EP113 Business Transformation

Guest: Whynde Kuehn | Host: Jeff Ton

Jeff Ton:

Welcome to status Go. I'm your host, Jeff ton. Over the first two years of this podcast, we have talked a lot about digital transformation. In fact digital transformation or more accurately the misinformation in the market surrounding digital transformation was the primary reason we started status go in the first place today we're going to kick it up a notch and talk business transformation after all. Isn't that what digital transformation is all about? Anyway. Our guest today is Wendy keen. Wendy is the founder and managing director of S. two e. Transformation, A Consultancy Focused on the Transformation of Fortune 500 Companies. She is also the co founder of Business Architecture Associates, an organization that teaches business architecture. Wendy is also a fellow with the Institute of Digital Transformation. Welcome to Status Go Wendy

Whynde Kuehn:

It's great to be here. Thanks for having me Jeff, and I look forward to the conversation.

Jeff Ton:

Well, thank you for being here. We appreciate you taking the time to talk to me and our listeners today. So to start, would you take us on your journey? What led you to S. Two E and B. A. To make them short?

Whynde Kuehn:

Absolutely. Well, let me first say that I'm actually a science person, so my degrees are in Biology, chemistry and I have a Masters and sustainability. So I'm an analytical person, I'm a big picture person. Um but I'm also a student of business in the eternal student of business. From the largest corporation to, you know, having worked with social entrepreneurs in Africa. And I just love that businesses are these organisms that play such an important role in in our societies. And so where my journey really came to S. Two E and B. A. Was when I was working in very large scale business transformations, right? Architect ng entire enterprises. Um, I realized this very important gap that was in most organizations around strategy and execution. Where I find most organizations are challenged to get their strategy clearly defined across an organization where everybody knows where we are, where we're going and how we're going to get there or um, you know, just, just being able to, you know, make sure that we deliver a good cohesive customer experience and that build the same thing multiple times. So this gap between strategy and execution is something I'm really passionate about, and business architecture is a discipline that underpins it and helps us to actually make it real.

Jeff Ton:

I love that about your background. It's something that I learned about you recently. We've known each other now for a couple of years through the institute and I didn't realize the sustainability in your background as well as kind of that social entrepreneur coaching that you have in your background. That's got to be an interesting mix too. To work with the social entrepreneur, usually smaller organization As well as the Fortune 500 company. How have you been able to balance that on your journey?

Whynde Kuehn:

I love it. Well, you know, my life has been a portfolio, right? So I do spend a lot of time in the corporate environment, but I to your point, I work with nonprofits and social entrepreneurs and all these different organizations. You know what? At the end of the day, the lines are blending where for profit organizations are thinking more and more about how do we work purpose into what we do and how do we be sustainable yet? You know, social entrepreneurs and non profits also have to work effectively like a large company would, and I think working on both sides has only made me more innovative and more able to really sort of cross pollinate best practices across both.

Jeff Ton:

Thank you for that Wendy, I really, I just love to start with people's journeys because that's really what makes us who we are and drives the way that we approach problem solving as we're working with organizations. So let's talk business architecture. What is your philosophy and approach to business architecture?

Whynde Kuehn:

I appreciate you asking that question, Jeff because you know, this is an area where sometimes we're talking past each other a little bit. So a very important cornerstone of my philosophy on business architecture is you know business architecture is an enterprise business discipline which means it is entirely business focused. Of course we're going to tie that to the to the I. T. Architecture but it is business focused and I underscore that it's an enterprise discipline. In other words, what we're really seeking is a high level reusable set of blueprints for an organization with our capabilities and our value streams the things we do to deliver value at the center. And so what I mean is a business architecture should be cohesive, it should be a shared language. So when you say customer and product I know what you mean by customer and product. And we're using the same words. What it isn't is a template or an approach or something that we create Multiple. Business architecture is within an organization and this is where the power lies. Because if we have one business architecture that represents an entire organization and the ecosystem in which it operates we can do very different things than we can do otherwise. We have plenty of fragmented views of the business. But this is our one place where we actually can come together around a common way to see ourselves and solve some pretty unique problems especially as it applies to business and digital transformation. And Jeff maybe I'll just add a couple other things in terms of philosophy. So I just laid out some business architecture points. But in terms of organizations starting practices there's two things that I find are really key to being successful and I think maybe there's some parallels in our conversation here. Um for I. T. Leaders, one is that we build business architecture just enough just in time. Right? So in search of business value and the second is it's all about really taking the mindset of serving the business being a part of it and integrating business architecture into strategy execution with other disciplines with other frameworks and so on.

Jeff Ton:

So a couple of weeks ago when we were talking you and I bonded over my love for the book and I know you have read it as well. Enterprise architecture as strategy by Jeannie Ross and a team of very smart people who put that book together. Are we talking about the same thing when she talks about

enterprise architecture in the book, is that business architecture or his business architecture even a higher level of architecture.

Whynde Kuehn:

Business architecture is a domain with an enterprise architecture, so where enterprise architecture is comprised of business architecture, application data and technical architecture, so business architecture is interesting because we have one ft in two worlds were part of the business, but we're also a part of this a umbrella and should be really lock step, not just the architecture, but how we work together to translate strategy and design solutions and all those things. So we're part of a bigger picture. But, you know, to your point about, you know, is business architecture above. It should be giving the business direction and the business view on where it is that we're going, how we think about ourselves and what our languages.

Jeff Ton:

That makes sense. I just I just loved the way that book was laid out. I particularly liked the concept of the operating model in the core diagram and I repeatedly as C. I. O. In a couple of different organizations used those to communicate with my counterparts within the business, and it gave us that common language that you're talking about a second ago, because, you know, they would talk about, well, we need to change this, and I point to the core diagram and say, well that impacts all of this around that, right? So I just love that you brought that that common language part of it. So let's take a deeper dive into business architecture because our listeners may be somewhat like me, this may be a new term to them. So let's get formal because you know me, I just love to get formal. What's the definition of business architecture?

Whynde Kuehn:

Well, officially textbook, Right. Um by the way, there is um there is a business architecture body of knowledge called the biz back Guide. It's global, it's from the business architecture guilt. I'm a co founder of that, not for profit, so it's not just Wendy making it up here. But business architecture officially defined is a set of multidimensional business views. And even more concretely, There are 10 domains of business architecture at the center at the court. We have capabilities and those capabilities enable value streams For an organization. We have organization, we have information and then we also connect to strategies and initiatives, stakeholders, products, policies And we have metrics as well. So it is those 10 things that are business architecture the power is and how we relate them to each other and how we relate them to other disciplines, such as how do we tie them to customer experience journeys? As I said before, how do we tie them to applications, software, services, data structures, you know, how do we tie them to processes and things like that?

Jeff Ton:

I want to make sure to, to make note I would love to have a link in our show notes that would direct our listeners to maybe an infographic or some high level diagram of what you were just describing, the 10 domains and how they inter relate. So we'll get that link from you after the show but would love to include that for our audience. We'll do we'll do to follow up on that and to take business architecture into transformation. Why is having a solid understanding business architecture such an integral part Of What You Do? It? S two E and Business Transformations.

Whynde Kuehn:

It's essential, right? This is this is why I became so passionate about it and you know what's much more interesting about business architecture is not what it is, but why it is and the role it plays in those business transformation. So I'll break it down to a couple of things. The first is a cohesive end to end, you know, pathway from strategy through the architecture, through the initiatives, through the solutions, through making sure that we actually delivered on the business objectives. So if you picture that is an overall strategy execution perspective. Business architecture enables every bit of that it actually provides the knowledge base and the actual data that underpins. So we know for example this strategy is connected to this initiative so we have an understanding of priorities and we have an understanding of what parts of the business and IT architecture that maybe an initiative is targeting. So it's business architecture is critical to allow organizations to do effective strategy execution which they not only need for the transformation they're working on. But more importantly, we know we are in an age of continual transformation where our change will only come at a more rapid pace. And so I believe it's not just a, you know, a nice to have a solid strategy to execution function that works well to get ideas into action quickly and well is actually competitive advantage. So it's it's like we just need to build that in the ability to do strategy execution. The second reason why business architecture is so instrumental for business transformation is mhm. The things we're doing today require us to cross silos like we never have before, whether that's trying to create a cohesive customer experience that's drawing upon multiple different business units, multiple different products, multiple different solutions or whether that's translating a strategy that requires multiple business units to work together. We need a way to actually transcend that and work across business units and that's where business architecture gives us not just the language, but the ability to identify reusable business components and you create experiences for customers, partners, employees that are cohesive. Is the business architecture a static thing or as you are transforming the business, you are also transforming the business architecture. That's an excellent question. Parts of the business architecture tend to be more static. The value streams and capabilities are intentionally high level and abstracted. But if an organization is, for example, shifting its business model, we're offering brand new products that need new types of enablement. We could have changes to the value streams and capabilities, but other parts of the business architecture, such as the products or the policies are more volatile. So yes, the business architecture could be changing the major function that value streams and capabilities provide forces framing where change is going to be made in the operating model. And it also allows us to connect the dots across other initiatives are potentially multiple transformations.

Jeff Ton:

So in a way it helps us make a more informed decision about a change because you're holding it up against this litmus test of the business architecture saying well this is a brand new value stream, you can go in that direction but you have to be aware of the decisions you're making. Did I summarize that? Right? Wendy?

Whynde Kuehn:

I couldn't have said it better, Jeff. That's exactly right. You can help us. Business architecture can help us to understand the impacts of the decisions we've made and it can help us understand decisions and the potential impact before we make them. What if we were to do this acquisition? What if we were to do this joint venture? What if we were to totally take our business model in this different direction? Do we

want to go down that path? What's the butterfly effect? Right to the business and I. T. Environment. Where do we need to work with partners? Absolutely. It's a very powerful impact analysis tool.

Jeff Ton:

Well, let's do talk about technology, right. Our listeners are I. T. Professionals, various levels of leadership from the C. I. O. To the director to the manager and the practitioner themselves, listen to this program. Why is business architecture so important to them?

Whynde Kuehn:

I think it gets you at the table because you can speak and think business, it's like, you know, when you really want to build that relationship, you you sort of have to go to the other side and just think about if you could, you know, have conversations whether it's maybe how we might leverage an emerging technology or whatever it might be, or how we prioritize investment in technology and what we should do now or later. If we can put that in the context of the business environment and say, here's the capabilities we could use this technology for, or here's, you know, if we make this change to these applications over here, here's what it means from a business perspective, we can meet them on the other side and speak in that language.

Jeff Ton:

I love that. And to our listeners, you can't see my big grin from ear to ear because this is something that I've believed in for probably my entire career. But definitely as I got into leadership roles. Is it so important for the leader to talk in the language of business? Not the language of technology, Right? And this gives us that common language to be able to talk business. I describe it sometimes as a deeper business acumen that you have to, and it sounds silly sometimes to say that you have to know how the business makes money and that goes beyond understanding the financials to understanding the business architecture, understanding the customer experience all of those things. So I love that you brought that out Wendy because I think that is just so important. Absolute. one of the phenomenons that we saw in 2020 was this increased alignment between the department and the other department of their businesses As we're sitting here today early in 2021. How do our I. T. Leaders seize upon this opportunity and continue to grow that alignment?

Whynde Kuehn:

Mm. Yeah. I love that. Well to build on our last thread there already assuming right we're speaking and thinking in business context right? And I guess you know it's important to there is no business in I. T. There's only the business, right? That's just there's no us and them there's only us. I think I think building on that then there's a couple key ways to really lean in and one is you know, our worlds were really shaken over the last year and business continuity and resilience and agility is still a very important topic to be focused on. And again thinking in business context of for example one of the most key capabilities or whatever it might be. But still thinking that context, I think we can go further on those topics and those are really relevant on how we prepare to continue to adapt. The other one is you know, I've just been amazed at companies around the world and how so many of them just um it's like they adapted overnight. They were switching business models overnight, right? They were offering new products overnight. And now with the business context how can I. T. Leaders help the business strategize on how to take those, take digital technology right to further evolve our business models and our products like

like the bandages already pulled off. Let's go deeper. Let's get more strategic and where I think the key title makers again, how can we use technology and myriad to the business model and the value we offer to customers and do better and right, expand and innovate. Do you find that the that the companies that were successful In 2020 of making the pivots and product and service offerings had a foundational understanding of their business architecture going in to that and that's what enabled that amazing pivot that we saw from a lot of organizations. That is a brilliant question. I wish I could say I had the data to say that that the answer was yes, I wish. But I will tell you that. I will tell you the data I do have in speaking with architects around the world, especially, you know, just in the early months after the pandemic was hitting and I even did some surveys around this where what the pandemic did is it awakened a very quick response to people in the organization to reach out to the business. Architects say we need to know what we're doing or the strategy team, for example, to reach out to business architects that said, we're doing this now, we're offering this product. What do we need to do to figure out the impacts and get it into action? So that did actually happen. And hopefully, you know, is a part of our future proofing and preparation. We will see more organizations have those business architecture is in place.

Jeff Ton:

I just think it's the old adage write that there's really, truly not an overnight success. There's a lot of work that goes into that. I remember, you know, the uh this will be dating myself, but the rock band Hootie and the Blowfish when they interviewed them about their. They were like, well how does it feel to be an overnight success? And they said, what are you talking about? We've been doing this for 20 years, right. So I think the same thing applies in these companies that have been successful with this and the ability to do that. There had to be some foundation that was built on. I think that would be interesting to go back and correlate some of that data. And I know you think a lot about the future Wendy, because I know as a fellow for the Institute for Digital Transformation, we all spend a lot of time thinking about the future of work and I know that's an incredibly broad topic, but give us a sense of where you see the future of work and what does that mean for the IT professional?

Whynde Kuehn:

Absolutely. I mean it is it is a big, big sweeping question, but maybe to draw upon a few key points. Um of course, one I think is automation and from that it requires us to be a more human human. Um and I'm quoting that actually from a book called The Human Edge, um but we have to be more human human and I think that means we have to challenge ourselves to be really good at the creativity, at the curiosity at the innovation, at making connections between things and collaborating and so on. So I think that's one aspect of how we show up and what we need to be thinking in the ways we should be growing ourselves. I also think there's a really big shift in the paradigm around value and this is forcing all sorts of changes not just you know the way we organize in our organizations are more self organized teams, it's you know the focus around value is also changing partners we work with and who works full time in an organization and what we do. And so it leads to a bigger conversation around organizations and ecosystems. This idea of value but it also means value for each of us. And it's just shifting from showing up to do a job and I'm supposed to do this and that to again drawing on those more human unique characteristics and showing up and being a valuable partner which I think is really important from uh an I. T. Perspective as well. Another area that I've heard you talk about and in fact you've used this word a couple of times in our conversation today and that is ecosystems. Put that into the context

of business and transformation for us. Absolutely. I think ecosystem is the new organization, right? Honestly. Um so so along with this idea of the future is more about value creation. Um when I talk about business ecosystems now they manifest in different ways. But um I'll give one example instead of organizations focusing on what we do and what we produce within our organizational walls. It's the idea in the mindset shift that how do we serve the customer better and how do we work with others to create more value for them? And how does that actually help us win in an even bigger way? Um by doing so, so let's take the example of a person buying a home, right? We could look at it simply from a mortgage companies perspective, we could simply look at it from the perspective of a realtor. We could simply look at it from the perspective of the retail company or companies they are going to help that person furnished their new home. But what if we all work together and created an end to end value stream and decide where we're going to play together, how we're going to hand off where we exchange data and make this a cohesive experience much more valuable for customers, especially if you've ever gone through buying a home that can be a stressful and disjointed process. And then we can say what capabilities, right, and what role do we all play in this value stream And we get to do what we're good at, but potentially, you know, find in delight new customers than in ways that we would have been able to before. So that's the idea of the business ecosystem.

Jeff Ton:

What that says to me is that the relationship between these organizations is far deeper than a supply chain. Right? So how do you create those alliances between organizations to be able to do that?

Whynde Kuehn:

You know, just speaking from personal experience, I see the conversations start with, you know, from strategic perspectives and leaders, you know, starting to come together, entering in conversations with other with other companies. It's a desire to see things differently and be more. I also see it facilitated by industries that are disrupted and have to figure out what rural are we going to play now. So they have to shift. Um so yeah, it's um it's an interesting question how we actually facilitate that. I think it starts with catching the vision and seeing what's possible together versus working individually to actually, like I said

Jeff Ton:

Actually be able to do more and be more and doing more is exactly what we're all about on status go. We're about action and that call to action and I'd love to wrap up our conversations with all of our guests with that solid call to action for our listeners. So Wendy, what are one or two things our listeners should do tomorrow because they listen to us today.

Whynde Kuehn:

Love it. Well four future transformation and even for being able to move into an ecosystem world and figure out how to work with other organizations. I have two recommendations to move into action and they probably won't be much of a surprise based on my perspective. But the first is ensure your organization has a cohesive and to end strategy execution function that works that is necessary for the future. And the second is make sure your organization has a business architecture and it's representative of the entire organization that it's not fragmented. Both of those are two massive follow ups. But Jeff tomorrow, you know, if leaders can just start conversations around, do we have an

effective strategy function and do we have a cohesive business architecture? Those conversations and being a champion for those two things will go a long way.

Jeff Ton:

I love that because it is a large undertaking. It's not something that's going to be solved overnight, but the encouragement to get started and start having those conversations is spot on. Now before we close because we are running out of time, I wanted to give you a chance Wendy to talk about, you've revamped one of your websites, the business architecture website. Can you talk to us a little bit about that?

Whynde Kuehn:

Absolutely. So, Biz Arch Mastery is now an online platform for resources, for coaching and for practical, in simplified, you know, tools around business architecture also helps to bring people together. So thanks for asking Jeff because I'm so excited about that because so much amazing work has been done around business architecture. We are at a really key inflection point. We have the theory, we have the connections, we have the role now it's time to really make it sing and um really use it in practical ways to help our organizations today and tomorrow.

Jeff Ton:

Well you won't say it, but I will to our listeners. That's your third call to action, visit that website and start learning about business architecture Wendy, thank you so much for taking the time. I really appreciate it. I know this time of year is especially busy. You launched your brand new online learning website and I appreciate you carving out some time to talk with us.

Whynde Kuehn:

It's a pleasure and honor. Thank you so much Jeff