Simitec

Glendale, Arizona 844.860.0494 info@simitecinc.com www.simitecinc.com

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Strategically Enabled Enterprise A Framework for Sustainable Synergy

Strategically Enabled Enterprise

DEVELOP A PROACTIVE, PREDICTIVE ENTERPRISE THAT OPERATES IN AN EPICENTER OF BUSINESS VIABILITY AND ORGANIZATIONAL VITALITY

Enterprises today operate in a world that is intensely competitive, rapidly changing, and increasingly uncertain that make business decisions complex and difficult. Characterized by the essential use of information technology and an ever-changing global marketplace, organizations are challenged with new technologies, shorter product life cycles, and greater regulatory requirements.

Enterprises experience and address these realities in varying ways. The key is to understand these realities in terms of their interrelationships, interdependencies, congruencies, and contradictions. Only then can an enterprise manage these realities in a more holistic, cohesive way.

Many enterprises today are complex, diverse, and extremely large. Others are more simple and small. Regardless, an enterprise can be viewed in two broad lenses of its workspace and workplace. Within those two lenses, an enterprise can further be viewed in the three frames of reference of people, business, and technology that define how it leads, conducts business, and uses technology. These fundamental frames of reference can be described as three basic architectures.

These three architectures define the fundamental dimensions in which to assess, develop and manage the enterprise — its business, organizational, and technology. Through a set of linkages we manage the interrelationships and interdependencies. Within a set of controls we manage the congruencies and competing values within a governance framework.

Figure 1 shows the epicenter of a strategically enabled enterprise that has lowered the associative barriers between the three fundamental architectures of organizational, business, and technology. An epicenter of enterprise effectiveness emerges that result in an enterprise doing the right things, the right way, at the right time by having the right people, working in the right conditions using the right technology.

One Epicenter

EPICENTER OF ENTERPRISE EFFECTIVENESS

- An environment of structured creativity and innovation, empowerment that creates workplace vitality.
- A core from which there is passionate, committed employees who are able to unleash their talents and utilize their competencies that results in an optimally performing workforce.
- An intersection of a value-added network of stakeholders with equal vision and shared invested interests who contribute to the success of the enterprise.
- Am integration of the formal business structure with the informal organizational structure that facilitates information flow, collboration, and expertise access.
- A focal point of creative strategy, innovative business model, and dynamic business capabilities, and adaptive technology management that leads to workspace viability.

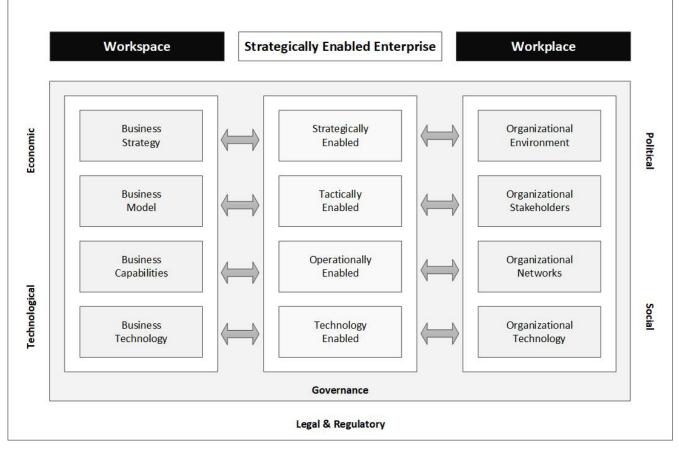


Figure 1 – Strategically Enabled Enterprise (SEE) Framework

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Strategically Enabled Enterprise

A proposed framework for sustainable synergy

Balanced – fundamentally views the duality of an enterprise from two lenses, the workspace and workplace.

Holistic – treats the three architectures (frames of reference) organizational, business, and technology as equal in strategic importance and value creation potential in the success of the enterprise.

Relational – designed to show the relationships, congruencies, and contradictions that exist within every enterprise through the four perspectives defined by Kaplan and Norton and the four archetypes originally created by Carl Jung and further developed by Meyers and Briggs, Ned Herrmann, Dr. Kathy Benziger and others that is adapted to the Competing Values Framework.

Value-driven – means to demonstrate value being produced and consumed by the stakeholders of the enterprise.

Dimensional – based on the premise that every enterprise is basically similar and comprised of the same basic dimensions that can be viewed from the four perspectives of organizational value (people), internal infrastructure, customer interface, and financial viability. **External Influencers** – competitive forces, customer demand, social environment, technological change, and legal and regulatory environment that impact the enterprise.

Governance Foundation – governance is the foundation upon which the model sets. Enterprise structure and transformation can be assessed and managed through continuums, linkages, cycles, flows, and controls. Risks and security issues are also addressed.

Business-enablement – based on the premise that every enterprise is fundamentally comprised of the same basic dimensions that can be viewed from the four perspectives of organizational growth and value) internal infrastructure, customer interface, and financial viability.

Organizational-enablement – the strategic value and importance of stakeholders' competencies and relationships is given equal focus and attention as a second frame of reference.

Technology-enablement – framework addresses technology as a strategic asset and assumes it operates as a business center that provides innovative solutions and quality services at a competitive price. There are two fundamental lenses, or vantage points, of any enterprise the workspace and the workplace. Appearing as separate and disconnected, they are interrelated and interdependent. Fundamentally, enterprises are dichotomies of the workspace and workplace, tangible and intangible, the formal and informal. Within these perspectives we can view the multiple dimensions that define the enterprise.

Furthermore, as people are twofold beings endowed with a left and right brain with the ability to rationally and emotionally think and behave so does every enterprise have a enterprise brain. From this enterprise brain develops a persona and a psyche side that have to be continually managed and developed. "You can't grow if you're driven only by process, or only by the creative spirit. You'vegottoachieveafragile balance between the two sides of the corporate brain."

- Howard Schultz, Starbucks Chairman

ENTERPRISE WORKSPACE

A BUSINESS PERSPECTIVE

The left side of an enterprise can be described in terms of that enterprise's external environment, its workspace, which can be readily seen and generally well understood – the enterprise's persona. Typically this is the primary focus of many, if not most, enterprises and used as the means of differentiation.

Composed of the mission statement and vision that defines the enterprise's business purpose, the left side can be considered the more rational and functional perspective comprised of the following dimensions:

- Business Strategy articulates the mission and vision and defines how the enterprise will create business value.
- **Business Model** describes the business elements to deliver business value.
- **Business Capabilities** details the business activities to produce business value.
- Business Technology enables business value through innovative solutions and quality services.

ENTERPRISE WORKPLACE

AN ORGANIZATIONAL PERSPECTIVE

The right side of an enterprise can be described in terms of an enterprise's internal environment, its workplace, which cannot be readily seen and not always well understood – the enterprise's psyche. Of secondary focus, it is typically not used as means of differentiation. The right side can be considered the more emotional and relational perspective of the organization.

Driven by core values that is less obvious and not as much emphasized, it is composed of the following dimensions:

- Organizational Culture the unseen catalyst for organizational effectiveness.
- Workplace Climate the underpinning for extraordinary workforce performance.
- Organization's Stakeholders most valuable asset and greatest resource.
- **Organizational Networks** the insight into the inner workings of your organization.
- Organizational Technology access into the collective thinking and behavior of your organization.

Business Architecture

RATIONALIZING THE WORKPSPACE

Mission and Vision

Employees and enterprise stakeholders identify with the enterprise's mission and vision and are actively committed in pursuing that enterprise's purpose.

Employees truly believe they can contribute to the enterprise's objectives and feel they are a part of its future.

Business Model

The enterprise develops a blueprint for the execution of its strategy by modeling it business.

The enterprise links the business strategy with the business capabilities through a clearly described business model that is communicated throughout the enterprise.

The business model articulates the enterprise's value proposition, primary revenue streams, and cost structures.

The business model describes the target customers, key channels, and relationshps.

The business model describes the key resources, activities, and partnerships.

Uses the business model as a tool to align technology capabilities and services to business objectives.

Busines Strategy

Establishes degree of risk adversity of the enterprise.

Defines multi-phased strategic objectives for the business model and business capabilities.

Defines the objectives for organizational growth through the enterprise's workplace.

Defines objectives for the technology capabiliities, services, and infrastructure.

Business Capabilities

Leverages strategically valued, high-performing, high--impacting business activities and resources.

Outsources capabilities that the oenterprise cannot feasibly develop or manage to obtain economies of scale and efficiency.

Identifies and manages the key business and network roles.

Idenitifies and manages the organizational networks that impact its performance.

Aligns the subculture of the business capability with the culture and climate of the enterprise.

Three Architectures



BUSINESS ARCHITECTURE

The design of the enterprise that defines its logic to create and deliver business value that results in innovative solutions and quality services.

Articulated through its mission and vision, the business architecutre defines its strategy, describes its business model, and details its business capabilities.



2

ORGANIZATIONAL ARCHITECTURE

Fundamentally characterizes the people of the enterprise. In terms of stakeholders, it identifies how they feel, what they experience, how they relate to each other, and work together to carry out the business goals.

It encompasses the organzation's values and culture, workplace climate, stakeholder relationships, and networks that includes the collective knowledge and intelligence within the enterprise.



3

TECHNOLOGY ARCHITECTURE

The design, development, and deployment of technology to enable the business to generate growth and enhance the enterprise's productivity.

It is comprised of the enterprise's technology capabilities, services, and infrastructure that provides adaptive technology to enable its business capabilities.

Organizational Architecture

DEVELOPING THE WORKPLACE

Organizational Values

The organizational core values definitively supports the enterprise's culture and workplace climate.

The values of the employees align with the values of the enterprise by which the enterprise operates and serves ts stakeholders.

Stakeholder Relationships

Offers leadership roles and developmental opportunities through formalized programs.

Encourages employees to fulfill roles that fit their natural talents in order to achieve optimal performance and promote their physical and emotional well-being.

The enterprise provides the means for it employees to pursue develomental assignments and challenging initiatives to grow professionally.

Through enterprise-wide talent management facilitate professional and personal network building to develop leaders and optimal performers.

Builds an environment that is stakeholder engaged, not just customer focused.

Develops the capability to efficiently integrate partners into the business, organizational, and technology architectures.

Organizational Culture / Workplace Climate

Integrates the workspace and workplace goals and objectives.

Creates an environment that facilitates leadership and talent development, and workforce performance.

Creates a climate that promotes optimal innovation, collaboration, and productivity thorughout the enterprise.

Organizational Networks

Drives end-to-end large scale change.

Bridges organizational silos to optimize business capabilities and increase productivity.

Manages mergers, acquisitions, alliances, and partnerships through network management.

Develops and utilizes talent and expertise through networks

Promotes better communication, collaboration, and information flow critical to strategic business capabilities

Uses technology to enable the development and integration of organizational networks.

Streamlines strategic decision-making processes and optimizes leadership development and succession planning.

Four Perspectives

The Strategically Enabled Enterprise (SEE) framework evolves around Kaplan and Norton's strategic perspectives of organizational learning and growth, customer interface, financial performance, and internal infrastructure that is synthesized with the Competing Values Framework. An enterprise assesses and manages its workspace and work-place using these perspectives to identify its busines and organizational strengths and weaknesses. Designated as P_4 – performance, possibilities, people, and production, the four perspectives allow leaders to establish a context when rationalizing the workspace and developing the workplace.

- Business Strategy Development
- Business Model Generation
- Business Capabilities Configuration
- Business Technology Deployment

- Organizational Culture and Climate Cultivation
- Leadership and Talent Development
- Team Management and Network Integration
- Organizational Technology Deployment

Figure 2 conveys the four perspectives and their relationships and relevancies. An enterprise reaches optimal performance by creating the opportunities through innovation and development and using the talent of its people and the capabilities of the business to acheive its goals and objectives.

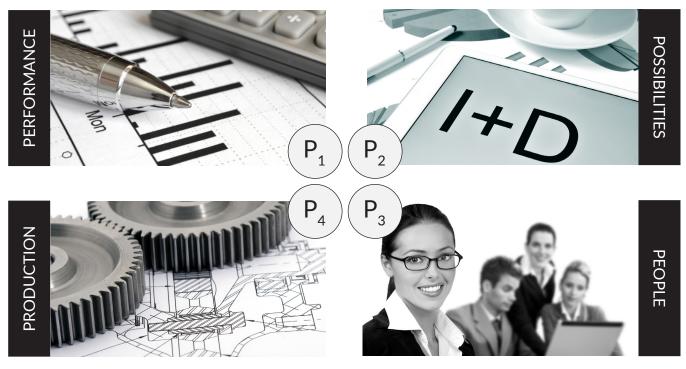


Figure 2 – SEE Framework Perspectives

Technology Architecture

INVESTING IN TECHNOLOGY

Technology Streams

Provides the ways (services and capabilities) and means (application, information, and infrastructure) that the technology organization enables the business.

Differentiates its technology by making it difficult for other enterprises to imitate.

Aligns technology with business objectives.

Enables the execution of the business model by deloying the right technology.

Leverages technology across business capabilities.

Economically justifies technology initiatives that result in realized business value demonstrated by a return on investment, not just cost savings.

Technology Services

Offers services that raise or create value by business--enabling services as well as features that reduce or eliminate the cost, risk, and effort of the customer.

Offers services that range from business teams to the entire enterprise.

Establishes the channels to communicate and deliver the services through the business customer life cycle.

Offers different relationships that a business customer wants.

Technology Capabilities

Develops solutions and offer services at a competitive price.

IT delivers its services through channels that the business customer prefers and develops the relationships the business seeks to establish.

IT effectively utilizes its resources and efficiently performs its activities to deliver value to the business.

Builds bilateral internal and external partnerships.

Idenitifies and manages the organizational networks that impact its performance.

Technology Infrastructure

Application - rationalizes and optimizes the application portfolio that supports the entire enterprise and its partners.

Information - facilitates the communication, collaboration and information flow throughout the enterprise.

Data - facilitates data exchange across business capabilities.

Infrastructure - standardizes hardware to support the business and technology capabilities and services.

TECHNOLOGY ORGANIZATION



STRATEGIC BUSINESS ENABLER

The means of enabling competitive advantage by the repositioning the IT organization that:

- Shifts from technology-based to services-based orientation
- Focuses primarily as a provider of innovative services and solutions
- Transitions from having an internal technology view to an external business view

TECHONOLOGY ORGANIZATIONS OF TOMORROW

The technology organizations of tomorrow should operate as a business with a focus on value creation and delivery that:

- Recognized by the business as a strategic asset, not as an operational liability
- Maintains a bilateral partnership rather than a unilateral relationship where business not only drives technology, but technology envisions future business opportunities through emerging technology
- Proactive to deliver innovative solutions and provide quality services
- Responsive and adaptive to the changing needs of its business customers
- Development of a flexible and scalable technology infrastructure

TECHNOLOGY ORGANIZATION

The IT organization should operate as a business with a focus on value creation and delivery that:

- Articulates its mission, vision, and guiding principles that contributes to the value proposition of the enterprise.
- Contributes to the financial profitability of the organization.
- Enables the business to achieve their mission, vision, and objectives.
- Utilizes the talent of its people and provides them with development of technical skills and business competencies.
- Manages and integrates its networks for better collaboration and innovation capabilities.



WORKSPACE DIMENSIONS

CREATE WORKSPACE VIABILITY

Business Strategy

Enterprise change begins with strategy. It sets the clear intention and priorities of the enterprise. Strategy defines the business intent for everything the enterprise wants to do to create economic value. Articulated in terms of strategic themes, objectives, and key performance indicators the strategy outlines the perspectives to create a line-of-sight throughout the enterprise.

Business Model

Based on the work of Osterwalder, a business model describes the rationale of how an enterprise creates economic value. Comprised of nine interrelated business model components categorized in a way that broadly correspond to the four strategic perspectives of Kaplan and Norton's Balanced Scorecard. It is a representation of how an enterprise buys and sells goods and services to generate revenue.

Business Capabilities

Capabilities are the collection of services, resources, and activities comprised of busines partners and enabled by technology to produce business value in order to deliver innovative solutions and quality services to its stakeholders. They are the basic work units that detail the core logic of how an organization delivers its strategic objectives and executes the business model.

Business Technology

Being in a perpetual state of evolution at a pace that continues to accelerate, IT is no longer just about improving productivity, automating business processes, and performing tactical corrective actions. IT has become a means of enabling competitive advantage by the innovative and integrated use of technology. The results are effective, meaningful change. improved collaborative business capabilities, and an adaptive technology infrastructure.

WORKPLACE DIMENSIONS

DEVELOP WORKPLACE VITALITY

Organizational Culture and Workplace Climate

A strong, positive organizational culture can be a primary generator of real motivation and commitment in the workplace. It can result in reduced potential conflicts, a cultivated learning environment, and increased staff retention. Combined with culture, workplace climate refers to the perceptions and experiences of individuals within the workplace that is the catalyst for effective leadership and workforce performance.

Organizational Stakeholders

As one of the primary aspects of creating differentiated organizational value, stakeholders are the people who have an impact on the business strategy and execution. The key is to align the strategic vision with the right stakeholders who have equal vision and means to accomplish them. Organizational stakeholders are pivotal in creating and maintaining workplace vitality.

Organizational Networks

Propagated by a fundamental need for people to connect at professional and social levels, these ad-hoc networks determine the underlying ways things really happen within the organization. As powerful sources of information flow, communication, and collaboration, these networks are the epicenters of stakeholder's activities that provide insight into the inner workings of your organization.

Organizational Technology

What an enterprise knows about its workplace is a key driver of success. Through analysis manipulate stakeholders knowledge into meaningful information, which leads to organizational value-creating recommendations. From these recommendations create organizational intelligence that becomes one of the organization's most valuable asset and source of competitive advantage.