The Value of EA

Chief Architects Forum (CAF) Meeting

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Enterprise Architecture

A management tool for improving an organization’s performance by optimizing how it uses its resources.
Strategic Outcomes from EA

• Operational excellence
• More customer intimacy
• Better services to citizens (customers)
• More strategic agility

Source: Enterprise Architecture as Strategy, Jeanne Ross, Peter Weill and David Robertson
Performance Improvement Lifecycle

Architect
- Develop and maintain enterprise architecture
- Develop and approve segment architecture relative to enterprise architecture (EA)

Invest
- Manage IT investment portfolio
- Select IT investments
- Control investments
- Evaluate investments

Implement
- Meet Business Needs
- Program Management Plan(s)
- Execute project(s)

End-to-end governance
EA Value Framework

Performance Improvement Lifecycle

**Enterprise**
- Agency Enterprise Architecture
  - IT Investment Portfolio
  - Operating Environment

**Segment**
- Segment Architecture
  - IT Investment Business Case
  - Program

**Solution**
- Solution Architecture
  - IT Project Budget
  - Project
One of the primary challenges of EA value measurement is to demonstrate a cause-and-effect relationship between actions within the EA program and improvements to agency performance.

- In some cases, there may be many contributing factors resulting in a specific performance improvement, of which the EA program is only one.
- Additionally, cause and effect may not always be proximate in time.
- The EA program may identify opportunities to make IT investments influencing agency performance in future fiscal years.
Objectives

• Demonstrate the value of the agency EA program

• Highlight the influence of EA on strategic and operational decisions

• Identify opportunities to improve EA products and services

• Justify the allocation of agency resources to the development and use of architectural products

• Fulfill opportunities to improve EA products and services and enhance customer service
Topic Areas

• **EA program value concepts**
  - Introduces EA value measurement as an element of the Performance Improvement Lifecycle
  - Describes candidate EA value measures to demonstrate the impact of EA products and services on IT investment management and program management.

• **Measuring EA program value**
  - Describes a step-by-step process to define EA value measurement areas, identify measurement sources, and monitor and track value measures during each phase of the Performance Improvement Lifecycle.

• **Using EA program value measures**
  - Outlines how EA value measures can be analyzed and applied to improve EA products and services to enhance business decisions
Types of EA Value Indicators

• **Subjective and Objective Value Measures**
  – Subjective value measures capture the opinions of EA stakeholders.
  – Objective value measures represent quantifiable EA value outcomes

• **Common/Shared and Agency-Specific Measures**
  – Common/shared measures are applicable to any agency and can be used consistently across Federal agencies
  – Agency-specific measures apply in the context of specific agency’s goals, programs, lines of business, or other agency-specific initiatives.
Roles & Responsibilities

• Chief Architect / EA Program Staff
  – Responsible for establishing the EA value measurement process
  – Engage EA stakeholders on value of EA and solicit feedback

• EA Stakeholders
  – Provide feedback to improve EA products and services
Steps for Measuring EA Program Value

• Step 1: Define Value Measurement Areas
  – Identify Stakeholder Communities
  – Identify EA Program Value Goals (Outcomes)
  – Common Value Indicators

• Step 2: Identify Measurement Data Sources

• Step 3: Execute Value Measurement Measurement
  – Establish Baseline
  – Establish Target Measures
  – Measure Actual Value Results
## Common Value Indicators

<table>
<thead>
<tr>
<th>Measurement Area</th>
<th>Stakeholders</th>
<th>Type</th>
<th>Common Indicators</th>
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| Agency Enterprise Architecture | Senior Leadership, CIO              | Objective  | • Total EA Assessment Score (including completion)  
• % of baseline and target architectures modeled within EA repository                                                                                                                                        |
|                               |                                     | Subjective | • % of surveyed respondents indicating EA work products are useful to support decisions for strategic, IT and performance planning                                                                                       |
| IT Investment Portfolio        | IT Portfolio Managers, Budget Planners | Objective  | • % of IT investments compliant with agency transition strategy                                                                                                                                                       |
|                               |                                     | Subjective | • % of surveyed respondents indicating EA work products are useful to support decisions for IT portfolio selection, control and evaluation                                                                                     |
| Operating Environment         | CIO, Architects, IT Managers         | Objective  | • Total cost savings/avoidance as a percentage of the total IT budget  
• Number of cross-agency service level agreements  
• Number of common/shared business processes, data entities, and service components.  
• % of IT systems complaint with agency technical standards profile                                                                                           |
|                               |                                     | Subjective | • % of surveyed respondents indicating EA work products are useful to support decisions for managing agency IT environment                                                                                           |
| Segment Architecture           | Line of Business Owners, Senior Leadership, CIO | Objective  | • Number of enterprise segments with an assigned IPT  
• Number of approved segments reconciled with agency EA  
• Utilization of cross-agency architecture and E-Gov initiatives                                                                                                                                              |
|                               |                                     | Subjective | • % of surveyed respondents indicating EA work products are useful to support decisions for lines of business and cross-agency collaboration                                                                            |
| IT Investment Business Case    | Budget, Capital Planning, CIO       | Objective  | • Allocation of investments by segment type (core, business or enterprise)  
• Consolidation resulting in fewer Exhibit 300 submissions                                                                                                                                                             |
|                               |                                     | Subjective | • % of surveyed respondents indicating the architecture supports investment decisions                                                                                                                               |
Using EA Program Value Measures

- Continuous improvement

- Answering EA value questions
  - Are stakeholders satisfied with the content and level of detail of the EA?
  - Does collaboration between EA staff and business owners increase satisfaction?
  - Does the EA have a measurable impact on the IT investment portfolio?
  - Does the EA lead to measurable improvements of agency performance?
  - Is there a clear relationship between EA and business services?
  - Does the agency EA result in measurable cost savings/avoidance?
Making an Impact…

• Do not try to implement an end-to-end governance framework all at once
  – Focus on high value opportunities!

• Keep cost of interactions low
  – Add value!

• Measure success, continuously seek opportunities to improve
  – Monitor value outcomes!
For Further Information: www.egov.gov