

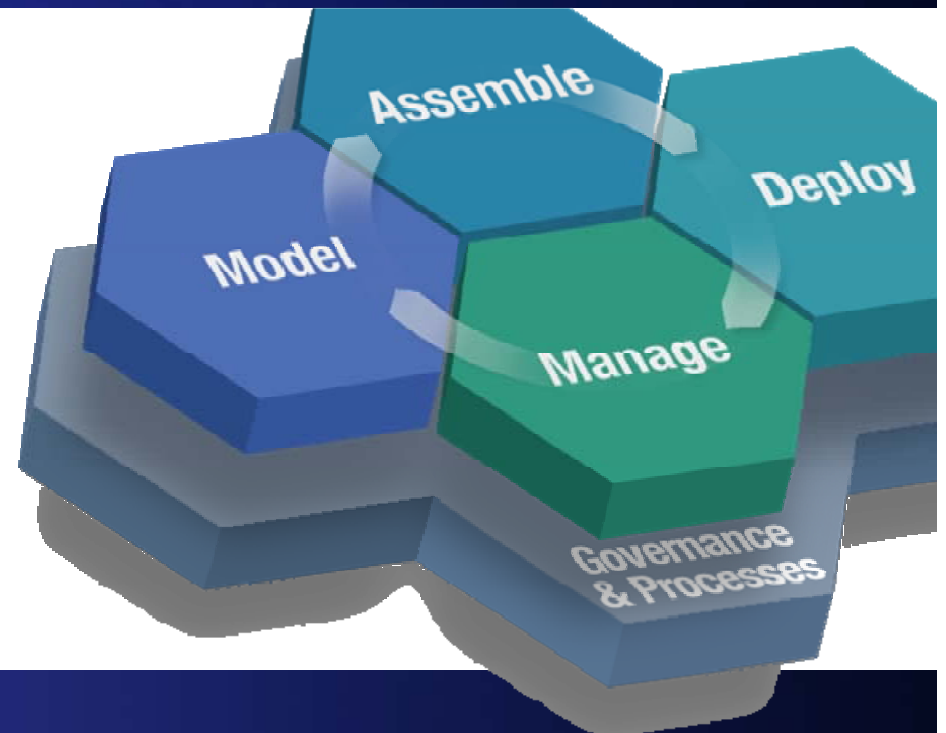
IBM SOA Architect Summit



SOA on your terms and our expertise

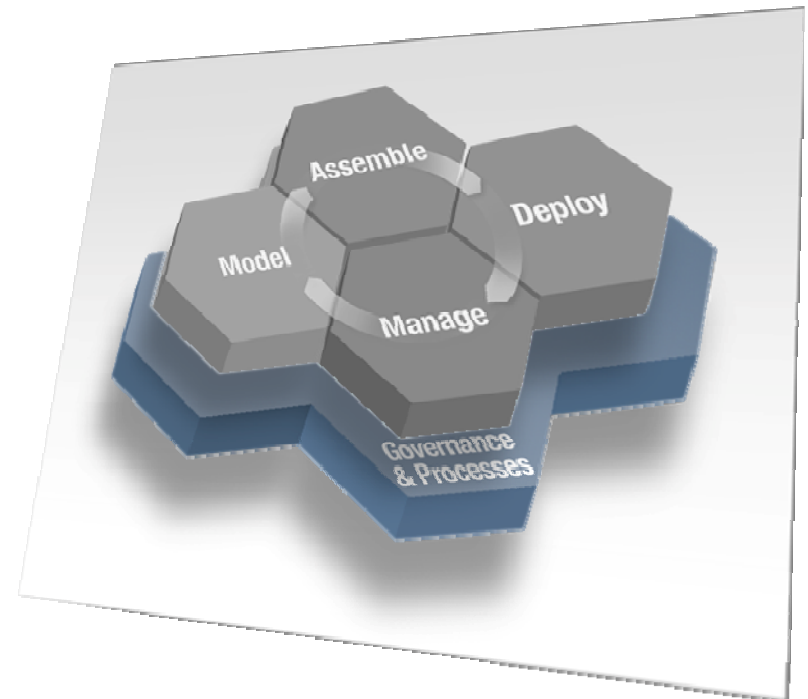
SOA Governance

- A Presentation for the Enterprise Architect

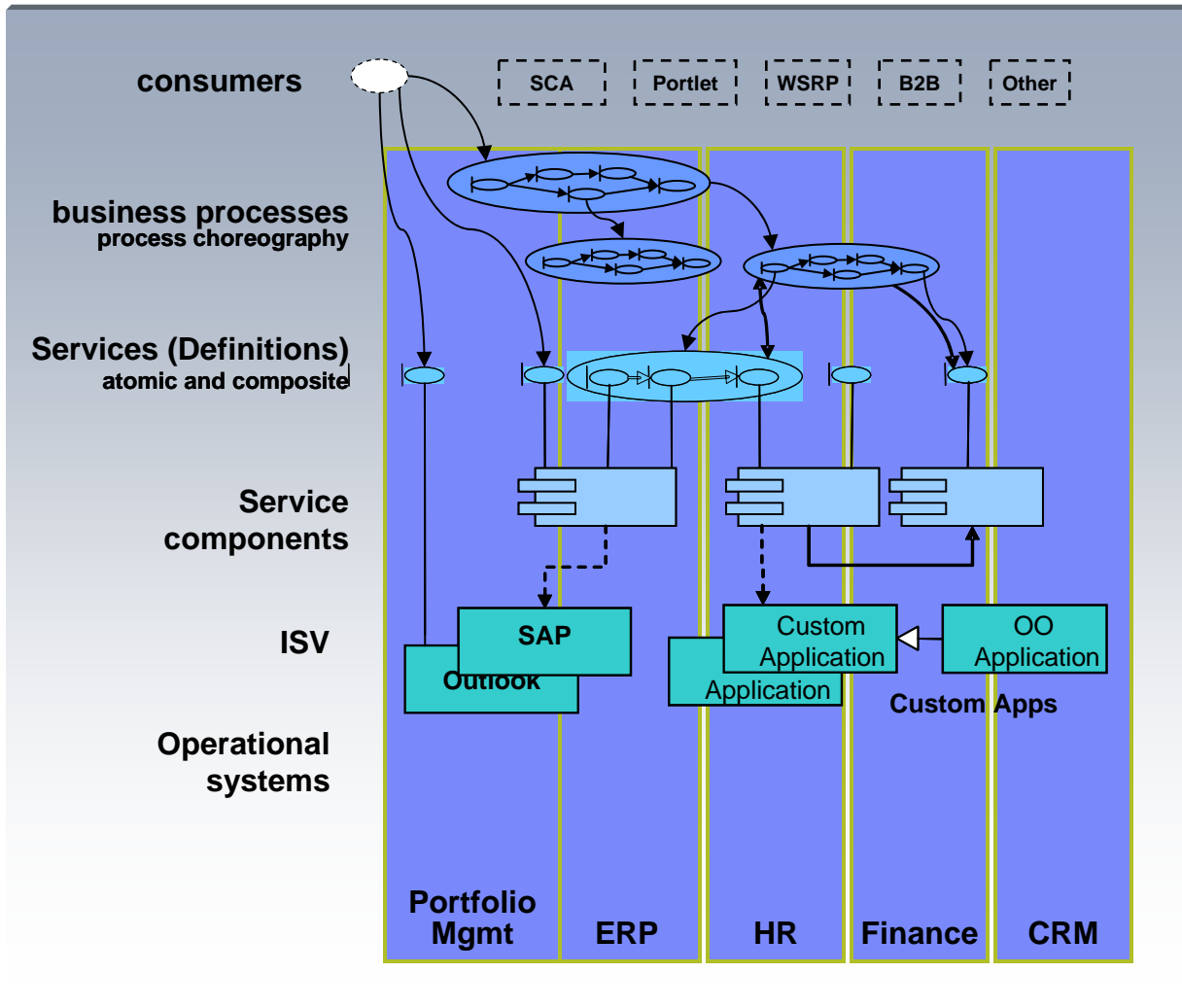


Agenda

- SOA Governance – the Enterprise Architecture Perspective
- SOA Governance Framework
- SOA Governance Processes
- SOA Governance Organization
- SOA Governance Practices

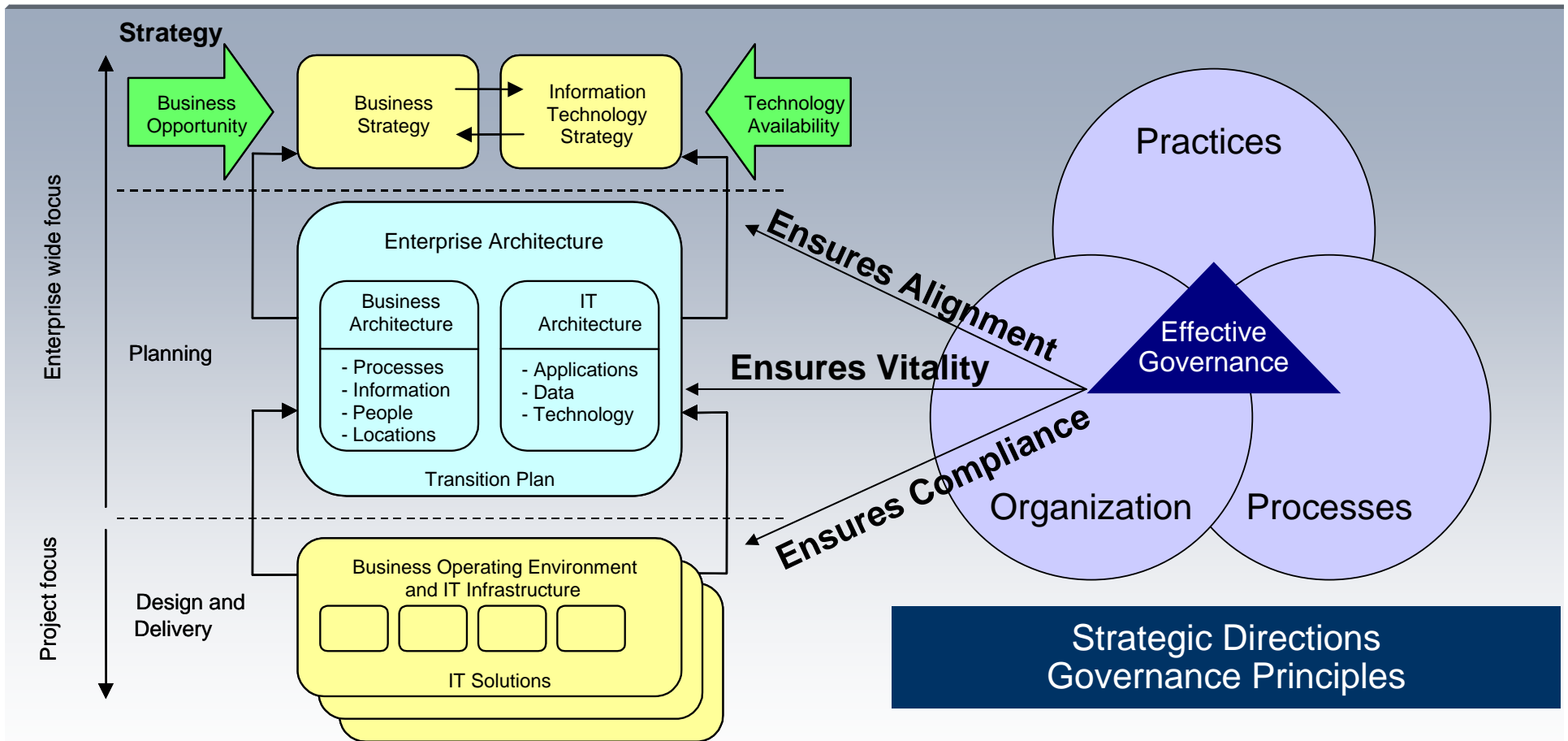


Motivating The Need For Governance



- SOA characteristics of loose-coupling, reuse and extensibility are the basis for creating an agile business environment for competitive advantage.
- This agility can only be attained when each LOB maintains their service entities and is reasonably assured that other LOBs are doing the same with the services under their purview.
- This assurance can only be realized through SOA Governance.

Governance Ensures IT Aligns with Business



The Value of Governance

“Effective IT Governance is the single most important predictor of value an organization generates from IT.”

MIT Sloan School of Mgmt.

- **Increasing Share Price** Professional investors are willing to pay premiums of 18-26% for stock in firms with high governance
“Three surveys on corporate governance,” McKinsey Quarterly, 2000 Special Edition: Asia Revalued
- **Increasing Profits** “Top performing enterprises succeed where others fail by implementing effective IT governance to support their strategies. For example, firms with above-average IT governance following a specific strategy (for example, customer intimacy) had more than *20 percent higher profits* than firms with poor governance following the same strategy.”

“IT Governance, How Top Performers Manage IT Decisions Rights for Superior Results,” Peter Weill & Jeanne W. Ross, Harvard Business School Press, 2004, p.2

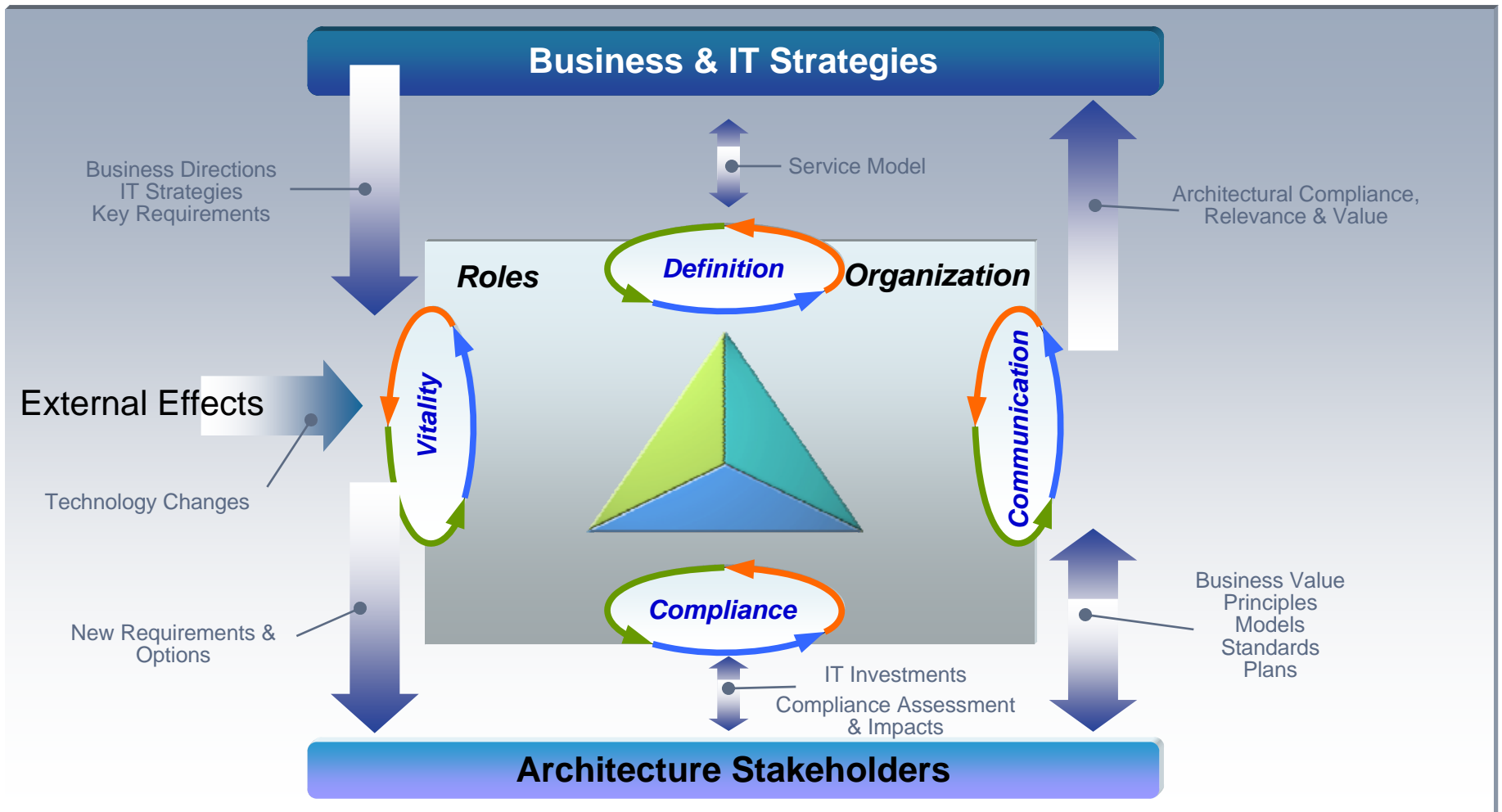
- **Increasing Market Value** “On average, when moving from poorest to best on corporate governance, firms could expect an *increase of 10 to 12 percent in market value.*”

“A Premium for Good Governance,” The McKinsey Quarterly, 2002, Number 3



Governance Framework

Processes, Roles and Organization



Service Domain Definition and Ownership

- Classify services into logical domains and assign owners to each domain, to simplify the management and implementation of an SOA
 - Business Service Domains – services which provide business value, e.g., request for information, and contain business logic
 - Infrastructure Service Domains – services which provide indirect business value and do not contain business logic, e.g., authenticate user
- Domain owners monitor, define, and authorize changes to existing services and decide when a new service in their domain is required

What Do You Really Mean by SOA Governance ...

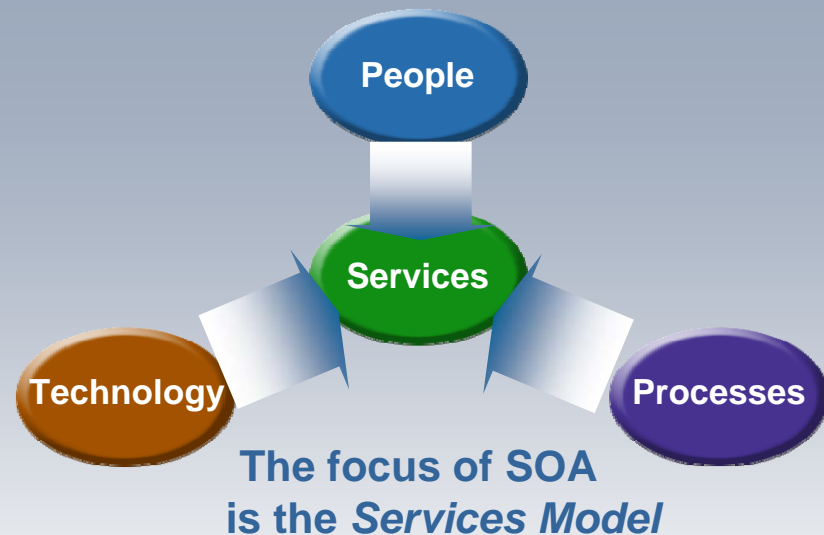
“We define IT governance as specifying the decision rights and accountability framework to encourage desirable **behavior in IT”**

“IT Governance, How Top Performers Manage IT Decisions Rights for Superior Results,” Peter Weill & Jeanne W. Ross, Harvard Business School Press, 2004

SOA Governance and Management encompasses the set of services, policies, and best practices which enable IT organizations to gain visibility into their SOA, drive reuse of services, define and enforce policies, and manage the life cycle of services.

Governance is enabled by management

- Governance determines who has the authority to make a decisions
- Management is the process of making and implementing the decisions



The governance model defines:

- What has to be done? **Service Lifecycle**
- How is it done? **Decision-path based Processes**
- Who has the authority to do it? **Roles and Responsibilities**
- How is it measured? **Conformance and Vitality Checkpoints**

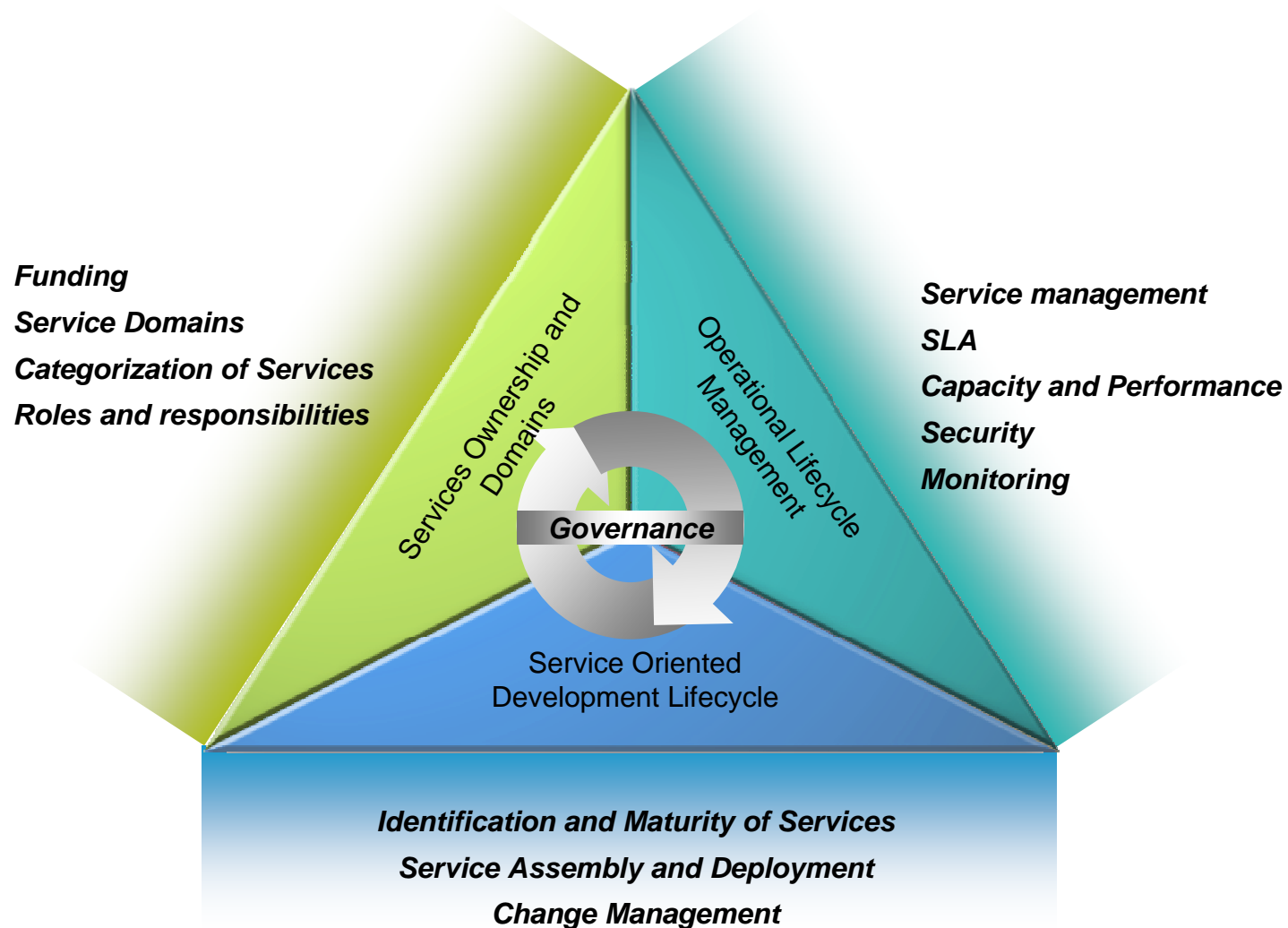
Governance Realization – Key Considerations

A number of considerations influence realization of Governance within an enterprise

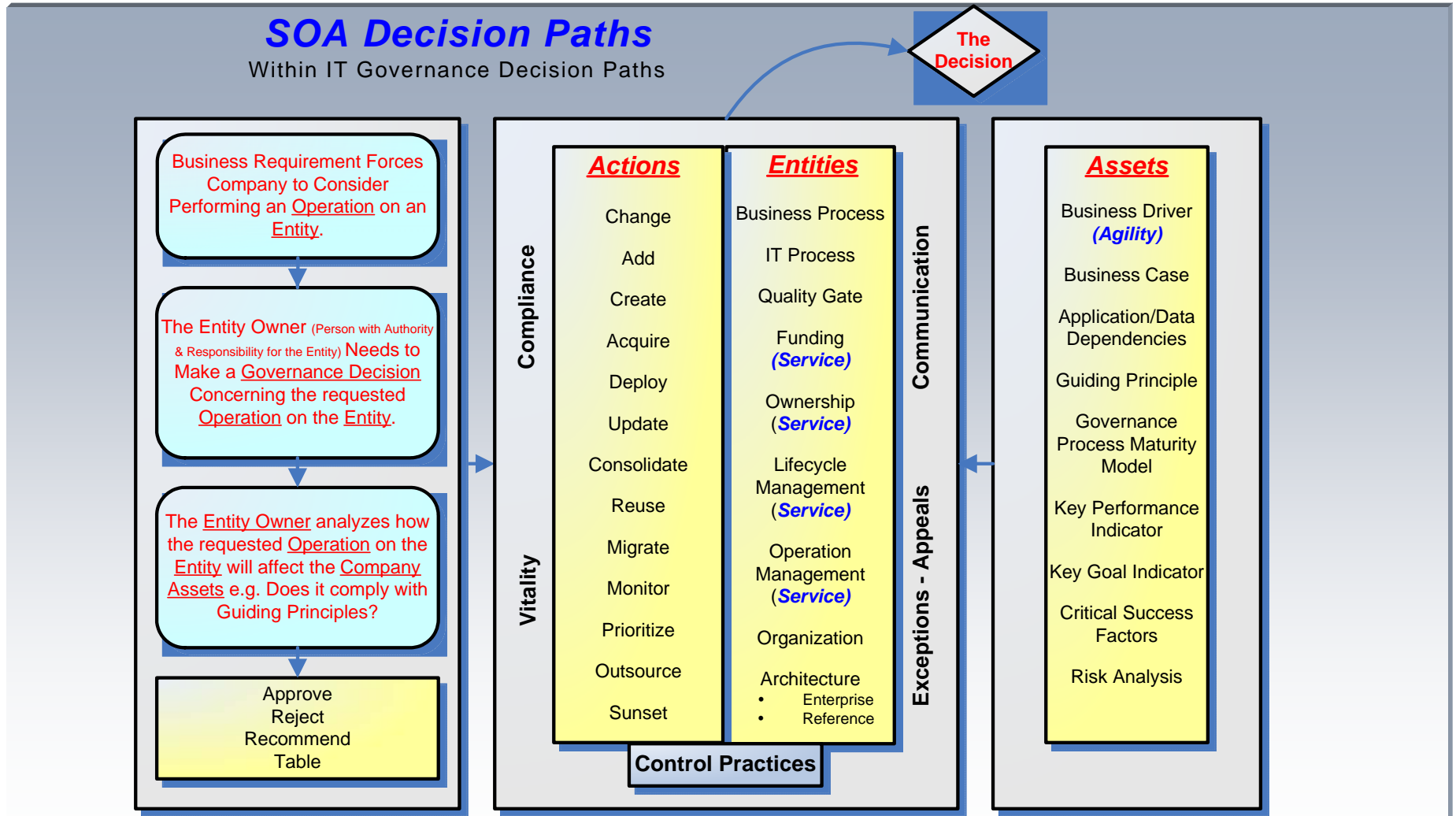
- Service Lifecycle Funding
- Ownership and Service Domains
- Organizational Categorization of Services
- Organizational Roles and Responsibilities
- Business and Enterprise Architecture
- Approach for Identification and Maturity of Services
- Approach for Service Assembly and Deployment
- Approach and Process for Change Management
- Approach and Processes Service Management
- Approach for Capacity and Performance Management
- Security Considerations
- Monitoring and Compliance Considerations

Existing IT Governance Influences SOA Governance to a Large Extent

SOA Governance Processes Manage the Service Lifecycle



SOA Governance Decision Paths



This chart represents a partial list of the Actions, Entities & Assets that can be used in making an IT/SOA Governance Decision. The **BLUE ITEMS** are SOA-specific; however, all Actions, Entities & Assets could be applicable to SOA, just not uniquely. For a complete picture, all of the Actions would have to be applied to each Entity with the affect on each Asset analyzed. This highlights that there are no exclusive boundaries between SOA governance & IT governance.

Common Organizational SOA Governance Roles and Responsibilities

Executive Leadership & Funding Sources	<ul style="list-style-type: none">▪ The Executive Sponsor is the principle stakeholder and the champion of the SOA CoE organization▪ The Executive Steering Committee provides strategy and initial funding and resolves final disputes and funding issues
Business Flexibility Directives	<ul style="list-style-type: none">▪ Business Process Owners understand and maintain certain processes with all its business and IT implications▪ The Business Unit Committees are the functional business competencies stakeholders that have to be involved in the SOA Governance process, because SOA is business driven
IT Resources and Architecture	<ul style="list-style-type: none">▪ The Architectural Review Board is overseeing the whole IT. The SOA CoE might be a part of it or identical. Because similar work is done the relationship has to be defined▪ The Program Management Office is organizing the different projects. SOA Governance effects then due to inspections and reviews
Advice and Enablement	<ul style="list-style-type: none">▪ The SOA CoE Board deals with the management and the operations of the SOA CoE▪ The SOA CoE Advisory Group is like a community of practice; they are the first line review to ensure enterprise wide compliance with reuse and business agility guiding principles

Establishing SOA Center of Excellence

Accelerate Mobilization of SOA



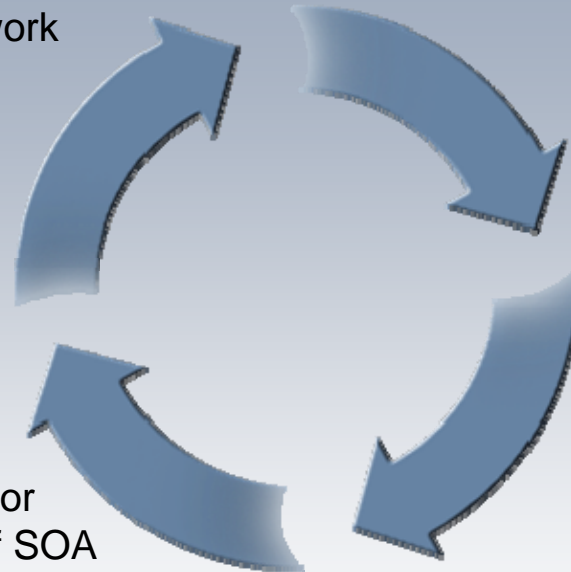
SOA CoE Focus Areas

Thought Leadership and Knowledge Management

- Adopt SOA patterns & framework
- Define and maintain SOA Reference Architecture
- Survey external sources
- Develop technique papers

Control Communications

- Build and maintain a website for sharing and communication of SOA plans and knowledge across the enterprise
- Establish a direct channel for technology transfer from the SOA CoE to functional development teams



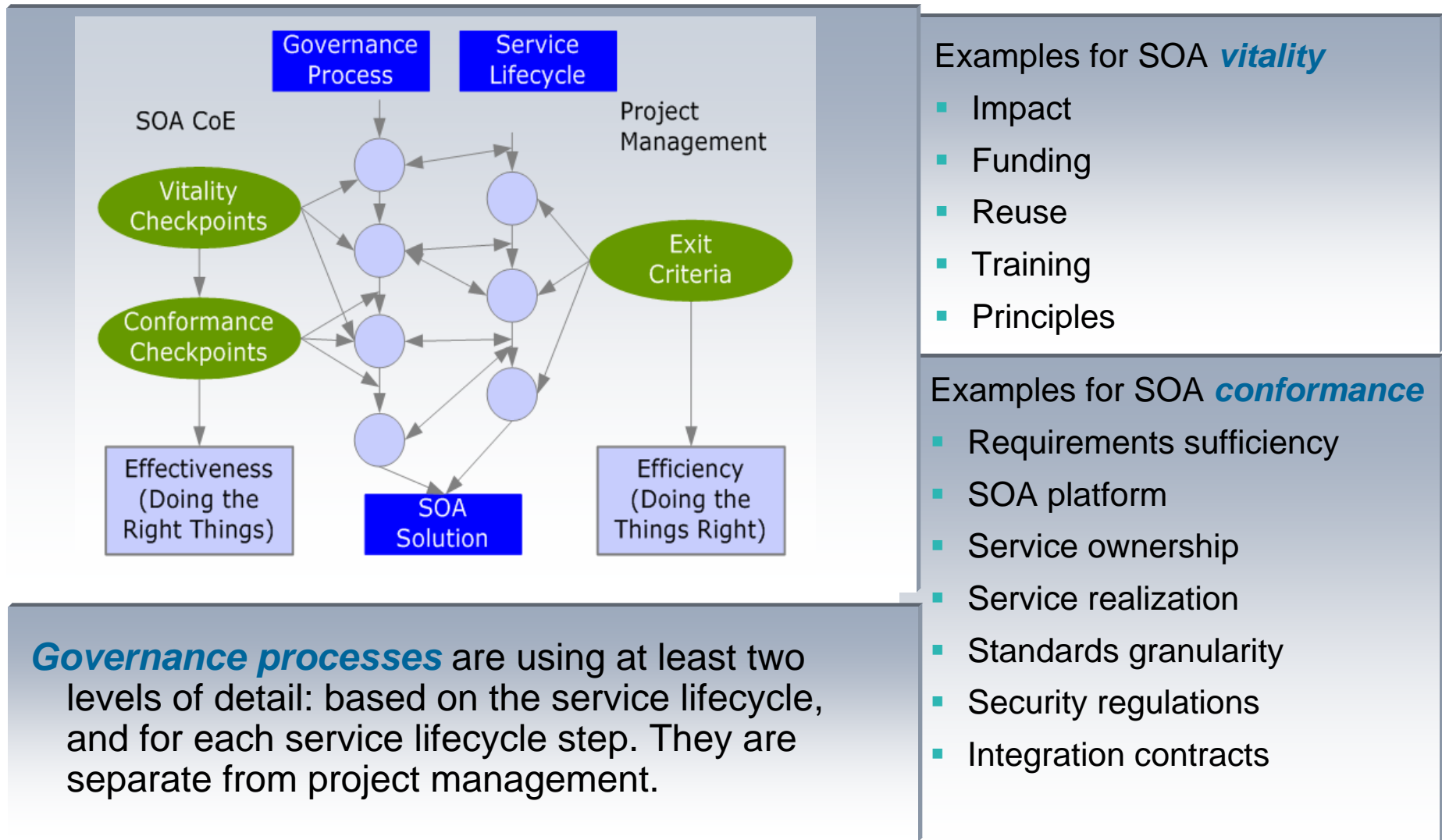
Service Lifecycle Oversight

- Conduct architecture and solution reviews and process compliance
- Assist projects in trouble
- Define service lifecycle processes
- Provide method expertise

Delivery Capability

- Leverage senior skills
- Develop & manage skill requirements and learning roadmaps
- Provide proactive mentoring
- Assist projects in trouble

Conformity and Validity Checkpoints for Effectiveness



Examples for SOA *vitality*

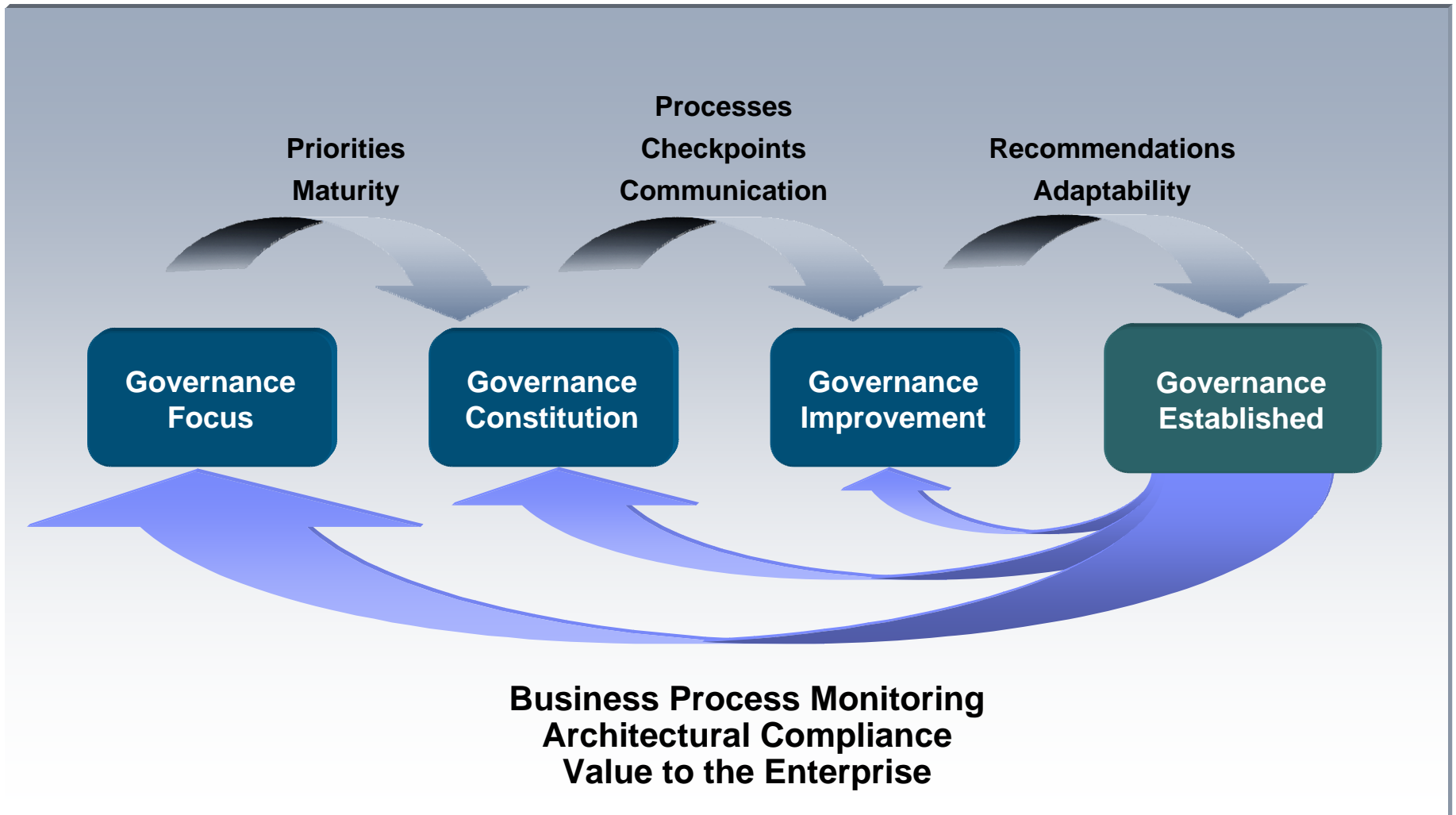
- Impact
- Funding
- Reuse
- Training
- Principles

Examples for SOA *conformance*

- Requirements sufficiency
- SOA platform
- Service ownership
- Service realization
- Standards granularity
- Security regulations
- Integration contracts

Governance processes are using at least two levels of detail: based on the service lifecycle, and for each service lifecycle step. They are separate from project management.

Establishing SOA Governance is Incremental and Iterative



SOA Governance Can Be Tailored

To the Scope of the SOA Initiatives in the Organization

SOA Scope	Organization	Process	Funding
SOA a strategic initiative for application development and integration at an <i>Enterprise Level</i>	Enterprise Control - Virtual or dedicated roles	IT Industry Architecture governance maturity	Shared costs of Charge-back structure
<i>Line of business (LoB) level</i> , or across a set of related projects	LoB/IT coordination	Business driven services scope	IT budget allocated and funded by LoB
<i>Single project implementation at IT group level.. “Testing the waters” ... Gradual adoption approach</i>	IT Centric	Leverage existing IT development processes	Embedded in project budget

Guidelines in Making SOA Decisions

- Strategic:
 - Business agility for competitive advantage is the fundamental business requirement – and is enabled by SOA.
 - The most important and far-reaching SOA Governance best practice is for the CIO to report to the CEO.
 - Successful enterprises consistently demonstrate a willingness to sacrifice function to sustain architectural integrity.
 - Behaviors, not strategies, create value.
 - Without an IT investment approval process within an enterprise-wide IT governance plan, IT investments invariably build toward localized rather than enterprise goals.
 - If a peer relationship between IT and the business units cannot be forged, SOA will not be successful.

Guidelines in Making SOA Decisions

- Tactical:
 - Governance is not management. Governance determines who makes the decisions. Management is the process of making and implementing the decisions.
 - For the foreseeable future, do not implement SOA or Web Services without the other.
 - Within a business process, each interaction with an IT asset is a potential service.
 - A service that mirrors (and executes) a business process, can be used to allocate IT costs and provide IT justification by correlating costs with business process results.
 - Companies committed to SOA will find business processes and services at the center of both business design and IT delivery.
 - A company's SOA gives IT a definitive way to prove business value through business results measurements.
 - Competitive business agility is achieved when a change in business process no longer requires a change to application programming logic.
 - In an agile business, incremental business services – mirroring business process steps – become IT's core deliverable.
 - Business-savvy IT architects are the bridge between IT and the company's business units.

Governance is Key to SOA Success

To meet the requirements for SOA governance, organizations will have to bring together a unifying framework built from multiple technologies

- Processes transformed into “services” and functions into “service components”
- Service components dynamically interact with other service components using agreed-upon contracts, cost structures and service levels
- SOA Governance Model aids services in being reused repeatedly with other business processes within the larger Business Model
- SOA Governance must address all aspects of SOA: security, registry, management, development, orchestration, composite services and service-oriented integration



The Result... substantial savings, greater controls and consistency, reduced time to market and substantially improved efficiency

धन्यवाद

Hindi

多謝

Traditional Chinese

ขอบพระคุณ

Thai

Спасибо

Russian

Gracias

Spanish

شكراً

Arabic

Thank You

Obrigado

Brazilian Portuguese

Danke

German

Grazie

Italian

多谢

Simplified Chinese

Merci

French

நன்றி

Tamil

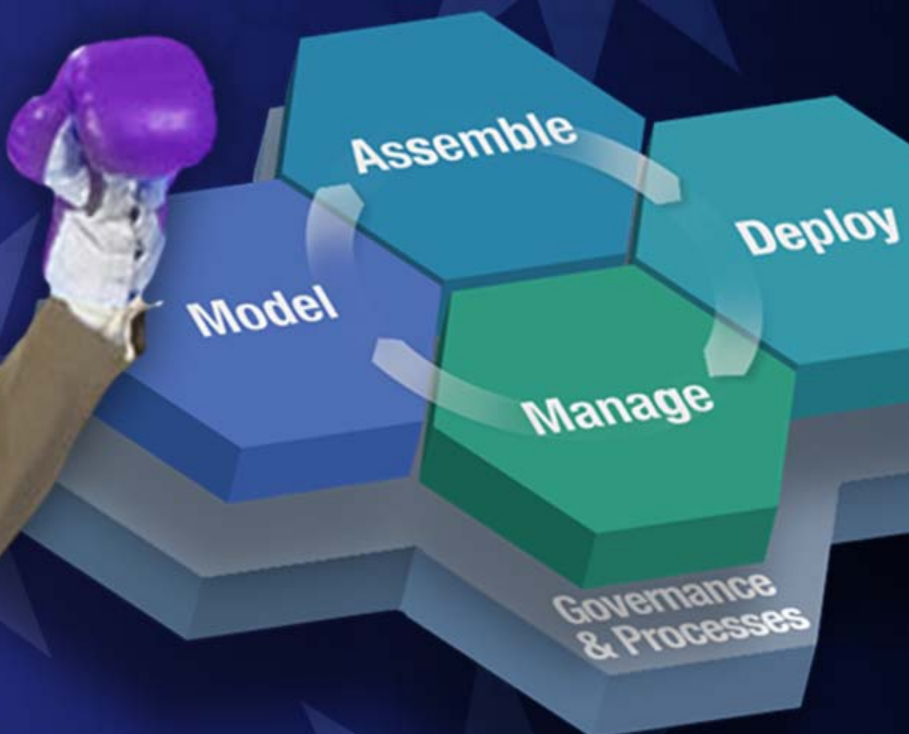
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Korean

ありがとうございました

Japanese

IBM SOA Architect Summit



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