

Business Capability Modeling

Developments since last presentation in 2008

Christian R. Meier

CTO, WM&SB Application Architecture



Introduction

- At Eclipse Banking Day 2008 in NYC an approach for Business Capability Modeling based on ECore has been demonstrated.
- The underlying assumption was that capabilities are explored in a top-down approach where root capabilities are successively decomposed into finer grained structures.
- This decomposition approach has various shortcomings:
 - Different parts of the tree had a different depth
 - Different parts of the organization have a different view on the root model
- The Banking Industry Architecture Network (BIAN) has managed to create a common understanding of the atomic capabilities and some specific value chains, allowing for different groupings and thus different views on capability landscape.
- Atomic capabilities cannot be further decomposed without loosing the core characteristics of a business capability.
- In this sense a switch from top-down decomposition of root capabilities to bottomup grouping of atomic capabilities has been made.



Business Architecture - Extract

Business Capabilities and Concepts

Business Capability

 A business capability is a particular ability or capacity that a business may possess to achieve a specific purpose or outcome. It describes what the business does (outcomes and expected service levels). A business capability abstracts and encapsulates the organization with the people and their roles, processes, procedures, and technology associated with a given business function into a simple building block. It is not concerned with how the business function is being achieved.

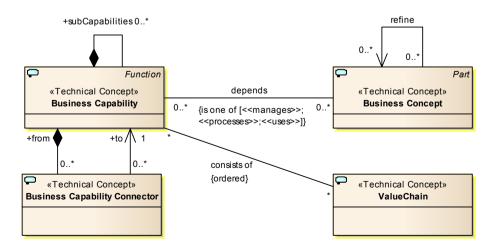
- Remarks:

- Business capabilities are distinct from processes.
 Capabilities are what a business does to reach the desired outcomes, whereas processes describe how it is being done, using what resources, etc.
- A business capability does not impose any constraints on **how** it is to be realized (e.g., through IT systems or human interaction).

[based on Object Management Group's Business Architecture Working Group]

Business Concept

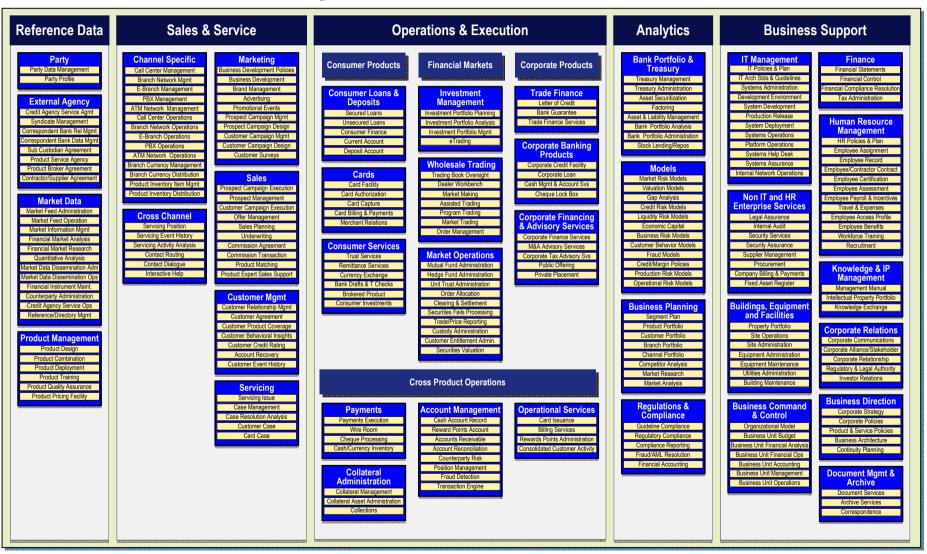
A business concept represents a concept originating from business. It represents 'things' (concrete or abstract) that exist or events that transpire the business environment. The business concept model captures the most important types of objects represented as business concepts and the relationships among the objects in the context of the business. Business concepts should be only minimally attributed with essential characteristics as required in software requirements, use cases, business capabilities, or business processes.





Banking Industry Architecture Network (BIAN)

The BIAN Service Landscape 1.6





Check http://bian.org/ for more details regarding the service landscape

Assembling the BIAN or another Capability Landscape

From Decomposition to Composition

Business Area

Business Areas are formed by a broad set of capabilities and responsibilities and are an element at the highest level of the hierarchy used to decompose the functions of financial institutions. This decomposition is primarily driven by the business understanding and complemented by application and information-specific needs.

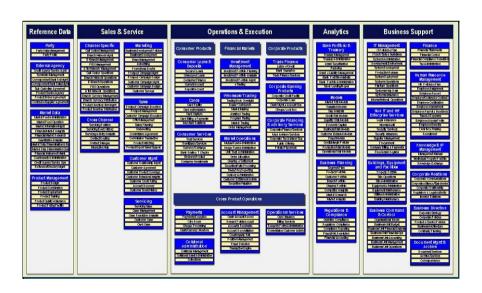
Business Domain

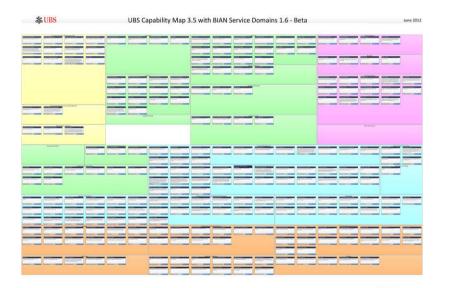
A Business Domain represents a coherent set of capabilities and responsibilities. It is an element of the functional decomposition of the banking business functions in the context of the Service Landscape. Business Domains are linked to certain skills and knowledge, which are clearly identifiable in the banking business.

Service Domain

A Service Domain represents an 'atomic' logical design. Atomic means that a BIAN Service Domain represents the smallest practical capability or functional partition that can be service-enabled as a discrete and unique business capability.

- BIAN manages the set of service domains (business capabilities) which are atomic in the sense that they cannot be further decomposed without loosing the quality of a capability.
- Any further decomposition would yield generic functions (e.g., 'order management') which nevertheless may be interesting in certain models.
- The landscape is composed using the atomic business capabilities in the way which serves the needs of the target organization.







Sample Business Capability Map

Contact Information

Christian Meier christian-r.meier@ubs.com

UBS AG

Postfach 8098 Zürich Tel. +41-44-234 11 11

www.ubs.com

