Cost to Serve Enablement
Evolution of an Architecture Community

Chris Banks CITP FBCS
About me | Introduction

- 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

Chris Banks CITP FBCS
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**

- A business travel management company starts a year with a head wind to the tune of ~$xxxm
- 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

**TARGET STATE**

- 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

**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**

Source: The Lean Startup | Eric Ries
Review of early work concluded a single person had capacity to define 5 - 7 large systems in a sprint.

Pivot

Greater, long-term value and savings is found in strategic initiatives.
GLOBAL PRODUCT COUNCIL (GPC)

**CUSTOMER DPC**
CTO: C#1
Portfolio Manager: PM#1
Enterprise Architect: EA#1

**TX DPC**
CTO: C#2
Portfolio Manager: PM#2
Enterprise Architect: EA#2

**ROOMS DPC**
CTO: C#3
Portfolio Manager: PM#3
Enterprise Architect: EA#3

**SUPPLY CHAIN DPC**
CTO: C#4
Portfolio Manager: PM#4
Enterprise Architect: EA#4

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

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Framework & Governance | Improve & Control

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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

### Business Priorities

- Cost to Serve
- AS IS
- TO BE

#### Domain Product Council:
- Customer/Traveler Experience/Rooms/Supply Chain/Technology

#### Benefits and Outcomes:
- Improve Service
- Reduce Cost

#### Strategic Waves:
- WAVE 4
- WAVE 5
- WAVE 6
- Wave 7

#### Business Services | Enterprise Services | Technology Services

#### Gaps and Challenges

#### Tactical Opportunities:
- Low Hanging Fruit Priority
- Tactical
- Tactical / Strategic

#### Domain Council | Current State

#### Cost Savings ($)
- Low
- High
- Far
- Near

### Cost to Serve

#### Risk Review, Strategy & Standards Governance Compliance Community

#### Core Team

#### Tiger Teams

### Team Workouts

**Multi-Year Opportunities**

**In-Year Opportunities**

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Core Team → Solution Options → Cost to Serve

Outcomes & Results | Decision Making

Cost to Serve

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

**ENABLE**

Report and present fact-based information that is signature-ready to decision makers
Key Takeaways | Cost to Serve

People Focused
Stakeholder engagement and experience matters

Framework & Governance

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

Outcomes & Results
Key Takeaways | **Cost to Serve**

Thank people for their contributions

**Framework & Governance**

**Define how value will be driven**

Get early buy-in

Be ready to change

Pursue perfection over time

It's just the beginning

Collaborate, collaborate, collaborate

People focused

Stakeholder engagement and experience matters

Cost optimisation

Aim for costs to be directionally correct

Manage tech debt and eliminate waste!
QUESTIONS?
Thank You

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