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Digital Enterprise Method & Framework
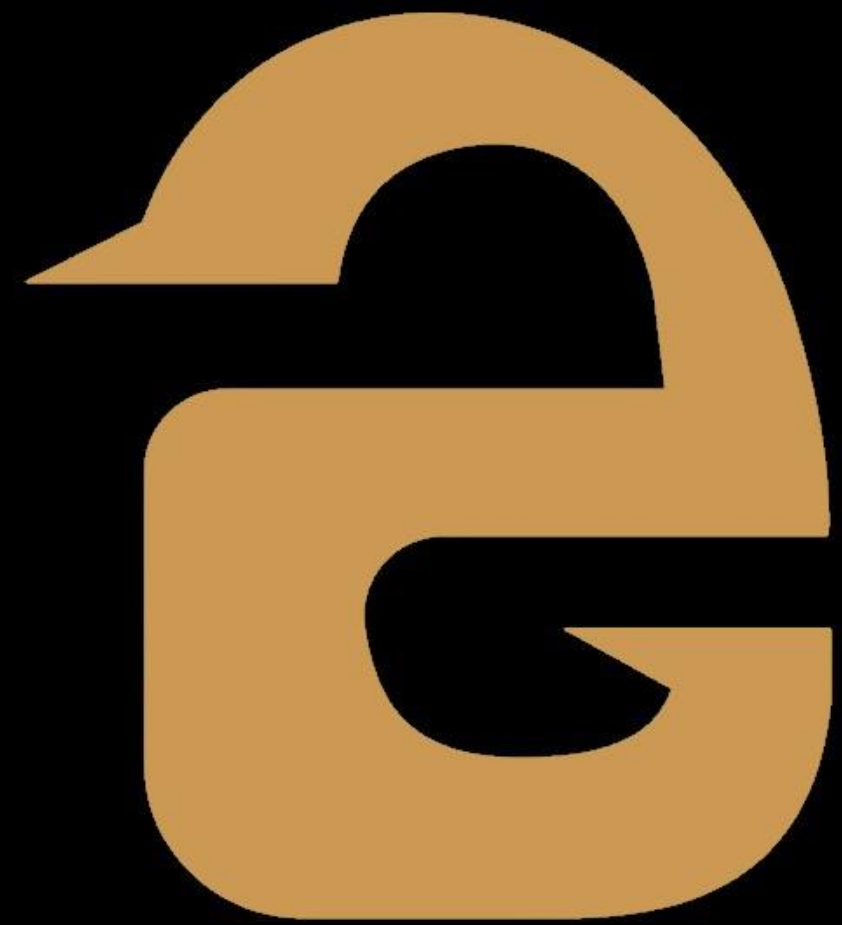
THE EVOLUTION OF X-CAPABILITY MODEL (XCM)
BCM (Business Capability Model)

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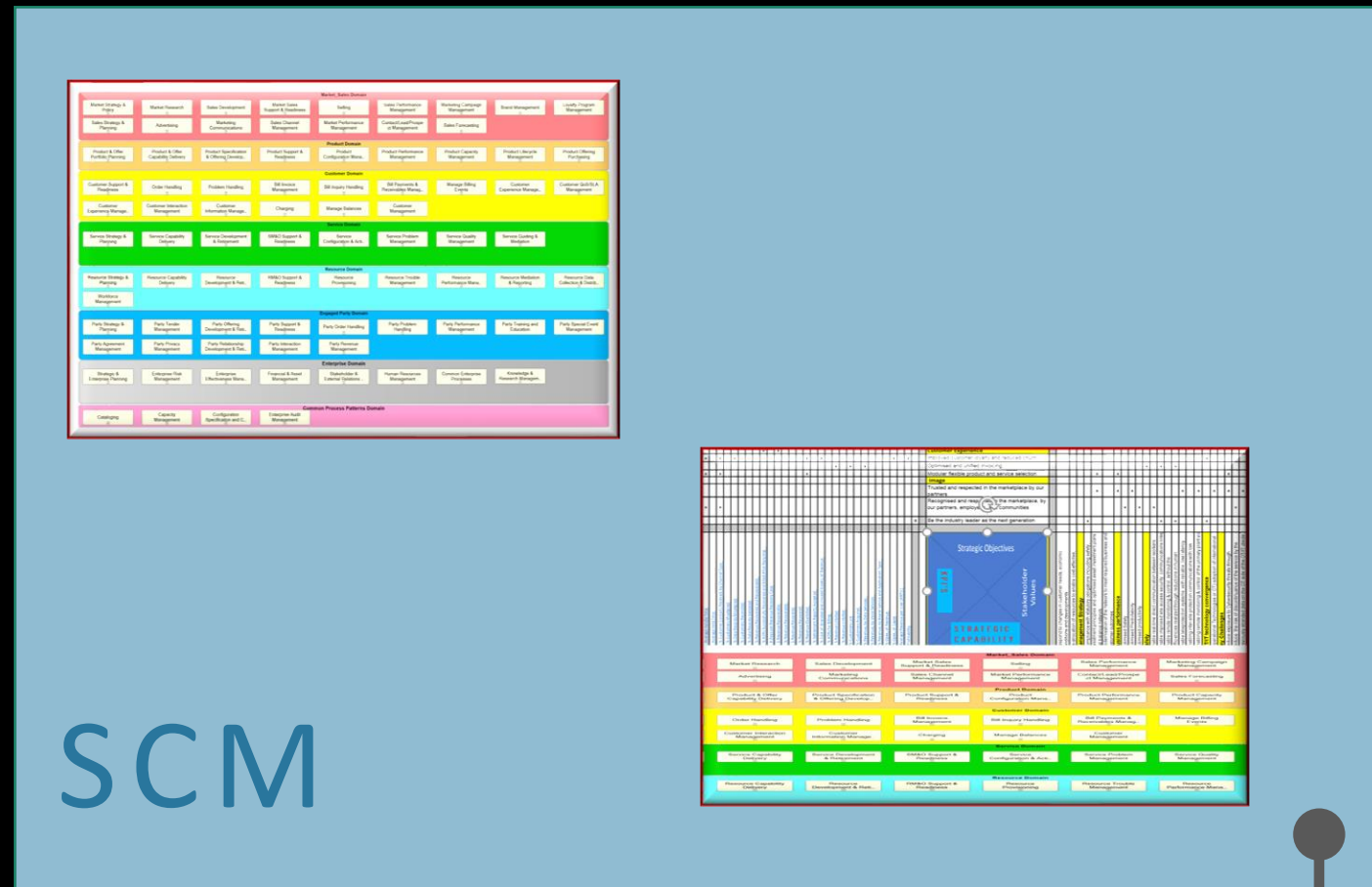• Practice Leader Object Technology Practice | IBM North America

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THE 4-STAGE EVOLUTION OF THE CAPABILITY MODEL (XCM)

1-SCM - What Strategic Capabilities best support key strategic products and services, and how do we measure and monitor fulfillment of target capabilities?

SCM

2-BCM - What Business Capabilities can best support baselined Strategic Capabilities, what Business Service Capabilities are needed for the Business to operate optimally to fulfill Strategic Goals and KPI's, and, where can we differentiate?

BCM

3- ECM - What Enterprise Capabilities best support target Business Capabilities (and hence implicitly Strategic Goals and KPI's) with optimized Organisation, Technology, and Planning, where are the commonalities to leverage to optimize, and, where can we differentiate?

ECM

4- CCM - Which are the areas for Implementation, Change or Transformation to achieve optimized improvement for change Program to be planned or prioritsed?
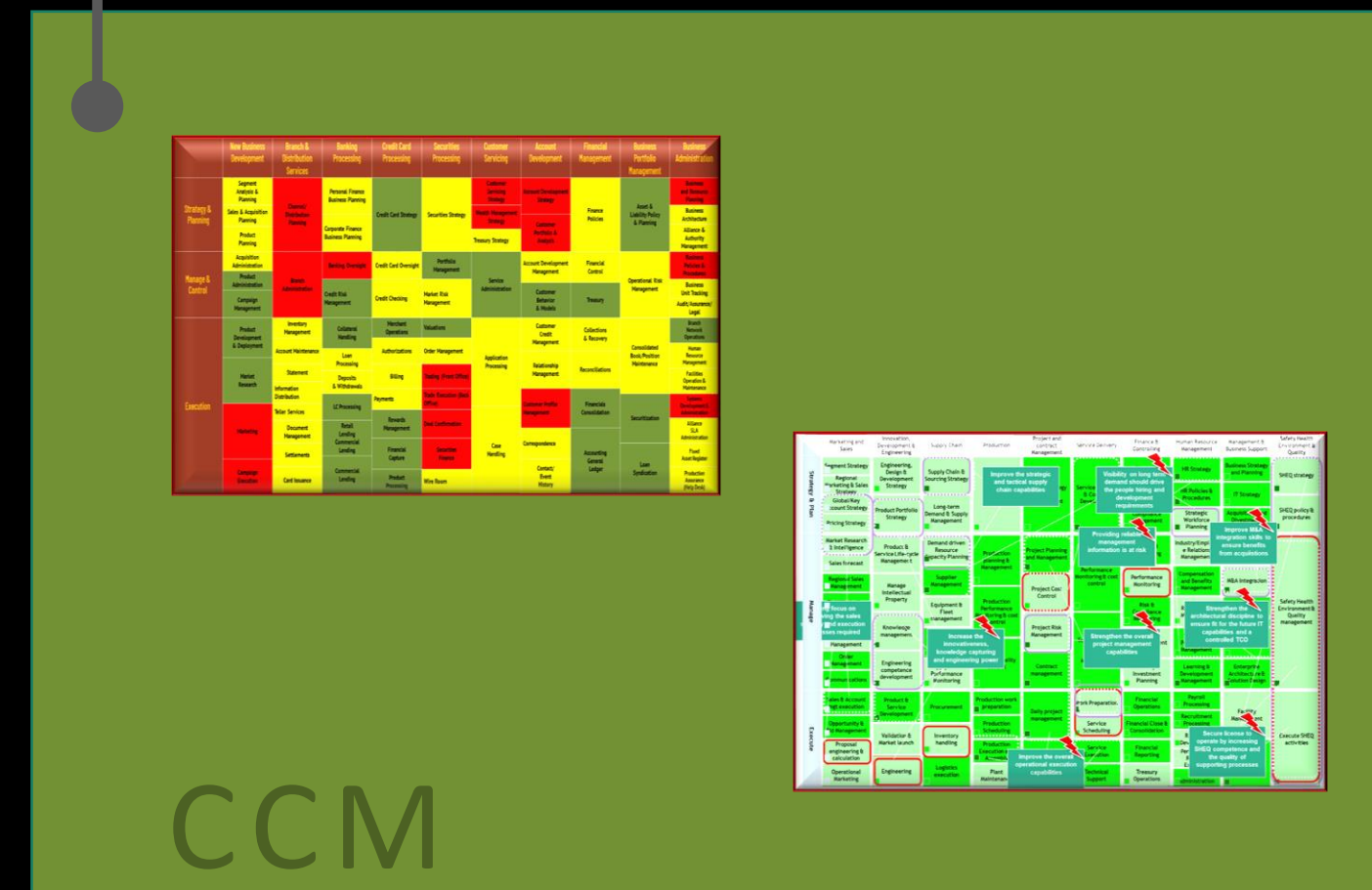
CCM

BUSINESS CAPABILITY MODEL SAMPLE (BCM): TELECOMS

	CRM	Finance	Quality, Compliance, Risk	Information Management	Solutioning	e2e Value Chain (Supply Chain, Support & Services)	
Strategy & Plan	Client Business Development	Business & Finance Strategy	Business Resilience Strategy	Asset & Information Management Strategy	Research & Development Strategy	Value Chain Strategy	
	Channel Strategy	Bus. Enterprise Architecture			Platform Strategy	Value Chain Planning	
		Business Portfolio Management	Regulatory Compliance Strategy	Knowledge Management Strategy	Development Capability Management	Value Chain Rules & Policies	
	Market Management	Enterprise Resource Strategy					
Manage	Market Portfolio Management	Manage Standard Business Models	Business Process Compliance	Information Resource Management	Solutions Architecture	Value Chain Management	
	Client profile management	Financial Management	Security, Privacy & Data Protection		Developm. Process Deployment	Demand & Supply Management	
	Opportunity Management	Bus. Process Performance	Integrated Risk Management	Intellectual Property Management	Development Program Mgt.		
		IT Management				Partner Process Integration	Partner management
	Sales Management	Human Resources Management	Regulatory Compliance Mgt.		Release Integration Planning		
Execute	Account & Territory Management	Financial Operations	Implement Compliance Policies	Data & Content Management	Research	Procurement Execution	Services Management
		Bus. Processes & IT Infrastructure		Knowledge Capture & Availability	Solution Engineering	Production Management	Solution Operations & Maintenance
	Solution Marketing		Quality Management		Solution Component Development		
		HR Operations		IP Capitalization	Collaborative Design-In	Solution Integration	Warranty Management
	Manage Contract Lifecycle	Legal Management & Support	Business Resilience & Disaster recovery	Asset Lifecycle Management	Engineering support	Solution Logistics	Client Inventory Management

BUSINESS CAPABILITY DRIVEN ANALYSIS & OWNERSHIP

	Consumer Relationship	Customer Relationship	Manufacturing	Supply Chain & Distribution	Business Administration
Strategy	Category/Brand Strategy	Customer Relationship Strategy	Manufacturing Strategy	Supply Chain Strategy	Corporate Strategy
	Category/Brand Planning	Customer Relationship Planning	Supplier Relationship Management	Supply Chain Planning	Corporate Planning
					Alliance Management
					Line of Business Plan
Manage	Brand P&L Management	Assessing Customer Satisfaction	Production and Material Planning	Distribution Oversight	Business Performance Management
	Matching Supply and Demand	Customer Insights	Manufacturing Oversight		External Market Analysis
	Marketing Development Effectiveness	Account Management	Supplier Control	Inbound Logistics	Outbound Logistics	Organization and Process Design
	Product Ideation				Legal and Regulatory Compliance
Execute	Concept/Product Testing	Value Added Services	Make Products		Treasury and Risk Management
	Product Development	Customer Account Services	Assemble Products / P&G Products	Distribution Center Operations	Accounting and GL
	Product Management				Indirect Procurement
	Marketing Execution	Retail Marketing Execution	Plant Inventory Management	Transportation Resources	Facilities and Equipment Management
	Consumer Service	Instore Inventory Mgmt	Manufacturing Procurement	En route Inventory Management	HR Administration
	Product Directory	Customer Directory			IT Systems and Operations

Legend:

- CONSOLIDATE
- PROFESSIONALIZE
- PARTNER
- CO SOURCE
- OUT SOURCE
- IN SOURCE

SAMPLE QUESTIONS FOR BCM BUSINESS ANALYSIS (1)

- **Background**
  - What is the background?
  - What are the key historical matters of this business/competence area that should be taken into consideration in this initiative?

- **Strategy, Structure and Competences**
  - What are the key strategic ambitions and development objectives of the business area?
  - What are currently the biggest challenges and pain points of the business? What should be done to overcome the challenges?
  - What are the main differentiating elements of the business compared to the market and competitors?
  - What business operations should be categorized as core businesses? What are clearly areas of non-core, commodity businesses?
  - How well competences are aligned with core businesses? What are the areas where competences shall be developed or realigned?
  - What are the main commonality areas within the business (in the division; between locations and countries)? What are they when considering the matter at Group level?
  - How acquired businesses have been integrated to the Group? How successful you consider the acquisition process has been?

- **Markets**
  - How well the business is aligned with the market and customer needs? What areas should be developed?
  - In what areas the business has a competitive advantage in markets? In which areas the business is behind the best performer?
  - Are there any important trends in markets or in competitive landscape that the business should align with in the future?
  - What are the main risks within the business environment?

- **Future Considerations**
  - What do we hope to be next steps after this initiative?
  - What are the biggest challenges and risks?

SAMPLE QUESTIONS FOR BCM BUSINESS STRATEGY INTERVIEWS (2)

- **Development and Synergy Opportunities**
  - What you categorize as the biggest synergy opportunities within you business area? What are they when considering the matter across all businesses and divisions; at group level?
  - What is a scale of the benefits?
  - What would be the radical improvements to take to substantially improve performance within the business area?
  - What development actions would be required to make change happen and to realize the benefits?

- **Governance, Organization, Processes and Technology**
  - In generally, how decision making is governed in the business areas? What decisions are typically made at group / division / country / local unit level?
  - In what matters the business cooperates with Group and other divisions?
  - Is the current business structure optimal for the business? Why?
  - Do you have common processes to execute the business? How the business processes are defined, documented and maintained?
  - How communications on important business matters is managed and executed within the organization?
  - Who develops the business? What is the freedom to develop and implement the ideas?
  - How to succeed best in the organization? How should you act and behave? How are the best performers of organization, ideas and improvements rewarded?
  - How well the technology is serving and supporting the business? Is there any specific areas that should be improved?
  - How is the collaboration in the organization, tools and technology used?
  - What is the level of mobile applications (Intelligent phones, tablets, …etc) used in the organization

- **Performance, Measurement and Reporting**
  - How the business is controlled and managed?
  - How business performance is measured and reported within the business?
  - Are performance and reporting metrics clear and relevant for the purpose? What are reporting cycles of the business?
  - Do you have any corporate or finance dashboard available?

Thank You!

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