accenture

# INNOVATION ARCHITECTURES & DECOUPLING (JAROSLAV BLAŽEK)

# VIDEO TRANSCRIPT

It probably will come as no surprise to you that business growth today is driven mainly by advanced technologies that significantly affect the ability of companies to survive in the rapidly changing business environment. But despite the great dynamics of change, the top managers cannot fund a new and major transformation project every year. They often ask us if there is not an alternative path to sustainable architecture. The answer lies in innovation architecture built upon component systems with high added value.

I'm Jaroslav Blažek, and at Accenture I lead the Technology Strategy and Advisory consultation group. In the following video, I will explain why I think that the era of big and costly transformations is over.

**Evolution of IT architectures**

Over the past 25 years, we have gone through several waves of IT evolution. First, we discovered that needed applications, such as CRM, were in fact not available on the open market. Business leaders had their systems custom-built, which was time-consuming and expensive. Not long after that, we had a wave of monolithic, out-of-the-box solutions requiring massive transformation projects. Even as such solutions delivered a wide range of functionalities, they also required a great many changes or customizations.

This approach does not pass muster in the context of today's rapidly changing business demands. There is a need for agile delivery of a wider range of functionalities with better ergonomics of user applications. Applications require greater integrability, security, and guaranteed quality of delivery.

Our experience shows that the answer lies in component architectures based upon microservices operating natively in elastic cloud environments. The component approach is today common in both custom development and in new generations of out-of-the-box solutions.

But what is one to do with the original application portfolio?

**Innovation architecture**

We know very well that changing old systems is difficult. Such a transformation cannot be done without investments or discontinuities. Innovation architectures are therefore component-based. They leverage the newest technologies and agile delivery to bring value continuously, the changes are smaller and controlled, and there are no great leaps in the application ecosystem

lifecycle. In short, they more readily meet the new requirements of users and product managers.

New application platforms take advantage of cloud elasticity, native cloud platforms, and services that radically accelerate the development of new functionalities while maintaining quality and security.

To give you an example, T-Mobile was building an architecture with us on the borderline between monolithic and so-called out-of-the-box systems just when the push for digital channels began. They needed a new integrated system for orders that could serve all internal and external sales channels. So we delivered an agile layer that accelerated new product development and enabled optimization of ordering processes.

At Accenture, we see that innovation architecture puts great emphasis on the support of digital channels and their collaboration; on social network integration capabilities; and on integration within the sales ecosystem, which means with third-party product and service offerings. It allows you to react to events in real time and to leverage artificial intelligence within application processes, conversational tools, and in other areas.

**Digital Decoupling**

An interesting model, for example, may be digital decoupling. This is a way of splitting original monolithic systems into smaller components that then work in a higher digital layer of the architecture.

The new component is implemented, for instance, as a microservice that has access to its own copy of data from the original system or systems. Subsequently, it is possible to gradually remove functionalities from legacy systems and decommission them. The isolation of the new layer and gradual replacement of functionalities allows for the parallel use of “legacy” systems with extensive business logic and high accounting value in the transition period.

Let’s take another telecom client as an example: We were able to build for the client a cost-effective model with a new architectural layer that is independent of the old monolithic IT foundation. The new digital layer is component-based and largely built upon open source technologies.

Here’s the key: There is a translation layer between the original and new part of the architecture that allows communication between the old and new worlds. Our client is therefore able to make rapid and disruptive changes within its brand new and integrated world.

**Conclusion: How to choose?**

It’s true, of course, that especially when selecting new platforms for complex functionalities it is necessary to make a strategic decision whether to develop a functionality or to buy it – be it as part of a “best of suit” application package or as a set of “best of breed” components on the market.

Accenture supports clients in all areas related to systems architecture and at all levels from enterprise architecture to operating models. Do you, too, want to enjoy the advantages of a strong partner who can guide you through the changes? Together with my Accenture colleagues, we are here for you!

**Teaser short**

Transform your business with innovation architecture.

**Teaser long**

Old IT approaches cannot pass muster in the context of today's rapidly changing business demands. Discover innovation architecture based upon component systems with high added value.