

Business Case for SOA: Strategy and Tactics

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Business Case for SOA

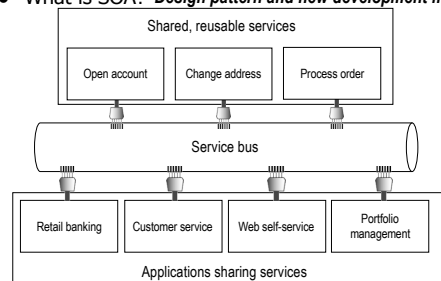
- Thesis
 - Business cases are an important tool to influence change
 - SOA plans require updating infrastructure and instituting new development best practices
 - SOA is a design pattern, not a solution
 - Culture will constrain business case**
 - Business benefit is dependent upon level of adoption and synergy**
 - There are five main categories of business benefits to sell
 - Organizations are choosing to craft strategic business cases rather than financial business cases

Business Case for SOA

- Agenda
 - **SOA Business Case**
 - SOA Benefits
 - Industry Trends
 - Recommendations

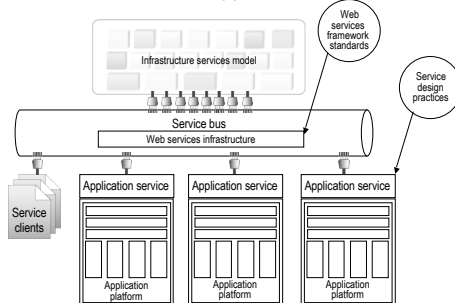
SOA Business Case

- What is SOA? *Design pattern and new development mind-set*



SOA Business Case

- SOA Enabler: Network Application Platform



SOA Business Case

- SOA Foundation
 - SOA requires fundamental changes
 - Application architecture**
 - Design and development practices**
 - Culture, incentives, and governance infrastructure**
 - Share and re-use
 - don't re-invent
 - Slow and staged adoption
 - Strategy approved**
 - Small infrastructure purchases**
 - Mainly security or management components
 - Limited focus on developer guidelines, culture, and governance**

SOA Business Case

- SOA Investment
 - Shift towards an SOA mindset
 - Change project management and budget processes**
 - Build service repository guidelines**
 - Establish a common business model**
 - Infrastructure line items
 - Software licensing**
 - Hardware**
 - Software maintenance**
 - Non-recurring engineering**
 - Administration**
 - Operations**

SOA Business Case

- Business case basics
 - Structured proposal
 - Outlines benefits, costs risks, assumptions, and alternatives**
 - Focus on business strategy or financial opportunity**
 - Business strategy
 - Improve operations**
 - Increase customer retention**
 - Create new products and services**
 - Financial opportunities
 - Realize cost savings**
 - Enhance revenue generation**

Burton Group clients are crafting business strategy oriented cases and not highlighting the financial opportunities

Business Benefits

- Five main categories of business benefit
 - Improved end user experience
 - Service life cycle management
 - Policy enforcement
 - Competitive advantage
 - Cost Savings

Business Benefits

- Improved end user experience
 - Benefits
 - Improve the quality of experience**
 - Less context switching, information and transactions accessible from a unified view**
 - Aggregate business processes**
 - Risks
 - More complex operational environment and hidden connections**
 - Requires re-architecting business processes and interfaces**
 - Implementation Considerations
 - Link into existing domain frameworks**

Business Benefits

- Service life cycle management
 - Benefits
 - Shared services reduce errors, redundancies, and omissions in data and transactions**
 - Logging and audit capabilities**
 - Increase service life of legacy components**
 - Risks
 - Recognizing commonality and building semantic definitions**
 - Fundamental development process limitations magnified**
 - Implementation considerations
 - Mature development processes**

Business Benefits

- Policy Enforcement
 - Benefits
 - Easier to comply with privacy and audit regulations**
 - Universal and consistent execution of business processes and rules**
 - SLA's enforced**
 - Risks
 - Lack of vendor integration and proprietary extensions**
 - Establishing policy definitions**
 - Implementation considerations
 - Automated governance**

Policy compliance resonates with business unit managers

Business Benefits

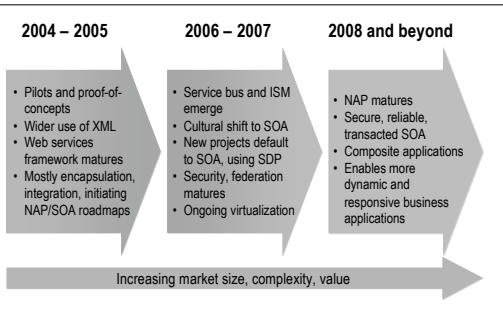
- Competitive Advantage
 - Benefits
 - Rapid deployment of internal and external applications**
 - New opportunities to sell information services**
 - Easier and faster collaboration with partners**
 - Increase customer satisfaction**
 - Risks
 - Coordinating policies and business process semantics**
 - Proliferation of customized connections**
 - Implementation considerations
 - Follow service design practices**
 - Describe messages and endpoints**

Business Benefits

- Cost Savings
 - Benefits
 - Streamline processing of customer requests**
 - Eliminate redundant development and reduce maintenance**
 - Lower software licensing costs**
 - Risks
 - Multiple implementation of SOA infrastructure components**
 - Gaining competency in the SOA mindset**
 - Implementation Considerations
 - Benchmark projects**
 - Find redundant assets**

Industry Trends

- Hype is ahead of best practice adoption



Industry Trends

- Who is selling ROI?
 - No one is selling a financial business case
 - "Big Bang" SOA value proposition marginalized by lack of top level support and decentralized corporate governance
 - Business strategy driven by competitive advantage

Industry Trends

- Why will SOA initiatives fail?
 - Lack of collaboration across business units
 - Business owners not encouraged to share and re-use services**
 - Services not created at correct level of abstraction and granularity
 - New clothes, same attitude**
 - Business processes are not recognized as important assets
 - Services should gain same level of consideration as databases**
 - Walking without a net
 - Hard to implement**
 - Mainstream tools do not assist**

Recommendations

- How much can I expect to save?
 - Highly dependent upon existing culture and potential synergies
 - Scope of participation
 - Department, business unit, enterprise**
 - Economies of scale
 - Service re-used across X number of projects**
 - Multiple address objects collapse into a single service**
 - A single service is developed and shared across two business units**
 - Time horizon
 - Are multiple upgrades expected?**

Recommendations

- Building a Successful Business Case
 - Identify influential stakeholders
 - Tie investment to business needs
 - Know the baseline

Recommendations

- Back to basics
 - Assess current integration inventory and application portfolio
 - Do you recognize the inefficiencies?**
 - Create a common canonical data model and map application specific data and processes
 - IT Process change required
 - Establish a service or business process architect role**
 - Train developers in service design practices**
 - Implement SOA governance**

Recommendations

- Pragmatic SOA
 - Accidental adoption
 - Identify grass-root efforts building services**
 - Look for areas where collaboration is required**
 - Incrementally add infrastructure based on architecture standards
 - Driven by business requirements**
 - Use Web Service Framework based technology**

Conclusion

- Statesmanship required
 - Analyze culture
 - Reach out to stakeholders
 - Identify benefits
 - Gain small wins first

References

- Application Platform Strategies Content & Reference Architecture
 - [Turning the Network Into the Computer: The Emerging Network Application Platform](#)
 - [Service Oriented Architecture: Developing the Enterprise Roadmap](#)
 - [Web Services Registry: The foundation for SOA Governance](#)
 - [Application Platform Strategies Root Template](#)
 - [Application Factoring Technical Position](#)