

# COMMUNICATING THE VALUE PROPOSITION OF BUSINESS ARCHITECTURE TO C-LEVEL EXECUTIVES

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Business Architecture Innovation Summit – Day One  
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# BAVP OVERVIEW



## Business Architecture Value Proposition (BAVP ) Problem Statement & Goals:

We believe that a well-articulated value proposition for business architecture would bring clarity, consistency of perspective and vocabulary across cross-functional, cross-business unit and cross-product line initiatives. Pursuing that end, the purpose of the BAVP team is to research and describe business architecture knowledge and practices as key capabilities for building long-term business value.

## BAVP Artifacts & Deliverables:

- Business Architecture Innovation Workshop presentation material – Delivered at Austin, TX
- Charter document
- Business Architecture Value Proposition webinar
- Whitepaper: Building Value through Business Architecture
- Roadmap and timeline of deliverables
- Executive Guide for Business Architecture and its Value Proposition to the Enterprise.

## BAVP Group Members:

- Josue Batista (Team Leader)
- Neal McWhorter
- Joanne Bayouk
- Amy Crockett
- Tanita Siripanich
- Whynde Kuehn (Team Mentor)



# WEBINAR OUTLINE

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- **BAVP – Key Questions and Deployment Challenges**
- **Definitions –**
  - Definition of Key Terms in BAVP
- **The Value Proposition Canvas**
  - Based on Alexander Osterwalder’s Business Model Canvas
- **Business Executive Profile**
- **Value Proposition Map**
- **Practice Guidance**

# KEY QUESTIONS AND DEPLOYMENT CHALLENGES



How can executives and strategists use Business Architecture to make business strategy come to life and bring continuous value to an organization?

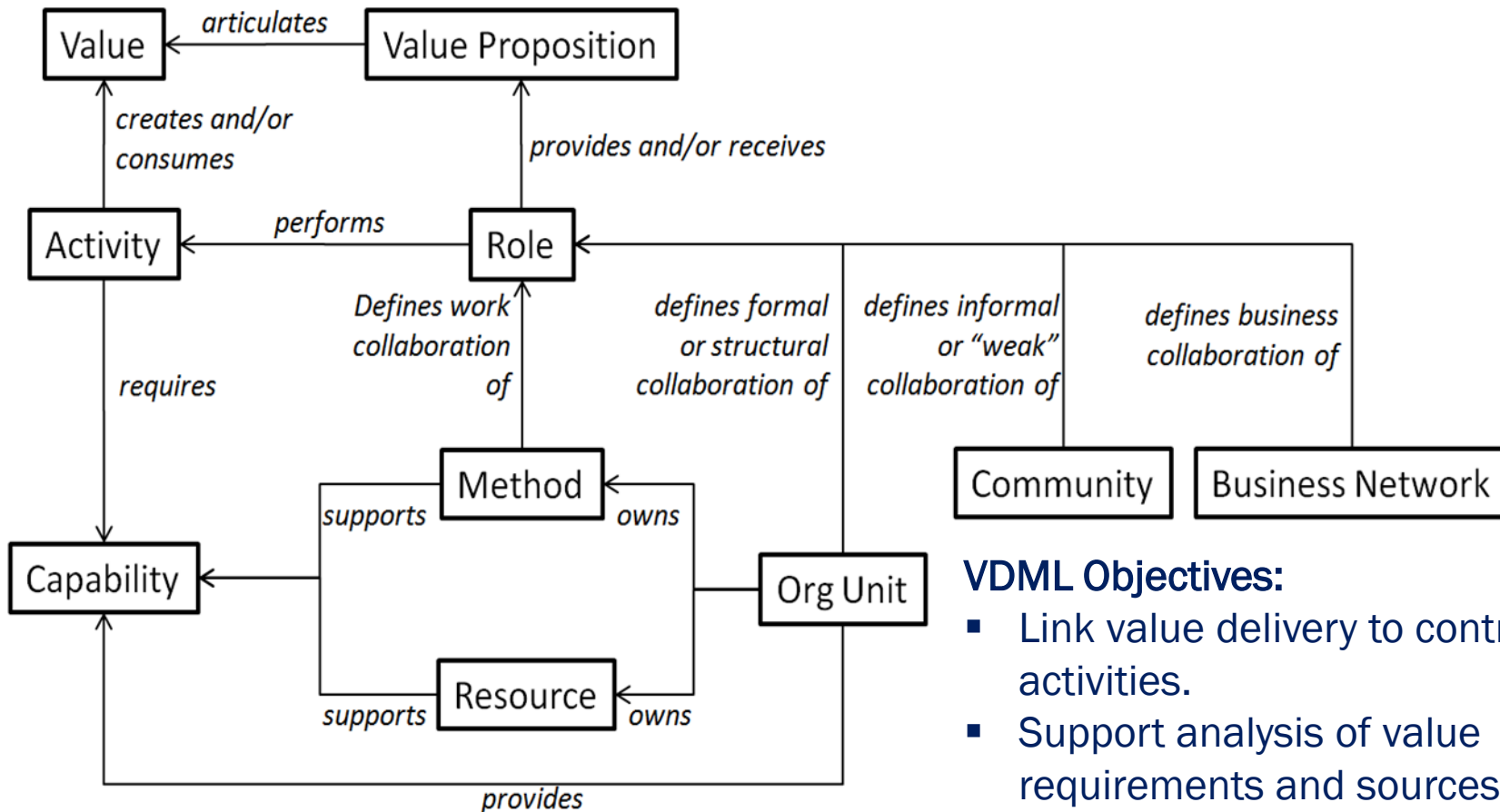
Does investment in Business Architecture really deliver value to the business? If so, what types of value are being realized?

What is the role of Business Architecture in leveraging synergistic, transformational relationships among strategy, operations (business, process, people) and IT?

What are the best practices for supporting a sustainable value proposition for Business Architecture and what are the greatest challenges to attaining it?

# DEFINITIONS

# VALUE DELIVERY MODEL LANGUAGE (VDML)



## VDML Objectives:

- Link value delivery to contributing activities.
- Support analysis of value requirements and sources of value.
- Business perspective.
- Provide levels of abstraction.

– see <http://www.omg.org/spec/VDML/>

# DEFINING VALUE

**Value** is a measurable factor of benefit delivered to a recipient in association with a deliverable.

**Measurement** represents the degree to which the property is present and may be either an objective or subjective measure.

Different recipients will have different opinions regarding their level of satisfaction with the particular value (different Measurements), but they should all agree on the *operational Measurement* of the value contribution.

– see <http://www.omg.org/spec/VDML/>

# DEFINING VALUE PROPOSITION

A **Value Proposition** is the expression of the values offered to a recipient evaluated in terms of the recipient's level of satisfaction.

– see <http://www.omg.org/spec/VDML/>

External **Value Propositions** drive strategy

Internal **Value Propositions** drive initiatives

Business architecture enables informed business decisions through the identification of capability gaps/overlaps, misalignment between value propositions, and delivery channels.

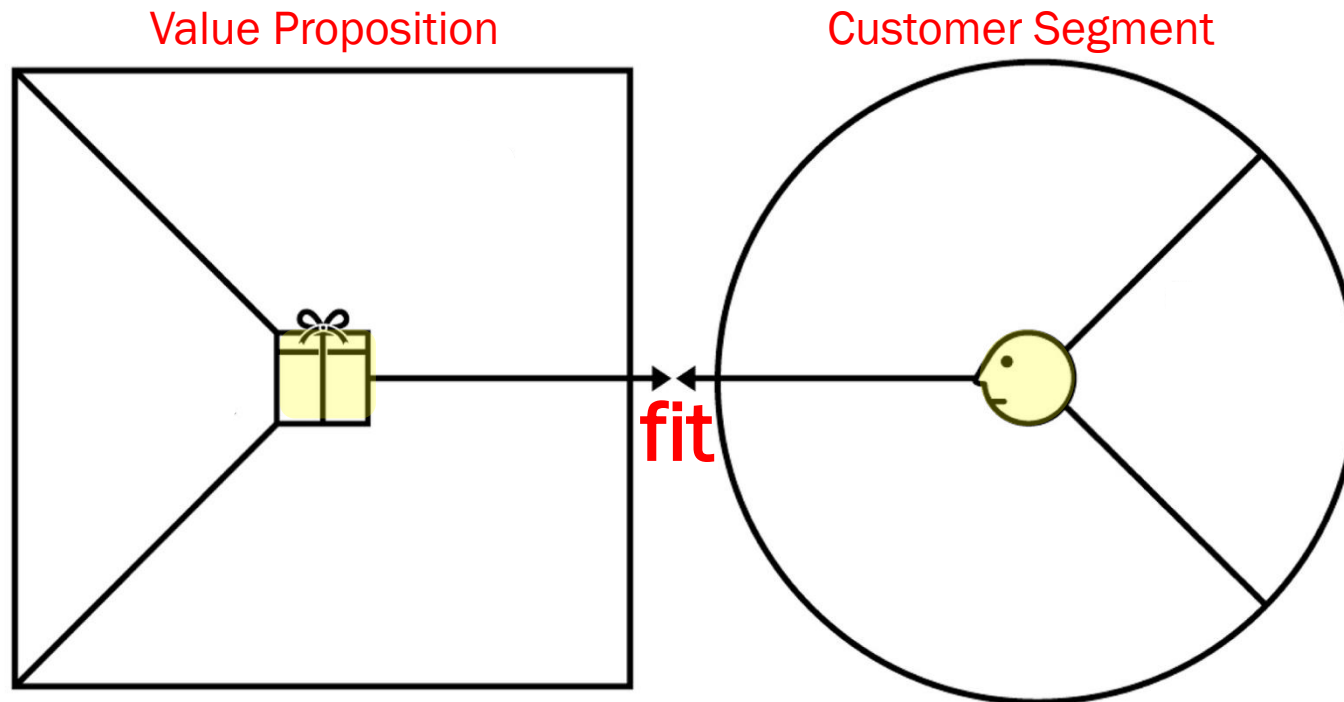


# THE VALUE PROPOSITION CANVAS

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The Value Proposition Canvas is a tool that assist practitioners design, build, test, and manage great customer value propositions.

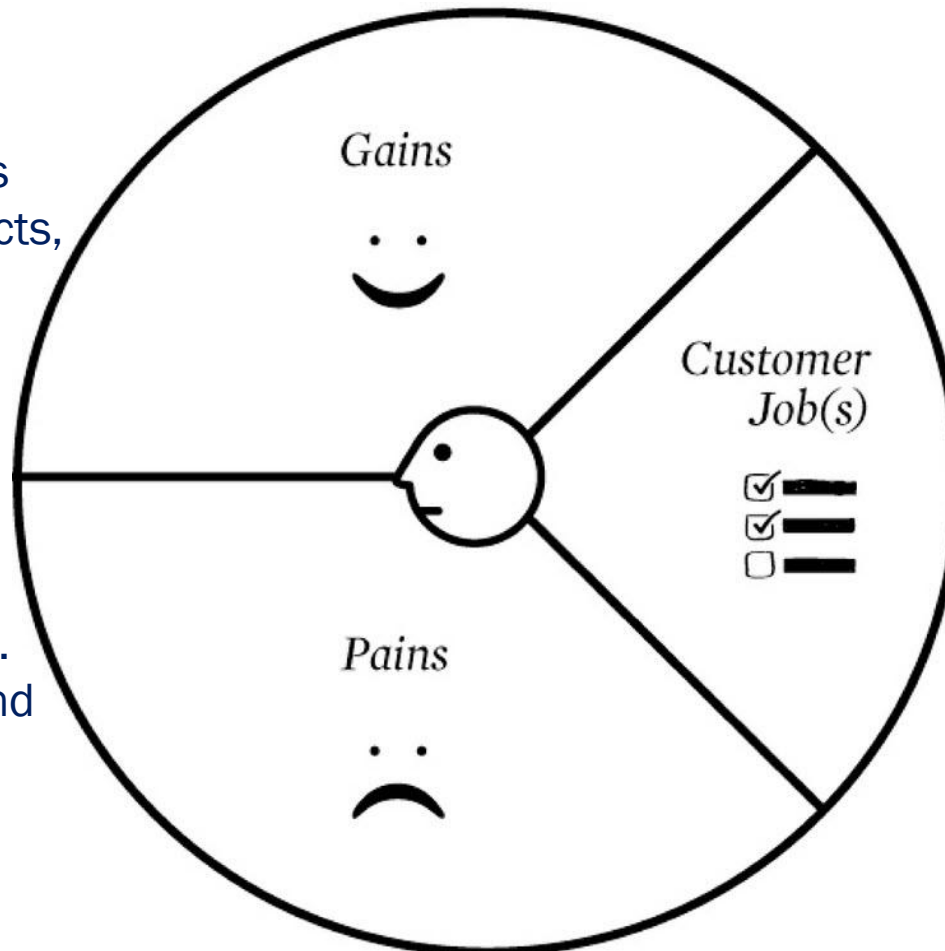
- see <http://businessmodelgeneration.com/canvas/vpc/>



# THE CUSTOMER SEGMENT PROFILE

Outcome or benefits your customer expects, desires or would be surprised by.

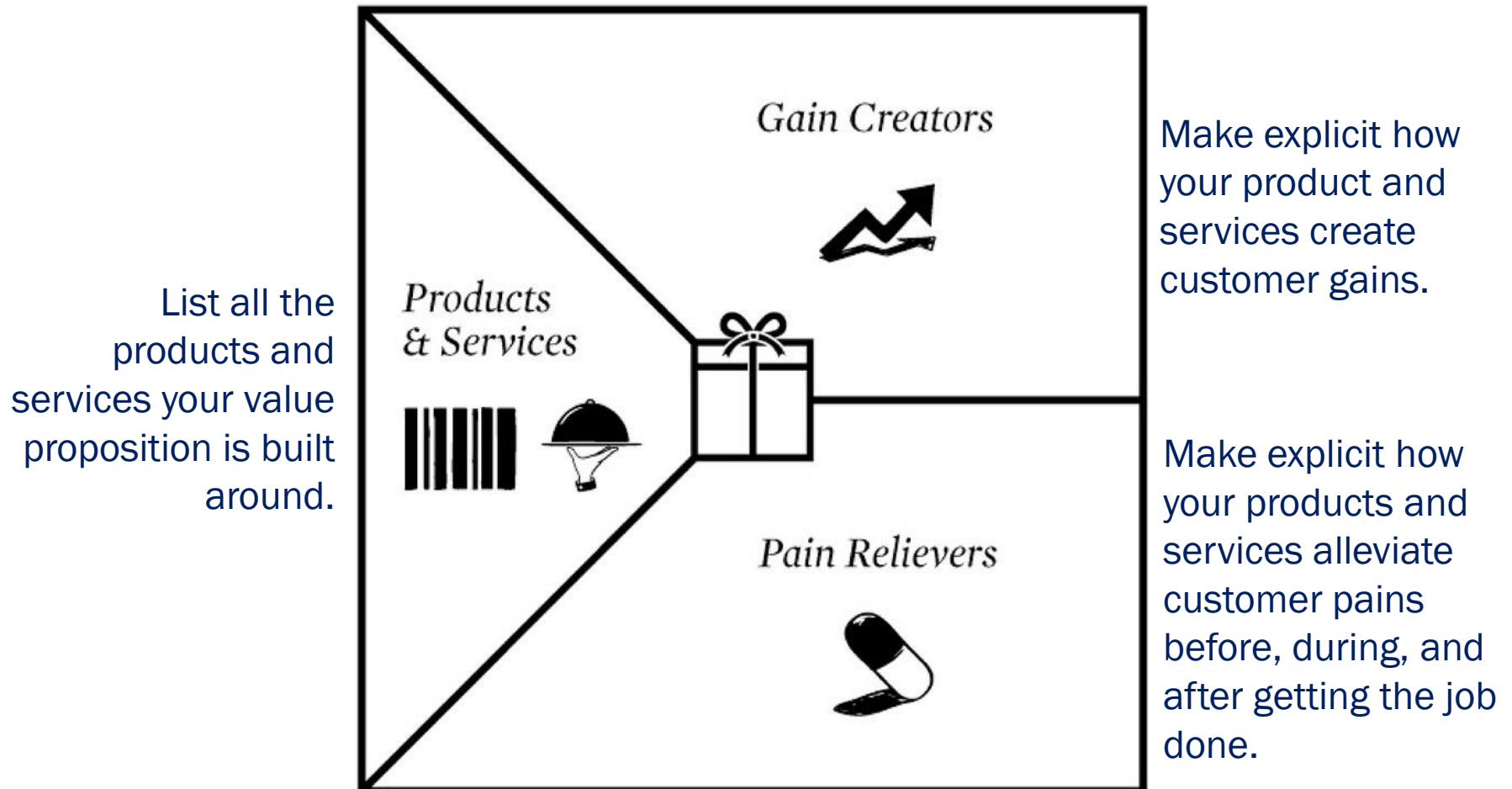
- Negative emotions.
- Undesired costs and situations
- Risks.



- Tasks they are trying to perform and complete.
- Problems they are trying to solve.
- Needs they are trying to satisfy.

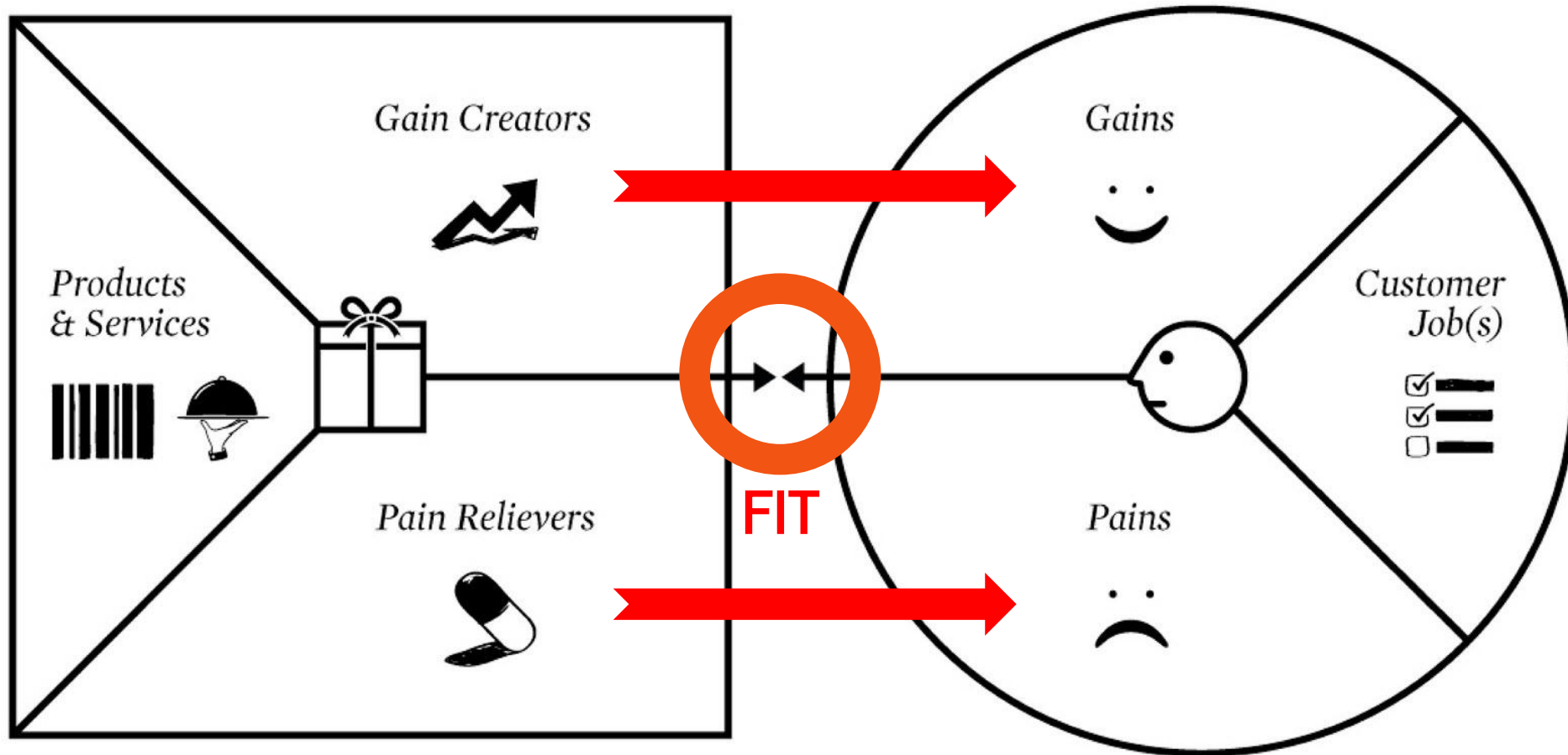
## OBSERVE

# THE VALUE PROPOSITION MAP

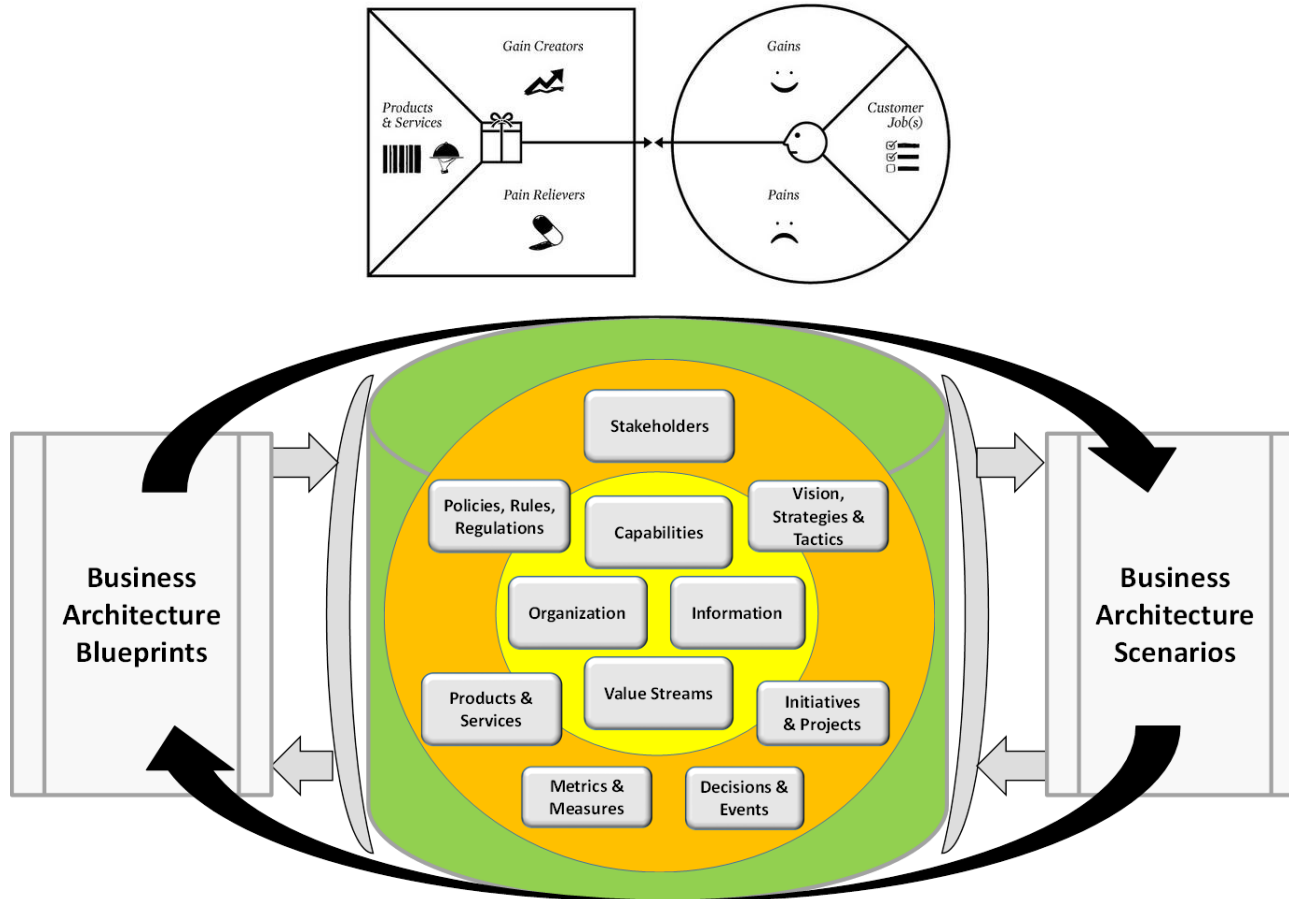


## DESIGN

# THE PROBLEM-SOLUTION FIT

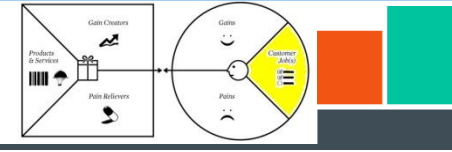


# BUSINESS ARCHITECTURE FRAMEWORK



**Business Architecture Framework**  
 Source: BIZBOK® Guide, Part 1, V4.0

# BUSINESS EXECUTIVE PROFILE



# BUSINESS EXECUTIVE'S JOB

“  
Strategy is only  
as good as the  
execution  
behind it.

”

Bali Padda,  
chief operating officer (COO),  
LEGO Group, Denmark

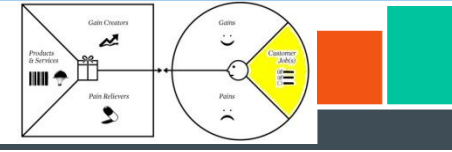
Strategy  
formulation  
and execution  
are intrinsically  
linked.

Top managers must define strategy, key projects related to it, and then the structure and process of critical implementation decisions and actions.

They must deal with the demands of strategy and their impact on organizational structure, coordination of requirements, talent and the capabilities required for successful strategy execution.

Those responsible for strategy—the C-suite—need to ensure implementation.





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Sample questions to understand executives' jobs:

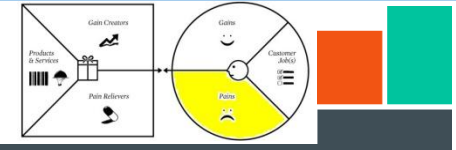
What strategic jobs are you helping your business executive customers get done?

What are the broad strategic corporate initiatives (i.e. products, partnerships, market positioning, revenue, profitability) and why?

Strategy  
formulation  
and execution  
are intrinsically  
linked.

# What and Why?

# BUSINESS EXECUTIVE'S PAINS



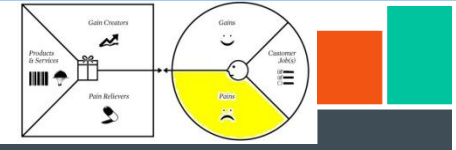
Miscommunication is rampant across the organization, leading to ineffective issue analysis, lack of collaboration, and unresolved problems.

Lack of transparency into cross-functional complexity of certain issues has made it difficult to envision and deploy solutions that deliver real business value.

Widespread redundancy and inconsistency, which in turn have led to customer losses, missed opportunities, lost revenues, and failed initiatives.

Silo-based planning and deployment remains the norm, resulting in fragmented solution deployment and marginal value.

# BUSINESS EXECUTIVE'S PAINS



## Questions to identify pain points:

What do your executives find too costly?

(e.g. takes a lot of time, costs too much money, requires substantial efforts, ...)

How are current solutions underperforming?

(e.g. lack of features, performance, malfunctioning, ...)

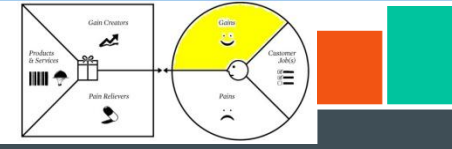
What are the main difficulties and challenges your executives encounters?

(e.g. understanding what must get done, difficulties getting things done, resistance, lack of clarity...)

What risks do your executives fear the most? What keeps them awake at night?

(e.g. financial, social, technical risks, or what could go awfully wrong, ...)

# BUSINESS EXECUTIVE'S GAINS

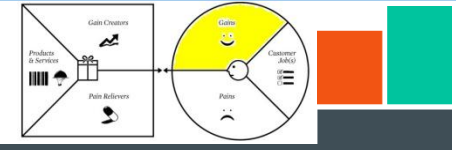


Take ownership and drive transformation strategies through business-centric roadmaps and funding models.

Aligns business processes across business units and product lines, delivering stakeholder focused benefits far beyond traditional “lean” or similar process streamlining exercises.

Transparency and clarity to enable issue collaboration, issue analysis, and problem resolution.

# BUSINESS EXECUTIVE'S GAINS



## Sample questions to identify gains:

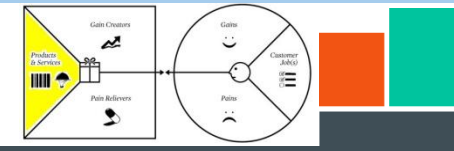
What outcomes does your executive expect and what would go beyond his/her expectations?

How does your executive measure success and failure?  
(e.g. performance, cost, ...)

What would increase the likelihood of adopting a solution?  
(e.g. lower cost, less investments, lower risk, better quality, performance, design, ...)

# VALUE PROPOSITION MAP

# VALUE PROPOSITION

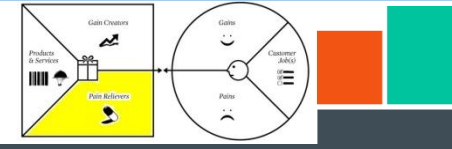


Business architecture provides an overall framework in which to visualize, plan, scope, assess, and manage business **alignment** and **transformation** initiatives.

## Why is Business Alignment important?

1. *Decision Alignment* – Executive decisions have to be aligned up and down the decision tree to be effective.
2. *Strategic Business Alignment* –The business has to be aligned to strategy.
3. *Business Transparency* – It should be possible to understand the causality within the business.
4. *Stakeholder Satisfaction* – Stakeholder buy-in needs to be achieved and maintained so that results can be achieved.

# VALUE PROPOSITION – PAIN RELIEVERS

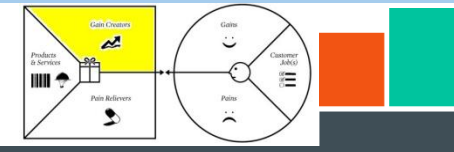


## Business Architecture Value Proposition Pain Relievers:

- Enables rapid root cause analysis, providing refreshing transparency into complex business challenges that cross business unit boundaries
- Allows business planning teams & executive committees to build strategies with a clear view of horizontal business impacts
- Empowers business to craft well articulated business strategies needed to drive business / IT transformation from a business perspective



# VALUE PROPOSITION – GAIN CREATORS



## Proposition Gain Creators:

- Business Architecture provides full transparency to issue analysis, planning, roadmap development, and phased solution deployment.
- Business Architecture streamlines problem analysis and resolution while redirecting scarce funds into projects that deliver the most business value in the least amount of time.
- Offers management teams a holistic view of the business that extends into outsourced, customer, and other stakeholder domains.

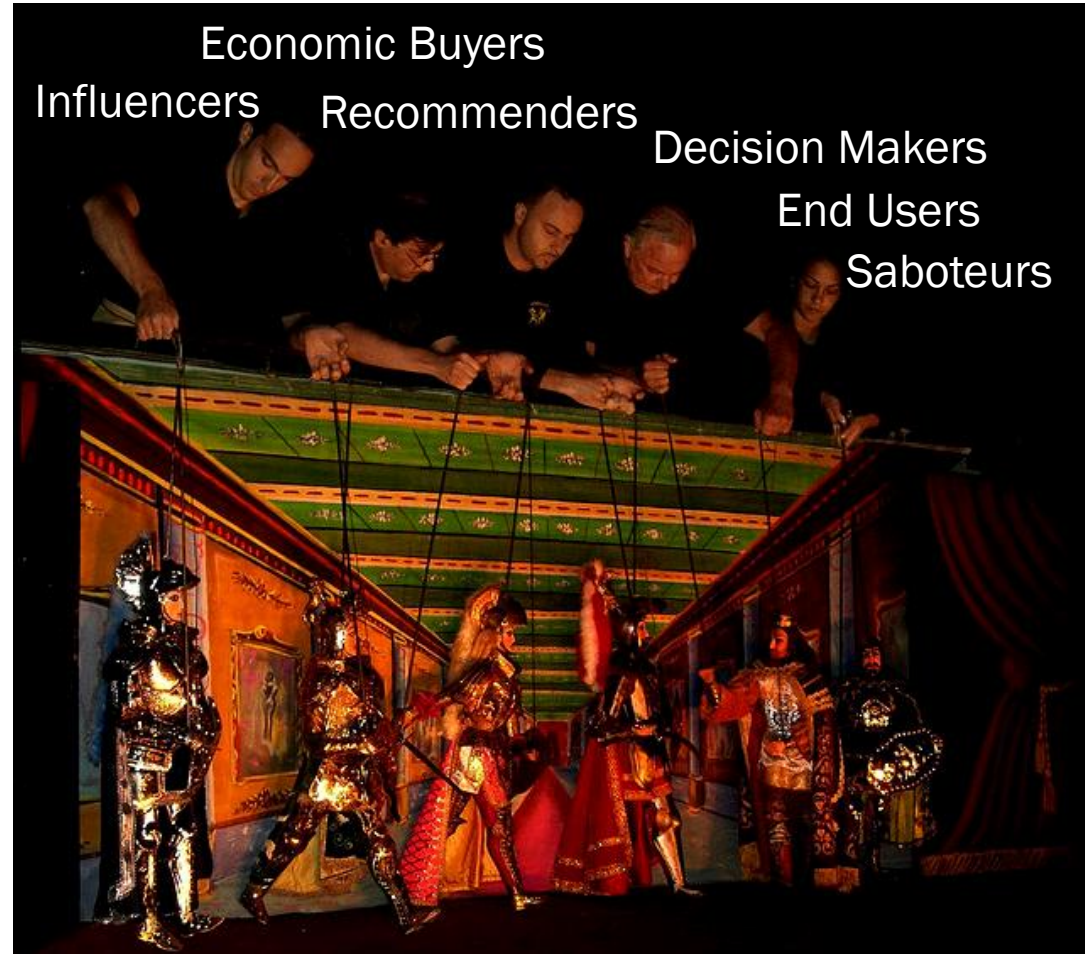
# **PRACTICE GUIDANCE FOR COMMUNICATING THE VALUE PROPOSITION OF BUSINESS ARCHITECTURE**

# CORPORATE ECOSYSTEM

“ Commonly, people put strategy together from a theoretical perspective. They have not factored in practical matters such as operational complexity and budget constraints. You need to have people at the top who can integrate all these things.

”

Michael Astrue,  
former US Commissioner for  
Social Security



# THE *RELEVANT* EXECUTIVE

“  
... is the one who most feels the pain, most owns the problems you can solve, and will most richly reward you for providing a solution.

”

Nicholas A.C. Read &  
Dr. Stephen J. Bistriz,  
Authors of *Selling to the C-Suite*

Someone with a combination of seniority, political influence, internal and external network that allows the executive to:

- Initiate projects
- Kill projects
- Intervene in projects
- Find funding



Executive's own department and across organizational boundaries.

**The relevant executive isn't always found at the C-Level.**

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It is key for Business Architecture practitioners to find best approaches for:

- Identifying relevant executives
- Enlisting the support of their gatekeepers
- Getting past the roadblocks
- Generating interest when landing first meeting
- Continuing to add value and establish credibility

# BAVP IN PRACTICE

If the organization is brand new to the concepts of business architecture, focus efforts on first understanding the culture of the organization and then tailoring the message of the value proposition of business architecture.

Communication and education are critical important to the successful adoption of business architecture within the enterprise. Often this means tailoring the message based on the firm's culture and political situation.

Establish proper governance structures early in the cycle. Oversight and engagement across the enterprise are critical to ensure proper buy-in from all areas of the business

# “SELLING” TO C-LEVEL EXECUTIVES

Lower Level Employees	C-Level Execs
Don't mind if you probe around and ask questions.	Don't have time to give you an education
Love to talk about features, functions and price.	Interested in broad business issues like corporate strategy, revenue and profitability.
Will sit through presentations with dozens of slides, filled with detail.	That kind of communication is strictly a one-way street.

# EXECUTIVE'S VIEW

Executive's View	Stage 1	Stage 2	Stage 3	Stage 4
Your Objective	Make a Sale	Make a Contribution	Provide Insight	Provide Leverage
Your Contribution to the Organization	Disruption to the Executive's Business Day	Logical Thinker	Critical Thinker	Strategic Resource
Your Relationship with the Executive	Intermittent	Interactive	Interesting	Interdependent
Your Status	Commodity Supplier	Emerging Resource	Problem Solver	Trusted Advisor
Access to the Executive	Sent Down	Considered	Occasional	Continual



# THE ZEN OF “SELLING” TO EXECUTIVES



**Manage your motives**—think about when not to sell business architecture to the C-suite

- You have not succeeded at the lower levels of the organization.
- You think the C-suite is the only place real work gets done.
- You want the badge of honor.

**Manage your role**—are you presenting yourself as a “salesperson”—or a sounding board, a trusted advisor?

- The greatest value you bring is helping executives with decision-making.

**Manage your emotions**—keep your own personal reactions in check.

- You fall back into patterns or habits that are comfortable.
- You allow the pressures of time to dominate.
- You overpromise.
- You fail to make an emotional connection.

# QUESTION & ANSWER

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