

18 – 22 October 2009 Orlando, Florida

# TRIP REPORT

## Enterprise Architecture Community

The Enterprise Architecture track at Gartner Symposium/ITxpo was organized around a return-to-growth theme. This report offers an overview of what was on attendees' minds and what they learned from Gartner analysts and each other.

### KEY TAKE-AWAYS

With a selection of 36 sessions at Symposium, enterprise architecture (EA) leaders gained insight on how the current turbulence in government, industry and markets is putting ever greater demands on EA to help steer the course for managing change. IT investments are inextricably linked to business and can enable or inhibit an organization's future. At this critical point, Gartner analysts urged enterprise architects to drive cost optimization today while repositioning for the inevitable return to growth tomorrow. Historically, recessions have spawned entirely new business models that allowed businesses to take root and grow. The key question for all business leaders is: what will my industry look like when economies return to growth?

### Conference highlights

#### Return-to-Growth Strategy: Architecting the Next-Wave Business Model

With economic recovery beginning to show life, it's time to get EA involved in preparing for growth. This will mean overcoming institutional inertia and replacing cost-cutting projects with transformative projects, even though balancing the risks versus benefits of transformative projects is particularly tricky. Fortunately, in this hyperconnected world, it is often possible to detect patterns in behaviors, IT usage and business trends that can help anticipate upcoming tipping points potentially leading to transformational change. This presentation looked at both enterprise and EA characteristics of the future, citing numerous examples of how organizations such as Google, eBay, Amazon, Ford, Toyota and the U.S. Department of Defense harnessed network thinking in shaping their EA and business strategies. Attendees were urged to do the following:

- Stop thinking of EA in terms of control and standards, and think instead in terms of influencing relationships and interactions.
- Scan for environmental changes, continually adapting internal and external business practices in response to opportunity and threat signals.
- Apply nontraditional techniques with EA (e.g., systems thinking, network science, scenario planning, game theory, agent-based modeling) to enable the above-mentioned change in approach and focus.

#### Case Studies in Flexible EA Planning for Complex Organizations

EA success is gauged by EA's ability to facilitate change. But whether and how that change happens is a matter of how EA is approached. This presentation explored four basic approaches to EA—traditional, federated, middle-out and managed diversity—and provided case-study examples of how different approaches work in varying circumstances. The presentation also furnished a decision framework to help clients determine which of the four EA approaches was most appropriate, and urged participants to do the following:

- Review all EA approaches their organizations are currently supporting and ensure that they have identified the organization's business context and future-state vision.

### Case Studies in Flexible EA Planning for Complex Organizations (cont.)

- Look at the organization's vision, culture, relationships, authority, scope, regulatory requirements and skills to determine which EA approach to apply to any given situation.
- After determining which approach the organization is taking, socialize these approaches to encourage dialogue and collaboration.

### What the C-Suite Must Know About EA, and What EA Must Know About the C-Suite

To properly position EA to support an organization's overarching goals, architects must understand what senior management is thinking, and senior management must understand and support what EA can do—especially now, as firms switch into recovery mode after weathering the economic storm. For example, how can EA support the CFO, the CIO or the various lines of business? In each case, architects need to understand the appropriate business priority and refocus the EA value proposition to support that priority in the proper context. This includes revisiting currently “in-flight” projects.

We recommend applying the Gartner Business Value Model, which identifies three major areas where a business can effect change—demand management, supply management and support services—and helps architects determine how and where to focus their efforts. In short, architects should periodically re-evaluate their priorities as follows, to ensure alignment to the business's priorities, especially in times of such obvious shifts in strategy and objectives:

- Evaluate changes in business conditions that affect the strategic priorities of the enterprise, and update the common requirements vision (CRV) to reflect the new reality.
- Evaluate the portfolio of in-flight projects against the updated CRV, with an eye toward identifying and eliminating projects that are no longer aligned with the business strategy.

### Managing Enterprise Architecture in a Cost-Cutting Environment

Though most companies expect a return to growth next year, many are still looking for cost-reduction projects, and EA must respond. But the manner in which EA can assert a leadership role in cost optimization depends heavily on the organization's maturity and its history of IT investment during the past five years. By categorizing companies in three “zones” based on firms' IT costs relative to the average, we offer a list of suggested opportunities for cost-saving potential geared to specific zones. In some cases, EA information can be used to justify stopping projects entirely. In other cases, EA information is valuable in eliminating overlaps or identifying shared application services. In still other situations, EA can help make the case for increased IT spending to reduce business expenses in a lasting and transformative way. Effective long-term cost optimization may actually require new or continued short-term investment. Participants were urged to do the following:

- Examine project portfolios for possible project delays or cancellations, using EA content to assist project management office (PMO) staff.
- Balance possible savings against their associated risks and complexities.
- Discourage across-the-board cost cuts in favor of selective cost cutting. Work with the business as well as IT to choose projects to be cut, curtailed or continued.

### Case Study: The EA Journey From Theory to Changing Everything

This presentation described how Export Development Canada—a firm that provides financing, insurance and risk management solutions to Canadian exporters—used an enterprise business architecture approach to transform and streamline its established EA state to accommodate future needs. Using a back-and-forth delivery style, analyst Scott Bittler and Export Development business leader Jim Christie made a number of salient points. The key success factors included:

- Engaging the right people—balancing people, processes, technology, budgets and organizational needs
- Staying focused on specific issues, limiting the effort to linking work to the core value chain and enhancing the impact on the customer experience
- Accepting the fact that such a transformation is a journey, not a destination

### Workshop: How to Develop Business-Driven EA Requirements

The task of developing a future-state vision of EA can be a daunting one, even with something like the Gartner EA Process Model to work from. In this 90-minute workshop, Gartner analyst Scott Bittler helped some 30 attendees understand how to derive business-driven requirements and fashion them into an architecture framework.

In the Gartner approach, EA has a minimum of three viewpoints:

- A business viewpoint dealing with functional, process and organizational concerns
- An information viewpoint dealing with the information and logic required to run the enterprise, and the mechanisms that allow for integration of that information
- A technology viewpoint dealing with the infrastructural components—both hardware and software—that support the enterprise

These viewpoints are overlaid in a “solution architecture” framework, which represents the intersection of the business, information and technology viewpoints. It was from this framework that attendees, working in groups of five to seven, spent 45 minutes in often-spirited discussions teasing out such issues as the change requirements necessary to address the potential impact on the business, identifying stakeholders and so on. Though a theoretical problem, the workshop illustrated the need to work through the process in an orderly manner without leaping ahead to early conclusions.

Throughout, participants discovered important techniques for conducting the exercise—for example, the importance of careful wordsmithing of bullet points to help ensure stakeholder buy-in, the need to avoid including a specific vendor name in any technical requirement, and the importance of a strong, objective facilitator for the exercise.

During the wrap-up, Bittler probed and questioned each group with intense persistence as they presented their findings, to ensure the connectedness from step to step of the process.

## Keynotes

### Welcome address and Gartner analyst opening keynote

Hard times hit organizations of all sizes around the world. Despite early indications that some economies are poised to rebound and rebuild, many of us—or people we know—find ourselves knee-deep in economic uncertainty. Gartner recognizes that while scenarios for a return to growth vary, the time for action is now—enterprises must balance cost, risk and growth.

If the entire enterprise focuses exclusively on cost, everything looks like an unnecessary expense. Instead, model the economic impact of technology on the overall performance of an organization. Among other areas, performance should encompass revenue, market share, agility and innovation. And above all, make informed decisions on new tools and capabilities. [View the webcast here.](#)

### Mastermind Keynotes show other organizations' strategies

- Vivek Kundra was appointed to serve as the first federal CIO of the United States by President Obama in March 2009. He discussed the challenge of changing the long-held belief that the public sector cannot be a leader in technology innovation. He said his goal is to sell the idea that the public sector can indeed solve the problems that customers face from a technology perspective, thereby improving customer satisfaction. [View the webcast here.](#)
- Mark Hurd, chairman and CEO at Hewlett-Packard Company, spoke on some of his visions and goals for HP, which include a plan to spend \$17 billion on R&D and \$20 billion on acquisitions to build out a model of converged infrastructure in which server, storage, networking and PC markets are integrated. With the world's data expected to double in the next four years, this converged infrastructure will be critical. He expects these coming innovations at HP to have the power to disrupt all of these infrastructure markets during this time. [View the webcast here.](#)

### Mastermind Keynotes show other organizations' strategies (cont.)

- Eric Schmidt, chairman and CEO of Google, Inc., stated that the boundary between enterprise and non-enterprise is becoming less and less pronounced when it comes to applications. CIOs are dealing with employees who want a seamless experience at home and at work, while enterprises are still trapped in inflexible 1980s architecture. He takes the position that enterprise is an important business, but the opportunity for a new platform that spans enterprise and consumer behavior is even more important. He sees this as the next billion-dollar business for Google. [View the webcast here.](#)
- Stephen Elop, president of the Microsoft Business Division of Microsoft Corporation, said Microsoft fully embraces “constructive disruption,” and that the corporation recognizes the shift that is happening in its marketplace as the pace of innovation accelerates in the cloud. Continuing to talk to users and apply the lessons learned from past experience is essential to keeping things in balance, he said. “Great companies recognize the disruption and power through them,” Elop said, while at the same time acknowledging the challenges Microsoft faces as it keeps pushing forward. [View the webcast here.](#)

## What people asked about

### Whenever we in IT go to our business partners with ideas for innovation, we get a “no money” response. How can we break through that?

Shift the focus of the conversation from cost to value—that is, the ratio of benefits to costs. If you allow the focus to remain on cost, your innovation idea will grind to a halt. Instead, emphasize the new benefits that come from the same costs. Also, learn to fail faster. Kill off bad projects quickly. If a project is foundering, shift its resources to new opportunities for growth.

### How do you find and train enterprise architects?

There are some naturals, but others you need to train. EA requires abstract thinking. You need to find people who are creative, open-minded and willing to take some risks and step out of comfort zones.

### How do you get other people to do things?

This persistent question supports our assertion that soft skills—that is, skills such as persuasion and communication—are more important than technical skills. Look for these soft skills in job candidates, and promote training in them for all your staff.

### How do I get stakeholder commitment for a project?

This also has to do with persuasion and communication skills. The key here is to get active commitment from the stakeholder. Get a signed agreement—an actual piece of paper—then post it for your world to see. It will be a lot harder for the stakeholder to vacillate later if and when the going gets a little tough (see G00160764: “How to Apply Six Persuasion Principles to Advance Your EA Initiative”).

### How can I demonstrate the value of what I'm doing? How can I incorporate metrics into what I'm doing?

Our research suggests that consistent communication of benefits is of greatest importance. Keep metrics aligned with the actions and behaviors you want. Avoid being too detailed. Granular, detailed metrics programs can provide value but also have risks and negative implications. If metrics are too onerous, people will either give up on them or try to game the system.

## Things to watch for

Our new Pattern-Based Strategy™ spurred interest in many quarters, including among enterprise architects, particularly in light of the need to return to a growth trajectory as soon as possible. Part of what a Pattern-Based Strategy promotes is scanning for environmental volatility, and continually adapting internal and external business patterns in response to opportunity and threat signals.

### Things to watch for (cont.)

Another major and related trend will be the acceptance of the fact that in an ever-more hyperconnected world and complex adaptive systems will emerge—and that the EA world cannot control these systems. Gartner analyst Robert Handler notes: “We cannot shut off the iPhones and the social networks, but we can influence how we use these new systems to our competitive advantage.”

Architects are also keenly interested in finding ways to leverage systems thinking, scenario planning, game theory and agent-based modeling to help visualize and analyze shifting business patterns. The difficulty with introducing and gaining traction for new ideas, however, begins with overcoming institutional inertia—changing the corporate mind-set from “getting by” to “getting ahead.” While leading indicators show an economic upturn on the horizon, real-world decisions are still based in extreme caution and will likely remain so until the economy recovers.

### GARTNER ENTERPRISE ARCHITECTURE SPEAKERS

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It's not too early to start planning for next year. We hope to see you again when we celebrate 20 years of Symposium/ITxpo, 18 – 21 October 2010, in Orlando, Florida. Keep up by visiting [gartner.com/us/symposium](http://gartner.com/us/symposium) as the latest news, alumni benefits and registration details are unveiled for this exciting event.