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Infosys Enterprise Architecture Survey 2005

Executive Summary

Survey

November 2005

Introduction

Enterprise Architecture, the holistic view of an enterprise's processes, information and information technology assets, as a vehicle for aligning business and IT in a structured, more efficient and sustainable manner, has attracted significant attention over the last few years.

Enterprise Architecture provides the tight cohesion and loose coupling between the Business and IT strategies. It is the "glue" that allows both Business and IT strategy to enable and drive each other. Therefore, effective enterprise architecture is one of the key means to achieving competitive advantage through Information Technology.

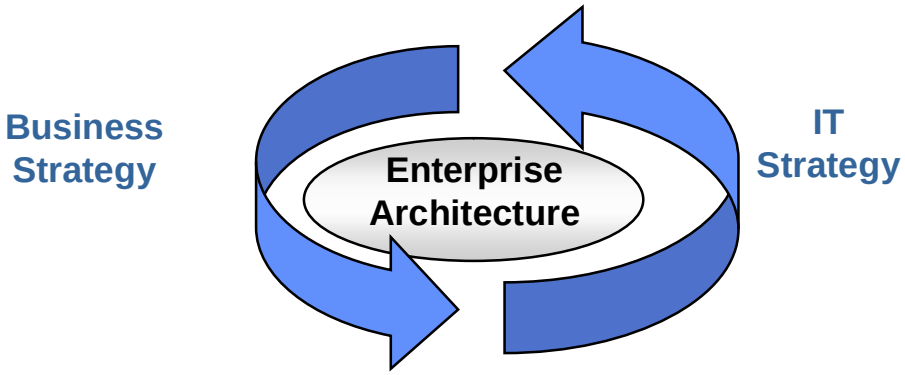

Figure 1: Enterprise Architecture is the glue

Today's CEOs know that the effective management and exploitation of information through IT is one important factor to business success. Innovation is critical, especially in today's rapidly changing technology and business landscape. Having a technology architecture that supports the IT Strategy and provides the flexibility to achieve the right balance between IT efficiency and business innovation is a keystone to business adaptability and growth.

This report presents the results of an electronic survey conducted in September and October 2005 among IT decision makers and enterprise architects in large companies. It gathers information provided by 45 CIOs, Enterprise Architects and Heads of Enterprise Architecture about the key concerns, approaches, focus areas, and key success factors for an Enterprise Architecture (EA) practice.

Enterprise Architecture has established itself

Infosys aimed to analyse what are the key concerns impacting enterprise architecture programs, and how architecture teams meet and overcome them. In particular, the survey investigated:

- what are the key drivers and objectives of enterprise architecture efforts;

- what EA teams are currently focusing on;
- how do they approach their tasks, and what do they deliver;
- how an enterprise architecture program is structured, and how it is embedded into the organization;
- and finally, how it measures and tracks its success.

A look at the drivers revealed a surprise: The top concern of architecture has become **IT cost reduction** as seen in Figure 2below

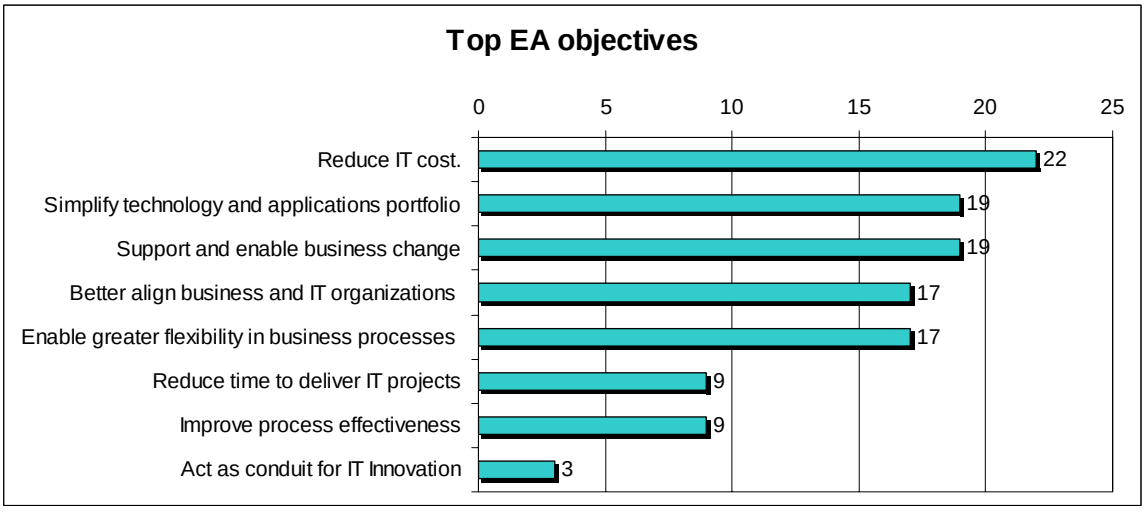

Figure 2 : EA is a strategic vehicle for IT cost reduction and business enablement

This means that while three to four years ago, architecture groups were considered a cost overhead themselves and suffered direly in cost cutting exercises, they are now recognized as a key enabler of IT cost management. **Enablement of business change** and the much-quoted **Business-IT alignment** were also high on the concern agenda.

On the activity side, significant emphasis is being given to **integration** – in its en-vogue flavour of Service Oriented Architecture (SOA). A renewed focus on information is also identified through work on **data architecture.** In the battle to reduce operational and maintenance cost, enterprise architecture is bearing fruit through **infrastructure consolidation** and **application portfolio rationalization** for the CIO. Figure 3 below shows the EA focus areas mentioned by the respondents

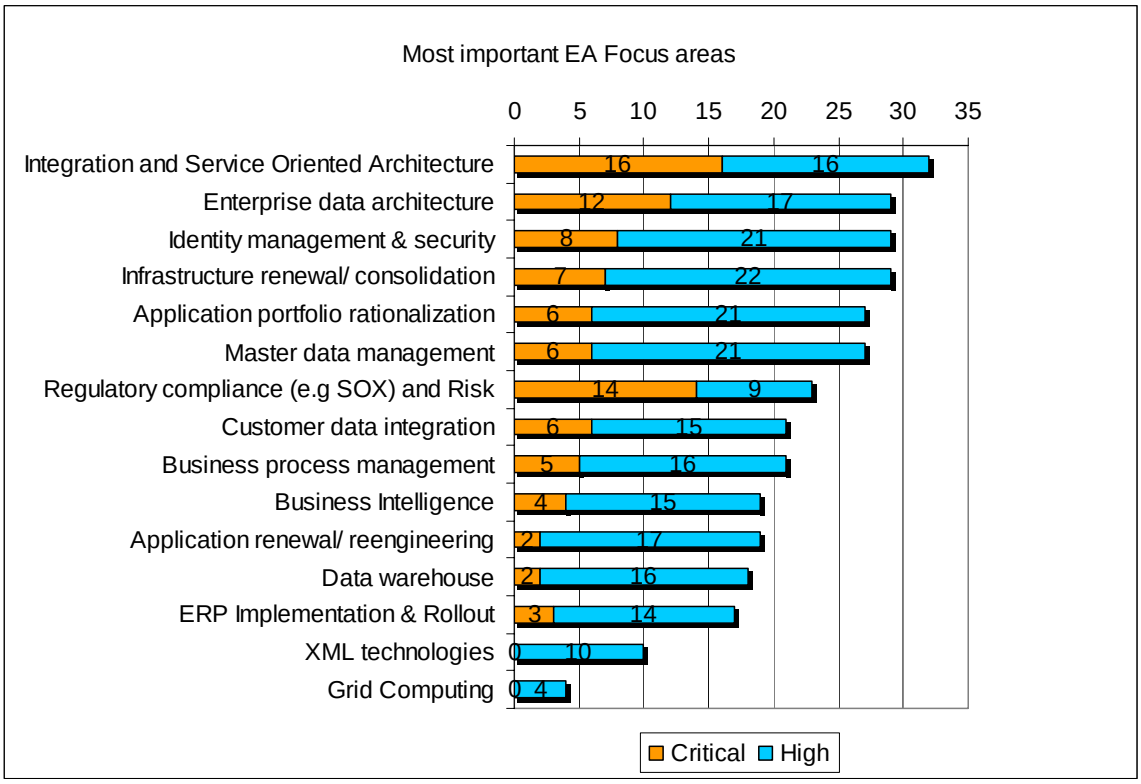

Figure 3: Enterprise architecture focuses on integration, security and the portfolio effectiveness

Most respondents are spending most of their EA effort on **technical** and **application architecture** (more than 57%). With an evolving role of EA as the interface between business and IT, we are expecting more of a shift towards a business architecture focus. EA programs continue to **develop standards** and **plan architecture**; however, they also get involved with project work, which might distract them from the big picture. Project architecture **reviews** are more prevalent which helps enacting architectural governance.

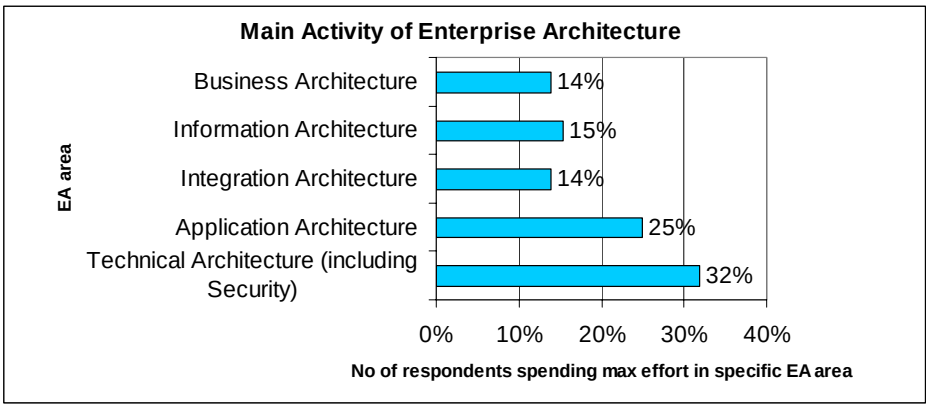

Figure 4: Most time still spent on technical architecture

Most EA teams are **reporting into the CIO,** but many are still at lower levels of the IT organization. This will continue to hamper the influence of their program, especially once they start expanding their scope into business architecture. **60% of respondents have a full-time architecture function**, but 27% execute EA as a part-time job of Line-of-Business architects, and **13% have no formalized EA function** at all. We expect these laggards to catch up quickly now.

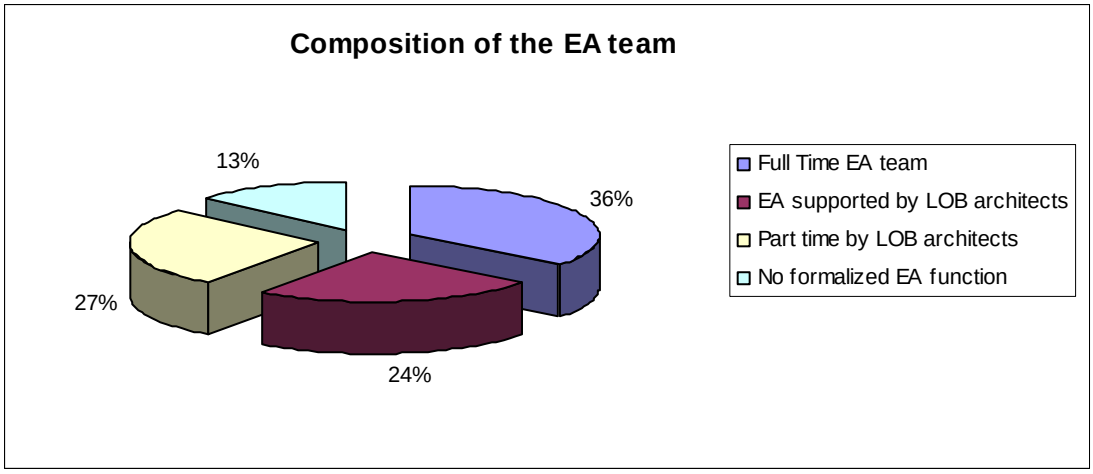

Figure 5: Most companies have a full-time architecture function

A large number of architecture organizations are **tracking their contribution to business value** – and therefore can better justify their existence. However, only 22% are assessing their acceptance within the organization, and an alarmingly high number of 42% are not collecting and reporting any metrics as seen in Figure 6. A focused assessment programme should enable

these teams to direct their spending more effectively, and to optimize their contribution to the overall organization.

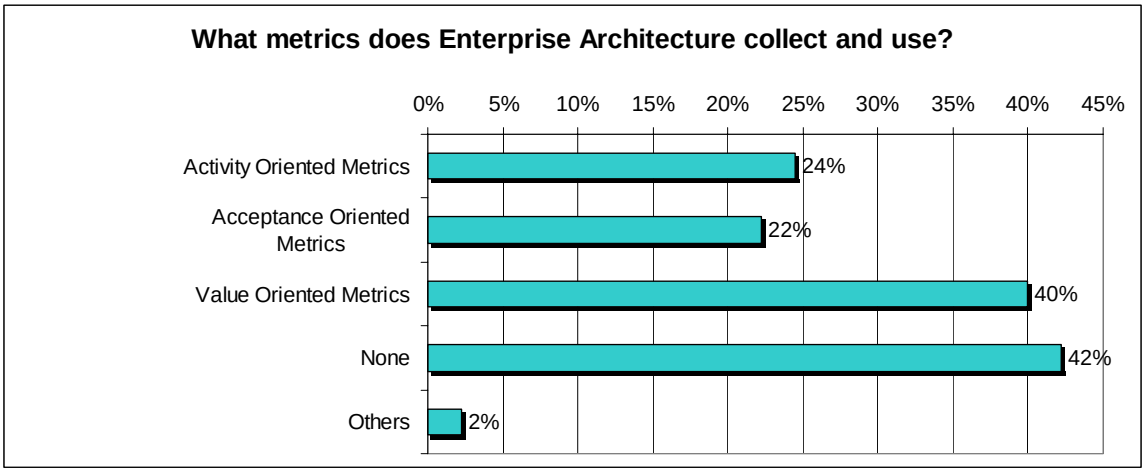

Figure 6: Enterprise Architecture does not gather sufficient feedback from the organization

All in all, we can see that enterprise architecture has arrived in the main stream. It is accepted in most organizations as a key component of the overall IT operating model that can enable both business value creation through IT, as well as efficient IT management.

Want to know the other leading trends in Enterprise Architecture that came out of the survey? Please register [1] if you would like to receive a copy of the complete report.

[1] *http://www.infosys.com/services/systemintegration/ea-survey/download-register.asp*