

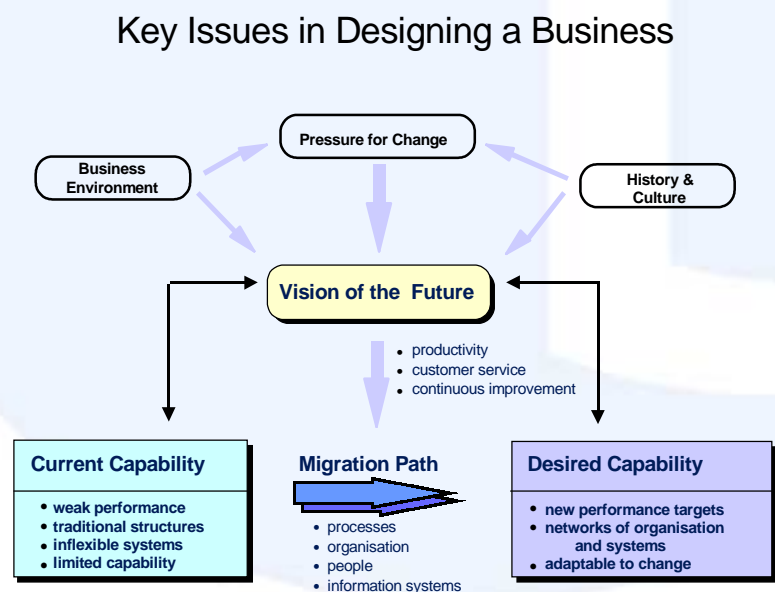
'Business by Design' – (Business Architecture Development)

Once upon a time..... there was an organisation. Processes were developed to meet its particular needs and everything was good. But, over time the organisation grew, responsibility for these processes were divided among many departments and additional checks and balances were put in. Little pools of bureaucracy began to develop – one signature was replaced by two forms, now in triplicate. Patches were put upon patches and no one really knew what was going on. Focus on the external customer was lost.

Business processes became ineffective, out of date, overly complicated and irritating!

A Business Architecture

You may find the above 'story' familiar! Given the above, it may immediately seem sensible to undertake a programme of business process improvement. However, before modifying any single (or multiple!) element of a business, we believe it to be a business imperative to 'understand' how the business 'fits together', 'understand' where the connections are and importantly, 'understand' how changing one part of the business will impact another. In that way change is managed and benefit can be realised by good judgement, rather than good luck! Benefit realisation becomes repeatable because you will not only 'know' what you did, and when you did it, but you will be able to 'understand' your business dynamics and respond to the impact on business performance.



“ Any fool can know. The point is to understand. ” **Albert Einstein**

This approach Blue-Plate calls 'Business by Design'. How a business fits together, we call 'Business Architecture'. Our approach to Business Architecture is based on some fundamental architectural concepts:

- schematic design - whereby all the components of a business can be presented graphically and the interactions and alignments can be seen and recognized

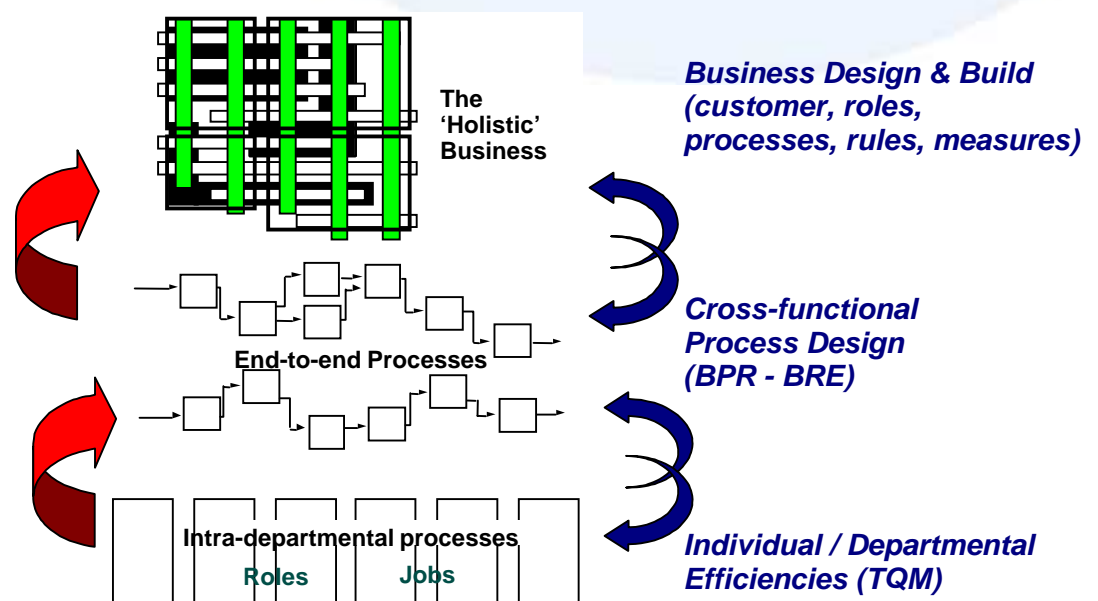
'Business by Design' – (Business Architecture Development)

- catalyst for change - An architectural approach to designing a business, by its very nature, implies a conscious, considered and reflective decision making process. The design process itself changes people and the business by opening up minds to new opportunities, innovative ideas and a desire to move forward rather than remain in an increasingly uncomfortable past.
- translates concepts to reality - a business cannot be designed effectively in theory. It is the application of concepts in practice which brings the new business into 'reality'. Prototypes, testing scenarios and pilot implementations all form part of the 'design' process. These test whether the business 'hangs together' and has been architected rather than designed piecemeal or with no recognition of connections which operate throughout the organisation, making it a 'whole' entity.
- evaluates alternatives - part of the architecting process involved identifying and surfacing opportunities for improvement, either from within the business or external exemplars. Each option is evaluated, within the framework of the business case and associated criteria, as being 'fit for purpose' and 'best' for the particular business under consideration.
- takes account of rules / constraints - architecture is a practical discipline. Every business operates under statutory rules and business constraints. Each constraint, however, is challenged before it is accepted, just to make sure that opportunities for innovation are not being missed and potentially simple solutions are being overlooked.
- shared vision - a vision which is expressed clearly and shared with all, ensures alignment of details. The 'devil is in the detail' is an often heard cry of those trying to implement ideas and high level designs. Once a vision is shared and the strategic context and intent known, each decision and/or action, however detailed it is, **cannot** be far off the mark.

The 'Evolution' of Business Architecture

Business Performance Improvement initiatives have 'evolved' over time, as business managers and consultants understand more deeply and holistically how organisations are formed, what their make-up is and most important how one element interacts with another. For a long time, there was little understanding or even recognition that there were any 'interactions'. An organisation was considered a 'machine' made up of components which if adequately and precisely 'tooled' would neatly fit together – like a clock. But many have come to recognise that an organisation is dynamic and responds to its environment and more akin to an 'organism' than a 'mechanism'.

Recognising this premise does not make the task of performance improvement any 'easier'. It does, ironically, make it simpler. The traditional approach is one of designing, tooling, improving each individual part and then trying to



'Business by Design' – (Business Architecture Development)

achieve the impossible task of 'putting it all together' (often where different design principles, objectives, specifications and even measures have been employed).

Business Architecture creates the entity as a whole and seeks, right from the start, to understand the dynamics and to align and integrate **before** each element is changed. Implementation then becomes simpler. Implementation becomes a dual and iterative process with design, ensuring 'fit', practicality and efficiency.

Business by design means :

- Significant improvements in performance
- Quick delivery
- Integrated programme
- Organisation and systems changes – not just process changes.

So what are the elements of a business which, therefore, can be 'designed'?

- Processes - The way business gets done
- Organisation- The way people and systems are grouped to 'perform' or 'function'
- People - The capability – knowledge/expertise; skills and attitudes..
The capacity – recruitment; deployment
- Information - Provided by 'systems' – using computerised and non-computerised technologies.

There are key issues in designing a business – the business environment, its vision and intent, its capabilities (currently and desired) and how it is going to get from where it is to where it wants to be, safely, expediently and profitably!

Historically, businesses have tried several 'initiatives' to improve their performance. Each has delivered benefits. Each has its limitations, often by limiting another part of the business which has been running successfully. Blue-Plate recommends taking a holistic approach to understanding the business first, before initiating process redesign and/or individual departmental efficiencies.

This 'architectural' approach provides a context for subsequent initiatives. It enables a strategically defined programme to be devised, with initiatives that are aligned and integrated to deliver common and complimentary objectives and goals, delivering balanced business performance improvement – business by design!