

## Step 5:

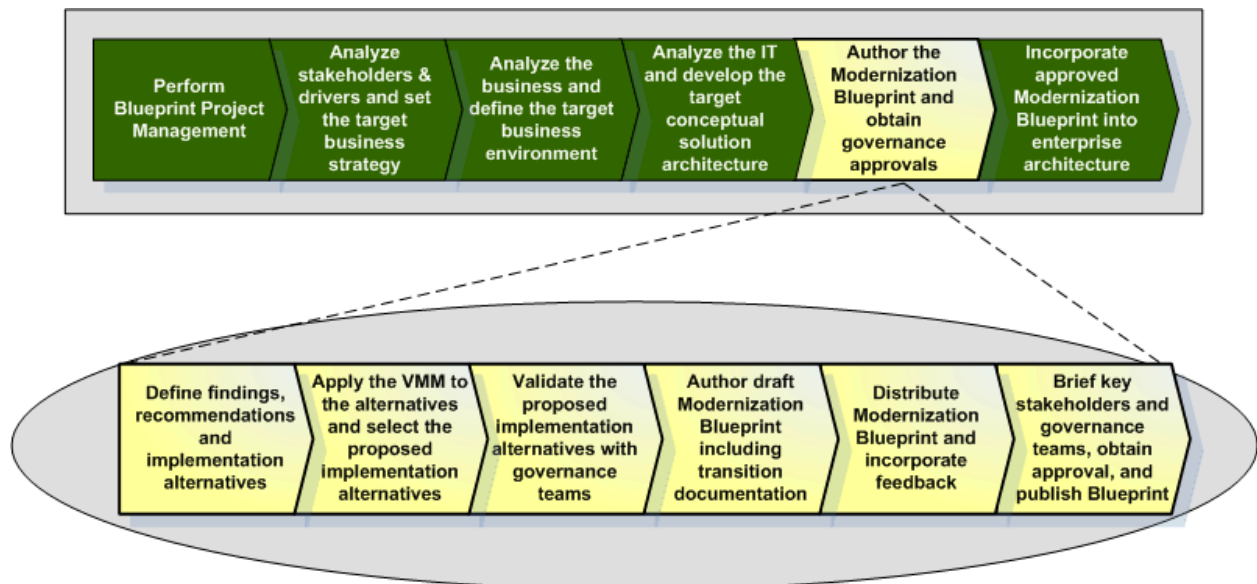
# Author the Modernization Blueprint and Obtain Governance Approvals

Version 1.5, December 2006

## 1. Step Description and Purpose







Step 5: *Author the Modernization Blueprint and Obtain Governance Approvals*, is the culmination of the process for creating a modernization blueprint. The step begins with the development of prioritized findings and recommendations. A risk-adjusted cost benefit analysis is performed for the prioritized recommendations using the Value Measuring Methodology. The prioritized recommendations then provide the basis for developing the detailed blueprint and transition plan.

The draft blueprint is developed and undergoes a structured review process with key stakeholders and members of governance teams. The review process also helps get buy-in to the recommendations and sequencing alternatives for implementation. As reviewer feedback on the findings and recommendations is received, comments and change requests provide the basis for finalizing the modernization blueprint and transition sequencing plan. Finally, the modernization blueprint is presented for approval by the appropriate governance teams. Once approved, the core team is ready to move ahead to subsequent steps to begin implementation of the recommendations described in the blueprint in accordance with the transition sequencing plan.









## 2. Activities within this Step

The table below provides a quick reference for the activities within this step.

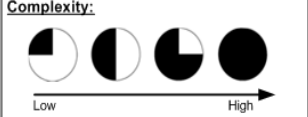
<p><i>CTRL + click the activities for activity details -&gt;</i></p>			
<p><b>Inputs (source)</b></p>	<p>All previous work products with an emphasis on:                  Presentation on Business Area Strategy and Product and Services (Step 2)                  Presentation on Business Process and Data Analysis (Step 3)                  Presentation on Systems, Services, and Investments Analysis (Step 4)</p>	<p>Modernization Blueprint Findings, Recommendations, and Alternatives Presentation</p>	<p>Modernization Blueprint Findings, Recommendations, and Alternatives Presentation                  Value Measuring Methodology Cost to Value Matrix</p>
<p><b>Outputs</b></p>	<p>Modernization Recommendations to Horizontal Dependencies Matrix                  Modernization Recommendations to Mandates Matrix                  Modernization Blueprint Findings, Recommendations, and Alternatives Presentation</p>	<p>Value Measuring Methodology Cost to Value Matrix</p>	<p>None</p>
<p><b>Who (role)</b></p>	<p>Core Team [R, C, I]                  Executive Sponsor [I, C]                  Enterprise Architect [Support]</p>	<p>Core Team [R, C, I]                  Executive Sponsor [I, C]                  Enterprise Architect [Support]</p>	<p>Core Team [R]                  Executive Sponsor [C]                  Governance Teams [C]                  Enterprise Architect [Support]</p>
<p><b>Duration (calendar days for an average project based on past projects)</b></p>	<p>20 days</p>	<p>15 days</p>	<p>10 days</p>
<p><b>Complexity</b></p>			

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<p><i>CTRL + click the activities for activity details -&gt;</i></p>			
<p><b>Inputs (source)</b></p>	<p>Modernization Blueprint Findings, Recommendations, and Alternatives Presentation</p> <p>Value Measuring Methodology Cost to Value Matrix</p>	<p>Draft Recommendation Implementation Overview Visual</p> <p>Draft Strategic Systems Migration Diagram</p> <p>Draft Strategic Sequencing Overview Visual</p> <p>Draft Implementation Sequencing Plan</p> <p>Draft Modernization Blueprint</p>	<p>Final Recommendation Implementation Overview Visual</p> <p>Final Strategic Systems Migration Diagram</p> <p>Final Strategic Sequencing Overview Visual</p> <p>Final Implementation Sequencing Plan</p> <p>Final Modernization Blueprint</p>
<p><b>Outputs</b></p>	<p>Draft Recommendation Implementation Overview Visual</p> <p>Draft Strategic Systems Migration Diagram</p> <p>Draft Strategic Sequencing Overview Visual</p> <p>Draft Implementation Sequencing Plan</p> <p>Draft Modernization Blueprint</p>	<p>Final Recommendation Implementation Overview Visual</p> <p>Final Strategic Systems Migration Diagram</p> <p>Final Strategic Sequencing Overview Visual</p> <p>Final Implementation Sequencing Plan</p> <p>Final Modernization Blueprint</p> <p>Feedback Tracking Document and Feedback Action Report</p> <p>Business and Stakeholder Interaction Log</p>	<p>Modernization Blueprint Presentation</p> <p>Record of Decision</p>
<p><b>Who (role)</b></p>	<p>Core Team [R]</p> <p>Executive Sponsor [C]</p> <p>Enterprise Architect</p>	<p>Core Team [R]</p> <p>Executive Sponsor [C]</p> <p>Business Expert [C]</p> <p>Key Stakeholders [C]</p> <p>Governance Teams [C]</p> <p>Enterprise Architect</p>	<p>Core Team [R]</p> <p>Executive Sponsor [C]</p> <p>Business Expert [C]</p> <p>Key Stakeholders [C]</p> <p>Governance Teams [C]</p> <p>Enterprise Architect</p>
<p><b>Duration</b></p>	<p>20 days</p>	<p>45 days</p>	<p>10 days</p>
<p><b>Complexity</b></p>			

**Legend**

**Complexity:**



**Who:**

R = Responsible  
 I = Informed  
 C = Consent

**Keys to Success:**

The findings and recommendations and the Modernization Blueprint itself need to be written to be understood by the business communities that are impacted. The Blueprint should be actionable, readable, practical, and capable of being implemented.

## 3. Activity Details

### Activity 1 – Define findings & recommendation alternatives

#### Activity Short Description:

This activity will produce findings, recommendations, and alternatives that business owners can use to develop a prioritized strategy to drive business improvements. These business improvement activities ultimately will take the form of formal business case submission(s), business process re-engineering, systems integration, partnerships, policy development, or other transformational approaches.

Findings and recommendations can represent almost any issue, from outdated technologies, to poor business process fit, to redundancies, etc. Findings are developed using the relevant artifacts from Steps 2, 3 and 4. Findings should be categorized according to the service areas as defined in the organization's service reference model consistent with the business products and services that are associated with the findings. Recommendations and alternatives are then developed for each of the findings. The recommendations may be further categorized according to the value chain components or capabilities that are impacted.

#### Activity Tasks:

1. Identify issues related to systems.
  - a. Systems which do not provide adequate performance or capacity, that are a poor fit for business needs, may not conform to the target data architecture, have reached the end of their anticipated lifecycle, etc.
  - b. Systems that require Development / Modernization / Enhancement (DME) investments as determined in Step 4.
2. Identify issues related to capability gaps and redundancies
  - a. These include gaps relative to the target state that exist in capabilities, services, infrastructure, or performance measures that do not currently exist.
3. Identify system interface issues
  - a. System interface issues, such as manual interfaces (e.g., "sneaker net"), data dumps which are not from a system of record, point-to-point interfaces that serve similar business purpose, but do not contain similar data, etc.
4. Identify data redundancy, gap, storage or communication issues
  - a. Data issues in the form of unnecessary duplication of data, poorly designed (from an enterprise perspective) data stores, data entities that lack an enterprise definition, etc.
5. Identify gaps between target and as-is models
  - a. Business processes which need to be re-engineered, or are not tied to the strategic plan or other business drivers, or that are significantly different from the target business rules.
6. Identify situations where best practices should be adopted by looking for solutions that represent a departure from generally accepted as best practice
7. Issues are categorized according to the business products and services, critical value chain components associated with the business products and services, and other underlying capabilities that deliver products and services

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8. Generalize issues to create findings
  - a. Issues are categorized and grouped according to business products and services within the business focus area. These issues are then generalized into findings associated with the business products or services.
9. Create recommendations to resolve issues
  - a. The findings are then used to develop specific recommendations, which should be related to the specific capabilities or business functions associated with the products and services. Note that, in certain cases, several alternative sets of recommendations may be developed to support a given finding.
10. Cross reference recommendations to mandates
  - a. Recommendations are cross-referenced to the mandates (business drivers, capabilities matrix, etc.). This is helpful to both validate the recommendations and provide a “line of sight” from the strategic plan through to the recommendation.
11. Identify any dependencies, external or within the recommendations
  - a. Dependencies are also identified between the recommendations and with other key organizational initiatives and any modernization blueprint recommendations that may exist in other related business areas. This helps provide additional context for evaluating and prioritizing the recommendations.
12. Consolidate recommendations and identify alternatives
  - a. Recommendations that share dependencies with each other are grouped into a higher level recommendation.
    - i. Recommendations may be modular (i.e., “stand-alone”), in that they may be implemented independent of other recommendations. Recommendations may also share dependencies with each other. Such interdependent recommendations should be grouped into a higher level recommendation.
    - ii. The recommendations may be further categorized according to the critical value chain components, business functions, or capabilities that are impacted. This can provide the recommendations in a more actionable context for business owners to be able to evaluate and prioritize them.
  - b. Recommendations that represent a group of mutually exclusive alternatives are grouped as alternatives.
    - i. In some cases, a set of recommendations may represent a group of mutually exclusive alternatives. These should be grouped as alternatives from which a prioritized selection of options can be made.
  - c. In practice, it is a good idea to attempt to consolidate recommendations and de-couple alternatives as much as possible in order to reduce the complexity of subsequent Value Measuring Methodology (VMM) analysis.
13. Estimate Cost, Value, and Risk
  - a. For each recommendation or alternative,
    - i. A value estimate is derived for each strategic focus area. This may require additional input from key stakeholders.

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- ii. An aggregate cost estimate is developed that includes the appropriate level of detail. Some more significant and strategic recommendations may require more detailed lifecycle cost estimates based upon the requirements for funding review and approval. Cost may also include decommissioning costs associated with recommendations that eliminate a service, or that result in system retirement. Decommissioning cost estimates developed in MBT Step 4 are reviewed, finalized, and rolled-up to the associated recommendations.
- iii. Risk analysis is performed that includes the identification of the top risks in terms of overall impact. This involves assessing the likelihood of the occurrence of the risk, along with assessing the impact on both the cost and value of the recommendation. Risks are then rolled up to obtain an overall likelihood and cost / value impacts for each recommendation.

### Activity Communications Considerations:

Consult with the Business and Data architecture teams to identify issues relative to business processes and data

Recommendations need to be shared across the organization to determine if there are any external dependencies or existing efforts.

Certain sensitive recommendations may need to be vetted with key business experts (e.g., general counsel, HR, etc.) before priorities can be developed

### Activity Work Products and Templates:

***Modernization Recommendations to Horizontal Dependencies Matrix:*** This work product describes how the recommendations overlap with key organizational initiatives and modernization blueprint recommendations from for other business areas.

- **TEMPLATE:** [Link to Modernization Recommendations to Horizontal Dependencies Matrix Template \(Visio\)](#)
- **TEMPLATE:** [Link to Modernization Recommendations to Horizontal Dependencies Matrix Template \(PDF\)](#)

***Modernization Recommendations to Mandates Matrix:*** This matrix facilitates the prioritization of the Blueprint recommendations by demonstrating how each recommendation is aligned with key strategic mandates. This is an extension of the Business Strategy to Mandates Matrix developed in MBT Step 2

- **TEMPLATE:** [Link to Modernization Recommendations to Mandates Matrix Template \(Visio\)](#)
- **TEMPLATE:** [Link to Modernization Recommendations to Mandates Matrix Template \(PDF\)](#)

***Modernization Blueprint Findings & Recommendations Presentation:*** This is a presentation that summarizes the findings and recommendations to facilitate further prioritization by the core team.

- **TEMPLATE:** [Link to Modernization Blueprint Findings & Recommendations Presentation Template \(PPT\)](#)

## Activity 2 – Apply the VMM to the alternatives and select the proposed implementation alternatives

### Activity Short Description:

For the recommendations, analysis is performed using a Value Measuring Methodology (VMM) approach to determine the cost, benefit and risk associated with each set of alternative recommendations. VMM requires a balance between the depth of analysis (e.g., high-level cost breakdown), available data (e.g., risk analysis assumptions), and the type of recommendation (strategic vs. tactical). The results of the VMM analysis are a key input to finalizing the priorities for implementation of the recommendations. The MBT provides a standard VMM analysis toolkit that can be used to complete this activity.

### Activity Tasks:

1. Create the value structure
  - a. The value structure for the VMM analysis represents the dimensions across which value is to be scored for each recommendation. Each value dimension is also assigned an overall weighting factor. It is recommended that the value structure be derived based on the strategic focus areas (e.g., Business Results, Customer Results, Processes and Activities, People, Technology, and Other Fixed Assets) as developed in Step 2.
2. Perform VMM Analysis
  - a. Cost, value, and risk estimates for each recommendation are input into the VMM toolkit. The toolkit provides the overall cost, value score, risk adjusted cost, and risk adjusted value score. The toolkit also provides a graphical value-to-cost comparison chart that summarizes the risk-adjusted cost/benefit for each recommendation.
  - b. Results of the VMM analysis may impact the initial prioritization of the recommendations, so that it may be necessary to update the draft implementation recommendation overview and the draft system migration diagram.
3. Prioritize the recommendations
  - a. Review all findings and recommendations with the Core Team members to define priorities and select alternatives. Prioritized recommendations are used to develop a proposal for a high-level implementation plan.
4. Summarize the prioritized recommendations
  - a. The prioritized recommendations are summarized to provide an overview of the proposed implementation plan, including a map to show an overview of the affected system associated with the recommendations.

### Activity Communications Considerations:

It may be necessary to consult with key stakeholders when performing value analysis.

Cost and risk analysis may also require additional input from business experts.

### Activity Work Products and Templates:

**Value Measuring Methodology Cost to Value Matrix:** The VMM cost-to-value matrix provides the results of a structured cost / benefits analysis of the recommendations and can be depicted graphically. VMM analyzes the value per dollar and associated risk to determine which recommendations provide the most “bang for the buck”.

- **TEMPLATE :** [Link to Value Measuring Methodology Cost to Value Matrix Template \(Excel\)](#)

### **Activity 3 – Validate the proposed implementation alternatives with governance teams**

#### Activity Short Description:

Findings and recommendations are reviewed with the governance teams. Special emphasis should be placed on achieving consensus on the priorities and selected alternatives.

#### Activity Tasks:

1. Brief governance teams
  - a. Results of the VMM analysis are reviewed with the governance teams to gain buy-in to the proposed recommendations and implementation plan. This review should include the value-to-cost comparison, together with the updated draft of the implementation recommendation overview and the draft system migration diagram. This is a critical step to ensure buy-in to the recommendation proposals that are to be formalized in the Modernization Blueprint and Transition Sequencing Plan.

#### Activity Communications Considerations:

Where external dependencies are known to exist, the prioritized recommendations need to be shared across the organization.

The executive sponsor should be informed of the core team recommendation priorities. This is especially critical when consensus is not possible and additional dependencies exist that cannot be managed within the scope of the core team.

#### Activity Work Products and Templates:

None

### **Activity 4 – Author draft Modernization Blueprint including transition documentation**

#### Activity Short Description:

The prioritized recommendations provide the basis for producing the detailed blueprint document and transition plan. The draft blueprint document summarizes the results of the business analysis (MBT Step 2 and 3), the analysis of the findings and recommendations (MBT Step 5), along with an overview of the target data and technology environment (MBT Step 4).

The Modernization Blueprint is comprised the following primary sections: Executive Overview, Business Overview, Recommendations for Business Transformation, Target Technology Environment, Target Data Environment, and the Transition Sequence Plan.

#### Activity Tasks:

1. Develop the draft work breakdown structure
  - a. Using the recommendation implementation overview and the system migration diagram, a draft transition work breakdown structure (WBS) is developed. For each recommendation, a top-down representation of the deliverables that are required for



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implementation is developed and described in the WBS. The WBS should incorporate deliverables associated with all aspects of the transformation, including technology, process, system, data, etc.

### 2. Develop the Draft Transition Sequencing Plan

- a. Based on the WBS and the phased implementation described in the recommendation implementation overview and system migration diagram, a detailed draft transition sequencing plan is developed. This project plan details the tasks necessary to develop the elements of the WBS for the recommendations. Descriptions of the findings and recommendations may be included as notes within the project plan. Internal and external dependencies are also included as either milestones or predecessor tasks.

### 3. Develop the Drafts Modernization Blueprint

- a. A draft modernization blueprint is also developed that describes the findings and recommendations, and is focused on implementation of the business transformation recommendations. This document is generated using the provided template. A separate executive summary may also be created. The blueprint document also contains descriptions of some of the key artifacts developed in Steps 2, 3, and 4.

### Activity Communications Considerations:

It may be necessary to consult with Business and Data architecture teams to identify business processes and data elements of the WBS

The WBS for may also need to be shared across the organization whenever external dependencies are known to exist for specific recommendations

### Activity Work Products and Templates:

***Draft Recommendation Implementation Overview Visual:*** The draft recommendation implementation overview depicts the proposed time line for the modernization blueprint implementation effort by focusing on the recommendations and the associated investments.

- **TEMPLATE:** [Link to Draft Recommendation Implementation Overview Visual Template \(PPT\)](#)

***Draft Strategic Systems Migration Diagram:*** The draft strategic system migration diagram provides a visualization of the as-is and target systems and services corresponding the recommendations. It shows the corresponding sequencing of system-specific recommendations required to achieve the target state, along with the associated data migration dependencies.

- **TEMPLATE:** [Note: No generic template is provided, as this work product is typically generated using the available systems architecture modeling tools within the organization]

***Draft Strategic Sequencing Overview Visual:*** The strategic sequencing overview visual provides a visualization of the transition from the as-is to the target state solution architectures.

- **TEMPLATE:** [Link to Draft Strategic Sequencing Overview Visual Template \(PPT\)](#)

***Draft Implementation Sequencing Plan:*** The draft implementation sequencing plan provides a detailed step-by-step, time-sequenced approach to implementing the draft modernization blueprint recommendations.

- **TEMPLATE:** [Link to Draft Implementation Sequencing Plan Template \(MS Project\)](#)
- **TEMPLATE:** [Link to Draft Implementation Sequencing Plan Template \(PDF\)](#)

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**Draft Modernization Blueprint:** The Draft Modernization Blueprint is the preliminary version of the document that describes the findings and recommendations, and is oriented towards moving to implementation of the business transformation recommendations.

- **TEMPLATE:** [Link to Draft Modernization Blueprint Template \(MS Word\)](#)

### Activity 5 – Distribute Modernization Blueprint and incorporate feedback

#### Activity Short Description:

The draft modernization blueprint is distributed for review to key stakeholders and governance teams. Throughout the review process, feedback is recorded and consolidated, and resulting actions are tracked. Once the review is completed, the final modernization blueprint document is prepared for submission to the appropriate governance teams.

#### Activity Tasks:

1. Distribute the Draft Modernization Blueprint for review
  - a. The draft modernization blueprint is distributed for review to the stakeholders and governance teams. Accompanying this distribution is a cover letter that describes the highlights of the blueprint. A separate executive summary document may also be provided for review. Also provided to the reviewers is the Document Review Form that is used to collect review comments and change requests.
2. Collect comments using the Feedback Tracking Spreadsheet
  - a. During the review process, all feedback is recorded and consolidated using the Feedback Tracking Spreadsheet. Follow-up actions are documented to create the feedback action report.
3. Develop the Final Modernization Blueprint
  - a. As feedback actions are documented and closed, comments and changes are also incorporated into the draft blueprint documentation. As a result of the review process, the following artifacts are updated and finalized:
    - i. Strategic Systems Migration Diagram
    - ii. Recommendation Implementation Overview Visual
    - iii. Transition Work Breakdown Schedule
    - iv. Transition Sequencing Plan
    - v. Modernization Blueprint Document
4. Distribute final Modernization Blueprint and feedback action report
  - a. The final modernization blueprint document is distributed to the reviewers along with a cover letter or email that contains an overview of the feedback received. The feedback action report containing a summary of all actions taken in response to the feedback is also distributed. The cover letter should also briefly describe the subsequent steps to be taken for final approval of the modernization blueprint.

#### Activity Communications Considerations:

It may be necessary to conduct face-to-face meetings with key stakeholders and governance team members to review the blueprint findings, recommendations, and transition plan.

Activity Work Products and Templates:

**Feedback Tracking Document and Feedback Action Report:** The Feedback Tracking Document is used to log and track all feedback received from reviewers of the draft blueprint document. Follow-up actions are documented to generate the Feedback Action Report.

- **TEMPLATE:** [Feedback Tracking Document and Feedback Action Report Template \(Excel\)](#)

**Document Review Form:** The Document Review Form is distributed with a document to be reviewed, and is used to collect reviewer comments and change requests.

- **TEMPLATE:** [Link to Document Review Form Template \(Excel\)](#)

**Final Recommendation Implementation Overview Visual:** The final recommendation implementation overview depicts the proposed time line for the modernization blueprint implementation effort by focusing on the recommendations and the associated investments.

- **TEMPLATE:** [Link to Final Recommendation Implementation Overview Visual Template \(PPT\)](#)

**Final Strategic Systems Migration Diagram:** The final strategic system migration diagram provides a visualization of the as-is and target systems and services corresponding the recommendations. It shows the corresponding sequencing of system-specific recommendations required to achieve the target state, along with the associated data migration dependencies.

- **TEMPLATE:** [Note: No generic template is provided, as this work product is typically generated using the available systems architecture modeling tools within the organization]

**Final Strategic Sequencing Overview Visual:** The strategic sequencing overview visual provides a visualization of the transition from the as-is to the target state solution architectures.

- **TEMPLATE:** [Link to Final Strategic Sequencing Overview Visual Template \(PPT\)](#)

**Final Implementation Sequencing Plan:** The final implementation sequencing plan provides a detailed step-by-step, time-sequenced approach to implementing the final modernization blueprint recommendations.

- **TEMPLATE:** [Link to Final Implementation Sequencing Plan Template \(MS Project\)](#)
- **TEMPLATE:** [Link to Final Implementation Sequencing Plan Template \(PDF\)](#)

**Final Modernization Blueprint:** The Final Modernization Blueprint is the preliminary version of the document that describes the findings and recommendations, and is oriented towards moving to implementation of the business transformation recommendations.

- **TEMPLATE:** [Link to Final Modernization Blueprint Template \(MS Word\)](#)

## Activity 6 – Brief executives, obtain ROD, and publish Blueprint

Activity Short Description:

In this activity, the final blueprint is presented to the appropriate governance teams. A formal presentation is made to the governance teams, after which the decision to approve the blueprint is recorded. Any issues that arise are addressed and closed as necessary to satisfy the governance team. The formal presentation may also be accompanied by an executive overview document describing the need for the transformation and a summary of the findings and recommendations.

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### Activity Tasks:

1. Develop the modernization blueprint overview presentation
  - a. Using the template provided, an overview presentation is prepared that describes why the transformation is necessary, along with key highlights of the findings and recommendations.
2. Present the modernization blueprint for approval to the governance team(s)
  - a. Using the overview presentation, the modernization blueprint is presented to the appropriate governance teams for approval, along with any additional supporting artifacts (e.g., executive summary document). The outcome of this governance team meeting is a formal record of decision.

### Activity Communications Considerations:

The Executive Sponsor should present the modernization blueprint to the appropriate governance teams.

It may also be necessary to conduct pre-meetings with key governance team members to review the blueprint findings, recommendations, and transition plan

### Activity Work Products and Templates:

**Record of Decision:** The Record of Decision is used to document approval of the governance teams. A separate template is not provided, as this work product is of a customary format for the particular governance team.

- **TEMPLATE:** [Note: No generic template is provided, as this work product should use the appropriate method for documenting the ROD as is customary for each governance team]

## 4. Step References

MBT Step 2: Analyze stakeholders / drivers and define the target business strategy, Version 1.5, December 2006

MBT Step 3: Analyze the business and define the target business environment, Version 1.5, December 2006

MBT Step 4: Analyze the IT and develop the target conceptual solution architecture, Version 1.5, December 2006