

## SOA – Making IT Dynamic to Ensure Organisational Agility



“Australian organisations are beginning to move towards Service-Oriented Architecture. As businesses demand increased agility – the ability to respond quickly to a changing market dynamic – SOA makes more and more sense to their business. Greater support of SOA by the software vendor community is also driving this shift as many companies now get their new business services out of the box.”

— Tim Sheedy, Research Director, Software and Services, IDC Australia

IT projects involving a Service-Oriented Architecture (SOA) are beginning to affect an increasing proportion of Australian organisations. These projects typically involve re-architecting technology to create an IT service that can meet the changing needs of the business in the timeframe required. The biggest challenge facing these organisations is the new governance structure they will need to better align their IT service to the business. IT departments often find it difficult to think about what they provide as a business rather than an IT service. A strong governance strategy will ensure the success of SOA implementations in Australia.

### Market Trends

- The drive towards dynamic IT is central to most organisations’ interest in Service-Oriented Architecture. Companies are looking to better align their IT to business and implement a technology infrastructure that is easier to manage and more affordable to operate. To do this, organisations are looking at the six principles of dynamic IT (see figure below) – flexible sourcing models, flexible operating cost models, end-to-end design and management within their infrastructure, compartmentalising their infrastructure and leveraging standards, virtualising their infrastructure and implementing a Service-Oriented Architecture.
- Of the six principles, SOA is the one most organisations recognise will make the single largest difference to their organisation. For this reason it is the area that has attracted the most interest in 2005 and should be the catalyst for many new IT re-architecture projects in 2006.
- The SMB sector (outside of public sector organisations) is currently lagging larger businesses in their deployment of SOA.

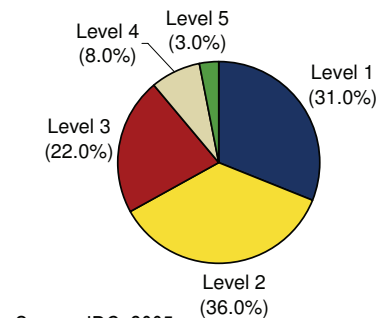
### Market Accelerators

- The ability to respond to business change. Organisations recognise that SOA allows them to create business applications (i.e. respond to business requirements) in a more timely and efficient manner.
- Application integration effectiveness. The ability to quickly and effectively integrate applications without the headache of traditional IT integration systems is important to any business that wants to free up IT resources to focus on real business issues.
- Reuse of IT investments. SOA allows organisations to reuse the business services that exist within their applications wherever they are required. Programmers will no longer have to rewrite script every time a common business service is required.
- The drive in the public sector to reduce IT spend and time-to-development. The public sector has proven to be the key sector driving the adoption of SOA – this is due to the high levels of governance that these types of organisations are built upon.

### Adoption Trends

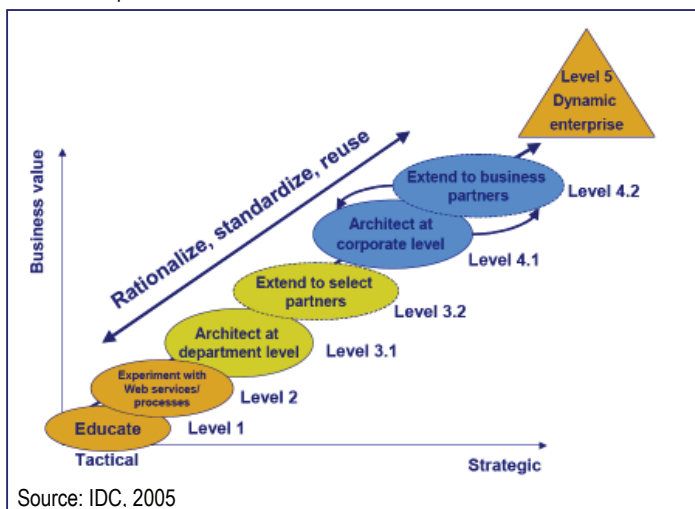
Organisations will have to follow the SOA adoption path (see figure below) if they are to successfully implement a SOA within their IT systems. It is also important that they implement a strict and clear internal IT and business governance strategy if they are to successfully align IT operations with business requirements.

SOA Stated Level of Adoption by Australian Medium and Large Organisations



Source: IDC, 2005

SOA Adoption Path



Source: IDC, 2005

### Essential Guidance

- Australian organisations will be looking to their IT business partners and systems integrators for help, advice and support in the move to a Service-Oriented Architecture. Partners will be required to provide technology advice and business process consulting. SOA is an excellent opportunity to further align your organisation with your clients’ and offer real business value for their IT investment.
- Help take your clients down the SOA adoption path – for those clients at level 1, be the organisation that provides the education. For those moving to level 2 and beyond, develop a framework in which you can offer your services to these clients.
- Partner with a variety of software companies that support the Service-Oriented Architecture and leverage their IP when implementing SOA within your client base.
- SOA is not just about IT, so involve the business (i.e. people outside of IT). Your client will also need a strong business and IT governance strategy to ensure the services provide business benefits.