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Application
Management
& Architecture
– Agility driven
by Application
Platforms



Introduction

In my eBook written late last year I spoke about the opportunities to reduce costs and improve business and technology alignment using Application Portfolio Management disciplines.


CIO's are also faced with delivering on the organizational sustain and innovate agendas with the Executive team and Board and the focus on business and technology agility and innovation also creates new challenges and requires a more disciplined and proactive approach to managing your Applications Platforms.

Some vendors are talking of new business applications developed within 30 days with pre-packaged components. Technology vendors are ramping up the velocity of their development cycles highlighting the significant level of Application development capability and impact of the cloud that can now be harnessed externally to your organization.

The onset of hackathons and new forms of agile development have the potential to create bespoke responses to business and customer needs and not leverage or integrate with the existing platform capabilities that drive the significant scale, efficiencies and management of organizational capability.

Agility in an organizational context can be defined as:

“Nimbleness and the ability to change the organization’s position efficiently, and requires the integration and deployment of a range of management disciplines”.



In the same context, innovation is often also viewed as;

“The application of better solutions that meet new requirements, unarticulated needs, or existing market needs”.

This is accomplished through more-effective products, processes, services, technologies, or business models that are readily available to markets, governments and your organization.

Wallets and cash are disappearing and new financial models are being created via bitcoin and blockchain. Car insurance models are changing with driverless cars. Consumers are now self-generating power and receiving monthly cheques as they contribute to the power grid. Cheap water desalination is changing the economics of water consumption and algorithms in many different forms now run our lives.

New business models are challenging the revenues and customer value propositions of the past with subscription based models, disintermediation, sharing economies, asset utilisation and aggregators now generating a greater slice of the pie. The focus on technology has never been greater to support the organizational response to these threats.

In this eBook, I will explore the role and opportunities that Application Platform Management can play to support your agility and innovation outcomes and response to these market changes.

I will also outline the rationale for proactively managing your Applications Portfolio so that key Application Platforms enable you to generate agile and innovative solutions and outcomes for your business.

Application Platforms

Whether your core platforms are defined and managed based on Business Capability such as ERP, CRM, EDW, Document Management or your team are managing the new Technology Platforms such as Salesforce, Open Text, Microsoft, SAP, Oracle the disciplines are the same with a focus on leveraging the value and delivering on the agility and innovation outcomes.

Application Platforms that need to be managed no longer sit inside the organization with new social media platforms such as Facebook, LinkedIn, Google and Amazon offering a range of capability to support your business.

Extensive "Applications as a Service" offerings also enable your organization to actively outsource some of the application capability externally where greater synergies are available. So, your CIO has a range of choices and opportunities to optimize the Applications and Technology response to business needs.

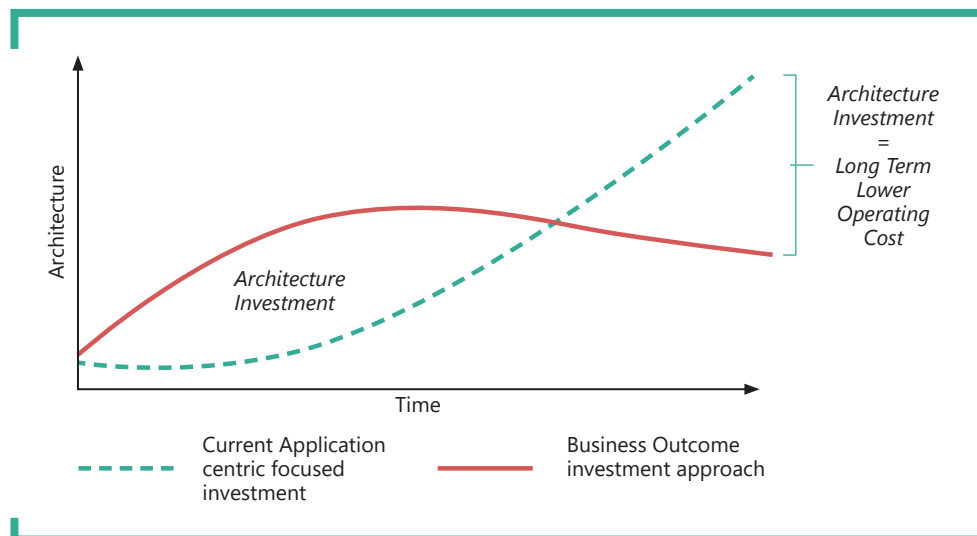
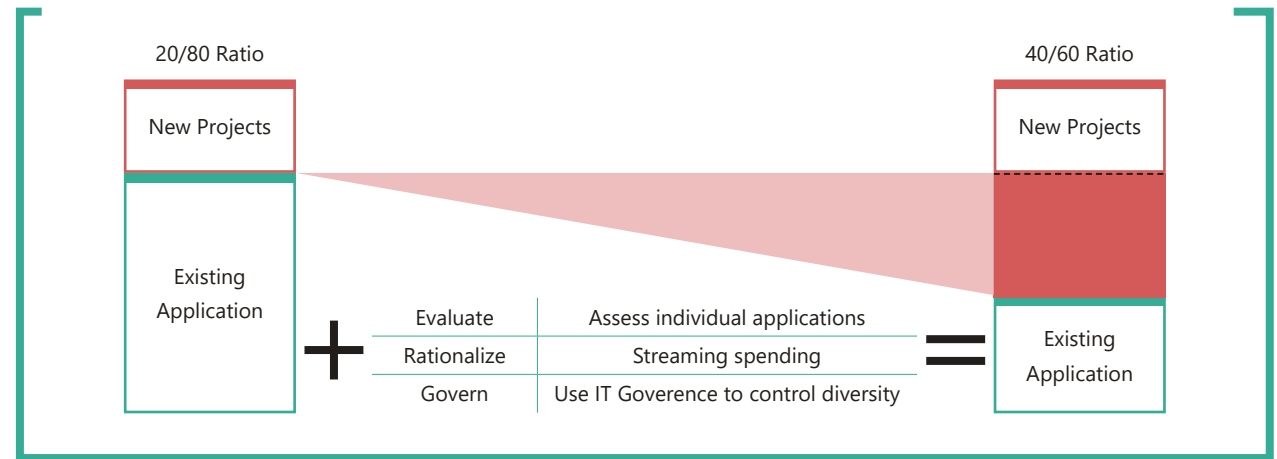
The value in focusing on and creating your Application Platforms capability is that it frees up time and resources to focus on the many niche and best of breed opportunities available to drive your business.

Consolidating support, disaster recovery, contract and vendor management and many of the other Application Platform management activities within your existing technology response provides scale and efficiencies and builds skill sets to better integrate your platforms and niche capabilities.

The opportunity to build critical skill sets and have your business stakeholders engaged in the Application Platform decisions also enables a greater level of trust and certainty to be generated.

The below model outlines the impact of evaluating, rationalizing and governing your application platforms which enables planning and focus on bringing the niche and new capabilities into your environment.

Many organizations are lopsided and are unable to get ahead of the curve as they focus primarily on remediating existing applications. The real value comes from creating visibility of the platforms and changing management focus towards the development of new opportunities and projects.



Visibility of your Application Platforms and the various cost inputs enables you to significantly reduce your total cost of ownership over time. An active application management approach compared to a reactive approach has shown to reduce the cost of managing your applications portfolio by tens of millions of dollars.

The focus of projects and change programs in many companies is aimed at building the new capabilities and introducing new applications into the portfolio and it is critical that these decisions have a TCO filter applied to enable the application portfolio to be optimized.

The diagram shows the impact of managing your applications portfolio based on business outcomes rather than a bespoke response to business requirements.

Architecture Approaches to your Application Platforms

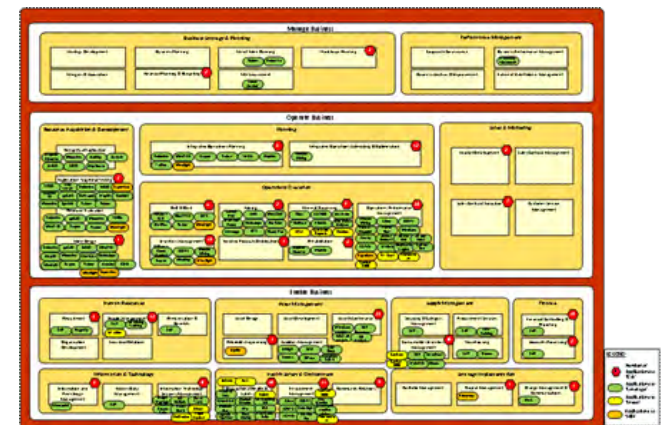
The ability to manage your Applications Portfolio to support your agile and innovation agenda can be supported by either a Services, Capability, Business Function, Data Lifecycle or Infrastructure / Cloud based view of Applications.

Approaches include Services Oriented Architecture (SOA), Capability or Functional views such as the models below provide visibility of the key value propositions and reach provided by your Applications Platforms.

Whether you manage and provide Executive visibility via Application Services delivered or Business Capabilities and Functions supported, the Architecture methods enable the scope, magnitude, and value to be identified in support of your application decision making and governance activities.

The business function model below brings the business stakeholders firmly into the discussion and decision making activities by highlighting what role each application plays in supporting the business functions and what pain points and decisions are required to improve the business outcomes.

There is nothing like an Application Platform that directly supports or impedes a Business Executives outcomes to generate a passionate response and it is important to ensure that all inputs are represented when making key platform decisions.



The ability to integrate with other platforms is a critical enabler and decision point as organizations move to consolidate capability and generate more agility and innovation.

Those technology vendors who are still generating proprietary technologies that do not integrate with other platforms will find their market penetration deteriorate as other more open source capabilities provide the inherent agility and innovation opportunities required to compete in the new world.

With the need to integrate Applications both within the organization and with external support agencies and teams, some vendors are packaging their Application platforms around the data lifecycle.

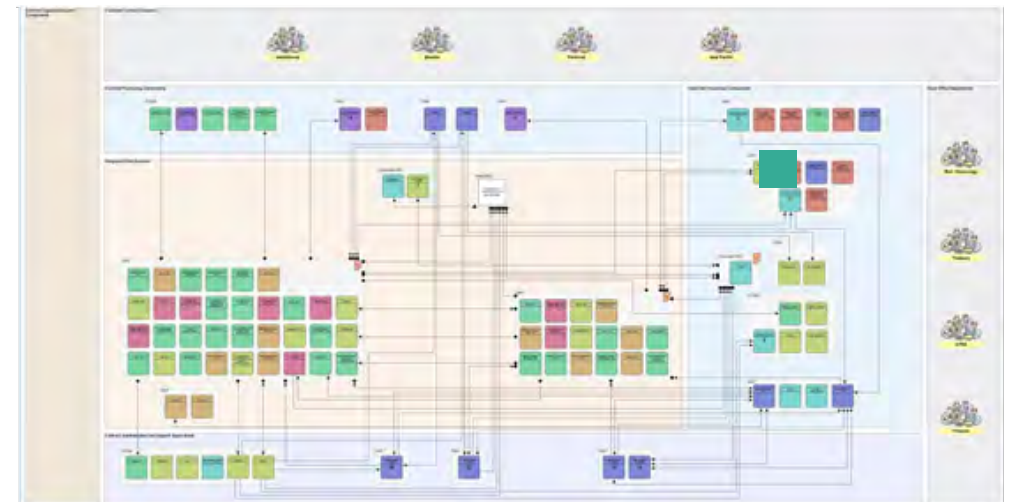
The inter-connectedness generated from being able to engage, capture, process, collaborate, discover, exchange and generate insight is a new business model in its own right and one that generates a level of agility and innovation in the face of market forces.

Application Platform Roadmaps are another critical Architecture input to driving your organization forward and providing visibility to the Principles and Standards that support your decision making and governance outcomes.

Application decisions shouldn't be the responsibility of Project teams or business units and must have the appropriate engagement and positioning with the Executive Group, Technology and Architecture teams.

The levels of detail depicted in your Application Platform models is another area of importance with global organizations, country based, state based scenarios to be considered.

The reach of your organization is now far wider with the development of a digitally connected world and thus market scans, support locations and functional coverage of vendor offerings are major decisions to consider across your jurisdictions.



Internet of Things and platform access, mobility



The strong focus on employee mobility, devices and the Internet of Things requires a different approach to your management of Application Platforms.

The ability to provide access to your key platforms through mobile devices and Bring Your Own Device (BYOD) policies also has a significant impact on your agility and innovation agenda. It enables front line teams to access key applications anywhere and anytime and increase the customer value generated for the organization.

Forrester highlight the need to master both sides of the digital domains with a focus on Digital Operational Excellence as well as the Digital Customer Experience. Your organization's ability to bring this excellence and alignment to your organization will directly impact on your organizational outcomes.

Much of the demand for application development is now generated from customers and employees suggesting the technology response is even more critical if the agility and innovation objectives are to be met.

The ability to prioritize use cases and business needs based on customer behaviour is a critical driver of success.

Not every business requirement needs to be met and must be couched in a clear value statement for employees and customers.

Digital Platforms and Capabilities



Many organizations have been slow to change and are still immersed in their old cultures. Some organizations have embraced the new digital world and the power that is now in the hands of the customer.

Bolting on digital capabilities is one way of driving transformation through your organization and a focus on the customer in everything you do.

The level of investment in your transformation programs can be a good sign of the level of commitment from your Senior Executives.

Transformation investments and budgets can be anywhere from small millions to small billions and the opportunities that are leveraged will dictate how quickly your organization is able to respond to the changing markets.



From an architecture perspective, it starts with having the customer on every architecture artifact you create. The alignment between customers, channels, products, business functions, application platforms and your infrastructure is powerful line of sight in what works and where disconnects and gaps may exist.

It is critical to manage your Application Platforms to consolidate capability and reduce business dispersion of the technology stack. Getting the balance right will optimize the business outcomes ahead of individual business unit and stakeholder responses.

Organizations have the opportunity to integrate with the cloud, leverage the cloud or move to the cloud. Those organizations that have started with the cloud have enabled significant business agility and innovation whilst most existing organizations continue to grapple with their legacy environments and cloud response.

Final Word



Some organizations view deploying Applications and Architecture Management disciplines as creating too much structure and rigidity and holding onto the reins too tight.

There is a definite balance that needs to be navigated between enabling the business to be agile and innovative and generating whole of business outcomes.

The Application Platform market is an incredibly dynamic world with a race to expand footprints, support open source and claim niche markets with the Cloud enabling a far wider range of application functionality to be built relatively easily. Gone are the days of 12-18mth projects that endeavour to create new or update existing portfolios.

The market is changing so rapidly that to invest heavily in one platform that is number 1 in the Gartner and Forrester quadrants now could represent an entirely different profile in 3 years' time and very quickly generate legacy environments over a 3-5 year period.

Agility and innovation take on greater importance to enable your organization to maintain its market standing and customer base and proactively managing your Application Portfolio at a Strategic, Tactical and Operational level will give you a fighting chance of surviving and thriving in the digital world.



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