



INTELLIGENT BUSINESS TRANSFORMATION

CAPSIFI WHITEPAPER SERIES:

## The Agile Imperative:

Transforming Business  
& Enterprise Architecture  
Modelling for the  
New Digital Reality

## The Agile Imperative:

### Transforming Business and Enterprise Architecture Modeling for the New Digital Reality

*In an era of constant digital disruption, fully aligned business and technical architectures are essential enablers of agility and competitive advantage.*

Organizations are in a state of constant transformation. There is unrelenting pressure to innovate, to “go digital” and to rapidly and continuously adapt to an evolving marketplace.

Competitive advantage is shifting to those organizations that can dynamically craft and adapt their business architecture and orchestrate the underlying technical architecture required to support it.

This architecture-driven agility presents a significant opportunity for business architects, enterprise architects and business analysts who are now in a position to help their organizations re-purpose business modeling into a strategic capability.

In this white paper, we will explore:

- **The new reality for business architects, business analysts, and enterprise architects**
- **Why there is a need for continuous harmonization between business and technical architectures**
- **Why business logic is the real source of competitive advantage and how the Capsifi Framework and Jalapeno modelling platform can help you harness it**

## The New Reality for Architects and Analysts

In the digital era, organizations are undergoing massive business and IT transformation. As customer expectations grow and business demand changes, organizations are exiting established markets and entering new ones, moving through the product development lifecycle more quickly and completely transforming business and operating models.

These activities put increased pressure on organizations to evolve their business processes in order to adapt and transform. In order to remain competitive a robust technical architecture must support every business process as the siloed approaches of the past are unsustainable.

There is incessant and often haphazard demand for organizational and technical change, putting tremendous pressure on business architects, business analysts and enterprise architects whose job it is to bridge this gap and connect the dots.

But more than just the pressure of constant change, the need to simultaneously cope with increasing technical complexity has become the new business modeling reality.

### Call it the *agile imperative*.

In an agile world, there is no room for slow and steady. The traditional silo-driven and sequential management approaches no longer suffice. To thrive within this new reality, organizations require a new, more integrated approach — one that breaks through silos and transforms business modeling into a strategic capability.

## Continuous Innovation and Integration with Technical Architectures

Organizations often manage business transformation independently of technology transformations. Doing so however, is both inefficient and results in a disconnect between the conceptual business model and the implemented technology infrastructure intended to support it.

Such approaches are only viable when the rate of change is sufficiently slow to allow for mid-stream corrections. The nature of digital transformation

however, has made these asynchronous approaches untenable. Organizations who continue to operate using these methods are increasingly vulnerable to more nimble and agile competitors.

**In a rapidly moving marketplace, the ability to quickly shift business models has become a strategic imperative — and has left those organizations unable to do so subject to rapid disruption.**

Executive teams are responding. They are demanding continuous innovation cycles and developing disruptive corporate cultures which hold nothing sacred.

Leadership teams are instituting staggering changes at unprecedented rates and levels of intensity. Organizations can meet these demands only by creating new architectural approaches and management frameworks that holistically integrate business operating models and their underpinning technical architectures.

## A New Approach to Finding Competitive Value

The Capsifi Framework is not a tool. It is a framework and meta-model borne of necessity. The founders of Capsifi observed that existing business modeling approaches that deliver disconnected and misaligned artifacts were no longer working. They set out to create an approach that would help organizations define their strategic plans and supporting business models at an appropriate level of detail, in a re-usable manner and fully aligned with technical architectures.

Capsifi initially used the framework and meta-model as a mechanism to help organizations adopt this new approach. They developed the Jalapeno modelling platform as an internal tool to automate the approach and maintain the integrated business models.

They soon realized, however, that this tool, which brought the framework and meta-model to life, had the power to change how organizations approached the entire process of business modeling.

A Jalapeno model encapsulates the entirety of an organisation into a fully integrated, logical expression of how the business operates, providing complete strategic and operational traceability — in a language that is intuitive to both business and technical stakeholders.

Jalapeno is unique in this respect: it simultaneously enables organizations to look at the architecture from a top-down, business-first perspective, while acknowledging the need to reconcile this view with the technical architecture from a pragmatic bottom-up point-of-view.

From a top-down viewpoint, the goal is to focus on the business and operating models, without getting hung-up on the intricacies of detailed business process modeling. At the same time, the tool is capable of consuming a broad range of technical inputs (XSD, XML JSON, CSV, etc.) to create both logical and conceptual representations of the as-built technical architecture and respective data models.

This simultaneous top-down and bottom-up approach allows organizations to describe the simplicity of the business and then reconcile it to the actual technical architecture supporting it.

But rather than simplifying, business process modeling can often document processes at levels of detail that are far too detailed and complex for anyone but the modeler to comprehend.

The top-down-bottom-up method ensures that business processes don't become overcooked and too granular. At the same time, it forces process modelers to align process tasks to the business objects underpinning a process, which enables organizations to anchor the business

process in the supporting data-model — something that is rarely, if ever, done in traditional business modeling exercises.

This resulting alignment and traceability is critical because the fundamental source of competitive value in a digital business is derived almost entirely from how well a business operation is enabled by technology. But it is not technology infrastructure, applications or even data that are the source of differentiation. In the digital era, systems do not create competitive advantage, but rather it is the business logic that they represent which drives success.

This is why a holistic, integrated approach is so important: it ensures that organizations manifest and maintain their unique business logic — the true source of their competitive value — throughout every aspect of the business and technical architecture.

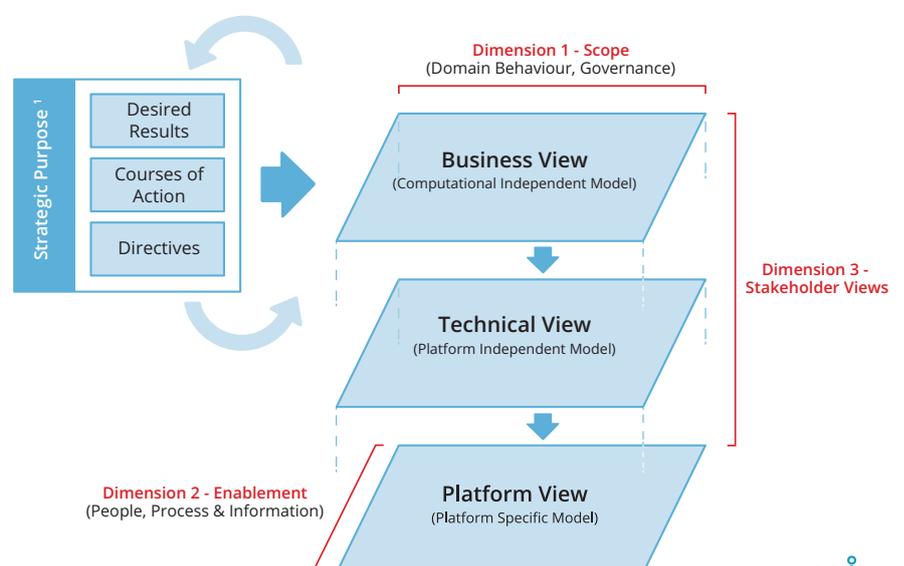
## Capsifi's 'Secret Sauce'

The Capsifi Framework and Jalapeno platform redefine the entire business modeling approach, essentially rethinking the dynamics of a business operating model from the perspective of its various operational states.

A given state (or outcome) is the result of an activity. This fundamental understanding is what creates the basis for the Capsifi Framework: a set of resources, acted upon by a set of activities, executed by specific roles, achieves specific outcomes.

That paradigm enables organizations to define the business in simple terms, yet from that definition

### Framework Influences



<sup>1</sup> The Strategic Purpose is derived from BRG Business Motivation Model

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architects can derive a use-case model, a data model, a process model and a state model — all associated with corresponding business rules.

This holistic, integrated view is the critical secret sauce that links business and enterprise architecture. It is the combination of these dynamically created models, all constructed from common building blocks in a business-oriented framework, that creates a fluid and executable operating model.

The Capsifi Framework is a meta-model that effectively creates a complete semantic view of the enterprise — a way to describe the organization in simple, yet structured terms. Jalapeno enables the automation of that semantic view. It represents a fundamental shift in how organizations construct a business operating model and then integrate, maintain and make them technically executable.

## Jalapeno: Designed for the Way You Work

Jalapeno is unusual in the world of business modelling tools for several reasons. First, Capsifi designed it holistically to support their new approach and framework — rather than the other way around.

Second, it crosses many boundaries.

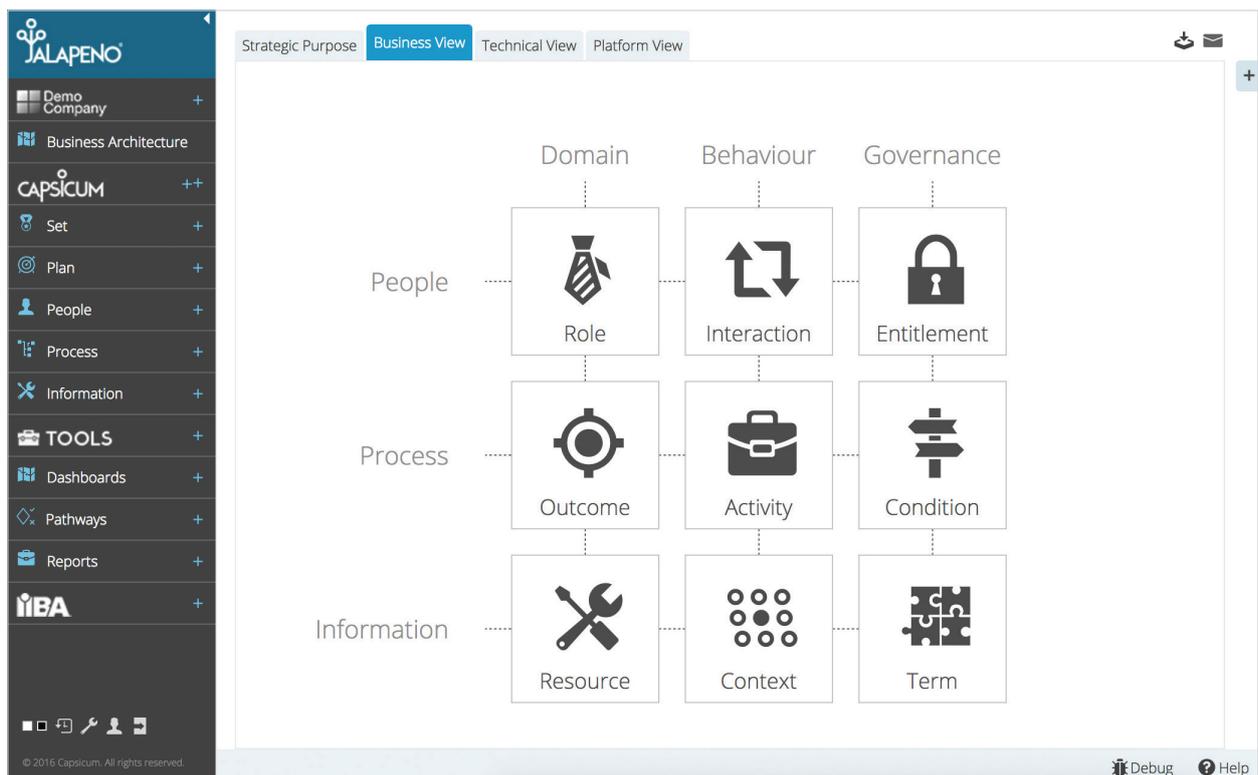
- Is it a business process modeling tool?
- Is it an enterprise architecture planning tool?
- Is it a capability modeling tool?
- Is it an information modeling tool?

The answer to all of these questions (and more) is both yes — and no. It offers the capabilities of all of these tool domains, but in an entirely unique way.

Jalapeno offers a whole-enterprise, dynamic and holistic way to define, develop and implement comprehensive business architectures. At the same time, it makes it simple to collect data, define architectures and view the framework from a variety of perspectives so that it is easily consumable by everyone in the organization.

It has many built-in views and navigational aids to make it intuitive for broad range of users, enabling them to consume the framework and meta-model from their preferred perspective (e.g. business process view, enterprise capability map, etc.).

Most importantly, it enables the entire range of constituencies to use it collaboratively and simultaneously, including: business architects, business analysts, enterprise architects, managers, project teams and anyone else responsible for defining, managing or changing either the organization's business model or the technology that supports it.



## Creating Advantage Through Your Dynamic Business Architecture

In the digital era, organizations become brittle and vulnerable to disruption when they cannot understand and articulate how their systems relate to their business strategy.

Moreover, when the organization does not orchestrate and tune those systems to create, perpetuate and sustain competitive value — via their unique business logic — they can rapidly become inhibitors rather than enablers of business agility.

Business leaders need to democratize the knowledge of how the business should operate to deliver value (rather than using systems to define it) and then use that knowledge throughout the enterprise on an on-going, sustained basis to build and manage a technical architecture which supports it.

This dynamic business architecture enables business and IT leaders to collaborate dynamically and to redefine their business models — and the technology that supports them — to continually increase the organization's competitive posture in the marketplace.

Such an architecture will depend on business analysts and architects, using tools such as Capsifi's Jalapeno, to create this strategic capability within their organizations and seize this critical strategic advantage.

### About Charles Araujo

Charles Araujo is an industry analyst, internationally recognized authority on the Digital Enterprise and author of *The Quantum Age of IT: Why Everything You Know About IT is About to Change*.

As Principal Analyst with Intellyx, he writes, speaks and advises organizations on how to navigate through this time of disruption. He is also the founder of The Institute for Digital Transformation and a sought after keynote speaker.

He has been a regular contributor to both InformationWeek and CIO Insight and has been quoted or published in Time, CIO, Computerworld, USA Today, and Forbes.

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