Enterprise Architecture

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Module - 02 : Initiating Enterprise Architecture

Lecture 8

Week 7 Slides

King AbdulAziz University - FCIT

Case Study :

The ArchiSurance Company

To illustrate the use of our modeling language
ArchiMate

The Case and Its Background

- ArchiSurance originally provided Home and Travel insurance, but merged recently with two other insurance companies, PRO-FIT (car insurance) and LegallyYours (legal aid insurance). By streamlining their operations and removing duplication, substantial synergy is expected from this merger.

- ArchiSurance's management is now wrestling with the intricacies of integrating these three companies, and has decided to take an enterprise architecture approach to create more insight into this complexity.

Identifying the main Business Operations

▪To provide a high-level overview of ArchiSurance's primary operations, the company is described in terms of its main business functions:

▪**_Maintaining Customer Relations and Intermediary Relations:_** these business functions are responsible for the contacts of ArchiSurance with its customers and the intermediaries that sell its products. This function handles customer questions and incoming claims, and performs marketing and sales.

Contracting: this function does the 'back-office' processing of contracts. It performs risk analysis and ensures legally and financially correct contracts.

Claims Processing: this function is responsible for processing insurance claims, judging their validity and valuation, and deciding the further course of action.

Identifying the main Business Operations

- ***Financial Handling:*** this function performs the regular premium collection, according to the insurance policies with customers as produced by Contracting, and handles the payment of insurance claims.

- ***Asset Management:*** this function manages the financial assets of Archi-Surance, e.g., by investing in stocks and bonds.

Creating Architectural Views

These business functions, shown in Figure., accompanied by the flows associated with claims handling, are very similar for most insurance companies and represent what is most stable about this type of enterprise.

Creating Architectural Views with ArchiMate
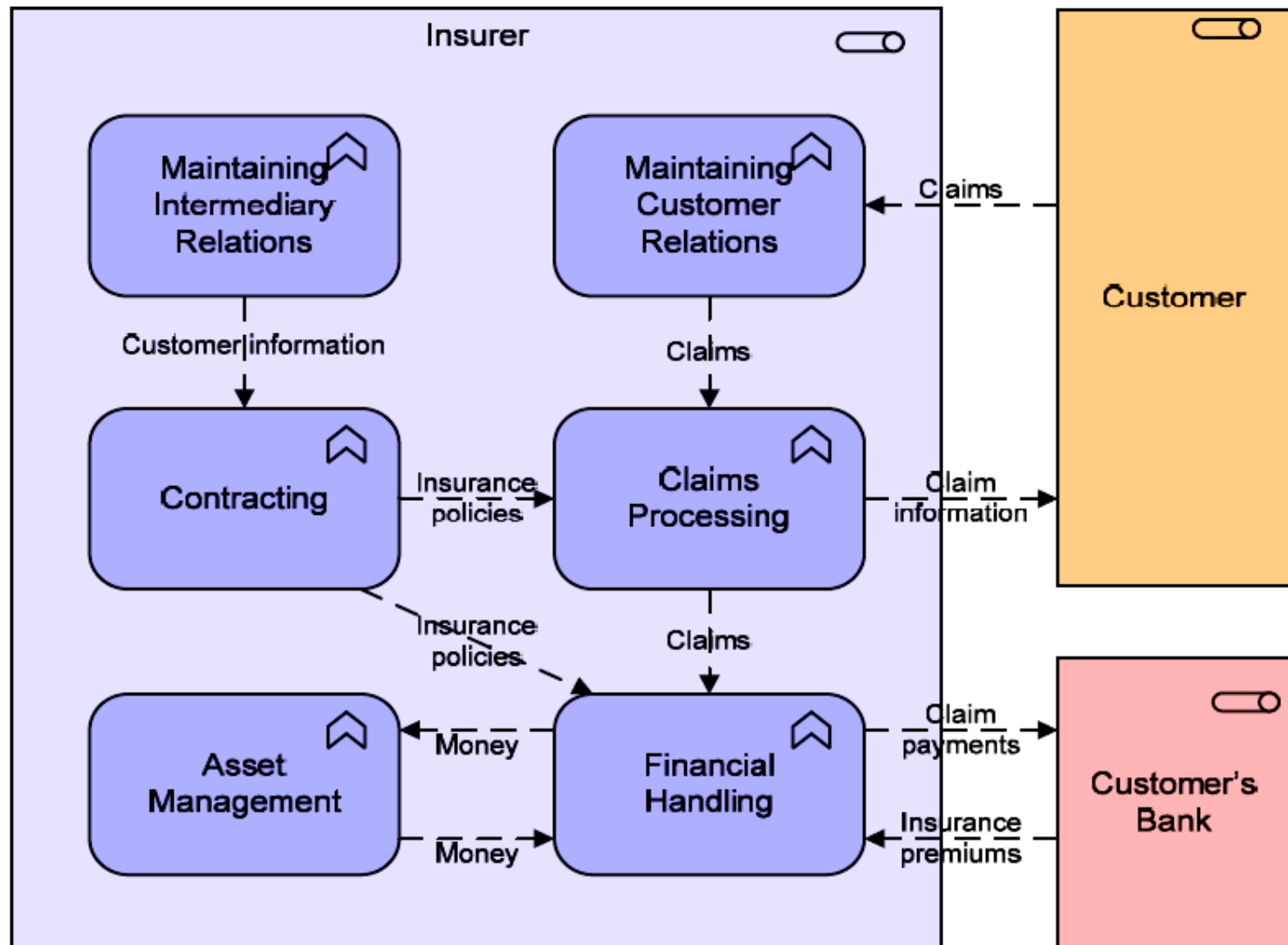
ArchiSurance business functions

Post Merger :

- Post-merger integration is in full swing. The first step in the integration process has been the creation of a unified front office, comprising departments for managing relations with customers on the one hand, and intermediaries on the other hand. However, behind this front office are still three separate back offices:

Home & Away: this department was the original pre-merger ArchiSurance, responsible for home and travel insurance.

Legal Aid: this is the old LegallyYours, responsible for legal aid and liability insurance.

Car: this department is the core of the old PRO-FIT and handles car insurance, including some legal aid.

Post Merger :

- Furthermore, ArchiSurance is in the process of setting up a Shared Service Centre for document processing, which will handle all document streams and performs scanning, printing, and archiving jobs. The company's structure is shown in Fig.

Post Merger View in ArchiMate
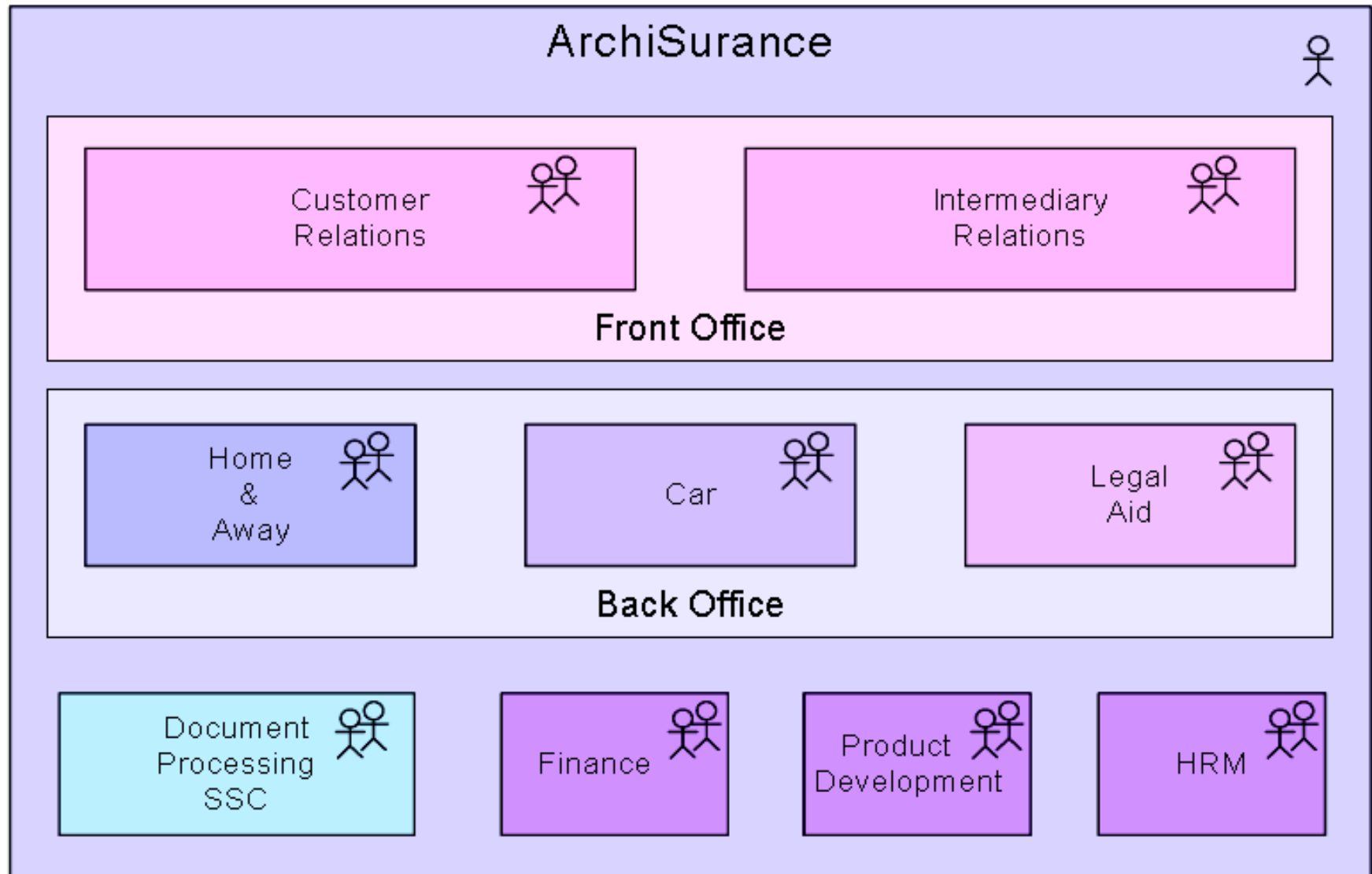
ArchiSurance departments

IT Integration

▪ As in many other recently merged companies, IT integration is a problem.

- ArchiSurance wants to move to a single CRM system

- Separate back-office systems for policy administration and finance

- A single document management system

However, Home & Away still has separate systems for the policy administration and the financial handling of premium collection and claims payment, and uses the central CRM system and call centre. The Car department has its own monolithic back-office system, but uses the central CRM system and call centre. The Legal Aid department has its own back- and front-office systems (Fig.).
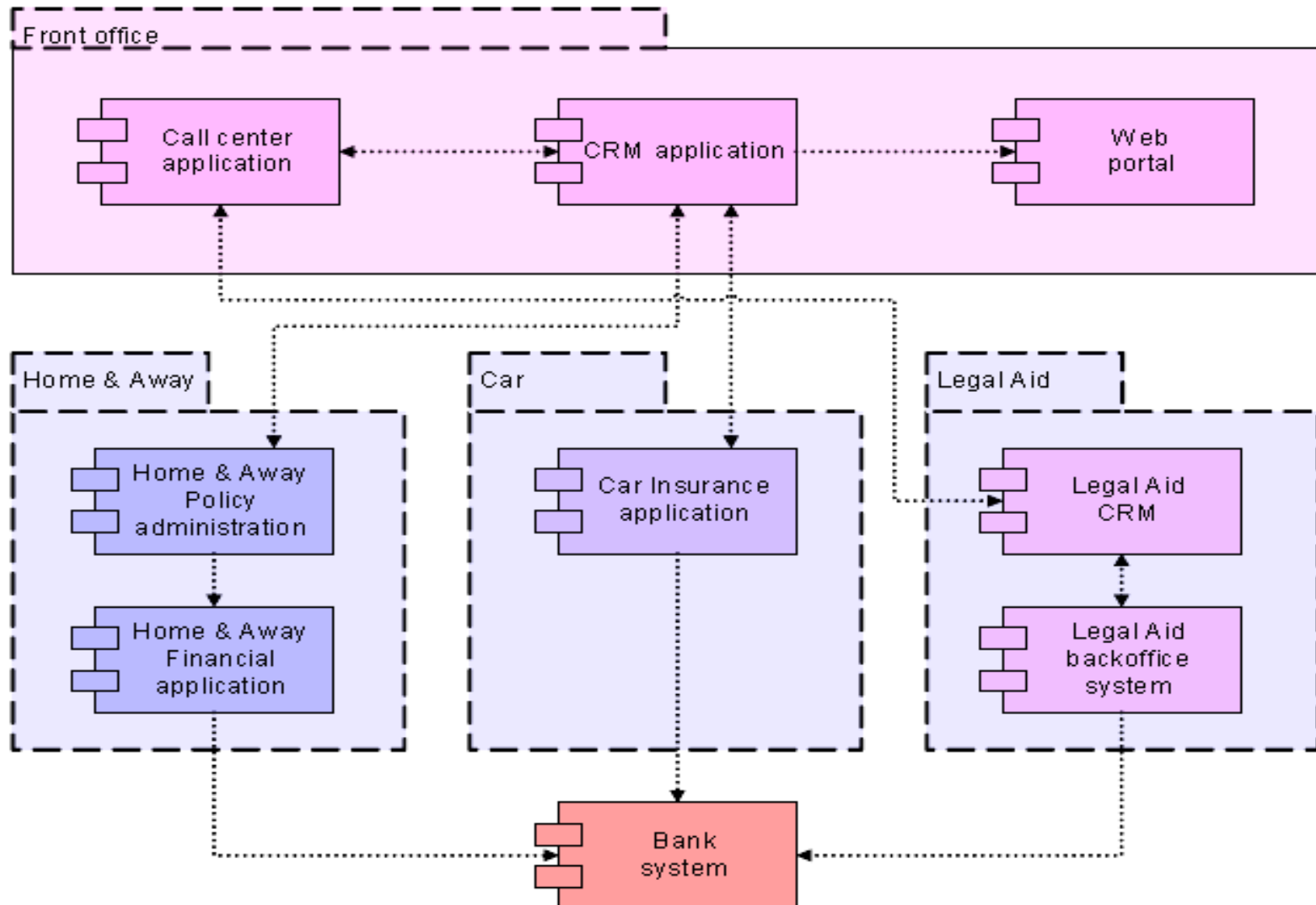
IT Integration – View with ArchiMate
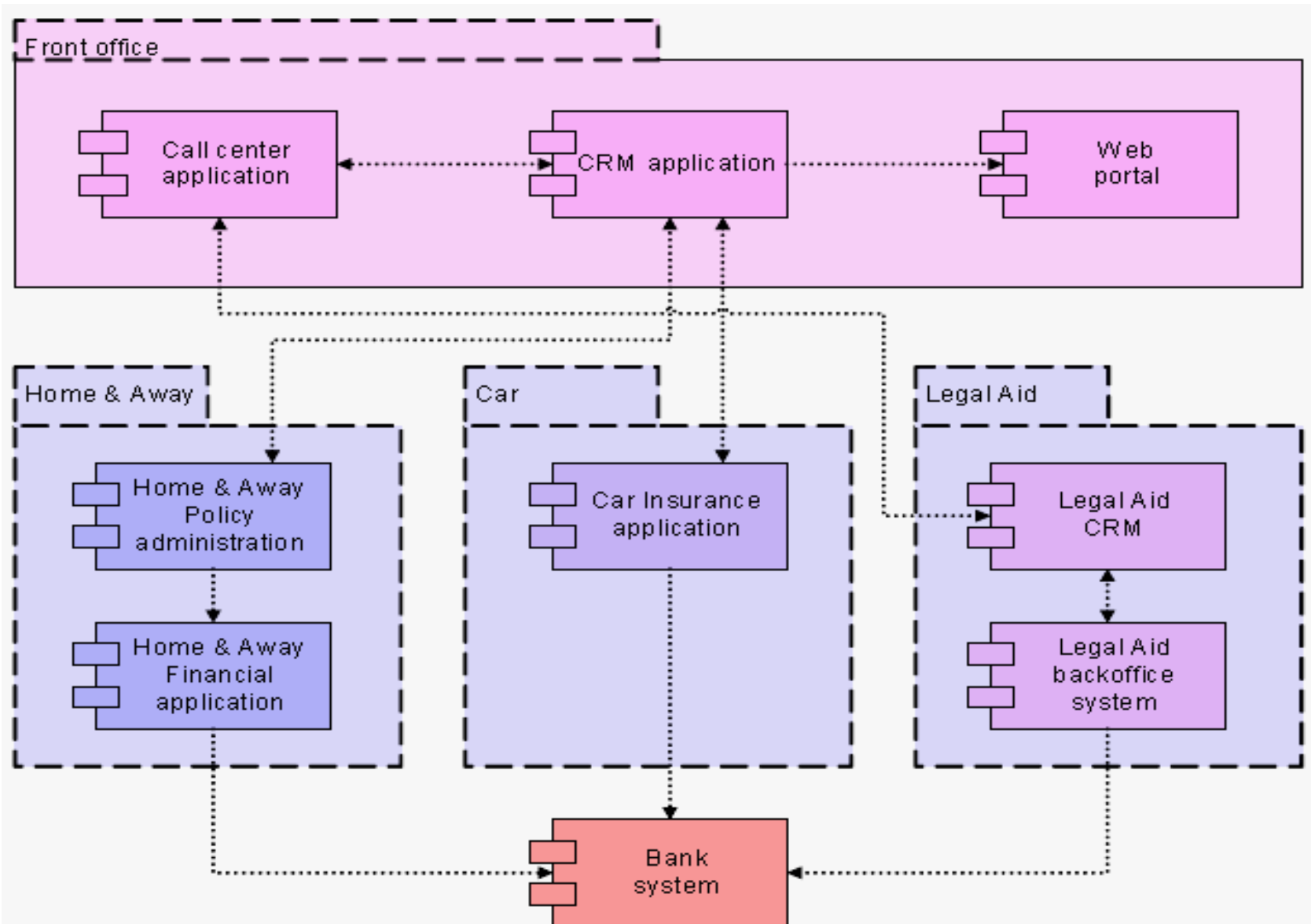
IT Integration

- An important prerequisite for the changes in ArchiSurance's IT is that the IT integration should be 'invisible' to ArchiSurance's clients.

- Products and services remain the same.

- To illustrate the complexity of the relationships between products, business processes, and IT support, Fig. shows a number of core services and the business processes.
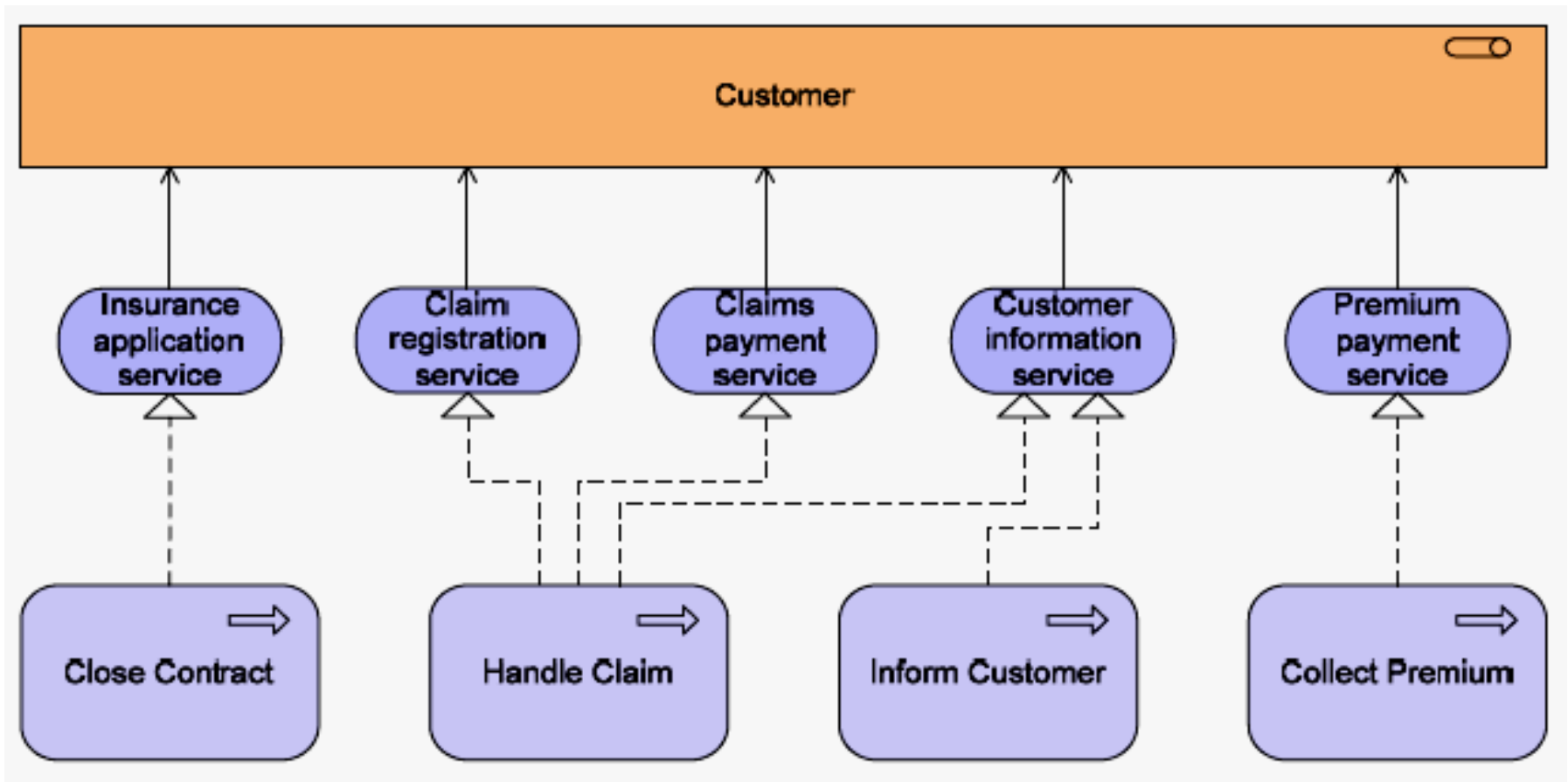
IT Integration – View in ArchiMate

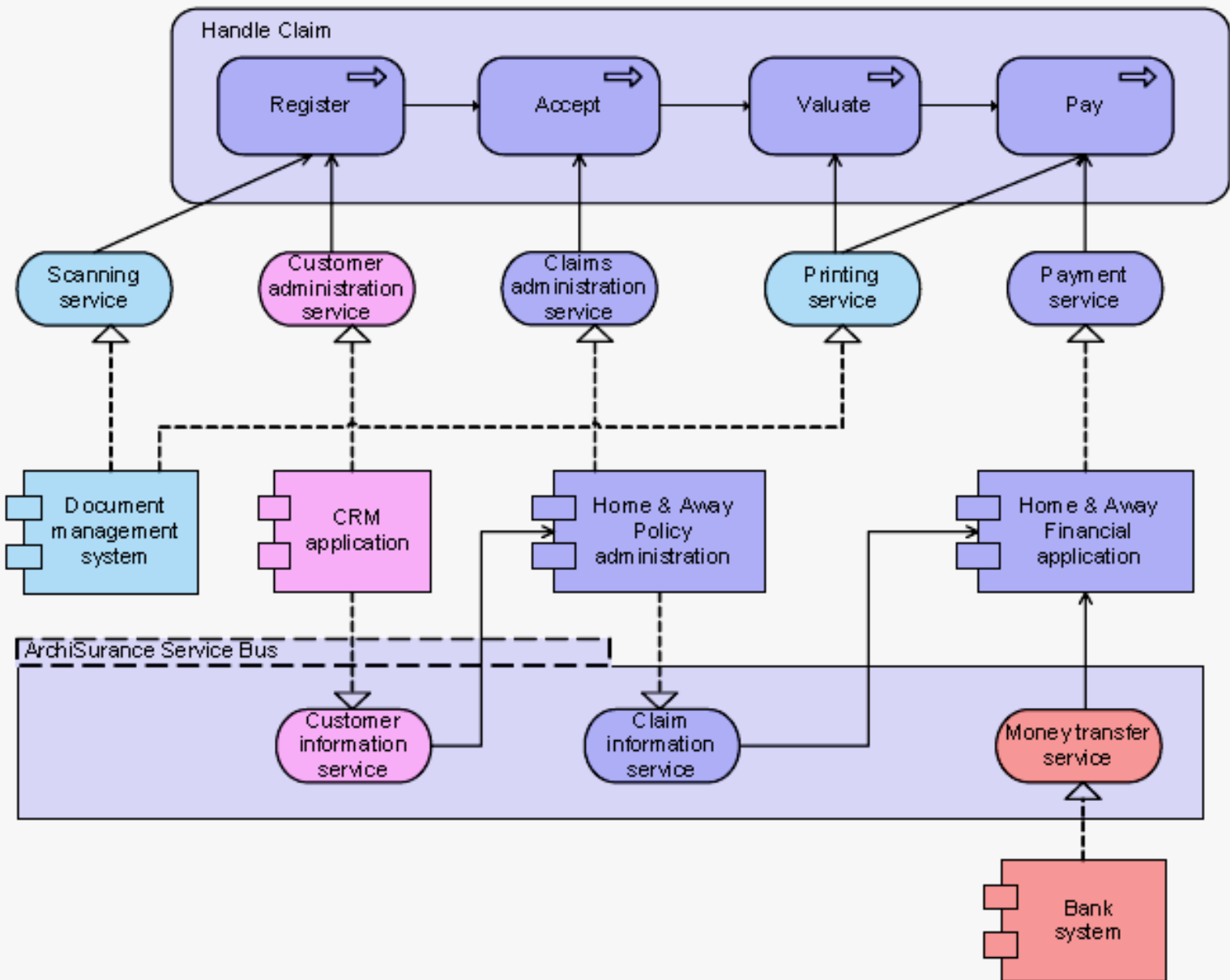Applications grouped according to departments

IT Integration – View in ArchiMate

■ The relations between this business process and its supporting IT applications.

Services and business processes

Relations between the Handle Claim business process and its IT support

Summary

- A well-defined language for enterprise architecture modeling helps to reach a common understanding between different architects and other stakeholders in an enterprise.

- It allows for the integration of architectural models and detailed designs within specific domains, which is a prerequisite for the integration of domain-specific modeling tools.

- In this way, enterprise architecture models may serve as a starting point for model-driven system development. They also provide the basis for visualization and analysis of architectures.