Cost to Serve Enablement

Evolution of an Architecture Community

Chris Banks CITP FBCS

bcs The Chartered Institute for IT

Enterprise Architecture Specialist Group

5th Annual Conference
Thursday 29th September 2022
London, UK

#BCS
#BCSEASG
#EASGAC2022

About me | Introduction

Chris Banks CITP FBCS

- Enterprise Architect for a magic circle law firm
- Chartered Fellow who focuses on user experience targeting business-driven outcomes and results
- 25 years experience real-world experience across various industries across private and public sectors
- 5 years experience volunteering for BCS Enterprise Architecture SG and Career Mentoring
- Chair, BCS Community Support Committee and Community Board Member

Contents

Start with the end in mind – our approach…

Ways of Working

Framework & Governance

Products & Technology

Cost Optimisation

Outcomes & Results

People Focused

Key Takeaways

Q & A

Start with the end in mind | Cost to Serve (CTS)

CURRENT STATE

DOMAINS

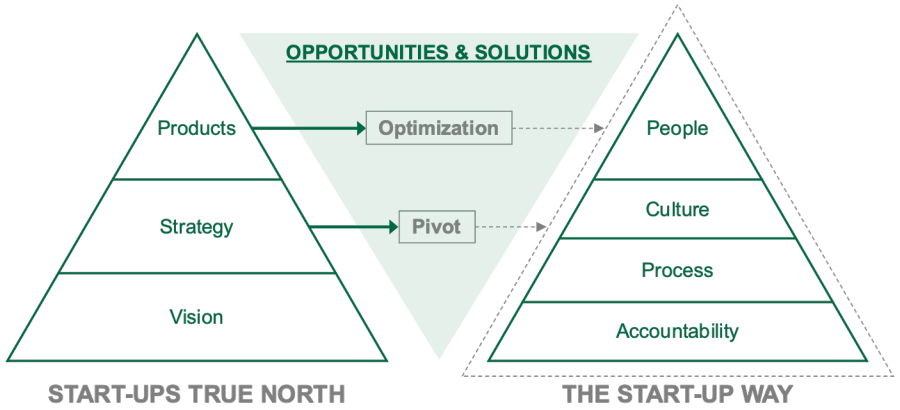
- CUSTOMER
- TRAVELER EXPERIENCE
- ROOMS
- SUPPLY CHAIN

~ $xxx Millions

IT Services and Costs

- A business travel management company starts a year with a head wind to the tune of **~$xxm**
- Product & Technology (P&T) drove innovation through autonomous decentralized product teams
- Domain Product Councils incomplete views of P&T costs was complicating strategic portfolio investment and lifecycle management decisions
- Architecture established a guild to surface tech debt across product and service teams
- Level 1 maturity 'simple baby steps' gathering data and developing a cost allocation model

LEAN STARTUP



- **Cost to Serve (CTS)** transitional operating model **MUST** have one accountable role for each task or deliverable
- **Executive sponsorship** to reprioritise activities, assign resources and take accountable decision-making roles
- **Architecture Community** takes accountable roles for operating model framework, risk reviews and governance
- **Establish a core multi-disciplinary CTS team** to define, measure and analyse data creating executive reports
- **Strategic, planning and operations starts pivoting** to measure and monitor **value and strategic investments**

TARGET STATE

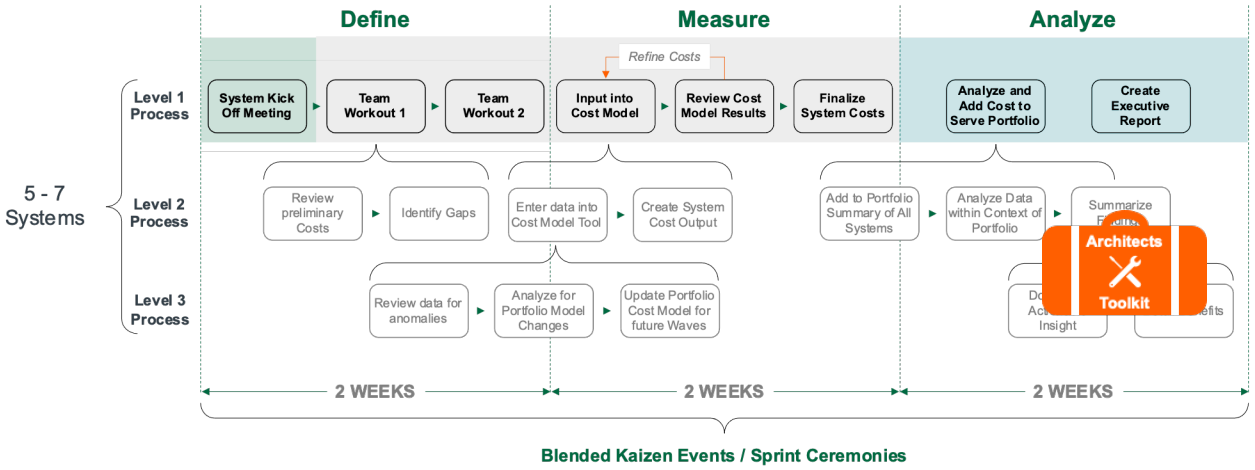
DOMAINS	~ $xxx Millions
CUSTOMER	IT Portfolio & Costs
TRAVELER EXPERIENCE	IT Portfolio & Costs
ROOMS	IT Portfolio & Costs
SUPPLY CHAIN	IT Portfolio & Costs

- Data-driven metrics defining what good looks like
- Value transparency will be driven by customers being charged appropriately and paying a 'fair price' for services delivered
- Domain Product Councils presented with fact-based information to make strategic portfolio investment and lifecycle management decisions
- Architecture community focused on targeting business-driven outcomes and results
- Product, service and platform owners become accountable for continuous improvement

Source: The Lean Startup | Eric Ries

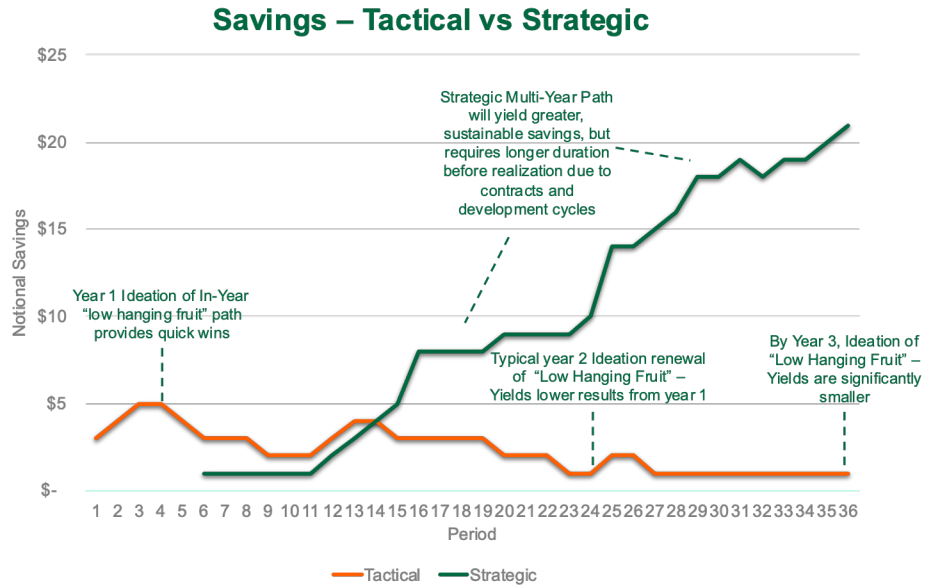
Ways of Working | Build, Measure & Learn

Process Map



Review of early work concluded a single person had capacity to define 5 - 7 large systems in a sprint

New Dual-Path Approach



Dichotomy of Savings Potential

Greater, long-term value and savings is found in strategic initiatives

Pivot

Framework & Governance | Improve & Control

GLOBAL PRODUCT COUNCIL (GPC)

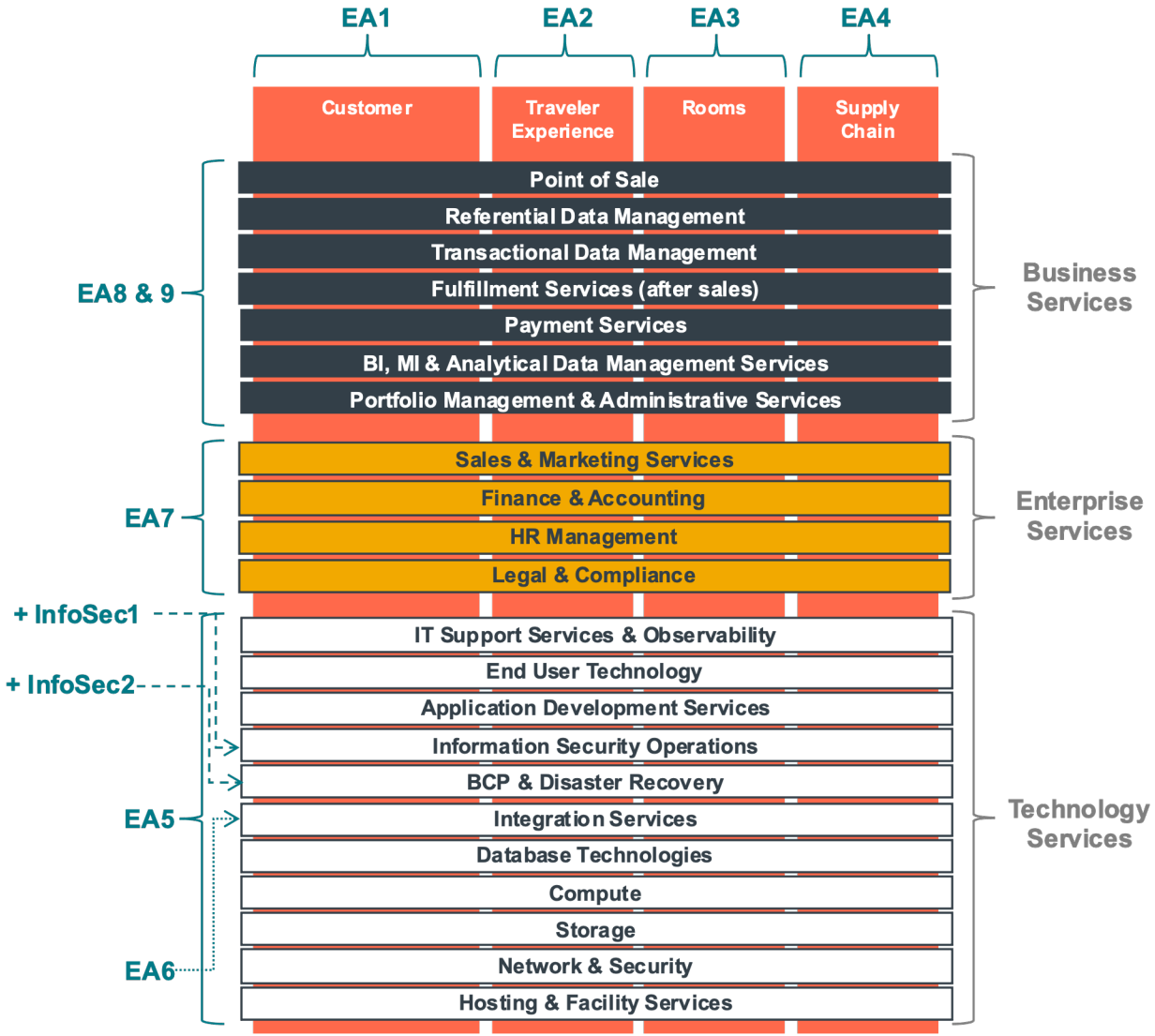
CUSTOMER DPC	TX DPC	ROOMS DPC	SUPPLY CHAIN DPC
CTO: C#1 **Portfolio Manager:** PM#1 **Enterprise Architect:** EA#1	**CTO:** C#2 **Portfolio Manager:** PM#2 **Enterprise Architect:** EA#2	**CTO:** C#3 **Portfolio Manager:** PM#3 **Enterprise Architect:** EA#3	**CTO:** C#4 **Portfolio Manager:** PM#4 **Enterprise Architect:** EA#4

TECHNOLOGY DPC

CTO: C#5 | **Portfolio Manager:** PM#5 | **Enterprise Architect:** EA#5

Products & Technology | Reference Model

- **CTS Technical reference model (TRM)** provided simple building blocks to enable a digital business platform
- **Common language and a consistent way** to map, organise and catalogue products and services to serve customers and colleagues
- **Architecture Community** resource alignment across Domain Product Councils, Business, Enterprise and Technology Services
- **Clear definition for Domain Product Councils enabling** ownership, management and decision-making
- **Simple building blocks** for standards lifecycle management and elimination of Tech Debt



Cost Optimisation | Dual Path Approach

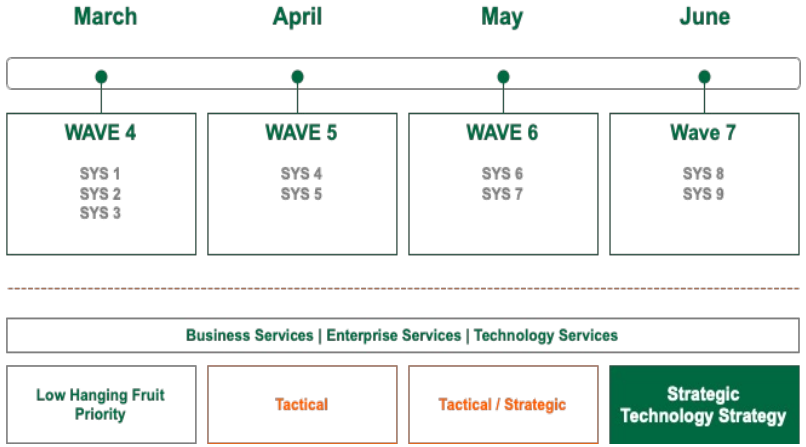
Tiger Teams

DPC	TRM Alignment	System	P&T Team	CTO / VP	Enterprise Architecture	Key Person	Key Person	Key Person (Infrastructure)
TX	Traveler Experience	SYS 1	GRP1	C#2	EA#2	SME#1	SME#4	TBC
SUPPLY CHAIN	Transactional Data Management	SYS 2	GRP2	C#4	EA#4	SME#2	SME#5	
SUPPLY CHAIN	Transactional Data Management	SYS 3	GRP2	C#4	EA#4	TBC	TBC	
CUSTOMER	Customer	SYS 4	GRP3	C#1	EA#1	SME#3	SME#6	

Business Priorities

Strategic Waves:
(Cost to Serve TRM Verticals)

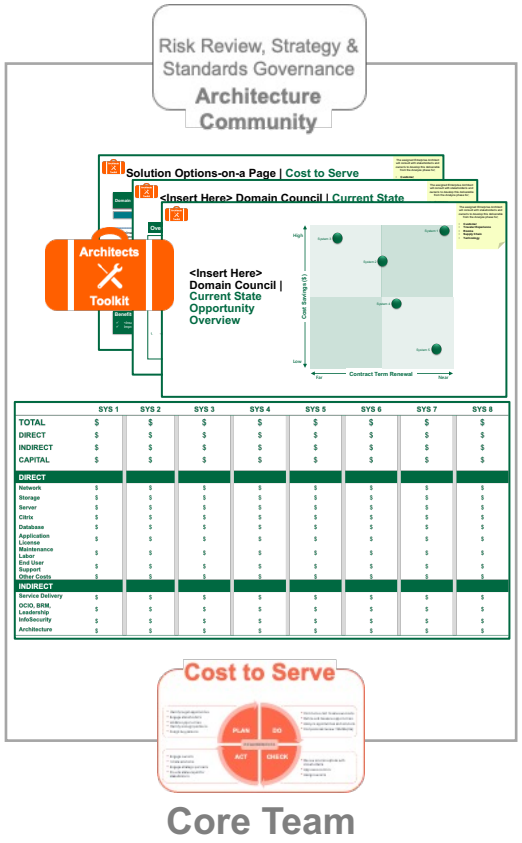
Tactical Opportunities:
(Cost to Serve TRM Horizontals)



Tiger Teams

DPC	TRM Alignment	System	P&T Team	CTO / VP	Enterprise Architecture	Key Person	Key Person	Key Person (Infrastructure)
CUSTOMER	Customer	Shadow IT	GRP4	C#4	EA#4	SME#7	SME#4	TBC
TECHNOLOGY	Hosting & Facility Services	Cloud Providers	GRP5	C#5	EA#5	SME#8	TBC	
TECHNOLOGY	Information Security Operations	Identity & Access Mgt	GRP6	C#5	ISO1	TBC	TBC	
TECHNOLOGY	IT Support Services & Observability + Application Development Services	IT Tools	GRP5	C#5	EA#5	TBC	TBC	
TECHNOLOGY	Network & Security	Mobile Phone Spend	GRP5	C#5	EA#5	TBC	TBC	
ALL	Technology Services	Any Asset	GRP5	TBC	TBC	TBC	TBC	

Team Workouts

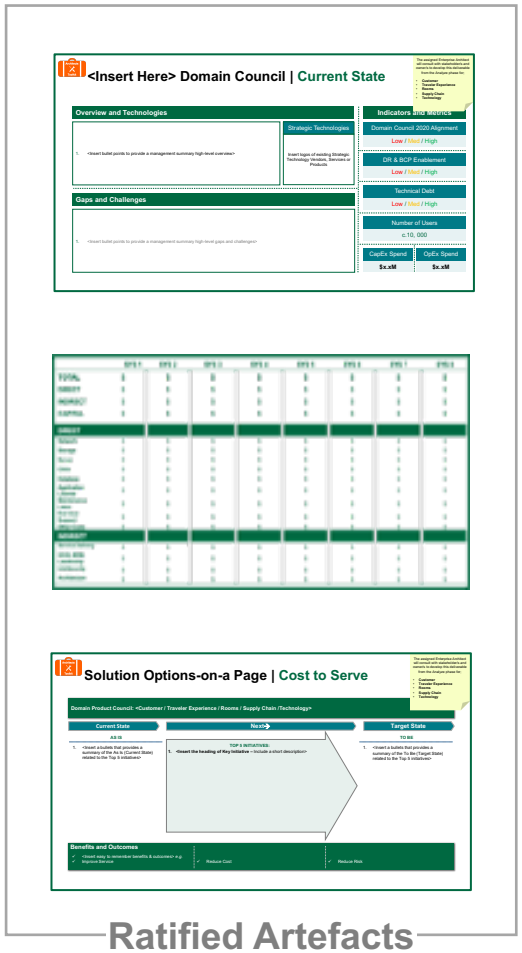


Core Team

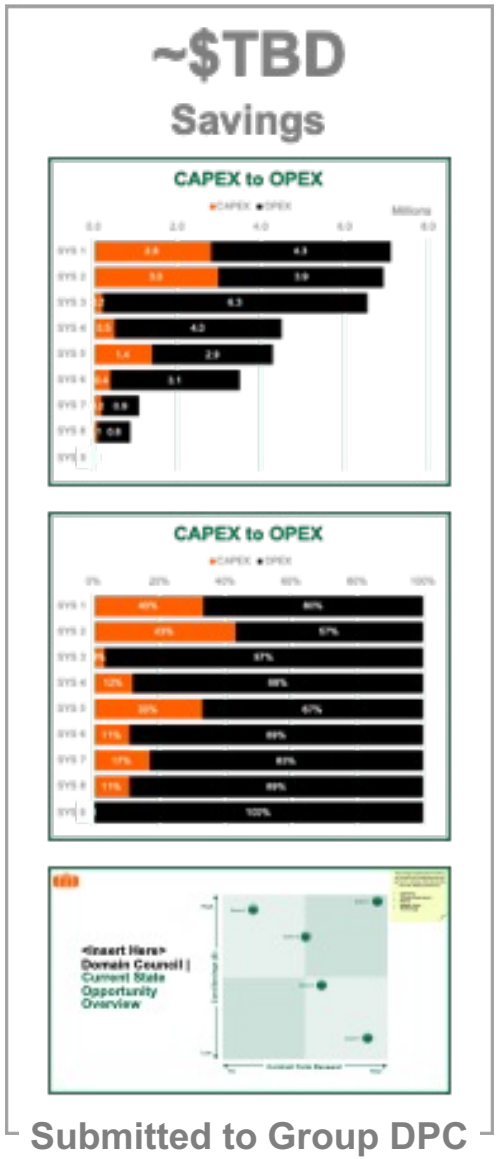
= **~$TBD**
Savings

Outcomes & Results | Decision Making

Core Team



Ratified Artefacts



Submitted to Group DPC

=

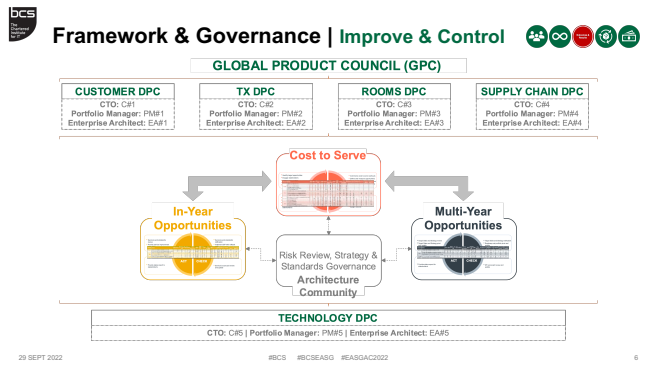
APPROVED

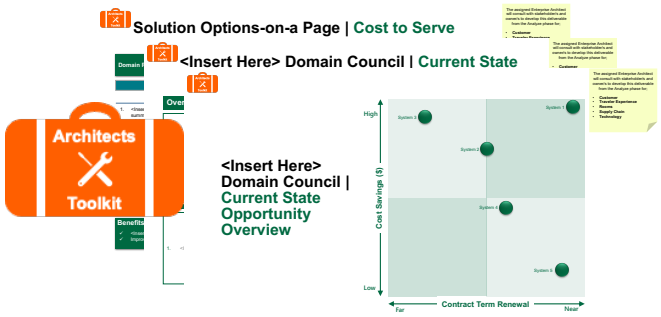
REJECTED

People Focused | 3 x E's

EDUCATE

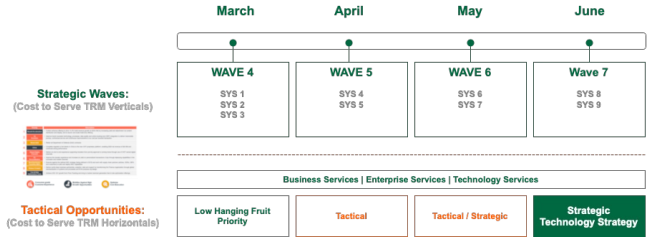
Prepare and share content, toolkits and new ways of working that people will understand



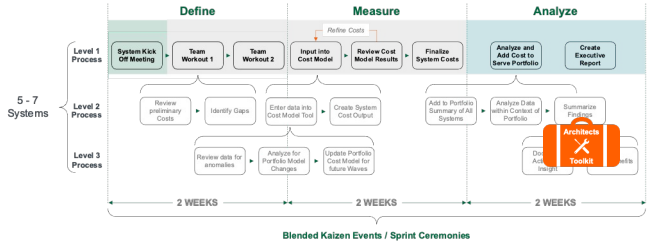


ENGAGE

Make it easier for people to do the right thing, streamline workflow and coordinate activities upfront



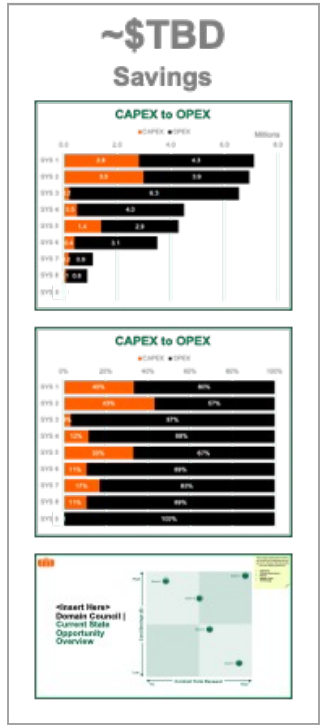
Dual-Path Approach Targeting Business-Driven Outcomes & Results



Repeatable Process Map and Schedule Meetings as Required

ENABLE

Report and present fact-based information that is signature-ready to decision makers

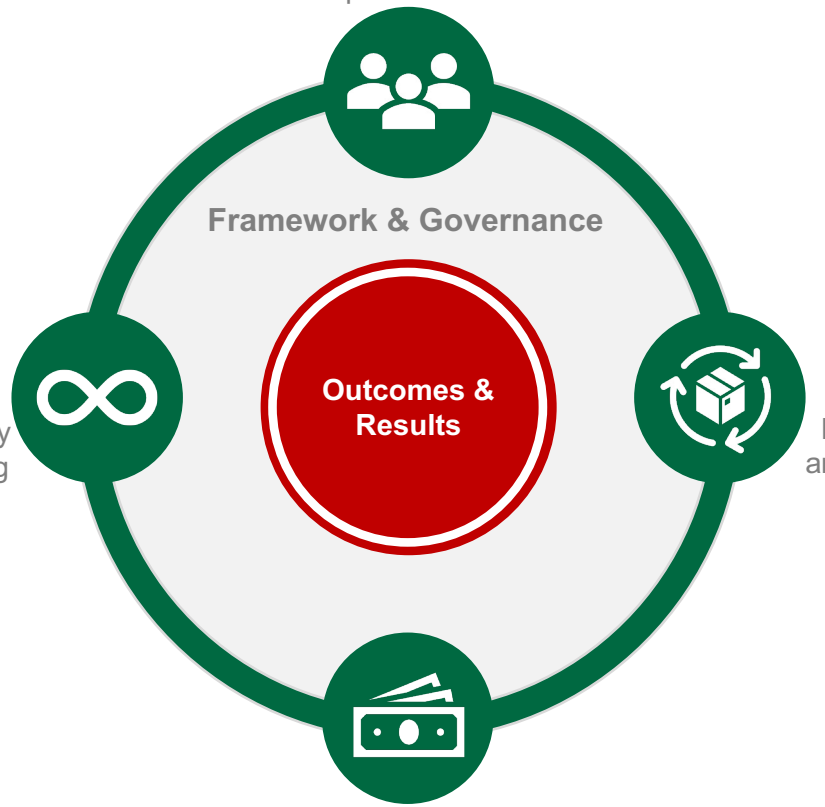


APPROVED

REJECTED

Key Takeaways | Cost to Serve

People Focused
Stakeholder engagement and experience matters



Ways of Working
Aim to make it easy to do the right thing

Products & Technology
Manage tech debt and eliminate waste!

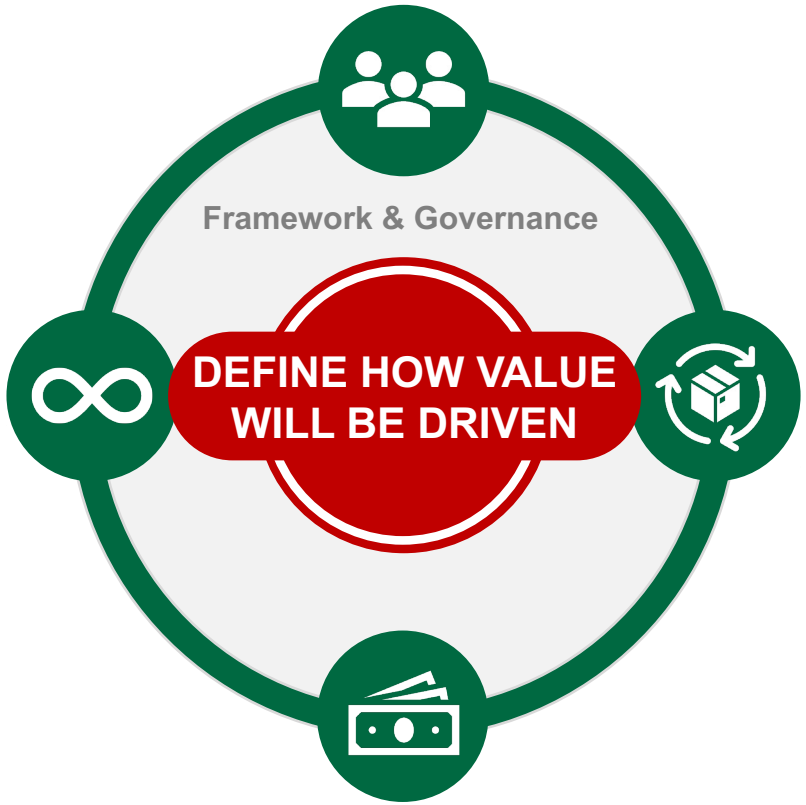
Cost Optimisation
Aim for costs to be directionally correct

Key Takeaways | Cost to Serve

THANK PEOPLE FOR THEIR CONTRIBUTIONS

GET EARLY BUY-IN

BE READY TO CHANGE



IT'S JUST THE BEGINNING

COLLABORATE
COLLABORATE
COLLABORATE

PURSUE PERFECTION OVERTIME

QUESTIONS?

Thank You

Scan to connect

LinkedIn

Chris Banks CITP FBCS

chris.citp@outlook.com

https://twitter.com/tweetbanksy

bcs The Chartered Institute for IT

Enterprise Architecture Specialist Group

5th Annual Conference
Thursday 29th September 2022
London, UK

#BCS
#BCSEASG
#EASGAC2022