

# The Business Agility Manifesto

## *Building for Change*

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### *The Prime Directive*

**All initiatives must demonstrably align with the Management Imperatives.**

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## **I. Perpetual Change**

1. Accommodating unceasing innovation and fast-paced change is mandatory for business agility.
2. The existing business must be changed continuously to sustain business relevance in a continuously evolving external ecosystem.
3. While perpetual change is unavoidable it must be accommodated in such manner that existing value chains are not subject to unnecessary risk during transitions.
4. Perpetual change depends on a Business Knowledge-Base for predicting and mitigating the impacts of changes, especially their unintended consequences.

## **II. Business Solution Agility**

1. Developing software faster is not sufficient, in and of itself, for survival and growth because once operational, such software is likely to prove difficult to continuously and rapidly change without unintended consequences.

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2. The true measure of an agile business solution is how much business knowledge is configured into it and how easily that knowledge can be changed or reconfigured.
3. Deployment of business knowledge into business processes and products should be timely, effective, selective, repeatable, pervasive, traceable, and retractable.

### **III. Business Value Creation**

1. Business value must be the over-riding justification for expending resources (money, time, etc.) for all investments including software development or acquisition.
2. Business value can arise from enhanced business solutions or from changes to accommodate the shifting business ecosystem, but not from software features alone.
3. Avoidable scrap and rework due to lack of business knowledge and lack of alignment is pure waste.
4. Value creation optimized for silos rather than for whole value chains sub-optimizes customer experience and received value.
5. Planning and managing value creation requires a value chain model that can be used to design, change, manage, operate, and analyze the entire value chain.

### **IV. Value Chain**

1. The business knowledge and work required to deliver products and services to a market should be organized according to their natural dependencies (that is, a value chain) as opposed to being organized by existing organization structures.
2. The marketplace determines the natural boundaries of a value chain. Contributing stakeholders may be internal or external to the business.
3. The role of each stakeholder in a value chain must serve the best interests of the entire value chain, including accommodating constraints of other stakeholders. Measurements, targets and incentives for stakeholder roles should be aligned to the value chain outcomes that best serve customers.
4. Trying to eliminate silos or product pipelines and improve end-to-end processes in a value chain without a concept model will at best prove difficult. It will guarantee rework and delays.

5. Knowledge of the dependencies in a value chain enables prediction of the impacts of change and provides natural criteria for scoping the boundaries of business design and software implementation initiatives.

## **V. Business Knowledge**

1. Business knowledge is not the same as software development knowledge.
2. Business knowledge covers all design characteristics of the business needed to create, operate, manage, and change its value chains, as well as to evaluate their performance. It also covers underlying business capabilities and enabling resources (financial, human, facilities, equipment, etc.) on which value chains depend.
3. Effective, unambiguous communication of business knowledge depends on shared understanding. That understanding must be deliberately managed by means of a concept model, which also serves to retain knowledge and enable its reuse.
4. Business knowledge in downstream portions of a value chain is dependent on business knowledge needed for upstream portions. The most reusable business knowledge is created early in the value chain, then reused throughout.
5. Business knowledge covers all business rules independent of their employment in automated systems or manual workflows so they can be dynamically located, enforced, modified, and reused in every relevant situation.

## **VI. Business Knowledge Management**

1. Business knowledge should be expressed explicitly in a form accessible to all business audiences.
2. Effective management of business knowledge requires that it be rendered in explicit, accessible, protected, sharable, re-usable, retainable, and updatable form.
3. Effective management of business knowledge requires a formal storage facility (automated and manual) and processes for sustaining its currency and integrity.
4. Effective management of business knowledge requires that it be secured from physical or cybernetic compromise.

## **VII. Business Knowledge-Base**

1. The Business Knowledge-Base is the end result of transforming tacit (mental) knowledge to explicit (stored, common, sharable) knowledge.

2. The Business Knowledge-Base provides permanent transparency about design decisions in configuring business products and processes.
3. The Business Knowledge-Base is essential not only for automating processes, but for assembling all business capabilities.
4. The Business Knowledge-Base is critical for locating and reusing business capabilities, and for dynamically predicting and mitigating the impacts of change.
5. The Business Knowledge-Base is not a typical technology implementation but rather a mandatory business asset for the Knowledge Age. It should therefore be under the purview of general management.

## **VIII. Single Source of Business Truth**

1. The Business Knowledge-Base is the single source of truth for authorized business concept definitions and business policy decisions, continuously available for all business audiences, independent of geography and time, instantaneously accessible, and designed to accommodate perpetual change.
2. The Business Knowledge-Base is a single source of truth about business rules, business activities, and other business characteristics upon which operation of value chains depend.
3. To serve as a single source of business truth that effectively facilitates change, the Business Knowledge-Base must maintain separation among all elemental building blocks that can be configured into business capabilities or business solutions – for example, concepts from business rules, business rules from processes, processes from events and roles, etc. – as well as from all technical design descriptions.

## **IX. Business Integrity**

1. Inconsistent or conflicting business results impacting external stakeholders such as customers, regulators, etc. lowers credibility and creates potential legal liabilities.
2. Failure to consistently meet contractual obligations and commitments to external stakeholders is incompatible with a customer-centric focus.
3. Properly designing the structure of business concepts to ensure consistency in business results – i.e., designing a concept model – will avoid needless subsequent redesign and reconstruction of databases and systems.

4. By enabling consistent behavior and repeatable operational decisions, business rules are an essential part of business knowledge.
5. A main cause of data quality problems is failure to consistently use authorized business definitions and business vocabulary as prescribed by a concept model and to faithfully follow business rules.

## **X. Business Strategy**

1. The means to survive in or dominate an industry, and to deter new entries, will increasingly depend on managing business knowledge.
2. The business knowledge necessary to execute the business strategy and to configure business processes and products is special and invaluable. It is increasingly indispensable for sustaining competitive advantage.
3. Bots will complement and enhance – but not displace – the need for explicit business knowledge.
4. No new business or technology channel will ever emerge for which business knowledge isn't needed. Technologies come and go. Business knowledge is persistent.
5. Given the pace of innovation and change, solutions for business agility are critical to the business today.

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**END NOTE:** There is nothing theoretical or technical that constrains or prohibits realization of all the Principles in this Manifesto. The business knowledge and all the Principles need not be completed or in constant practice to continue operations or to do new work, including software implementations. It is going to take time, dedication and perseverance. Every Principle is well-established conceptually, logically and physically. The only thing required to realize these Principles is deciding to put them into practice and committing to iterative and incremental, dedicated realization as a new way of life, a new paradigm. The only logical argument for ignoring them is that building software faster is more important than how successfully the business operates in the increasingly dynamic and complex, high-risk environment. Somebody is going to do this ... best it be YOU.