Capability Based Approach to Enabling Strategic Initiatives

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United’s Business Architecture Implementation Model

- Business Architecture is a division of Enterprise Architecture, which reports to IT Business Management

- Six Business Architects, report to Director of Business Architecture

Strategic Planning

- Understand Business Vision
- Define IT Strategy
- Communicate IT Strategy
- Prioritize IT Portfolio
- Monitor & Adapt IT Strategy

Enterprise Business Architecture

- Connects United’s business strategies to enterprise capabilities
- Aligns project work to enterprise goals and strategies
- Conducts Impact/Gap Analysis (People, Process, Information, Metrics, Facilities)
- Creates roadmaps to bridge the gap to future state
- Establishes a common framework for business architecture development.

Project Execution

- Initiation
- Analysis
- Design
- Code
- Test
- Deploy
- Closeout
United’s Business Architecture Engagement Model

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<th>Engagement Points</th>
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<td>Strategic Discussions with Business and IT Strategic Planning Efforts</td>
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<td>Portfolio Program and Project Inception</td>
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<td>Program and Project Feasibility Phases</td>
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**Strategic Plan**
- Associations to Level 2 business capabilities provides holistic view and shared understanding of impact
- Insight at business capability level to opportunities/risks
- Provides common business architecture framework aligning roles to processes to applications, systems and data flow

**Guidance/Governance**
- Govern - Enterprise Capability Model
- Govern - current/future state process/workflows
- Govern - capability associations representing current state
- Guidance - impact analysis regarding stakeholders, processes, change requirements and apps (part of SDF workflow)
- Guidance – high level scope definition

**Programs/Projects**
- Alignment between programs / projects and enterprise strategies, goals and measurements
- Process optimization identification
- Identify type and degree of change to capabilities & processes (drives if further engagement needed)
- Requirements and UAT scenario acceleration
- Provide context for benefit estimation/metric identification efforts

Create Enterprise Assets: Capability Associations for Roles, Processes, Applications and Services, Current/Future State Business Processes Models, Value Streams
Enabling Strategic Initiatives
Current Challenges for Strategic Initiatives

- Initiatives labeled strategic, but not linked to organization strategy, resulting in unclear strategic benefits and progress to goals

- Initiatives organized by division, project, or technology resulting in unidentified dependencies

- Initiatives divided into projects without up-front analysis, yields incomplete scope and missing stakeholders, unrecognized conflicts / synergies

- Initiatives take a bottom-up approach, assumes every process has a defined owner and no cross divisional requirements
Engagement Points for Enabling Strategic Initiatives, Using a Capability-Based Approach

- Strategic Planning
- Portfolio Planning
- Program Enablement
- Project Enablement
Engagement
Strategic Planning
### Impacted Capability Identification (L2)

**Network Planning Goals**
- Reduce Fuel expense
- Operational efficiency
- “Best practices” and continuous improvement for operational decision making
- Reduce complexity for NOC personnel

**Network Planning Strategies**
- Optimize flight plan for fuel burn, over fly charges, within on-time goals
- Manage controllable delays and cancellations
- Implement state of the art FLIFO/ACARS system that provides flexibility to operations and marketing
- Provide accessibility to real-time operational data across the enterprise
- Reduce system maintenance and operational expenses
- Implement new and enhanced operational decision tools
- Provide user friendly interfaces to reduce user time and maximize value of new applications
- Improve cascade of recoding of delays and FLIFO management for UAX flights
- Gain operational synergies

**Key Business Programs**
- …
- …
- …
- …

### Capability Impact Summary

- **8.1** Long-Term Network Planning
- **8.2** Future Scheduling
- **8.4** Intermediate Scheduling
- **8.5** Current Scheduling
- **H.4** Fuel Purchasing & Delivery

**2 Stakeholders • No Channels • 12 Applications**
Strategies Mapped to Capabilities (L2)

- Provide consistent update frequency and complete info
- Resolve automation’s multiple failure points

Reduce complex check-in processes that drive variable staffing

Improve MBTA performance and improve resource utilization

Automate or eliminate simultaneous, time sensitive activities that drive higher staffing
Engagement
Portfolio Planning
## Impacted Capabilities Identification (L3)

<table>
<thead>
<tr>
<th>8.1 Long-Term Network Planning</th>
<th>8.2 Future Scheduling</th>
<th>8.3 Alliance Partners Evaluation</th>
<th>8.4 Intermediate Scheduling</th>
<th>8.5 Current Scheduling</th>
<th>H.4 Fuel Purchasing &amp; Delivery</th>
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<tr>
<td>8.1.1 Determine Long-Term Industry &amp;</td>
<td>8.2.1 Prepare Route Forecasts</td>
<td>8.3.1 Investigate Potential Airline Agreements</td>
<td>8.4.1 Assess Unconstrained Demand</td>
<td>8.5.1 Develop Route Options</td>
<td>H.4.1 Plan Fuel Needs</td>
</tr>
<tr>
<td>8.1.2 Create Route List</td>
<td>8.2.2 Update Industry &amp; Economic Assumptions</td>
<td>8.3.2 Assess Alliance/Partnership Value</td>
<td>8.4.2 Assign Draft Fleet Schedule</td>
<td>8.5.2 Develop/Agree Action Plan</td>
<td>H.4.2 Hedge Fuel</td>
</tr>
<tr>
<td>8.1.3 Produce Network Cost &amp; Revenue Forecast</td>
<td>8.2.3 Negotiate, Obtain &amp; Schedule Airport Slots</td>
<td>8.3.3 Define Airline Partners Agreement</td>
<td>8.4.3 Perform High Level Operational Schedule</td>
<td>8.5.3 Communicate Schedule Changes</td>
<td>H.4.3 Purchase Fuel</td>
</tr>
<tr>
<td>8.1.4 Obtain Network Plan Agreement</td>
<td>8.2.4 Optimize Through Assignments</td>
<td>8.3.4 Ensure Optimal Other Airline Capacity</td>
<td>8.4.4 Re-fleet Draft Schedule</td>
<td>8.5.4 Monitor Route Profit Performance</td>
<td>H.4.4 Perform Fuel Accounting</td>
</tr>
<tr>
<td>8.1.5 Develop &amp; Evaluate Fleet Plan</td>
<td>8.2.5 Obtain New Routes/Markets Agreement</td>
<td>8.3.5 Assess Fleet Plan to Partner Impact</td>
<td>8.4.5 Produce Final Schedule</td>
<td>8.5.5 Provide Holiday/Special Event Volume</td>
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<tr>
<td>8.2.6 Evaluate Route Forecast Accuracy</td>
<td>8.3.6 Disseminate Fleet Service Schedules &amp; Timetables</td>
<td>8.5.6 Schedule Charter Flights</td>
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<tr>
<td>8.2.7 Produce Draft Season Schedule</td>
<td>8.5.7 Disseminate Fleet Service Schedules &amp; Timetables</td>
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### Impact by Business Unit & Other Business Unit(s)

No Impact
### Overall Strategy Business Unit Impact:

<table>
<thead>
<tr>
<th>Business As Usual</th>
<th>Incremental Improvements</th>
<th>Significant Improvements</th>
<th>Transform</th>
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<tbody>
<tr>
<td>8.1.1 Determine Long-Term Industry &amp; Economic Assumptions</td>
<td><strong>Other Business Unit Strategy:</strong> Finance strategy to overhaul 5-10 year profitability forecasting models to take in to account additional parameters.</td>
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<td>8.1.5 Develop &amp; Evaluate Fleet Plan</td>
<td><strong>Synergy:</strong> Synergy between fleet planning strategy to divest of less fuel efficient aircraft and purchase new aircraft and network planning strategy to more closely align fleet with capacity demand.</td>
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<td>8.2.4 Optimize Through Assignments</td>
<td><strong>Conflict:</strong> Network Operations strategy to improve flight number utilization by investing in flight number optimization in conflict with Operations strategy to reduce impact of through flight handling issues, by eliminating through flights, except where required for legal or marketing reasons</td>
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<td>8.4.2 Assign Draft Fleet Schedule</td>
<td><strong>Other Business Unit Strategy:</strong> Aircraft Maintenance &amp; Marketing strategy to expand Economy Plus in Q4. This will change the capacity of upgraded aircraft.</td>
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Engagement
Program Enablement
# Program Business Readiness Approach

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<th>Objective</th>
<th>Action</th>
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| **Conduct Initial Assessment** | `- Identify and understand impacted processes`  
|                    | `- Ensure all aspects and stakeholders considered`                     | `For each capability:`  
|                    |                                                | `- Assess the processes impacted`  
|                    |                                                | `- Identify stakeholders`  
|                    |                                                | `- Collect existing process documents (or create, as needed)`  |
| **Identify Gaps and Differences** | `- Specifically identify what will change (to support training, communication, and testing)` | `Use process documents to facilitate discussion`  
|                    |                                                | `- Produce a list of differences`  |
| **Categorize Gaps and Differences** | `- Define change impact`  
|                    | `- Communicate change impact`  
|                    | `- Decide if any remediation is warranted` | `Label each difference as gap, accepted difference, or follow-up`  
|                    |                                                | `Prioritize gaps and train to differences`  |
# Program Business Readiness Applications

## Deliverables

### Training Plan / Materials
- Highlights business impacts, and need for training/communication
- Allows training team to estimate duration & type of training delivery required
- Provides the basis for training scenarios

### Testing Plan/Scripts
- Provides the basis for business functional test / dress rehearsal scenarios

### Business Readiness Task Identification
- Identify outstanding activities or decisions required prior to implementation

### Communication Plan / Materials
- Communicate end-to-end process and change impacts to extended stakeholder group (upstream/downstream impacts)
- Identify additional stakeholders requiring communication
- Identify regulatory impacts
Sample Deliverable: Integration

**Gap**: No auto-generation of stock replenishment orders at time of receipt (station queues are monitored for needs)

**Migration Dependency**: Data harmonization needed for chemical receipt requirements (Chem5 database -> SCEPTRE/TO Portal)

**Accepted Difference**: Inventory ownership occurs in SCEPTRE upon binning (vs. upon receipt)

**Enhancement**: Ability to define multiple controlled stockrooms for a part (vs. primary bin)
Engagement
Project Enablement
United Enterprise Architecture Strives to be a Single Source for Projects to Understanding Change

- Business and IT Stakeholder Identification
- Application and System Impacts
- PCI / SOX Compliance Impacts
- Process Change
Business Architecture Home Page

**Business Capability** links to Organizations, Channels, Applications and Current-State Process Models; includes Business Capability Model Hierarchy

**Strategic Planning** links to Roadmaps and Strategy Mapping/Alignment models with associations to Business Capability

**Program & Projects** links to Future-State Process Models and Impact Analysis

**Shared Document Library**
Published Business Architecture Artifacts
Value Summary

- **Strategic Planning**
  - Synergies, conflicts, and opportunities identified early in process, able to influence investments

- **Portfolio Planning**
  - Streamlined roadmaps, due to improved sequencing and dependencies identification

- **Program Enablement**
  - Efficient approach to identifying scope
    - Example: identified over 200 differences for harmonization during tech ops migration by reviewing all processes associated with 5 L2 capabilities, within 6 weeks

- **Project Enablement**
  - Requirements and UAT acceleration
    - Example: Reduced spend for requirements definition by 66k by providing business architecture deliverables.