The role of the Accenture Enterprise Architecture Governance Solution in achieving high performance
High-performance businesses need to operate with proven, holistic information technology (IT) practices for managing successful implementation, assimilation, and awareness of their enterprise architecture investments. These practices are critical to realizing the highest possible business value of the enterprise architecture—both current and future.
Business challenge
A survey conducted by the Enterprise Architecture Executive Council ranked "architecture governance" and "communicating enterprise architecture's value to the business" as the two most important challenges for today’s enterprise architects. Accenture believes these challenges are best met by implementing agreed appropriate architecture governance and management processes including documenting, managing and publishing the organization's enterprise architecture. Our experience suggests that unless enterprise architecture processes are embraced by the agreed appropriate IT and business leadership, embedded in the agreed appropriate IT and business life cycles, and incorporated into an organization's policies, procedures, standards and guidelines, high performance is, at best, an elusive goal.

The Accenture Enterprise Architecture Governance solution provides clients with pragmatic, experience—based on more than 25 years' experience and built on proven principles, processes and control structures that are agreed necessary to create, manage and derive increased benefits from the enterprise architecture. Effective enterprise architecture governance drives adoption of enterprise architecture principles in all IT decisions at all levels of the IT organization which improves the organization's ability to achieve high performance.

The Accenture perspective on Enterprise Architecture Governance
Accenture's enterprise architecture governance approach is based on two fundamentals—"get healthy", and "stay healthy" (see figure below). To "get healthy", Accenture applies a proven methodology which includes proactive IT investment portfolio analyses to help confirm that planned investments are consistent with business strategies. To help our clients "stay healthy", Accenture applies proven architecture governance processes, policies, and tools.

The first role of an effective Enterprise Architecture Governance program is to help confirm that the enterprise
Architecture is defined. This definition process gives the organization a standard against which to make investment decisions, guide development, and gauge progress toward adoption. The enterprise architecture must be both consistent with the direction and requirements of the business, and flexible enough to accommodate mid-course corrections. A repeatable process to regularly enhance the architecture is critical to maintain tight alignment with evolving business needs and IT priorities.

To sustain the value, the governance processes and policies must help confirm that the planned enterprise architecture is adhered to, that exceptions are vetted and the implications of non-compliance are understood. Note that this process requires consistent education, communication, discipline and enforcement by management practices.

To achieve these objectives, the Accenture Enterprise Architecture Governance team partners with clients to establish the following five key capabilities:

**Architecture organization and governance**
Architecture organization and governance bodies play a valuable role in managing the life cycle of technology and helping to confirm the high quality of IT solutions developed for the business. As decision making becomes more streamlined, speed-to-market is increased and the business becomes more responsive to changing market conditions.

**Architecture metrics**
Any effective governance approach is impossible without metrics. Architecture metrics measure performance to reinforce accountability for results, to assess usage and manage compliance. Accenture has developed a set of comprehensive metrics designed to provide a balanced enterprise architecture scorecard. For example, if the enterprise architecture goal is to reduce application development costs

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**IT transformation value tree**
Significant IT savings and value derived from improved Enterprise Architecture Governance

<table>
<thead>
<tr>
<th>I. Optimize IT governance</th>
<th>Reduce IT cost 2–5%</th>
<th>Stop/avoid non-value adding projects and pool business requirements (licenses, hardware, effort) 2–5%</th>
</tr>
</thead>
<tbody>
<tr>
<td>25–35% of total IT spend</td>
<td>Enhance IT capabilities +++</td>
<td>Create/pursue business aligned IT strategy +++</td>
</tr>
<tr>
<td>Optimize discretionary IT spend 10–15%</td>
<td>Reduce IT cost 8–12%</td>
<td>Ensure clear roles and responsibilities ++</td>
</tr>
<tr>
<td>II. Optimize solutions development</td>
<td>Enhance IT capabilities ++</td>
<td>Measure performance based on superior metrics/tools ++</td>
</tr>
<tr>
<td>Increase IT productivity 25–40%</td>
<td>Reduce IT cost 3–7%</td>
<td>Reduce cost of staff (employees and contractors) 7–11%</td>
</tr>
<tr>
<td>65–75% of total IT spend</td>
<td>Enhance IT capabilities +</td>
<td>Reduce IT applications/infrastructure cost 1–3%</td>
</tr>
<tr>
<td>III. Optimize resource management</td>
<td>Reduce IT cost 12–18%</td>
<td>Increase development quality and predictability ++</td>
</tr>
<tr>
<td>Optimize non-discretionary IT spend 15–25%</td>
<td>Enhance IT capabilities ++</td>
<td>Improve implementation ability ++</td>
</tr>
<tr>
<td>IV. Optimize service delivery/maintenance</td>
<td>Reduce IT cost 2–6%</td>
<td>Improve responsiveness and speed-to-market +</td>
</tr>
<tr>
<td>Increase operational effectiveness/reliability/scalability ++</td>
<td>Reduce overhead cost 1–2%</td>
<td>Improve sourcing flexibility and effectiveness +</td>
</tr>
<tr>
<td>Minimize disruptions from change of service ++</td>
<td>Optimize HR and knowledge management +</td>
<td>Reduce IT application/infrastructure cost 7–10%</td>
</tr>
<tr>
<td>Improve customer orientation of operations and support ++</td>
<td>Reduce cost of staff (employees and contractors) 5–8%</td>
<td>Improve implementation ability ++</td>
</tr>
<tr>
<td>Improve demand management and optimize SLAs +</td>
<td>Reduce cost of vendor/contractor relationships 2–6%</td>
<td>Increase operational effectiveness/reliability/scalability ++</td>
</tr>
</tbody>
</table>

X-Y% Observed gross savings in % of total IT spend
Source: Accenture analysis of 10 FS IT Transformation clients from the past 5 years
The enterprise architecture must be both consistent with the direction and requirements of the business, and flexible enough to accommodate mid-course corrections. A repeatable process to regularly enhance the architecture is critical to maintain tight alignment with evolving business needs and IT priorities.

Architecture competency management
Architecture competency management is the active management of the skills and capacity of the organization’s resources to improve quality of solutions delivered. Accenture has developed a set of architecture roles and competency profiles to help manage and improve the capability of enterprise architecture resources in the organization.

Architecture processes
Architecture processes are designed to help confirm that key capabilities are performed in a standard, repeatable manner in compliance with the enterprise architecture, thereby increasing operational effectiveness and mitigating risk. Accenture has a well developed set of enterprise architecture processes, supporting tools and templates that can be tailored to fit the organization.

Architecture assets
Architecture assets form the basis for enterprise architecture deployment and decisions across the IT life cycle. Architecture assets include the blueprints, models, standards, principles and policies to guide the design and delivery of IT solutions. Accenture’s methodology includes a large repository of sample architecture assets and templates to jump start enterprise architecture development.
While the benefits of enterprise architecture governance 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.

**Accenture at work**

Accenture worked with RadioShack to create a strategic IT investment plan and a three-year road map that is aligned with RadioShack’s business imperatives. By recommending critical architecture governance and management structures, defining new processes and jump starting the enterprise architecture governance with Accenture’s proven governance framework, Accenture and RadioShack worked together to improve the governance effectiveness of both large and small IT investments. Benefits to RadioShack included an IT road map designed to yield a 1 to 3% increase in sales, a comprehensive plan to reduce reliance on legacy mainframe applications, proposed solutions to consolidate and rationalize redundant applications in supply chain and retail point-of-sale portfolios, and a road map for enabling RadioShack’s merchandise optimization plans.

**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 governance 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.
Contact
For more information on how Accenture can help you attain high performance, and to learn more about how your organization can benefit from Accenture's Enterprise Architecture Governance practice, contact:

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