned with the long-term strategies and objectives of the organizations.

Gardner: Do you perceive any difference between the public sector and private sector in terms of the adoptions markets are familiar with?

Gejnevall: In the past, public sector has been pretty slow on the uptake, but recently we're doing a lot of business with healthcare services and so on. They're really large organizations, with 30,000, 40,000, or 50,000 people, and they have lots of different divisions. They need to work together in a collaborative fashion and fulfill the long term goals that the politicians have set up for them.

Gardner: Stuart Macgregor in South Africa, are there certain trends afoot that you can identify that are prominent in your market, but might also represent other markets?

Macgregor: South Africa is slightly different, because EA is from the business side, rather than from technology. A lot of organizations have spent a lot of money working on business processes, and that business process architecture across the business domain is now being linked to the technology domains. So, we are probably the opposite.

In fact, we're coming from the top down, instead of from the technology side upwards. South Africa currently has roughly 10 percent of the architecture forum membership, all South Africans, and there is a big adoption of TOGAF in South Africa. If you look at our GDP in comparison, it's quite exceptional.

That's really been because of The Open Group's presence in South Africa, organizing events, a lot of TOGAF training, a lot of certification, a lot of press articles, and really driving the business value and the business understanding of what EA is about.

We have had for example, SASOL which is one of the larger petrochem organizations, adopt TOGAF, working it into the government standard. What their enterprise architect did, is he bought 'Enterprise Architecture as Strategy,' the Jeanne Ross book, and distributed to senior executives. Given that it is written in business speak, it really led to the adoption and understanding of what EA is about, and was quite serious for the uptake within the business.

Key focus area

We differ across business sectors as well, in that our financial services sector -- again, a big focus on the business process area -- are lagging in the technology domain, and that's now a key focus area bringing that up to speed.

Across the natural resources sector, for example, we have an Open Group Standard called EMMM, which stands for Exploration Mining Metals and Minerals, where we're working on putting together reference architectures for the sector, and that's also driving global adoption of TOGAF. So, it really differs across sectors and across organizations. There's no one size fits all.

Gardner: It seems a credit to TOGAF, Allen Brown, that it can be playing a role in so many different markets with so many different variables at work. Perhaps you could, from your perch, tell us about certain markets in the world that have seen the most impact, adoption, or uptake of TOGAF and/or enterprise architecture.

Brown: We're seeing it pretty broadly across the planet, really. Obviously the US and UK were leading, but the amount of uptake in the Asia-Pacific region right now is quite dramatic and we're starting to see that take off. But, it's really difficult to isolate any particular region.

We've now got something like 15,000 members of our professional body, the Association of The Open Group Enterprise Architects. They are, in some way or another, connected with TOGAF for our IT architect certification. Those people are distributed across 116 different countries. So, it's really quite difficult to say which is growing the most.

Gardner: Let's go to the Asia-Pac region and Chris Forde in China. What are some of the elements of TOGAF's growth and adoption that you can identify that might be specific to China.

Forde: The Chinese market is really very interesting. There's an opportunity there for the EA practice to grow massively. For the most part, larger enterprises in the China region are relying on the brand name western companies to do strategy and planning, and there is very limited internal capability, knowledge, and experience around EA.

I've been hearing from folks in various organizations, both state-owned companies and others, that they're reluctant to step away from these brand-name companies, because there is a certain degree of security around the planning and activities that go on there, but there is also a degree of dissatisfaction that they aren't feeling in control of their own fate.

Over the next several years, I anticipate the development of internal architecture practices and an up scaling of staff. The universities already have in place CIO forums and executive MBA activities that explicitly deal with EA as a set of concepts. Over time, I think that it's going to find it's place in the Chinese organizations.

At the moment, they're still continuing with this kind of organic growth of the IT approach to things, which is something that the Western markets dealt with 15 years ago, and found the need for a more planful approach to doing things.

This is the opportunity for us in EA in that particular market. The issue is that at the leadership level in these companies there isn't a perception that they need to do anything, because the problem hasn't actually arrived broadly inside China, from what I'm seeing.

Gardner: I'm going to guess that in some of the more mature markets they wished they had had an opportunity to invoke some of these practices, before it became a problem. Is there an opportunity in China for them to gain a lesson from the rest of the world?

Body of knowledge

Forde: I think there is, and this is one of the things for the emerging markets, similar to cellphones. The learning that has occurred in the Western markets have produced a body of knowledge in TOGAF that can accelerate for other companies the way they adopt and improve their ability to deliver on strategy, planning, and execution.

Once the recognition is there inside companies, when the need arrives, those companies in that market that have planned for this will start to really accelerate in terms of their global position.

Gardner: Is it your understanding -- or anybody else's on our panel -- that the other so-called BRIC countries, Brazil, Russia and India are facing similar situation as China?

Forde: I wouldn't comment directly on the other BRIC countries. I have a sense that that's the case, but I don't have any specific information of those markets.

Gardner: Another set of variables we can bring to this picture are some of the technology trends: mobile, cloud, data explosion, complexity, and then, of course, due to the economy in most regions, an emphasis on efficiency. Can we look to any of these trends and find a relationship between EA adoption in a particular market? Why don't we try with you, Mats, in Sweden.

Gejnevall: Capgemini has put together a number of service offerings worldwide that we are adapting to the conditions of each one of the countries. We can see that things like boundaryless information -- being able to use information in new ways -- is something that every company wants to do.

In cloud, it always comes into the discussion, even though people don't quite know how to use it yet. I think The Open Group's effort around cloud computing can actually help that to a large extent. The ROI paper on cloud computing, for instance, will be a tremendous help for a lot of companies to have a look at and see what can they do. But, everything is moving very, very slowly. In countries like Sweden, the bigger companies might try these out, but the smaller ones are not ready yet.

Gardner: How about Eric Boulay in France. Are there some technology trends or adoption trends in business that are spurring some of this adoption of an EA perspective?

Boulay: Sometimes, it makes sense to have an engineer's analysis of the situation. We used to consider what is behind the word, and sometimes we have many questions about hype words, such as cloud. What is cloud? I've heard that many of CIOs here in France used to say that we

have been doing cloud computing for a while. What's the difference between private cloud and internal data centers with shared services application or infrastructure?

To go back to EA, we spent a lot of time to move from IT EA to real EA. Now, I think we're mature enough to take the new capability brought by the new technologies. Cloud should be one of them. And now, once more we're ready to move from the old-fashioned way of sharing resources to better practices brought by new technology.

So, it's not a big deal. Once more, it's obvious that EA is a way to transform, so you can transform the business, but you also can transform the way to consume IT.

Gardner: Very good. Does anyone else have any perspectives on technology? How about South Africa from your perspective, Stuart?

Modeling and defining

Macgregor: Not technology, specifically, but it's probably more in the domain of information architecture that we're seeing greater focus on modeling and defining information architecture. We're understanding the difference between information architecture and data architecture and using that as a way of bridging the gap between business and technology, while tackling the information architecture domain.

Gardner: Now, because we're in such a globally connected environment, I'm wondering if there isn't a benefit down the road, as more of these regions and more of the large organizations, public and private, standardize and adopt enterprise and architecture as well as IT practices, business practices.

Doesn't it offer more of a opportunity for these markets to work more in concert, reduce the friction of trade, reduce the friction of services, goods, even perhaps as cloud computing unfolds. We don't know how it's going to happen, the opportunities to share cloud computing resources across great distances and boundaries.

Back to you Allen Brown. Is there an opportunity for us to consider a unifying influence of EA that would have a growth and/or efficiency benefit, as more and more markets start approaching their business problems in a similar fashion.

Brown: Absolutely. I think it's worth also bringing in Chris to see his experiences, but everything I hear says that organizations that are involved in EA in general, and TOGAF in particular, are finding it much easier to integrate with business partners. Mergers and acquisitions are enabled more effectively. So, in working with other organizations, as we get more and more connected, EA is a positive force in that.

Gardner: Chris Forde, your perspective on that, the notion that the more EA around the world, then perhaps the more easily business can be conducted at a global scale.

Forde: I'd say that the long-term point around that is valid. I'd also say that there is a certain learning curve to be gotten up in terms of EA, and that, depending on the maturity of the company and of the region, you might be talking anywhere from six-month payback on an EA activity to a three-year payback.

The body of work that we have available to us in TOGAF is that, if you look at it as a tool in the context of the problem you're trying to solve, you can drive immediate value. If you look at it as some sort of massive program that you're going to implement, you're looking at a longer term payback.

So, it's very important for individuals and companies to approach EA with a specific problem in mind, not just some sort of generic goodness thing that they're looking at.

Gardner: Fair enough. As we think about the tactical, and the potential strategic benefits, people who are engaged, understanding what they need to do, but not sure how to start, can we point them in any specific directions? Where do you go to get started on learning more about EA, learning more about TOGAF, finding the tactical, and then perhaps ultimately the strategic values? Chris?

Architecture Forum

Forde: There are a number of places. The first and foremost one will be the membership of The Open Group, and particularly the [Architecture Forum](). You've got people sitting around this microphone right now that can help, and you've got people out at the conference who have an enormous background and this capability.

Then, in the member companies, either on the supplier side, on the customer side, or in academia, you also have resources available. Those are the places to go to find out what you need to do, and what the approaches can be used, and in a practical sense, what the barriers and the pitfalls are in the approaches. People here have been there, done that, and that's where you need to go, to the experience.

Gardner: Mats.

Gejnevall: In the past, we as consultants used to go out and do architectures with companies. We came out and we delivered a folder saying, "Here's your EA. Go ahead and implement it." Of course, that didn't work.

These days, we actually encourage companies to work with us, to work with experts in the field, and teach them and work and produce these EAs together, because EA is not just a project. It's got a lifecycle and it needs to be maintained. If companies don't get that knowledge themselves, the EA will die.

Gardner: Any thoughts, Stuart MacGregor, on this journey of beginning it, perhaps regardless of where you're starting from?

Macgregor: I certainly support what Mats and Chris have just said. To me organization change leadership is an absolute essential component of getting EA to work, the mechanics of modeling etc. It's not really that difficult. It's the stuff that we have mastered and we've been doing for years. It's how to drive positive business-appropriate and sustainable EA practices that are run like businesses with a very clearly defined offering that understands who the customers are, and can really deliver more value than they cost.

Gardner: And, Eric Boulay.

Boulay: In France, we had a long journey to capture EA practice. Right now, we consider that we moved from IT EA to enterprise, to real business EA, and this is a big shift. Now, CxOs aren't chasing enterprise architects. They're trying to educate enterprise architects inside their company. They understand that they need these kind of people in order to make the company be successful and to move forward.

So, it's a big challenge and a big recognition for us. They need our body of knowledge as TOGAF and the EA body of knowledge. They need us to train, coach, and to help their inside employees to become leaders. Enterprise architects are definitely, as many of you mentioned, people who are ready to talk with different groups in order to ensure there are no more stovepipe in these companies.

Gardner: Allen, the last word to you. Do you have any thoughts about getting started and how companies and/or countries and regions that haven't taken this journey too deeply could avail themselves of 10, 20, 30 years worth of experience that others have traveled through.

Brown: Yes, the first one is, if you can get to one of the conferences and share experiences with other members. That's the key area to start. But, if you can't do that, then there is an awful lot of available information. At the minimum, TOGAF itself is available freely online for people to read, look at, and use within their own organization.

You can buy the book, if it's easier to have that. If you want to go to the next state, there are many trainee organizations that can train your people in TOGAF. If you can't avail yourself of that -- there are some countries where that's not possible -- then there is a study guide that you can get from The Open Group to work your way through.

There are examination centers everywhere. Working through that gives you a good understanding of TOGAF. It doesn't necessarily make you an enterprise architect. You've got to have the abilities to go with that, and you've got to have the experience.

Again, you can work with some of the folks either at conferences or local chapters. We've got chapters in many different countries now. You can share with them, correspond with them or our other members. This is the way that you actually get the experience of how to do it, what people have done, and what pitfalls there are.

Gardner: Great, thank you. We've been discussing key market trends impacting EA in different regions of the world and how folks are using EA and gaining value from it, in both emerging and more mature markets.

This sponsored podcast discussion is coming to you from the Enterprise Architecture Practitioners Conference in Boston, the week of July 19, 2010. I'd like to thank our guests; we've been here with Allen Brown, president and CEO of The Open Group, thank you Allen.

Brown: Thank you very much, Dana.

Gardner: We also have here Eric Boulay, president and CEO of Arismore and also CEO of The Open Group, France.

Boulay: Thank you, Dana.

Gardner: Mats Gejnevall, Certified Enterprise Architect at Capgemini, Sweden. Thank you.

Gejnevall: Thank you, Dana.

Gardner: We're also been joined by Chris Forde, Vice President of Enterprise Architecture and Membership Capabilities of The Open Group, based in Shanghai. Thank you.

Forde: It's been a pleasure, thanks.

Gardner: And last, Stuart Macgregor, the CEO of Real IRM in South Africa, as well as the CEO of The Open Group in South Africa. Thank you.

Macgregor: Thank you very much, Dana.

Gardner: This is Dana Gardner, Principal Analyst at Interarbor Solutions. You've been listening to a sponsored BriefingsDirect Podcast. Thanks for joining, and come back next time.

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