The role of the Accenture Enterprise Architecture Diagnostics Solution in achieving high performance
Business challenge

A select number of companies and government organizations consistently outperform their peers delivering value to their stakeholders, regardless of circumstances. Accenture’s hypothesis is that these enterprises share common underlying behaviors and characteristics that can be identified, measured and replicated. Accenture’s High Performance Business initiative is dedicated to investigating this premise and applying what we learn to help clients become high-performance organizations.

Sustaining the right level of information technology (IT) investment is critical to maintaining both business and IT productivity. Investors have taken note of earnings quality in judging the performance of an organization. High performing IT organizations take note of the quality of IT Investments.

The multitude of research studies that measure and report IT spending are a useful indicator of where the industry is headed. These studies are often high level, not actionable and do not address the quality and effectiveness of technology spend. High performance organizations need to know: How are my IT investments performing today? How should they perform in the future? Are we investing in the right technology platforms? Do we invest too much in keeping the lights on and maintaining legacy platforms? Are we losing ground to our competition through the mis-allocation of resources? Do we have the right skills? Are we secure? Are we leveraging our best asset—our data? Are we capitalizing on the global availability of IT resources? These are the true indicators of the value of information technology. These are the essential elements of an IT system that enables high performance. Accenture has developed a diagnostic based on our extensive research into what distinguishes high-performance IT organizations. This fact-based analysis helps our clients accelerate the process of answering these key questions within the context of their industry or government sector.

The Accenture approach

Accenture’s High Performance IT research is focused on understanding how IT executives believe technology should be managed in contrast to how they believe it currently is managed. Our research centers around five key disciplines—“the 5 Is”—Innovation, Information, Integration, Infrastructure and Industrialization—which represent the core areas in which IT executives should view their IT investments. The goal is to know where you are and where you need to be, seeking to attain higher performance in each of the critical disciplines, and knowing what actions make most sense to get there.

Accenture has created a proven diagnostic tool based upon the real world results of our extensive research that helps us help you define a customized roadmap for turning your IT investments into performance enhancement catalysts.

The analysis of our global data on these disciplines has revealed some interesting results.

Innovation

When asked about IT innovation, the contrast between high-performance IT organizations and our total survey response group is instructive. Seventy-seven percent of high performers said they planned to lead the market or be early adopters. By contrast, average and low performers reported that their organizations prefer to “follow, not lead” when it comes to leveraging IT innovation.

Information

Information makes up the biggest moving target in IT. Quantitatively, the amount of unstructured data gathered and managed annually by enterprises grows exponentially. Qualitatively, the shift is even more radical, as the conceptual framework for data moves from a historic, disaggregated and static perspective, to one based on assumptions about the potentials in dynamic data management. With regard to information, our survey suggests we are now in the kind of interim period that observers of all scientific revolutions note, when methodologies, practices and tools have yet to catch up with new conceptual leaps.

Integration

IT organizations are using integration technology effectively to manage costs, but are not yet embracing its possibilities for performance enhancement. Integration comprises 10 percent of the average IT budget, and chief information officers (CIOs) say they spend too little time on proactive integration. Service-oriented architecture (SOA) is becoming the biggest topic of discussion in this discipline.

Infrastructure

After years of variable and uncoordinated investment in IT infrastructure, CIOs tell us their broad priorities now lie in consolidation and standardization. The larger infrastructure issue facing CIOs is chronic deferred investment, which has left some enterprises painfully unprepared to capture opportunities in IT infrastructure shifts now underway.

Industrialization

Standardization, specialization and consolidation drove the industrial revolution in manufacturing and are now driving the industrialization of IT. We are seeing the same evolutionary pattern in both realms, which starts with the consolidation of applications and infrastructure, spreads to the focus on improving IT processes, and then finally to the management of entirely new categories of IT-supported activities between enterprises.
We leverage the results of the diagnostic survey for each client and provide a roadmap for turning IT investments into performance enhancement catalysts, rather than just cost reduction tools.

**Accenture’s resources and delivery capabilities**

Accenture’s Enterprise Architecture practice is part of a global, cross-industry architecture and core technology group with highly specialized architects. Accenture has more than 5,500 architects distributed throughout every major enterprise architecture marketplace worldwide. These professionals include both enterprise architects and specialized technologists in the areas of information architecture, custom/packaged application architecture, service oriented architecture and infrastructure. Our methods result in actionable, pragmatic plans and processes which are built into clients’ core IT capabilities and enable high performance.

Accenture is organized in a matrix structure, allowing the Enterprise Architecture practice to leverage strategy and business architects from disciplines such as customer relationship management, supply chain management, human performance, and finance. Multi-disciplinary enterprise architecture teams can therefore meet both technical and business challenges.

While the benefits of enterprise architecture diagnostics usually accrue over a three- to five-year period, the gross returns far exceed the costs of building this capability, making enterprise architecture investments very attractive propositions. They can result in direct information technology cost reductions of up to 30 percent. Indirect benefits driven by cost avoidance and risk reduction opportunities can amount to between 10 and 50 percent.

Enterprise architecture uncovers gaps between business strategies and the technologies required to enable them, identifying opportunities for efficiency and optimization.
About Accenture

Accenture is a global management consulting, technology services and outsourcing company. Committed to delivering innovation, Accenture collaborates with its clients to help them become high-performance businesses and governments. With deep industry and business process expertise, broad global resources and a proven track record, Accenture can mobilize the right people, skills and technologies to help clients improve their performance. With more than 152,000 people in 49 countries, the company generated net revenues of US$16.65 billion for the fiscal year ended Aug. 31, 2006. Its home page is www.accenture.com.

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