7 use cases solved with enterprise architecture



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Introduction

In the not-so-distant past, enterprise architecture (EA) had become an afterthought at organizations, and the demand for enterprise architects was on the decline. The practice was widely regarded as an academic exercise taking place in an "ivory tower," with a focus on diagramming and modeling IT systems.

To say that trend has shifted would be a drastic understatement. Today, across industries, EA is considered critical to staying relevant and competitive.

Companies today face increasing pressure to transform and adapt to changing markets and advancing technology. But transformation requires deep, reliable, and actionable insight into the IT landscape. It also requires cross-team collaboration, dynamic road mapping, and future-state modeling. And while you the transformation is underway, you need to continue optimizing IT spend, minimizing security risk, ensuring compliance, and meeting ESG commitments.

Companies now realize they need EA and a data-driven EA solution if they want to create the essential foundations for business transformation and optimization of the IT landscape. In this whitepaper, we'll explore seven of the most common use cases where enterprise architecture can be a real gamechanger. We'll also reveal how SAP LeanIX helps eliminate challenges that might get in the way and enables organizations to achieve success faster.

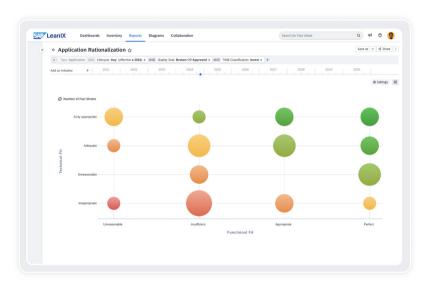
Application rationalization

The goal of application rationalization boils down to one basic question: Does it make sense that we have the specific applications we have?

Generally, companies grow their application portfolios organically. There comes a time, however, when you realize that you are maintaining and managing applications that essentially do the same thing or that no longer fit your business needs.

Application portfolios full of unused, out-of-date, or redundant applications make IT landscapes chaotic and complex. Rampant inefficiency aside, maintaining all these applications can become an expensive waste of money.

The application rationalization process streamlines your application portfolio, eliminating unnecessary and redundant apps, reducing clutter and complexity, and lowering total cost of ownership (TCO).



When done right, it allows your organization to consistently:

- Reduce IT spend and eliminate extra support costs by identifying and removing redundant applications
- Simplify the IT landscape and reduce operational complexity
- Improve IT landscape design to better support business strategies
- Track and manage applications to ensure continuous optimization
- Reduce your carbon footprint and achieve sustainability goals

When undertaken consistently, application rationalization also keeps your organization agile and future-ready. Once application rationalization becomes part of your organization's DNA, you will be prepared to manage the complexity associated with things like rapid growth, mergers and acquisitions, global outsourcing, remote work, and the adoption of new business models.

Unfortunately, <u>our research</u> shows that only 15% of organizations regularly rationalize their application portfolios. This is unfortunate, because without regular, proactive application rationalization, application sprawl will recur, along with the overspend and inefficiency that come with it.



How EA and SAP LeanIX can help

The rationalization process begins with building a comprehensive application inventory and conducting an application portfolio assessment.

Most organizations have created an application inventory at some time or another, but such efforts are usually one-time events involving the collection of application data in a spreadsheet. This method requires a lot of time and effort while providing little value: The data quickly becomes outdated and is generally unreliable thanks to the inaccuracies that accompany manual data collection. It can also be siloed and difficult to access.

With SAP LeanIX, you can quickly ingest and collect data via surveys and integrations with other enterprise tools. Typically, an organization will start by loading all available application data (for example, from Excel, Sharepoint, Visio) into SAP LeanIX. This data will form the basis of the inventory. SAP LeanIX also offers automated integrations with other common solutions, such as configuration management databases (CMBDs), business process management (BPM) tools, and

enterprise resource planning systems (ERPs). These integrations help create and maintain a complete, accurate application inventory.

You can use SAP LeanIX Surveys to further enrich your application data. By routinely sending surveys to team leaders and application owners, you can ensure your application data is not only current and comprehensive, but also reflective of real-world use and value.

Having collected your data, you can begin assessing your portfolio, using SAP LeanIX to rank applications based on their functional fit (do they do what the business needs?) and technical fit (are they the best tools for your specific IT environment?).

Having assessed the fit of your applications, you can begin making data-driven decisions about next steps using the Gartner TIME (tolerate, invest, migrate, eliminate) framework. By providing a way to think through next steps — Do we tolerate this application? Replace it? Move it to the cloud? Retire it?

The Gartner TIME framework has become the industry standard for planning and executing the application rationalization process. Our <u>expert guide</u> explains how you can use SAP LeanIX to apply the TIME framework to your application portfolio.

See for yourself how SAP LeanIX supports <u>application</u> rationalization



Estée Lauder

Estée Lauder is one of the world's leading cosmetics companies. It has over 60,000 employees across the world, more than twenty different brands, and a sprawling portfolio of hundreds of applications.

Rationalizing such a portfolio across brands, regions, and teams is a monumental endeavor. That's why Estee Lauder uses SAP LeanIX to support regular application rationalization initiatives.

This <u>in-depth success story</u> reveals how the company leveraged SAP LeanIX to develop an eight-step methodology for application portfolio rationalization, a process that includes optimizing investment, setting global standards for mission-critical apps, and securing stakeholder buy-in.

66 SAP LeanIX has been instrumental in helping us organize all of the information we need for continuous application portfolio optimization. All of our strategic goals from the board on down are put into SAP LeanIX and mapped to specific projects. ??

Dawit Lessanu, Executive Director of Enterprise Architecture, Estée Lauder

Business capability mapping

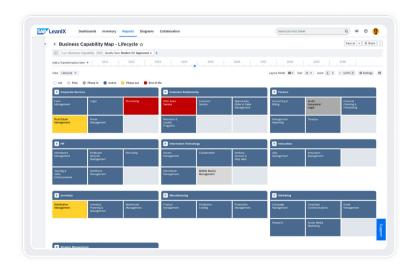
Business capabilities are high-level descriptions of what a business does.

Common business capabilities include customer service and support, product development, supply chain management, HR, accounting, and sales. To distinguish business capabilities from business processes, people often say that capabilities capture the "what" of doing business, and processes capture the "how."

Business capability mapping means connecting these capabilities to the technology that supports them. Having a comprehensive business capability map helps both IT teams and business leaders see the IT landscape in context, providing a common language for discussing and making decisions about it. Once you've established this common language, everyone can work together to:

- Evaluate whether or not specific applications effectively support business needs
- Align IT solutions and investments with strategic goals
- Uncover redundant applications and opportunities for rationalization

- Identify opportunities for modernization and innovation
- Find and address technology risk due to obsolescence
- Break down organizational silos and expedite time-to-value in IT projects



How EA and SAP LeanIX can help

Business capability mapping makes the connection between your enterprise architecture (EA) and your business explicit and is usually the first step in any EA initiative. With SAP LeanIX, the mapping process is straightforward and efficient.

Our customer success teams advise and consult with customers on business capability mapping to create a solid foundation for their EA practice. Many companies already have some form of internal business capability map, while others are starting from scratch. Regardless of your situation, SAP LeanIX is designed to facilitate collaboration between IT and business teams and help you create what you need quickly.

Once your business and IT teams agree on the organization's core set of business capabilities, in SAP LeanIX you can tag all each application with the capability it supports. You can then use out-of-the box reports and visualizations to quickly identify areas where you have capabilities supported by more than one application, for example, or where you have gaps in support.

For a deeper dive on business capability mapping, check out our <u>Definitive guide to business capalities.</u>

KUKA

KUKA is one of the world's leading suppliers of industrial robots and factory automation systems. The company needed a faster, more efficient way to scope and pace new IT projects. But they lacked a clear view of their shared technology resources and how decisions contributed to the bottom line. Without this information, it was difficult to make the best decisions and justify them to stakeholders.

With the help of SAP LeanIX, <u>KUKA was able to create</u> a comprehensive map of their critical business capabilities, the IT resources supporting them, and the dependencies between them. This map provided a shared language of core capabilities across teams and served as a foundation for strategic IT investment decisions. Mapping IT resources and dependencies set KUKA up to make decisions quickly—and seize the most important opportunities.

With SAP LeanIX, we can see all applications globally in one capability map and how they connect to the company value stream. We know how important the capabilities are for the company, and how well IT systems support each capability. Now we can take the next step and align our project road maps to them. ??

Christian Schwaiger, Head of Corporate Enterprise Architecture Management, KUKA

USE CASE

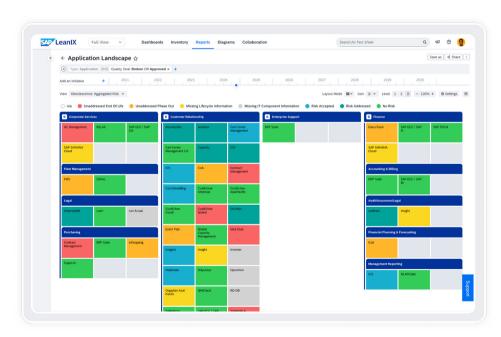
Obsolescence risk management

According to the <u>Cybersecurity and Infrastructure Security Agency</u> (CISA), the number-one risk to critical infrastructure is the use of unsupported or end-of-life software. (And the average cost of security incident mitigation has reached an all-time high of <u>\$4.35 million</u>.)

Obsolete or end-of-life technology creates security vulnerabilities, erodes efficiency, and invites service failure, leading to loss of reputation and, worse, customers.

Obsolete tech is also costly. The performance of legacy systems degrades over time and requires increased attention from IT staff. Once such systems are no longer supported by vendors, you have to bear the cost of updates and maintenance.

As for security risks, you often can't apply modern security best practices to outdated solutions. These includes multi-factor authentication, single sign-on, and role-based access controls. What's more, outdated solutions often don't produce sufficient audit trails, can't support newer



encryption methods, and lack real-time security monitoring for detecting and resolving breaches.

Why, despite these facts, do so many organizations still run mission-critical business processes on legacy systems? It turns out there are a number of obstacles that get in the way of effective tech obsolescence risk management:

- An incomplete inventory of IT components
- An inventory in a CMDB that can't be easily accessed or leveraged
- The untenable amount of manual effort needed to gather lifecycle data on hundreds or thousands of components
- Lack of insight into dependencies that prevents mapping lifecycle data to IT components
- Lack of insight into business context that makes risk assessment challenging



How EA and SAP LeanIX can help

The first step in managing outdated technology is identifying obsolete assets in your IT estate. SAP LeanIX integrates with CMDBs, including an out-of-the-box integration with Service-Now, allowing you to pull relevant data and create a complete inventory of your IT landscape, from applications to the underlying infrastructure components.

With the reporting and dashboarding capabilities SAP LeanIX features, you can easily visualize the relationships between applications and IT components. To assess the maturity of components, SAP LeanIX offers a Lifecycle Catalog serving as a reliable source of data on tens of thousands commonly used solutions. The catalog is maintained by a dedicated team that ensures data accuracy and eliminates manual effort on your end.

When lifecycle data is attached to all of your IT components, you can filter for end-of-life status. When components near or pass end-of-life, you can assess the risk this poses by considering the associated applications and the business

capabilities they support. You can then prioritize risk mitigation efforts and determine the best course of action for each application – for example, accept inconsequential risks, perform incremental updates, or replace entirely.

SAP LeanIX's intuitive reports and visualizations enable you to easily see when components are hitting end-of-life and allocate resources more effectively.

10 key obsolescence risk management questions SAP LeanIX answers

- 1 Does the app need tech upgrades to ensure ongoing support for business operations?
- 2 What is the lifecycle of this application?
- 3 What are the applications' response times?
- 4 Are response times good or bad compared to other applications?
- 5 Did the application have more or fewer outages year-over-year?

- 6 Is the system prone to incidents?
- 7 How many users would be affected by a potential outage?
- 8 What impact would an application outage have on revenues?
- 9 Are we meeting regulatory or compliance requirements?
- **10** Is the technology risk stagnating business growth?

With SAP LeanIX, proactive obsolescence risk management becomes an integral part of your EA practice. Your CMDB integration will continuously sync your IT components and applications, keeping them up to date.

You can also set up automated alerts so that whenever a new IT component enters the workspace, you receive an action item reminding you to link that item with the Lifecycle Catalog. Action items can also be triggered whenever a lifecycle changes in a defined timeframe – for example, six months or one year – giving you plenty of time to assess and remediate any risk.

Want to see more of how SAP LeanIX enables you to get a handle on tech obsolescence? <u>Take an interactive tour of our technology obsolescence management capabilities.</u>



Post-merger IT integration

Mergers and acquisitions pose numerous challenges for IT. First of all, after a merger or acquisition, you suddenly have two (at least) of everything, so you need to decide what to keep and what to get rid of. Beyond that, IT has to ensure data compatibility across systems and manage security risks during the integration process, a process requiring significant planning and resources. Not to mention that you need to keep the business running while sorting things out.

The most common IT challenges associated with mergers and acquisitions include:

Visibility

Achieving full visibility into both IT landscapes involves understanding not just the technologies in use, but also how they are used within the relevant business processes. Such visibility is crucial for identifying redundancies, critical points of integration, and potential areas for innovation. Data silos and incomplete (or unreliable) data can make it difficult to create and maintain the necessary level of visibility.

Data Inconsistency

When entities merge, disparity in data structures, data quality,

and data management practices can create significant integration challenges. Harmonizing these differences requires meticulous mapping and conversion strategies to ensure data integrity and usability across the newly unified systems.

Redundancy

When you have redundant applications and overlapping functionalities, you must determine which systems provide the most value or are most critical to business operations. Decisions must balance functionality, cost, and future scalability.

Regulatory Compliance

Post-merger, all systems must comply with relevant laws and industry regulations. Different datasets present different challenges and cybersecurity standards. This is especially true for international deals where different regions have different regulations.

Cost Management

The financial implications of integrating or decommissioning systems are significant. Effective cost management involves not only managing the direct costs of these actions but also

the opportunity costs of diverting resources from other strategic initiatives. Balancing costs against the expected benefits of the merger is a critical challenge for IT teams and business leaders.

How EA and SAP LeanIX can help

SAP LeanIX enables a strategic approach to IT integration post-merger or acquisition, minimizing disruption to ongoing operations and ensuring the combined infrastructure can support the needs of the newly merged entity.

Developing a joint business capability map is one of the first and most critical steps of any post-merger integration (PMI), as it establishes a common foundation or "single source of truth" for teams from both companies to reference. The corporate strategy and goals of the merger or acquisition will guide your planning around current and future business capabilities.

Whether it reflects a new business architecture are simply provides a framework for an acquired company to assess its IT landscape, the team can use the business capability map to

rationalize the application landscape and prioritize integration efforts.

Post-merger integration takes time and you want to avoid disrupting operations while you're doing it. SAP LeanIX enables you to continually test different plans and scenarios to identify the best path forward. Among other things, SAP LeanIX provides the necessary insight into dependencies so that while turning off or migrating systems, nothing breaks.

To further explore the role of EA in post-merger IT integration, check out this <u>use case page</u>.

CASE STUDY

Helvetia

In 2014, Helvetia acquired Nationale Suisse in a deal worth 1.4 billion Swiss francs (\$1.57 billion).

After the merger, IT had to balance multiple priorities: First, they needed to ensure continuing business operations. Second, they had to combine the IT departments of the former Nationale Suisse and the "New Helvetia." Finally, they needed to provide IT support for the integration of all business processes, such as transferring thousands of insurance policies and claims dossiers while keeping the overall target architecture in mind.

SAP LeanIX served as the basis for many important decisions

post-merger. Visualizations of the complex relationships between applications, data flows, user groups, and business capabilities helped the organization define the target landscape of the newly merged entity. With the help of SAP LeanIX, the company was able to:

- Save millions of euros by reducing IT redundancy
- Expedite IT projects while reducing setup efforts
- Share EA responsibility with a central governance framework
- Establish a comprehensive catalog of technology standards

We get insight faster and better than before. The information contained in SAP LeanIX enables projects to start faster and decreases ramp-up costs.

Silvio Hefti, Group CIO Helvetia

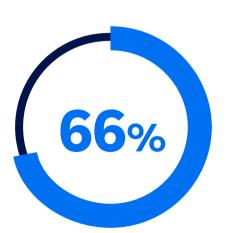
For a deeper dive into Helvetia's successful M&A with SAP LeanIX, click here.

ERP transformation

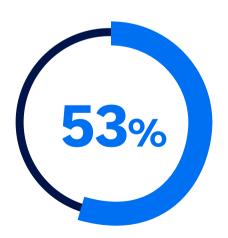
Swapping out ERP systems can be daunting. It often involves significant changes to existing workflows, data migration challenges, and the need for extensive staff (re)training. In addition to the substantial investment in both time and resources the implementation of a new ERP system requires, there's also the real risk of costly operational disruptions.

In April and May 2022, SAP LeanIX conducted an <u>international survey</u> of enterprise architects and IT managers. The survey focused on moving from SAP ECC to SAP S/4HANA, but the findings relate to any ERP transformation. According to respondents, the three biggest challenges were:

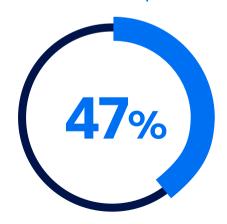




Defining a target architecture and creating a road map to get there



Understanding and mapping interdependencies of ERP and non-ERP landscape



Challenge #1: Aligning IT, business and project teams

Establishing alignment between IT, business, and project teams – and maintaining that alignment throughout the duration of the project – is the biggest ERP transformation challenge for most enterprises.

Since your ERP runs critical parts of your business, an ERP transformation will require people to adapt or change the way they work. Knowing the reasons behind these decisions and the ultimate goal of the transformation can make it easier to anticipate and prepare for these changes.

However, in many organizations, teams are siloed from each other with little communication or collaboration between them. When one team doesn't understand why something is important to another team or doesn't fully realize what the potential consequences of inaction may be, conflicts arise and transformation projects stall. Stakeholders don't understand why decisions made by others matter, and they don't have reliable and timely data to make their own decisions with confidence.

Challenge #2: Understanding and mapping interdependencies of ERP and non-ERP landscape People have described ERPs as the "central nervous system" of the enterprise. Because ERP systems connect different parts of the business, they necessarily interact with numerous non-ERP systems. This means that before you can replace one ERP system with another, you need to understand how the current ERP connects to the various components of the non-ERP landscape.

To avoid breaking things (such as causing a failure somewhere in the business), all these interconnections and dependencies must be understood and mapped out. ERP transformations require periods of downtime or reduced system availability. The goal of mapping is to ensure that these disruptions are both predictable and manageable.

Unfortunately, it is not always the case that companies have the necessary level of visibility into their technology landscape, both ERP and non-ERP. Companies also often lack clarity around how these technologies effectively implement and support business processes. They don't have a comprehensive overview of the landscape, including interfaces, data flows, dependencies, and others, as well as the overarching business processes, so they can't effectively plan out their transformation journey.

Challenge #3:
Defining your target architecture and creating a road map to get there

Achieving your business objectives in an ERP transformation requires at least two things: a clear articulation of your target state and a detailed road map that will get you there.

To define your target architecture, you need a clear understanding of the business processes that architecture will support. Without organization-wide alignment on goals and a deep understanding of how your ERP connects to the non-ERP landscape both today and tomorrow, it will be very difficult to create your road map to your target state.

How EA and SAP LeanIX can help

SAP LeanIX provides the visibility and modeling capabilities you need to guide, manage, and track your ERP transformation. It is specifically designed to plan architectural road maps, reveal the potential impact of transformation initiatives, and enable deep collaboration between business and IT teams.

Gain full visibility

SAP LeanIX gives you full transparency into business, application, data, and technology layers, including their relationships to each other. This enables you to visualize where ERP and non-ERP applications are used and how they interact, and identify interdependencies and interfaces in both your ERP and non-ERP landscape. All of this information is available to stakeholders in easy-to-understand visual reports and dashboards.

Combine enterprise architecture and business process data

SAP LeanIX's out-of-the-box integration with SAP Signavio allows you to sync your enterprise architecture data with your

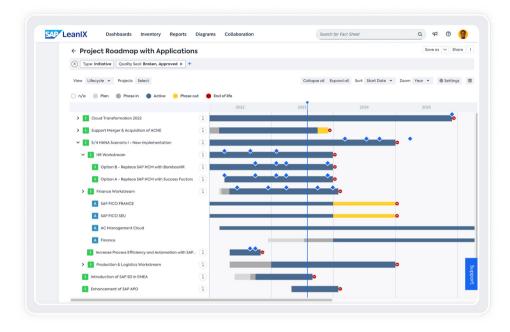
business process data, so you can verify optimal IT implementations (applications, processes, and IT components). Furthermore, business process architects and enterprise architects can use their tools of choice while maintaining a shared view of the ongoing transformation. This ensures that stakeholders across the organization speak the same language and collaborate effectively.

Create a clear road map

All of the aforementioned data in SAP LeanIX enables EAs to see which initiatives will be sequentially dependent on others, so they can determine the optimal order of operations in the transformation road map. Every time a change is made to your architecture during the transformation process, SAP LeanIX can provide an up-to-date snapshot of your landscape and show you how it is evolving. This ensures your road map can dynamically evolve with your architecture so you're always on the right track.

SAP LeanIX can also show you what the direct and indirect effects of shutting down or migrating specific applications will be. You will know what processes and capabilities will be affected and when. You will also know who owns which applications, whom to notify, and which teams will have to adjust their workflows. With dashboards available to everyone, you can ensure that the right people with the best data on the actual use of their respective applications can provide their input.

Want to see SAP LeanIX in action for ERP transformation? <u>Take our product tour here.</u>



Application modernization

Application modernization is the process of updating and transforming older software applications to more current versions and deployment methodologies.

It encompasses a wide range of actions, from simply moving existing on-prem applications to the cloud to rearchitecting applications you have built in house, and everything in between.

One of the primary benefits of application modernization is improved efficiency and performance. Another key benefit is enhanced security. Application modernization can also improve the user experience, increasing adoption and usage. Finally, operating with a modernized application landscape provides the overall business with the agility it needs to stay competitive.

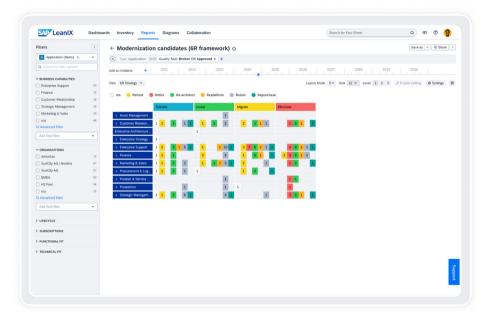
Application modernization also helps you avoid the many risks associated with your legacy applications. These risks include suboptimal performance, service failure, poor user experience, increased vulnerability to cybersecurity threats, and mounting maintenance costs.



Despite the clear benefits of modernization, and the many risks of neglecting to modernize, modernization efforts can easily get stalled. Why? Because modernization involves a multi-step process that can seem overwhelming, especially when you lack the deep insight into your enterprise architecture that application modernization requires.

How EA and SAP LeanIX can help

SAP LeanIX is custom-made to drive and support your application modernization efforts every step of the way. We based our approach to modernization on the AWS 6R framework – Replace, Re-architect, Re-platform, Rehost, Retain, and Retire. With the application data and road-mapping apabilities in SAP LeanIX, you can apply the 6R framework to determine the most appropriate modernization steps for your applications.



If you are not familiar with this framework, here's a quick overview:

Replace

The entire application will be replaced by another application with a better technical and functional fit.

Re-architect

Re-architecting an application means making changes to its internal structure, design, or codebase in order to enhance performance or add new features. It is typically done with applications you have built in house.

Re-platform

Re-platforming is done when you're going to keep an application's core architecture but modernize some of the IT components to achieve tangible benefits, such as improved resource utilization or security.

Rehost

Rehosting, often referred to as "lift and shift," involves moving an application from an on-premises environment or from one cloud platform to another cloud platform without making significant modifications to the application itself.

Retain

This is the "do-nothing" option. It applies to applications that need no changes. They may be performing just fine as is, or it may be too complicated or costly to act on them right now and you plan to revisit them in the future.

Retire

These applications you can get rid of because they no longer serve the purposes of the business. However, you may need to archive or migrate the data they contain. You may also need to engage in some amount of change management for those employees who will no longer have access to the applications.

Assigning 6R categories to applications

There are many factors that can go into determining which of the 6Rs to assign to each application. Ultimately, you want to be sure that you modernize each application in a way that best supports your organization's strategic objectives. Your own 6R criteria will therefore depend on your company's goals, priorities, and pain points.

As it turns out, the Professional Services team at SAP LeanIX has created an algorithm that can be used to categorize your applications according to the 6R framework. The team based this algorithm on the following criteria:



Business need

Importance of the application to core business operations and objectives



Maintenance effort

Required effort and resources to maintain the application in its current state



Complexity

Frequency of changes to the application's functionality and degree to which the application can be reconfigured to respond to changes in business environments



Time criticality

Urgency of modernization to meet business or market demands



Scalability

Ability to handle increased load and grow with the business



Cost effectiveness

Impact on operational costs and ROI of modernization



Security and compliance

Adherence to security standards and regulatory requirements

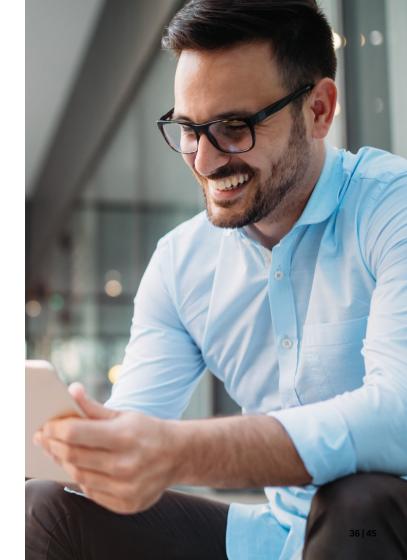
After establishing your own criteria or using SAP LeanIX's, you can use a rating system for each category, such as a scale of 1-5, where higher scores represent better alignment or performance against a particular dimension. Different companies will assign different weight to different criteria based on their unique purposes and contexts.

Planning actions in waves

A wave-based approach, also known as phased modernization, involves organizing your modernization efforts into sequential groups or "waves" of activities.

How you design your waves depends on your organization's specific goals, priorities, and challenges. Multiple factors will influence the staging of your waves. For example, if your goal is rapid return on investment or significant cost savings, the initial waves might focus on quick wins—applications that can be modernized with minimal effort but yield substantial benefits. These waves could include moving "Rehost" applications to the cloud or "Replacing" one SaaS application with a better one.

You may be focused on entering new markets, enhancing customer experience, or improving operational efficiency. In this case, waves can be structured to prioritize applications that directly contribute to these strategic objectives. For organizations facing strict regulatory requirements or significant security challenges, waves might be organized to address these needs upfront, modernizing applications that handle sensitive data or are critical for compliance first.



Here is a high-level example of a typical wave-based plan:

Wave 1 (pilot wave)

Select a small number of applications with low complexity and risk to start. Criteria for this wave include:

High time criticality High business need

Low dependency Low complexity **!** Low risk

Wave 2 (early adopters)

Focus on applications that are more complex than those in the pilot wave but are still considered relatively low-risk. This wave can also include applications that will benefit significantly from modernization, providing early wins to build momentum. Criteria for this wave include:

High time criticality

Low complexity

High business need High dependency

! Low risk

Subsequent waves

Plan additional waves based on complexity, dependencies, and organizational capacity. Each wave should build on the learnings from previous ones, progressively tackling more complex or critical applications.

Wave 3 criteria

High time criticality

High business need

!\!\! Low risk

High dependency

High complexity

Wave 4 criteria

High time criticality

High business need High dependency

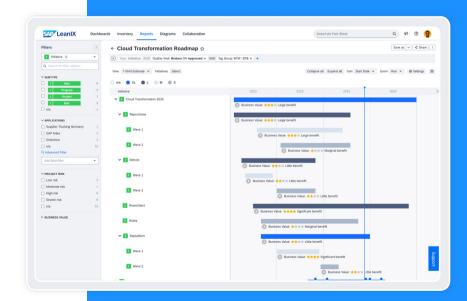
High complexity

High risk

However you plan your waves, it will be a dynamic process requiring consistent, reliable visibility into your application landscape. SAP LeanIX was created to facilitate both visibility into your as-is state and target architecture design. It was also designed to enable teams across the organization to collaboratively plan and model changes.

SAP LeanIX enables you to visualize application landscapes through a series of interactive timeline reports. This means you can predict how IT and business environments will take shape across different stages of modernization. Predefined transformation templates enable you to model changes in your application portfolio in a standardized way and explore the potential impact of different choices, giving you richer context for better decisions.

Build your application modernization road map with confidence. Read our full whitepaper <u>here</u>.



CASE STUDY

New Zealand Ministry of Justice

The New Zealand Ministry of Justice (MoJ) wanted to digitize all of their services to better serve citizens and meet their evolving expectations. This required an application modernization initiative to bring the MoJ's systems in line with modern cloud-based software.

With the help of SAP LeanIX, the MoJ was able to assess and catalog over 200 applications. This information was visualized to provide insight into the current state of their application portfolio. When it came to planning their transformation, they used SAP LeanIX to design an ideal future state for the

application portfolio and created a road map and timeline for getting there.

SAP LeanIX empowered the New Zealand's MoD to instantly access information about:

- Categories and details of all 200 MoJ applications
- Business capabilities the applications supporting them
- Users of each application and the teams they supported
- Full application lifecycle data
- A comprehensive five-year plan for application modernization

Learn more about the New Zealand Ministry of Justice's application modernization journey here.

[Users] were completely blown away by the amount of detail we had on what their department did, what applications they were using, what the lifecycle of those applications was...It allowed them to work with the senior architects to plan out what their business would look like in the next five years.

When we played that forward by using a feature in SAP LeanIX where you can fast-forward the timeline, they were just completely amazed at their outcomes and how much we knew about it.

Simon Hide, Enterprise Architect, New Zealand Ministry of Justice

USE CASE IT sustainability

Sustainable IT has become a priority for many organizations.

A combination of regulatory requirements, market demand, and stakeholder expectations have begun to make greener IT practices standard in many industries.

SAP LeanIX recently conducted a global survey of IT experts regarding their ESG initiatives and how they're tracking their progress. While 90 percent of companies are pursuing ESG initiatives, fewer than half of those surveyed believe their company is fully prepared to meet legal ESG requirements. Many face challenges around collaboration, coordination, and communication between the various responsible parties, and most revealed they still track their ESG initiatives manually with spreadsheets. Only 13% use a modern EA tool to help with ESG initiatives.

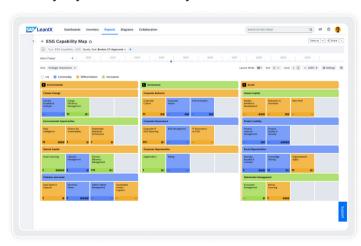


How EA and SAP LeanIX can help

Modern EA tools like SAP LeanIX help you create and maintain a data-rich technology inventory and track the ecological impact of the application portfolio. This better enables EAs to apply their expertise to projects that support ESG efforts. Such a centralized data source also eliminates friction in cross-departmental collaboration, streamlining collaboration between the many teams involved in sustainability efforts.

To help create a set of standard best practices for driving sustainability initiatives with EA, SAP LeanIX teamed up with Pwc Germany, an auditing and consulting services organization, and Viega, a manufacturer and installer of plumbing, heating and pipe-joining fittings and systems. Together we created a blueprint for using EA to integrate ESG goals into IT operations and management. The joint effort defined a set of five metrics by which you can judge the maturity of your IT sustainability initiative:

- **1. Emissions** The carbon footprint of your organization
- **2. Energy consumption** The percentage of your energy use that comes from renewables
- **3. Electronic waste** Tracking lifecycle and recycling data of IT components
- **4. Digital ethics** Commitment to data privacy and security to build trust for IT transformation initiatives
- **5. Green sourcing** Transacting with hardware and software providers committed to sustainability



With SAP LeanIX, you can now create ESG Capability Fact Sheets to benchmark, target, and track applications and technology against these metrics. As a result, you can log and track ESG maturity across the IT landscape and create road maps toward greater efficiency.

The ESG Capability Fact Sheet enables you to:

- Create a single source of truth for ESG transformation
- Leverage surveys to gather information from subject matter experts and data owners
- Import existing sustainability data from Excel through export/import functionality
- Get an overview of the status quo of your IT architecture in relation to ESG
- •Identify candidates for rationalization using ESG metrics (such as energy consumed by each IT component)

You can also leverage SAP LeanIX to import PwC's bestpractice ESG Capability Map. This allows you to:

- Visualize ESG initiatives and their key performance indicators (KPIs) to help identify areas for improvement
- Get deeper insight by navigating to each metric and evaluating its strategic importance and current and target maturity
- Create projects and road maps specific to each ESG metric

66 Sustainability is crucial for us. We saw an excellent opportunity to work with SAP LeanIX and PwC on a joint research project addressing our sustainable IT imperative through enterprise architecture. The three organizations have co-developed a blueprint to demonstrate how enterprise architecture with SAP LeanIX can be used for defining a sustainable IT strategy. 99

Elton James, CIO, Viega

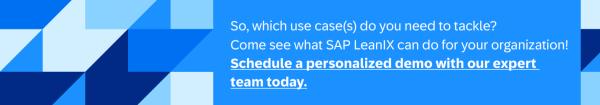
Learn more about how SAP LeanIX helps achieve sustainability goals <u>here</u>.

Use SAP LeanIX to transform and optimize your IT landscape

As technological change accelerates and global markets become more dynamic and unpredictable, the ability to continuously transform and ensure IT budgets deliver optimal value will require a robust EA practice combined with the right EA tools.

When you integrate EA and SAP LeanIX into your existing IT ecosystem and operations, you will always have the data, visibility, and collaborative capabilities you need to

successfully execute on these seven use cases and more. The single, centralized source of truth SAP LeanIX provides will equip you with the information and insight you need to plan, communicate, and prioritize any changes to your IT landscape, empowering you to transform holistically today and into the future.



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SAP LeanIX is a market leader for enterprise architecture management (EAM), driving the modernization of IT landscapes and continuous business transformation. Its software-as-a-service solutions empower organizations to create transparency, enabling them to visualize, assess and manage the transition towards their target IT architecture. By offering a data-driven and automated approach enhanced with AI, SAP LeanIX helps organizations make sound decisions and collaborate more effectively. SAP LeanIX serves over 1,000 companies globally across various industries, including more than 10% of the Fortune 500 and half of the German DAX 40. Headquartered in Bonn, Germany, SAP LeanIX has a strong international presence with offices in Boston (USA), London (UK), Paris (France), Amsterdam (Netherlands), and Ljubljana (Slovenia). Founded in 2012, the company was acquired by SAP in November 2023. For more information, visit www.leanix.net.

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