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10th Edition

Business Architecture

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Preface

The Open Group

The Open Group is a global consortium that enables the achievement of business objectives through technology standards. With more than 870 member organizations, we have a diverse membership that spans all sectors of the technology community – customers, systems and solutions suppliers, tool vendors, integrators and consultants, as well as academics and researchers.

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The TOGAF® Standard, a Standard of The Open Group

The TOGAF Standard is a proven enterprise methodology and framework used by the world's leading organizations to improve business efficiency.

This Document

This document is a compilation of TOGAF® Series Guides addressing Business Architecture. It has been developed and approved by The Open Group.

It consists of the following documents:

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TOGAF® Series Guide: Business Models	This document provides a basis for Enterprise Architects to understand and utilize business models, which describe the rationale of how an organization creates, delivers, and captures value. It covers the concept and purpose of business models and highlights the Business Model Canvas™ technique.
TOGAF® Series Guide: Business Capabilities, Version 2	This document answers key questions about what a business capability is, and how it is used to enhance business analysis and planning. It addresses how to provide the architect with a means to create a capability map and align it with other Business Architecture viewpoints in support of business planning processes.
TOGAF® Series Guide: Value Streams	Value streams are one of the core elements of a Business Architecture. This document provides an architected approach to developing a business value model. It addresses how to identify, define, model, and map a value stream to other key components of an enterprise's Business Architecture.
TOGAF® Series Guide: Information Mapping	This document describes how to develop an Information Map that articulates, characterizes, and visually represents information that is critical to the business. It provides architects with a framework to help understand what information matters most to a business before developing or proposing solutions.
TOGAF® Series Guide: Organization Mapping	This document shows how organization mapping provides the organizational context to an Enterprise Architecture. While capability mapping exposes what a business does and value stream mapping exposes how it delivers value to specific stakeholders, the organization map identifies the business units or third parties that possess or use those capabilities, and which participate in the value streams.
TOGAF® Series Guide: Business Scenarios	This document describes the Business Scenarios technique, which provides a mechanism to fully understand the requirements of information technology and align it with business needs. It shows how Business Scenarios can be used to develop resonating business requirements and how they support and enable the enterprise to achieve its business objectives.

More information is available, along with a number of tools, guides, and other resources, at www.opengroup.org/architecture.

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The TOGAF® Series Guides are expected to be the most rapidly developing part of the TOGAF Standard and are positioned as the guidance part of the standard. While the TOGAF Fundamental Content is expected to be long-lived and stable, guidance on the use of the TOGAF Standard can be industry, architectural style, purpose, and problem-specific. For example, the stakeholders, concerns, views, and supporting models required to support the transformation of an extended enterprise may be significantly different than those used to support the transition of an in-house IT environment to the cloud; both will use the Architecture Development Method (ADM), start with an Architecture Vision, and develop a Target Architecture on the way to an Implementation and Migration Plan. The TOGAF Fundamental Content remains the essential scaffolding across industry, domain, and style.

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Business Models

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Referenced Documents

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- A Guide to the Business Architecture Body of Knowledge® (BIZBOK® Guide), Version 6.5, Business Architecture Guild®, 2018
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PART 1: Business Models

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1 Introduction

This TOGAF® Series Guide to Business Models provides a basis for Enterprise Architects to understand and utilize business models, which describe the rationale of how an organization creates, delivers, and captures value.[1] Business models provide a powerful construct to help focus and align an organization around its strategic vision and execution. In this Guide we cover different forms of business models and approaches to modeling, from the conceptual down to a practical example.

There is a direct relationship between the business innovation captured in these models and the approach to implementing that innovation through Enterprise Architecture. We explore that relation through Business Architecture methods such as value streams and business capabilities, then provide a specific example based on a generic retail company undertaking a Digital Transformation. An appendix delves deeper into the structure of one of the most commonly used business model frameworks for architects interested in working with business leaders to execute their strategy.

1.1 Overview

The world's top C-suite leaders know that the effective management and exploitation of information is a key factor for business success, and is critical to developing and maintaining competitive advantage. An Enterprise Architecture supports this objective by providing a strategic context for the evolution of technologies in response to the constantly changing needs of the business environment.

As stated in the TOGAF Standard – Introduction and Core Concepts, a key goal of Enterprise Architecture is to create or enable the alignment of the business operations with the overall business direction (vision and strategy). Furthermore:

"… a good Enterprise Architecture enables you to achieve the right balance between business transformation and continuous operational efficiency. It allows individual business units to innovate safely in their pursuit of evolving business goals and competitive advantage. At the same time, the Enterprise Architecture enables the needs of the organization to be met with an integrated strategy which permits the closest possible synergies across the enterprise and beyond."

To achieve this alignment, the architect must develop a fundamental understanding of the core elements that make up a business and how they relate to the ways in which it creates, captures, and delivers value. However, it is not always clear what the business direction is, or how the business intends to create, capture, and deliver value to customers and stakeholders. If we don't fully understand what a business does or what it intends to do; why it exists; or how it works to produce something of value to stakeholders (while making money in the process), then how can architects devise an appropriate target-state environment that realizes the business objectives?

[1] See the referenced Business Model Generation, p.14.

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