Generate organizational impact:

How EAM creates *business value* in different organizational types

Digital Architecture Study 2024

Capgemini invent

Contents

01 Management Summary

In times of continuous technological change, organizations face the challenge of responding flexibly and effectively to changing requirements. Enterprise Architecture Management (EAM) provides a structured approach to manage these shifts and drive digital transformation. The Digital Architecture Study 2024 examines (a) how EAM can be optimally positioned in different types of organizations to create sustainable value and (b) determines the specific value of EAM in different organizational types to identify the optimal positioning. Our key findings are:

Organizational types have an influence on the chosen EAM governance model

Function-oriented organizations tend to favor centralized or federated EAM governance structures which allow for centralized control while providing autonomy at the departmental level. *Matrix-oriented* companies in contrast increasingly rely on federated or decentralized governance models. *Product-oriented* companies show a balanced distribution between centralized and federated governance reflecting the diversity of this organizational form.

Distribution of Digital Architects varies depending on company size and structure

Organizations typically employ different roles of architects. To address all of them, we use the term Digital Architects.[1] Larger companies can scale architects and thus leverage Domain Architects to obtain business proximity while smaller companies use a combination of Enterprise and Solution Architects more frequently. The governance structure influences the distribution of Digital Architects with the pyramid system[2] predominating in matrix and function-oriented organizations. In product-oriented organizations in contrast both pyramid system and a funnel-like structure can be observed.

EAM is perceived as an organizational function and management philosophy impacting strategy and decision-making

In terms of Enterprise Architecture Management styles, EAM is predominantly perceived as an organizational function, promoting the advantages of a dedicated EAM team ensuring architectural consideration in strategy and decision-making. Additionally, companies with a federal EAM model often view EAM as a management philosophy that is closely linked to corporate strategy. This perception encourages greater integration of EAM into the strategic planning and overall management of the organization.

Federal EAM is perceived as the most promising governance model

The majority of surveyed organizations, particularly larger organizations with more than 1,000 employees that have adopted a federal EAM governance model, are satisfied with their current EAM setup. Smaller companies prefer centralized governance. Nevertheless, there is a significant trend towards federal EAM governance models, driven by different business requirements and the integration of centralized and decentralized elements. Many organizations intend to maintain or transition to a federated approach as they recognize its value in linking business and IT for strategic decision-making and governance.

EAM is perceived to positively contribute to organizational and IT challenges leveraging the advantages of consistency, strategic alignment and stakeholder engagement

Across all EAM governance models, consistency, alignment with strategic goals, and stakeholder engagement are stated as clear advantages of EAM. Furthermore, our results indicate that EAM can positively contribute to current organizational and IT challenges. Especially in matrix organizations the perceived value contribution is the highest due to the inherent challenges of this organizational type and the benefits that EAM can add.

Top management support is the key factor to successfully implement EAM

The study results show that a successful implementation of EAM requires top management support, cross-functional collaboration and clear goals as well as strategic direction. The results show that a clear definition of the EAM mission, the establishment of coordination and reporting structures, and integration into the higher-level management systems are crucial. It can be derived that the EAM function must be positioned in alignment with the company's organizational type to create the best possible EAM structure and improve collaboration among stakeholders and company-wide cooperation.

[1] See "Chapter 4.1 - Types of Digital Architects" for detailed explanation
[2] See "Chapter 4.1 - Distribution of Digital Architects" for detailed explanation

02
Purpose and Content of the Digital Architecture Study 2024

The constant and continuous technological change requires companies to react flexibly and efficiently to changing requirements. EAM is an approach that can be utilized to leverage digital transformation within companies and to adapt to technology, market, and customer changes. EAM can systematically control and orchestrate technological changes within the company to increase productivity, avoid risks, promote innovation, and manage costs sustainably.[3]

EAM aligns a company's IT landscape with its business goals and strategy while ensuring agility and adaptability. As organizations and the number of their IT systems grow, so does the importance of EAM and the value it contributes, which is critical given the ever-changing business environments and the need to remain agile.[4]

Thus, for us the question arises of how EAM can be optimally positioned in different types of organizations to create substantial value.

Research findings indicate that the type of organization influences the Enterprise Architecture (EA) practice and the allocation of resources as well as the tools and methods used.[5] Our Digital Architecture Study 2023 highlights the relevance of Digital Architects and the impact of EAM on achieving business goals, supporting mission statements, and contributing to business efficiency.[6] Traditional transformation approaches such as strategic planning, process improvement, IT governance, and program management alone are not able to deliver the holistic picture and integration required as they do not cover the fundamental part of the IT landscape holistically. It is therefore essential to understand the relationship between the organizational setup and how EAM works to realize the potential value of EAM.[5]

Organizational types influence the structure of the EAM capability. In a strategy-centric model with a central EAM unit, the implementation of EAM differs in comparison to function-centric models in which the positive effects of EAM first become apparent within individual functional areas of the company.[7] Identifying the concrete value contribution in different organizational types provides transparency of the EAM potential in different environments.

To achieve the highest added value possible, the EAM capability needs to be positioned in a way that aligns with the organization's strategic goals and processes. This involves the clear definition of EAM capability charter, establishing its coordination, reporting structure, and ensuring its integration into the overall management systems that support the organization's work.[7] The organizational types significantly shape these structures.[8] The positioning and functioning of EAM can therefore vary strongly depending on different structures determined by the respective organizational form.

One crucial success factor of EAM is organizational alignment. By identifying the best fitting EAM structure, organizations can leverage stakeholder alignment and improve company-wide collaboration.[9] To determine the added value of EAM in different organization types, we aim to identify the key success factors in this study.

We will take a close look at the following:

- Where should EAM position itself within different organizational types to generate the highest added value and how can this be achieved?
- What is the distinct value of EAM in different organizational types?
- Where is EAM currently positioned within different organizational types and what is the reasoning?
- What are the key success factors for implementing EAM in different organizational types and industries?

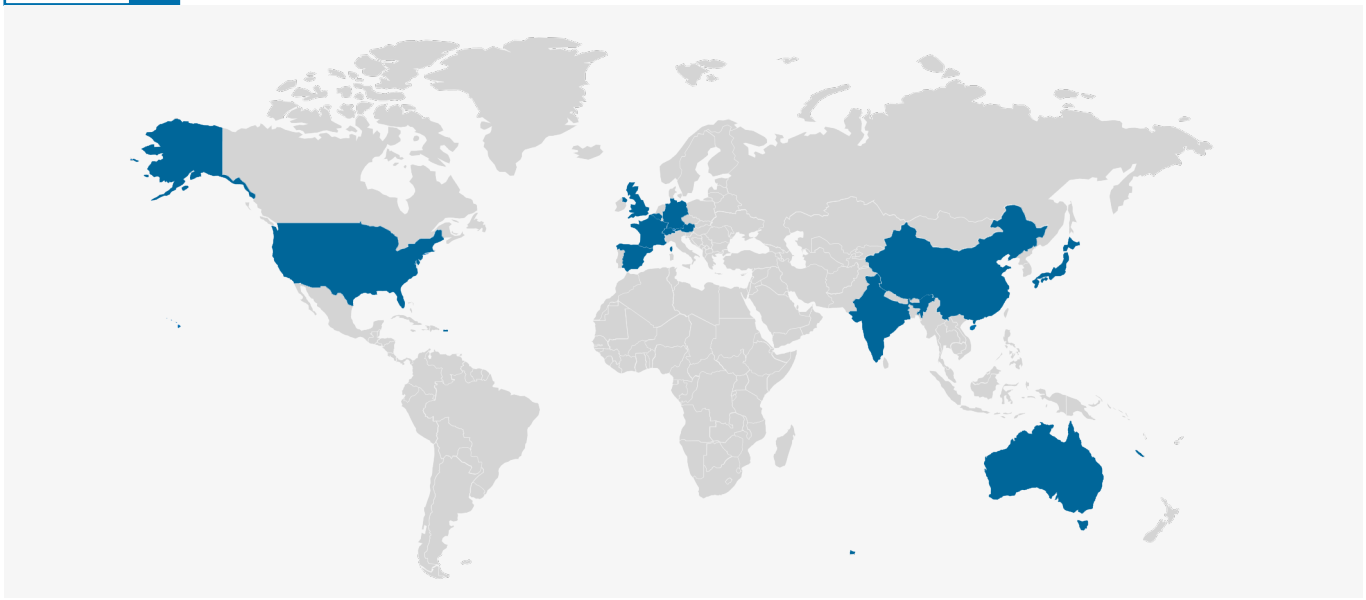
Our questionnaire was developed by and provided to IT top executives as well as business and IT experts and managing Digital Architects. The following chapter will briefly outline the company size and industry distribution of participants in our survey.

[3] Drive Efficiency and Innovation with Flexible IT, TechTarget, 2021
[4] Enterprise Architecture Management, Innovation Value Institute, 2024
[5] The Benefits of Enterprise Architecture in Organizational Transformation, Eetu Niemi & Samuli Pekkola, 2019
[6] Digital Architecture Study 2023, Capgemini Invent, 2023
[7] The TOGAF® Leader's Guide to Establishing and Evolving an EA Capability, The Open Group, 2022
[8] Organizational Structure vs Organizational Chart, Paul VanZandt, 2023
[9] 5 Steps for EAM success, Swain Smith, 2018

03 Participants of this Study

All results of this year's Capgemini Invent Global Digital Architecture Study are based on the contribution of participating companies and their respective experts from 12 different countries, located in Europe, North America, Asia, and Australia (see Figure 1). In total, there are 75 responses from business & IT experts, managing Digital Architects and IT top executives. The participants represent various industries, markets, and company sizes. The following section describes the participants of the anonymized study based on their characteristics.

Figure 1 Participants' global distribution



The participants are from a wide range of industries with the top three being Manufacturing & Industrial Products (22%), Retail and Consumer Products (22%) and Automotive (11%) (see Figure 2).

Figure 2 Participants' industry sector

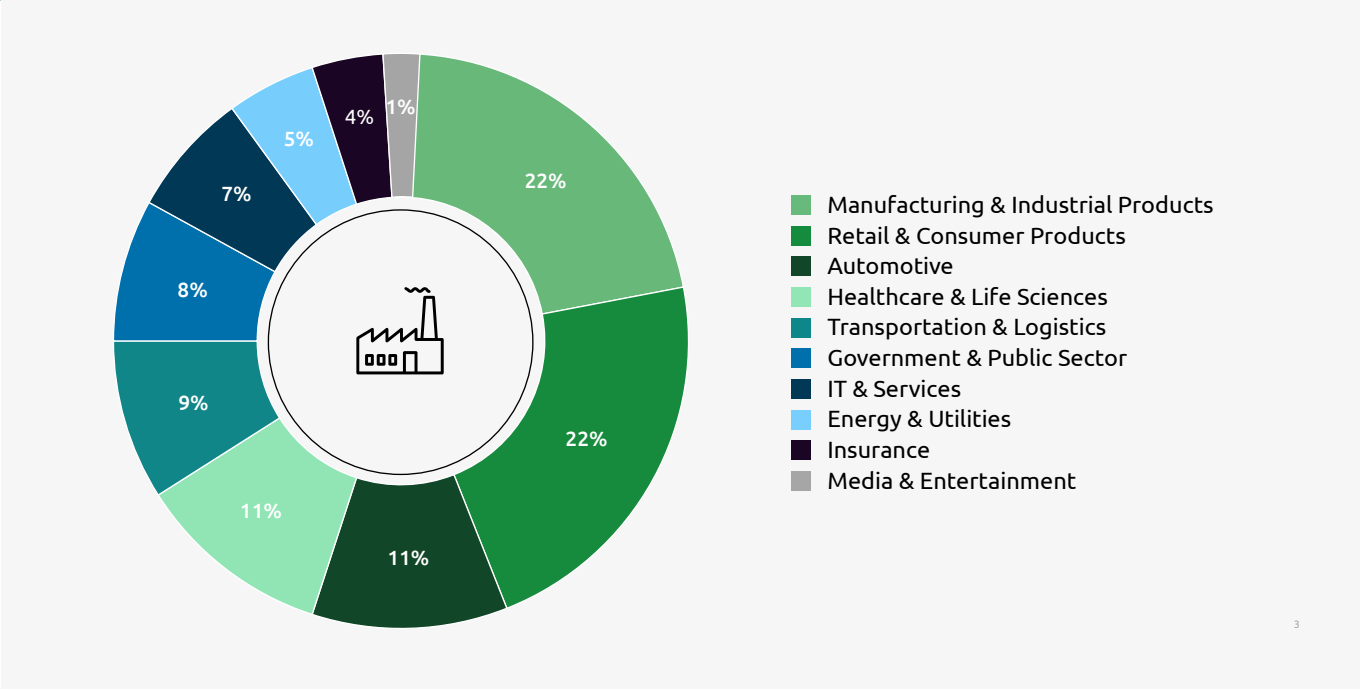


Figure 3 Size of organizations

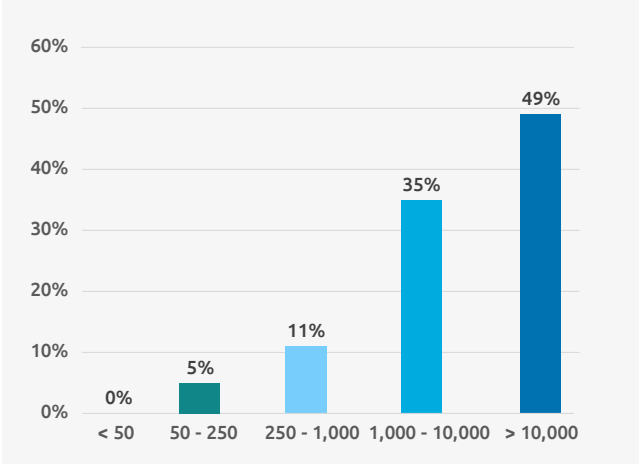
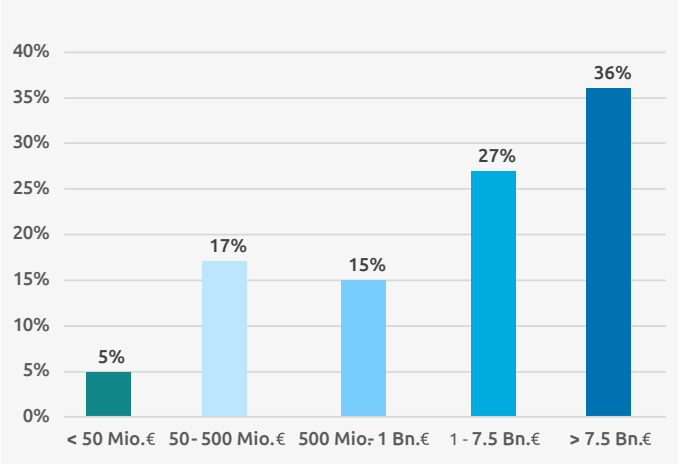


Figure 4 Revenue distribution of organizations



The study is based on the responses from companies of different sizes and revenue categories. Most of the participants (84%) are employed by companies with more than 1,000 employees (see Figure 3). More than one third work for a company with more than 7.5 billion euros in revenue as shown in Figure 4.

Figure 5 Overview of the organizational types

Matrix organization

- A matrix organization combines functional and project-based structures, where employees report to both a functional manager for skill development and a project manager for project involvement
- It prioritizes flexibility and resource efficiency, enabling deployment based on project requirements
- While facilitating collaboration and flexibility, it can lead to complexities and conflicts between managers

Product-oriented organization

- Work and resources are organized around specific products or product lines
- Each division takes ownership of a product and handles its entire product lifecycle
- Strong emphasis on optimizing and developing products
- This structure allows for specialization, clear product accountability, and alignment with product life cycles

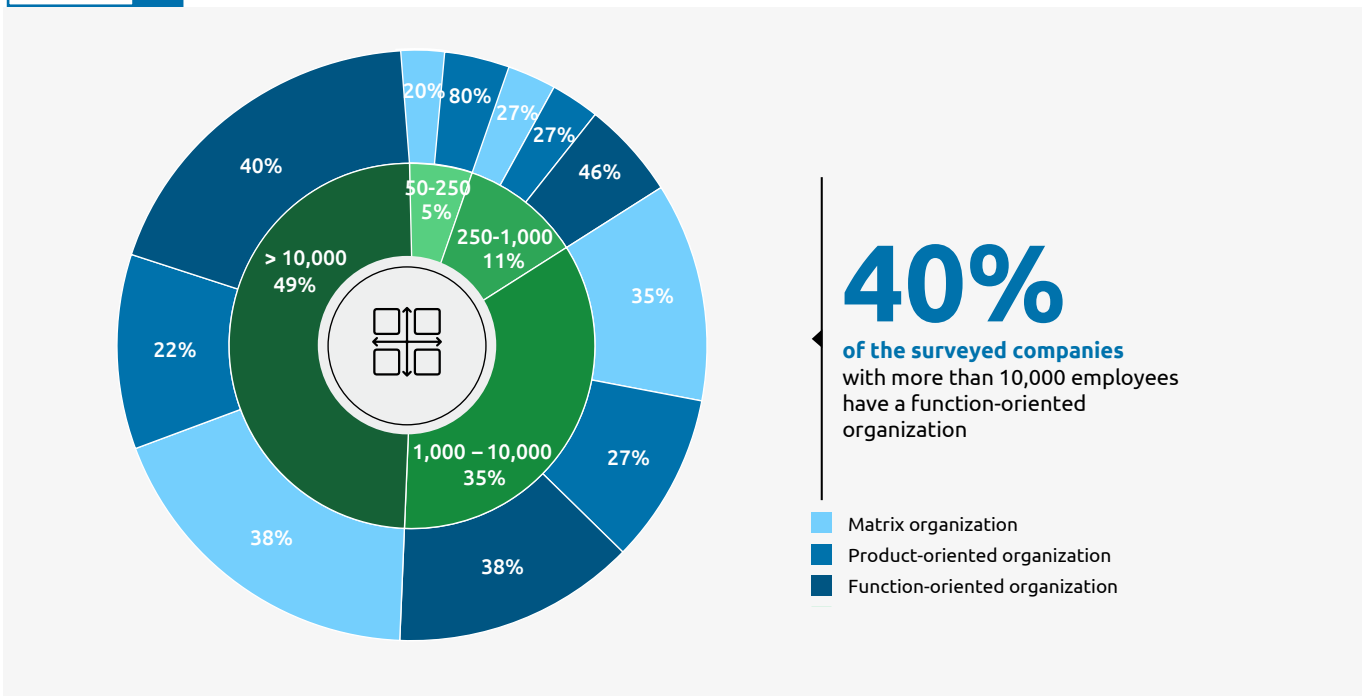
Function-oriented organization

- Teams are organized by functions or departments such as sales, marketing, production, or finance
- Each department has specific tasks and responsibilities, and the structure emphasizes clear task division and expertise in individual areas
- Focus is on efficient execution of specific functions

We differentiate between three different organizational types as described in Figure 5. Around a third of the surveyed companies have a matrix organization (35%), especially large companies with more than 10,000 employees (see Figure 6). 39% of companies work with purely functional structures. With 26%, product-oriented and therefore more agile and customer-centric approaches are companies work with purely functional structures. With 26%, product-oriented and therefore more agile and customer-centric approaches are the least represented type. Product-oriented organizational structures are more likely to be found in medium-sized companies, typically with 250 employees or more.

Particularly in the retail and automotive industry, we can observe a trend towards a product-oriented organization. This shift is typically intended to respond to the ever-increasing challenges within the market. It encompasses initiatives such as enhancing time-to-market through accelerated decision-making processes and the integration of teams responsible for practical implementation.

Figure 6 Organizational type for different company sizes



04 Business Value of EAM in various organizational types

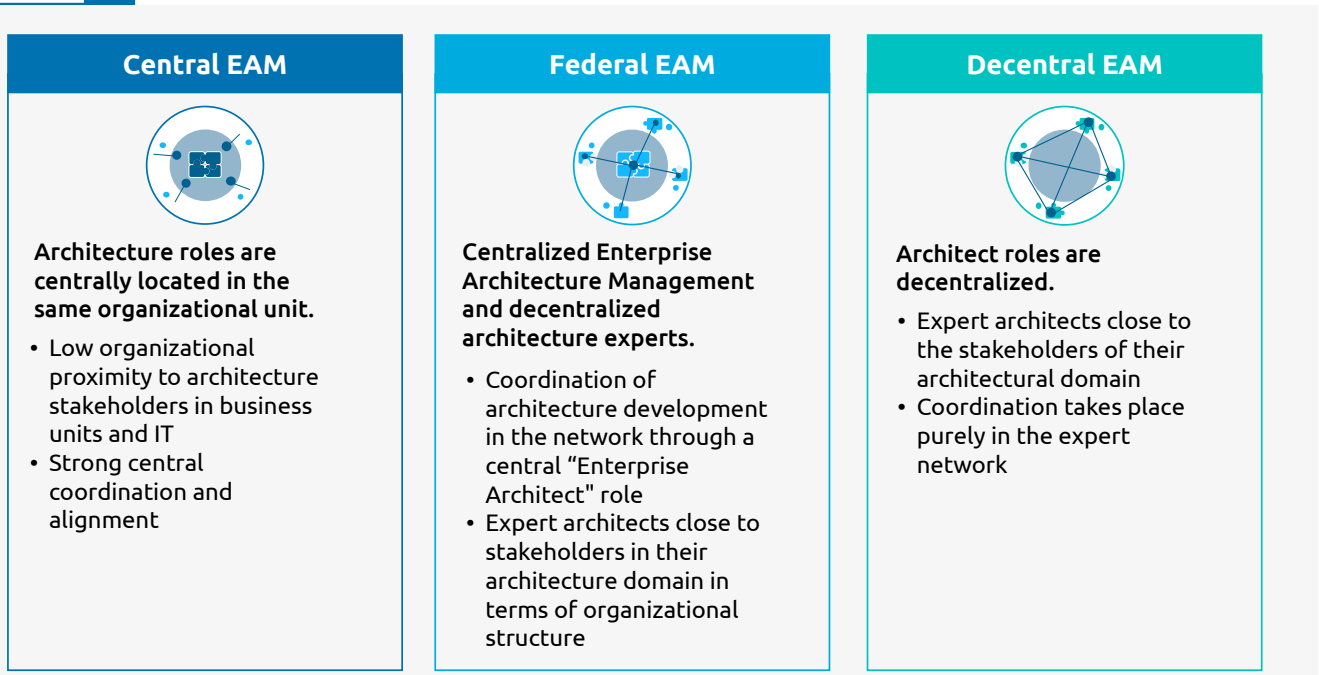
EAM drives business value across diverse organizational types. This chapter delves into the significance of EAM within different organizational structures, exploring how the setup, positioning and execution of Enterprise Architecture functions contribute to the overall business success.

4.1 Setup of Enterprise Architecture Functions

Enterprise Architecture Models

There are three ways to set up an EAM function: central, federal or decentral (see Figure 7). A detailed analysis of Enterprise Architecture models was the topic of the Digital Architecture Study 2023.[10]

Figure 7 Models of Enterprise Architecture Management



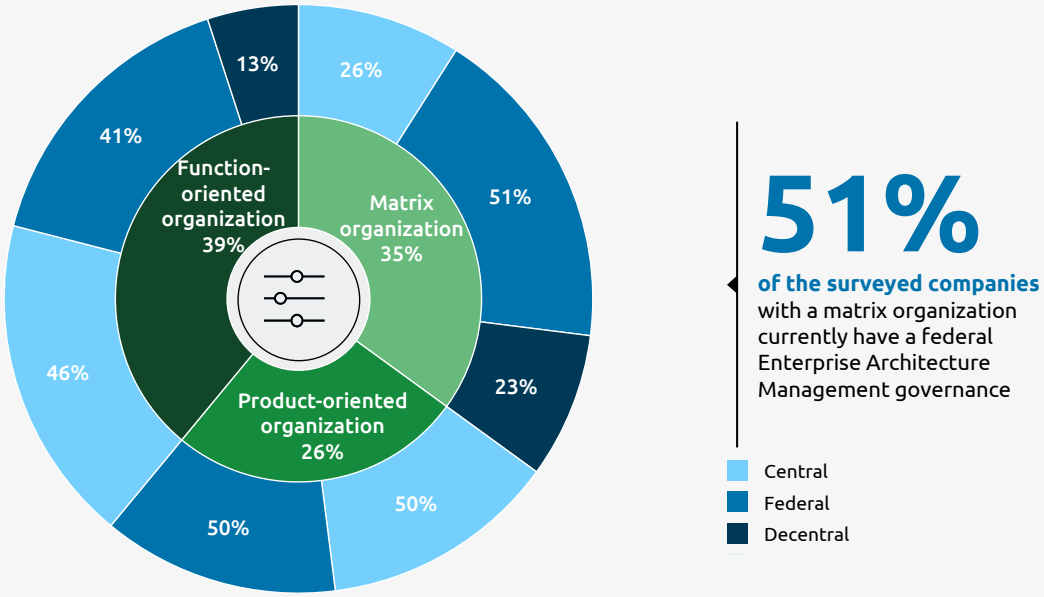
In a **central EAM**, architecture roles are centrally allocated within the same organizational unit, leading to a strong central coordination, but little organizational proximity to architecture stakeholders in functional areas and IT. A **federal EAM** consists of central Enterprise Architects supported by decentral organized architecture experts, who are organizationally close to stakeholders in their respective architecture domains. In a **decentral EAM**, expert architects are close to stakeholders in their architecture domain. They only align with each other through expert networks or indirect reporting lines.

In many organizations, a federal EAM is established to evolve IT from a service provider to a strategic business partner. This shift aligns with the IT strategy and requires enhanced proactive IT consulting skills often found in Domain Architects within federal or decentralized EAM frameworks. This approach allows organizations to centrally define frameworks and methodologies promoting consistency and alignment with corporate objectives while effectively integrating IT into business operations.

We first consider the current situation of setup at our participants, to understand the relationship between organizational structures and governance models. According to the survey results, both function-oriented organizations and centralized EAM governance structures are characterized by efficient decision-making. Based on this, we expect a high proportion of central EAM governance models in function-oriented organizations. Due to more complex communication and information structures, matrix organizations tend towards federal EAM governance models which can promote coordination. In product-oriented organizations, we expect a clear trend towards the federal model in addition to decentralized governance models since this promises the highest flexibility and agility. This trend can be observed among others, especially in the automotive and manufacturing sector.

[10] Digital Architecture Study 2023, Capgemini Invent, 2023

Figure 8 Share of current EAM governance models in different organizational types



From Figure 8 we see that function-oriented organizations mainly adopt central (46%) or federal (41%) EAM governance structures, indicating a hierarchical approach to resource allocation. This suggests a blend of centralized control and departmental autonomy.

Matrix-oriented companies primarily favor federal EAM governance (51%), typical for matrix organizations. Despite this, they also display a significant proportion of decentralized EAM functions (23%) indicating autonomy at lower levels.

Product-oriented companies show a balanced split between centralized (50%) and federal (50%) EAM governance structures reflecting their diverse nature. While centralized control is evident in certain areas, consistent standards are recognized as crucial for effective resource optimization. The companies, however, did not indicate a decentralized EAM governance, suggesting that central overarching standards and guidelines are essential.

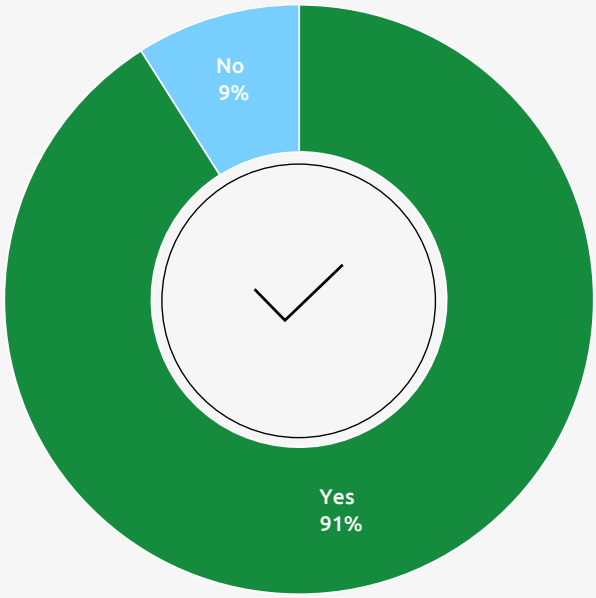
The expected trends regarding EAM governance models have developed differently across the surveyed organizations. While matrix organizations clearly show the anticipated tendency towards a federal EAM governance, product-oriented companies display an equal distribution between federal and central EAM governance. Contrary to expectations, there is no clear trend towards federal EAM governance in these companies. This variation could be due to the diverse needs and strategic approaches within different organizations, which influence their choice of EAM governance models. Furthermore, the analysis did not reveal a dominant preference for a particular EAM governance model across these industries.

EAM as established corporate function

The results of the previous Digital Architecture Study 2023 show that 73% of the companies have an established EA function. For the upcoming years, we expect this number to increase, since most companies also highlight the importance and benefits of the EA function within their company. The results, shown in Figure 9, support this indication with 91% of the participants stating to have a dedicated EAM function or team, which is high and shows a slightly increase.

Like the results in our previous Digital Architecture studies, it is evident that primarily smaller companies with up to 1,000 employees tend to lack a dedicated EAM function.

Figure 9 Enterprise Architecture as an established corporate function



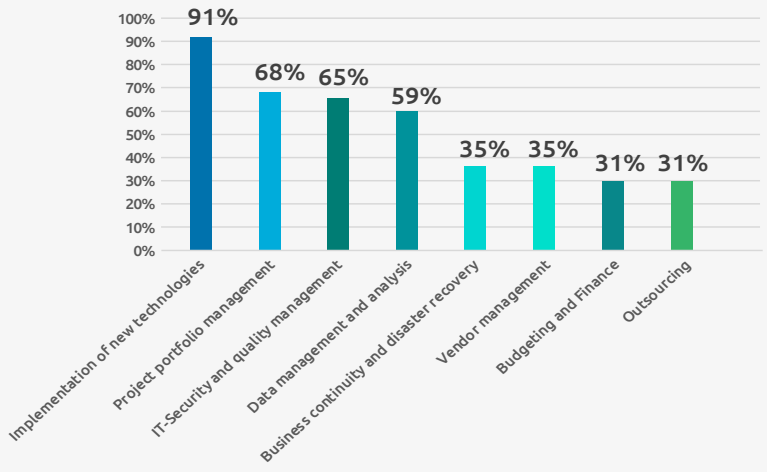
91%

of the surveyed companies have established a dedicated Enterprise Architecture Management function or team

EAM's role in strategic business and IT alignment

EAM plays a crucial role in facilitating strategic and informed decision-making by bridging the gap between business and IT. In the area of strategic decisions, EAM influences the implementation of new technologies (91%), project portfolio management (68%), as well as IT security and quality management (65%) (see Figure 10).

Figure 10 Dimensions EAM facilitates the strategic decision making between business and IT



91%

of the surveyed companies consider the implementation of new technologies as a facilitator for strategic decision-making between business and IT

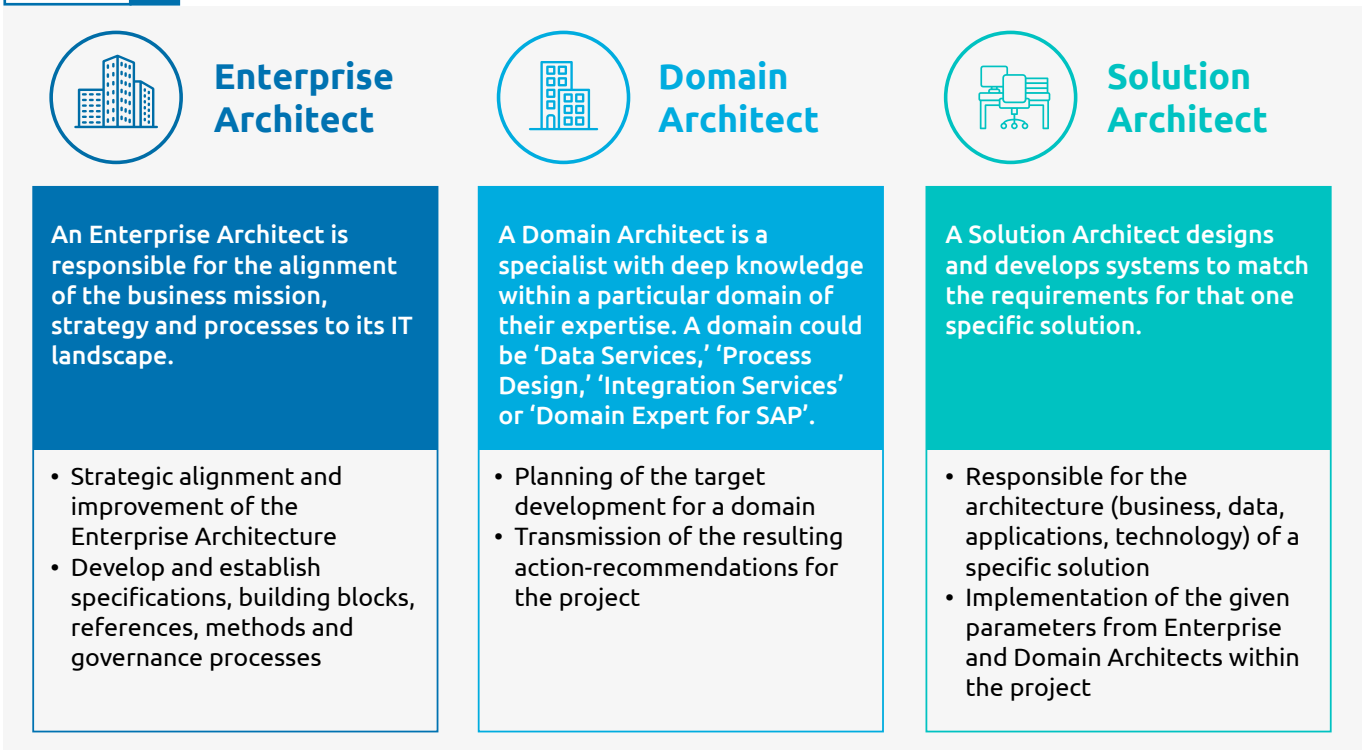
Regarding the strategic orientation and the achievement of future goals, we observe that EAM has emerged as an established practice in companies. Since EAM is emerged from IT, the current focus remains on the selection and implementation of new technologies. However, the strategic importance of EAM is reflected in the high rating of company-relevant data management and analysis (59%). Concurrently, EAM is not a focus in outsourcing, budgeting and finance, nor supplier management regarding the facilitation of strategic decision-making. However, overlooking these crucial strategic decisions, despite their facilitative role in aligning business and IT strategies, may impede effective resource allocation. These areas are pivotal in optimizing both internal and external resources to support organizational goals. Additionally, the full potential of an EAM function has yet to be realized presenting an opportunity to further enhance the maturity of the EAM function.

In practice, we observe an increasing interdependence between vendor management and EAM in companies which are gradually integrated into further strategic decision-making and technological processes. Also for topics like data management and analysis we observe an increasing relevance of EAM when it comes to strategic decisions, confirming the survey's findings. Since data and the management of it is the foundation for (Gen-)AI services the focus is on building a robust and stable data-architecture. This is typically driven by EAM in alignment with the business units.

Types of Digital Architects

Organizations typically employ architects on different levels. To address all of them, we use the term Digital Architects. These roles, described in Figure 11, are essential for every organization to shape the digital transformation and to ensure the strategic and operational fit of business demands and IT systems. They take different roles on various organizational levels – from designing the big picture of the entire enterprise to addressing individual demands for a specific solution.

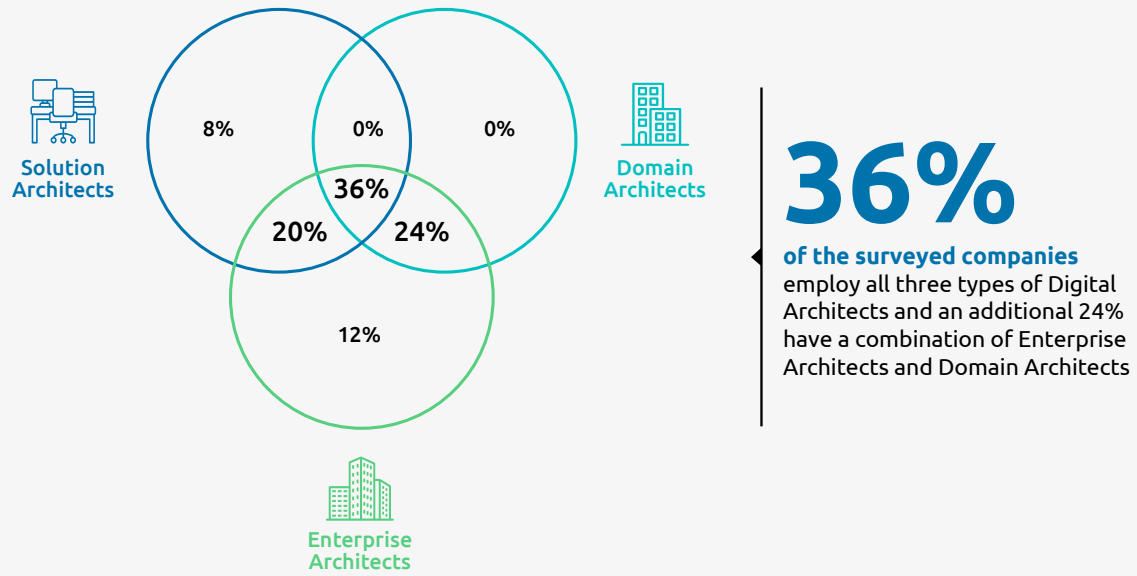
Figure 11 Types of Digital Architects



Based on the results of our previous Digital Architecture Study 2023, we anticipated that many companies would employ all three types of Digital Architects, thereby leveraging their full potential across all levels. This is followed by the combination of Enterprise Architects and Solution Architects.

This year's results show that the largest group of the surveyed companies employ all three types of Digital Architects (36%) while 24% have a combination of Enterprise Architects and Domain Architects and 20% employ Enterprise Architects and Solution Architects (see Figure 12).

Figure 12 Combinations of Digital Architect types in participants' companies



The vast majority of companies (91%) claim to already employ their own EAM team or function although only 36% of these companies have integrated all three types of Digital Architects into their organization. This is particularly evident in function-oriented and matrix organizations.

The technical expertise of **Domain Architects** and **Solution Architects** in their respective areas is essential to deal with the increasing complexity of the IT landscape and ensures the fulfillment of specific requirements. Additionally, some organizations employ Domain Architects that have a stronger business focus, replacing or extending Business Architects and their responsibilities.

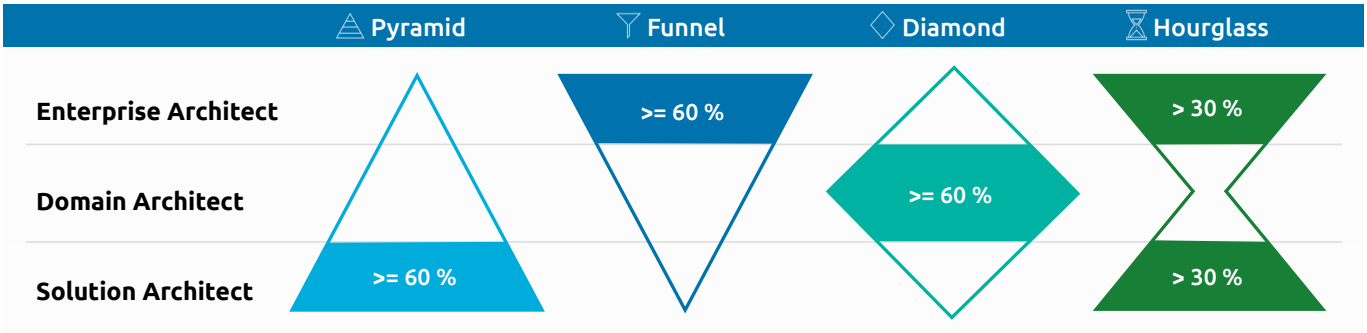
In addition, the **Enterprise Architects'** holistic understanding of the business helps to gain a comprehensive overview of all levels. They act as a bridge between business and IT. The Digital Architecture Study 2023 revealed a clear indication of Enterprise Architects as generalists and Solution Architects and Domain Architects as specialists. This gets confirmed by the 2024 results through the utilization of these three types of Digital Architects or a combination of Enterprise Architects with Solution Architects and/or Domain Architects.

In large enterprises, we observe a higher degree of specialization of architects into the three types (Enterprise Architect, Domain Architect, Solution Architect) due to increasing requirements from the business and the necessity to further specialize the landscape to the different needs. Smaller companies tend to rely on a combination of Enterprise Architects and Solution Architects since Enterprise Architects can mostly deal with the amount of requirements and domain specific landscape specializations.

Distribution of Digital Architects

In most cases, the distribution of these three types of Digital Architects follows one of the shapes shown in Figure 13. The classical pyramid contains a few Enterprise Architects with some Domain Architects and a clear majority of Solution Architects. The funnel illustrates this distribution with the majority laying within the role of the EA. In the diamond pattern, most of the architects are Domain Architects and the hourglass splits the majority between Enterprise Architects and Solution Architects.

Figure 13 Patterns of Digital Architects distribution



For both centralized and decentralized EAM governance models, we expect the pyramid to be the dominant structure chosen by companies due to its ability to streamline decision-making and management processes. This approach balances strategic oversight with operational efficiency, ensuring that both high-level planning and detailed execution are effectively integrated and managed. In a federal EAM governance model, we assume most companies tend towards the hourglass structure since it promises a central steering with autonomous architects collaborating closely with stakeholders. This requires the majority of employees to be within the Enterprise Architecture and Solution Architecture tiers.

Figure 14 Predominant patterns of Digital Architects for different EAM governance models and organizational types

As expected, the results in Figure 14 show that overall, the pyramid is the most commonly used pattern structure of a Digital Architecture team (33%), followed by a diamond and funnel (16%) closed by the hourglass (11%) pattern. 24% of participants have no clear structure according to the given patterns.

Considering the **organizational model**, function-oriented and matrix-oriented organizations structure their digital architecture teams predominantly in a pyramid pattern (45% and 31% respectively). Solution Architects are most common in these organizations due to their specialization and their role in solution development in specific functional areas. As expected, this leads to a lower proportion of Enterprise Architects who are more responsible for holistic architectural strategies and are less prevalent in matrix organizations due to their broader organizational structure. However, some function-oriented companies also have a higher percentage of Enterprise Architects (17%) or Domain Architects (14%) compared to the other two types.

For product-oriented organizations, a pyramid or funnel structure emerged as the most prevalent,

with either Solution Architects or Enterprise Architects making up the highest percentage. Nonetheless, a significant portion of companies in this category cannot be clearly categorized.

In the context of **EAM governance,** companies with a central orientation mostly adhere to the pyramid pattern (37%). Additionally, 20% of organizations employing this governance also utilize the underlying funnel pattern. The pyramid pattern is also most frequently applied by federally oriented companies (34%). This differs from our assumption for the federal EAM governance model, where we assumed that most companies tend towards the hourglass pattern since it promises a central steering with autonomous architects collaborating closely with stakeholders. This requires the majority of employees to reside within the Enterprise Architecture and Solution Architecture tiers. From our perspective this is also a valid structure and can be further utilized when it is already successfully implemented.

For decentralized EAM governance models, no clear trend emerges due to the diverse and flexible nature of organizational structures leading to varying architect distributions. However, the hourglass pattern is exclusively utilized by federal companies among the surveyed organizations.

Functional and matrix organized companies show a tendency towards a pyramidal distribution of Digital Architects which has been established as best practice. In terms of the more recent product orientation, no standard has yet emerged among the surveyed companies, but a tendency towards a pyramid or funnel can be seen. We recommend adopting the pyramid pattern for the product-oriented organizational type. This allows for a minority of architects on enterprise and domain level, shaping the overall architectural frame and guidelines with a majority of architects on the solution level that can take more decentralized decisions.

The fact that 75% of companies with an hourglass pattern of Digital Architecture teams implement federal EAM governance suggests a direct exchange between centrally assigned Enterprise Architects and decentralized Solution Architects. This may also be due to the absence of specific domains within these organizations.

Although there are combinations of EAM governance model and organizational type where the type of architecture team is not evident, we can still give a recommendation. For example, a clear recommendation for a pyramid can be made for function-oriented organizations and central EAM governance structures. Among our clients with a federal EAM governance, we observe and recommend an hourglass structure. They usually tend to have a large unit of Enterprise Architects, a few Domain Architects, and a multitude of Solution Architects for various IT solutions.

Satisfaction within different EAM governance types

Based on our observations in the market, we expect companies with a federal EAM governance to have the highest degree of satisfaction compared to the other governance models. This is due to the benefits of a federated governance model, such as a more decentralized approach to responsibilities and greater adaptability while maintaining a degree of consistency. This is also reflected by various clients who have adopted the federal EAM governance model, which further supports this hypothesis.

Figure 15 Satisfaction within different EAM governance types

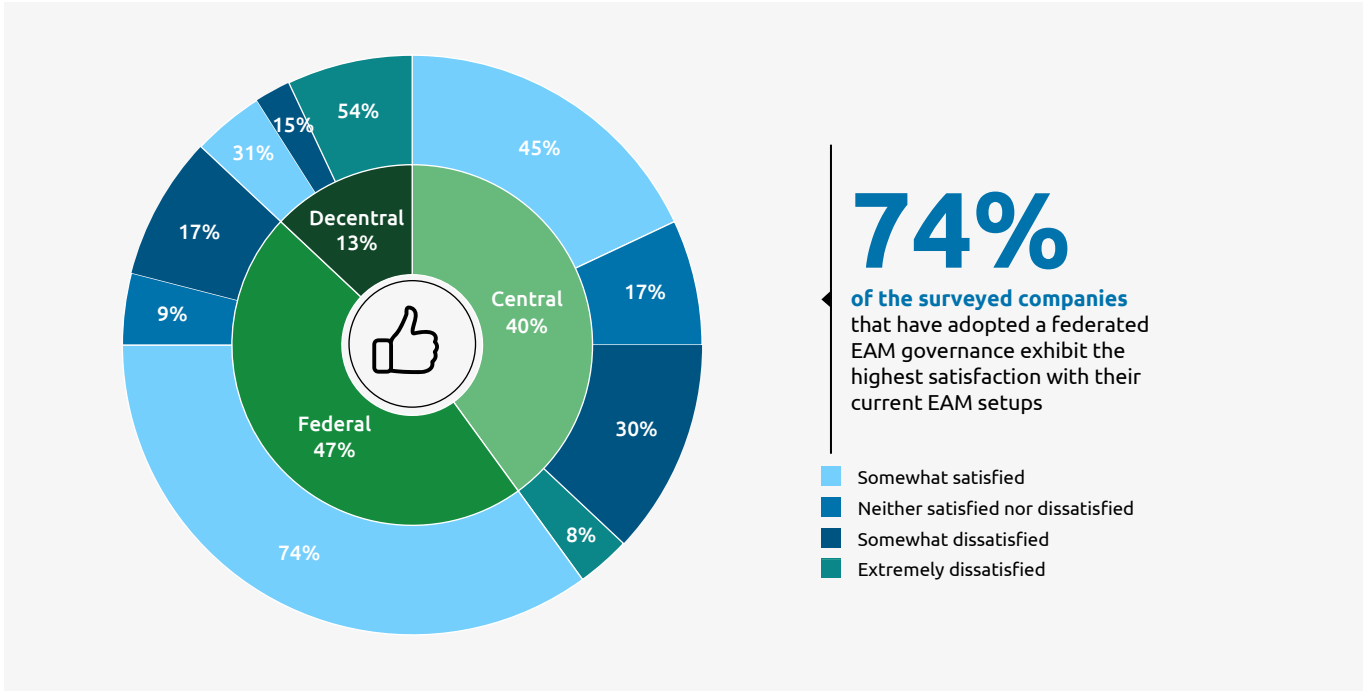


Figure 15 shows that companies adopting a **federal EAM governance** exhibit the highest degree of satisfaction with their current EAM setup, reaching a satisfaction rate of 74%. This trend is particularly noticeable among larger enterprises. The federal approach supports decision-making based on the expertise of architects leading to increased satisfaction within the EAM function. Decentralized teams serve as the direct connection to stakeholders in the respective domains.

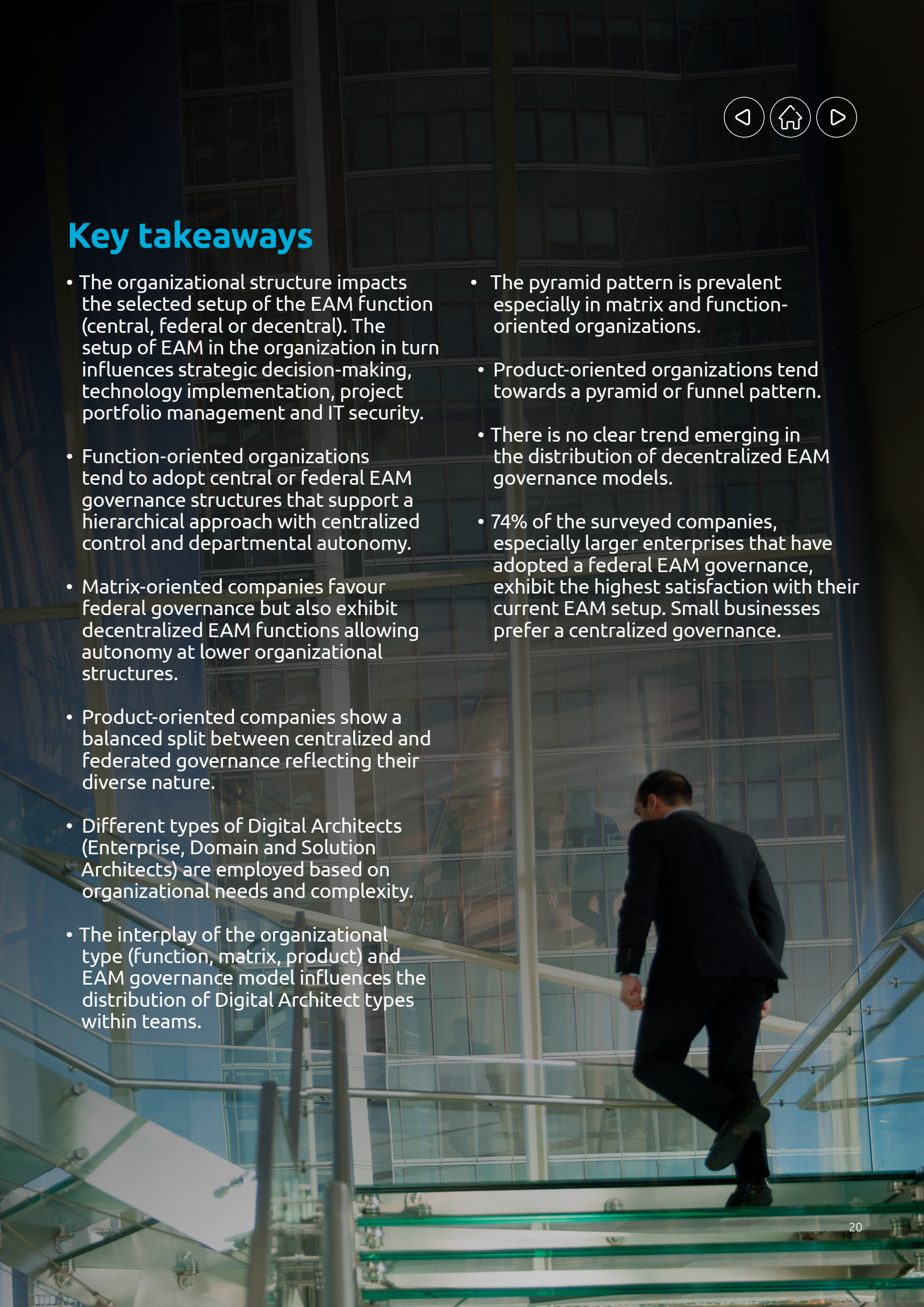
Small businesses express their highest satisfaction levels with a **centralized governance** due to its clear-cut control and alignment capabilities. In a centralized model, architectural work is coordinated by a single unit, allowing for consistent alignment across the enterprise. However, this model can create a perception of EAM as an "ivory tower," disconnected from the practical needs of functional domains. Therefore, a centralized approach requires proactive participation in strategic decision-making to remain effective.

In a **decentralized EAM governance** model, high satisfaction regarding their autonomy and specification within different EA domains can be observed although this is primarily associated with fragmentation and potential silo formation. This can lead to inefficiencies over time. To prevent long-term inefficiencies, cross-domain coordination is crucial for ensuring compatibility and maintaining transparency.

Overall, the federal EAM governance model is emerging as the preferred approach for companies seeking to balance autonomy and centralized control. It offers a hybrid structure that allows for domain-specific flexibility and enterprise-wide consistency, leading to higher satisfaction rates, especially among larger enterprises. While it introduces some risks of coordination and decision-making complexities, the benefits of enhanced adaptability and stakeholder engagement outweigh these challenges. Smaller businesses may find centralized governance more satisfying due to its straightforward control and alignment capabilities. In essence, the federal model's ability to provide a cohesive architecture while respecting the uniqueness of each domain is key to gain high satisfaction.

Key takeaways

- The organizational structure impacts the selected setup of the EAM function (central, federal or decentral). The setup of EAM in the organization in turn influences strategic decision-making, technology implementation, project portfolio management and IT security.
- Function-oriented organizations tend to adopt central or federal EAM governance structures that support a hierarchical approach with centralized control and departmental autonomy.
- Matrix-oriented companies favour federal governance but also exhibit decentralized EAM functions allowing autonomy at lower organizational structures.
- Product-oriented companies show a balanced split between centralized and federated governance reflecting their diverse nature.
- Different types of Digital Architects (Enterprise, Domain and Solution Architects) are employed based on organizational needs and complexity.
- The interplay of the organizational type (function, matrix, product) and EAM governance model influences the distribution of Digital Architect types within teams.
- The pyramid pattern is prevalent especially in matrix and function-oriented organizations.
- Product-oriented organizations tend towards a pyramid or funnel pattern.
- There is no clear trend emerging in the distribution of decentralized EAM governance models.
- 74% of the surveyed companies, especially larger enterprises that have adopted a federal EAM governance, exhibit the highest satisfaction with their current EAM setup. Small businesses prefer a centralized governance.



4.2 Positioning of Enterprise Architecture Functions

Enterprise Architecture Management Styles

There are four styles of embedding EAM within an organization, each offering unique advantages and focusing on different aspects of integration. These styles highlight how EAM can be implemented as a **management philosophy**, part of corporate **culture**, an **organizational function**, or as a **methodology.** Figure 16 provides a detailed break-down of these styles, illustrating how they support strategic goals and enhance operational effectiveness. By understanding these approaches, organizations can tailor their EAM practices to foster better alignment, improve decision-making, and drive innovation.

Figure 16 Enterprise Architecture Management Styles

Management philosophy

- EAM as a management philosophy emphasizes the strategic importance of Enterprise Architecture
- Strongly integrated within the organization for planning, designing, and managing Enterprise Architecture as a critical component of achieving business goals
- Aligns leadership and stakeholders to prioritize Enterprise Architecture and make it an integral part of the overall management approach

Culture

- EAM as a cultural aspect reflects the values, beliefs, and practices within the organization
- It shapes the way Enterprise Architecture is perceived, embraced, and integrated into everyday operations
- A culture of EAM fosters a mindset where architecture-related activities are seen as essential and supported by employees at all levels
- It encourages collaboration, knowledge sharing, and a commitment to long-term architectural goals

Organizational function

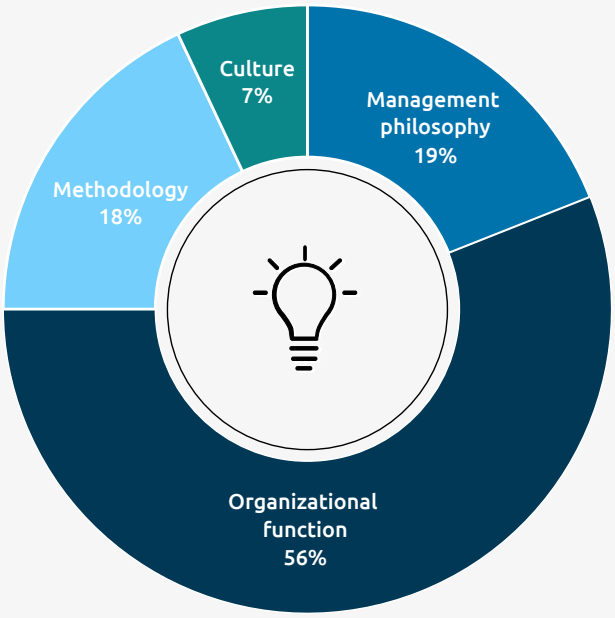
- EAM as an organizational function is integrated into the company's structure through a dedicated team responsible for developing, maintaining, and governing Enterprise Architecture
- The EAM function ensures that architectural considerations are woven into project planning, decision-making, and overall business strategy

Methodology

- EAM can be understood and utilized as a methodology or framework for creating and managing Enterprise Architecture
- TOGAF provides well-established methodologies for EAM, offering systematic approaches, processes, and tools for architects to design, document, and communicate the organization's architectural vision
- This approach provides a structured way to achieve consistency and coherence in architectural work

In general, an EAM function is predominantly assumed to be an organizational function as it provides a structured and centralized approach to manage the Enterprise Architecture, ensuring a comprehensive view. This is particularly to be expected in larger companies with complex structures or IT-intensive industries. However, it's important to note that the distribution of EAM can vary widely based on organizational size, industry, and strategic priorities. As a result, EAM may also be perceived as a methodology, a cultural element, or a management philosophy, reflecting its versatile role in supporting organizational goals and adapting to diverse operational contexts.

Figure 17 Participants' understanding of the role of EAM



56%
of the surveyed companies
Enterprise Architecture Management as an organizational function

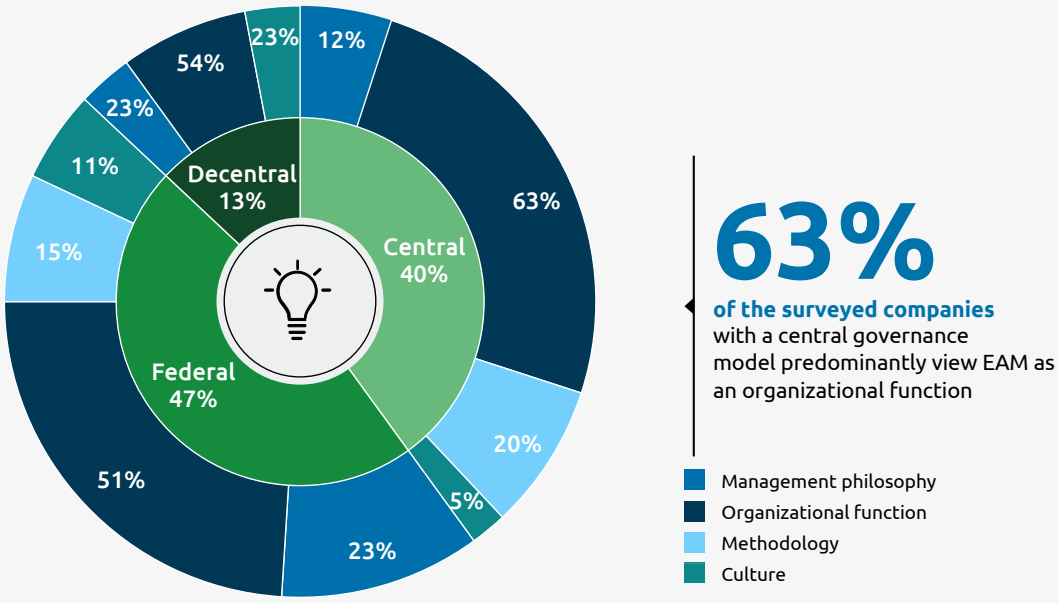
56% of the surveyed companies perceive EAM predominantly as an organizational function in their company (see Figure 17). The result is reflected by EAM's integration in project planning, decision-making, and overarching business strategy. This stems from EAM still being solely regarded as an organizational IT function.

In practice, we observe that EAM is still predominantly perceived as an organizational IT function. It is neither integrated nor prioritized in business and IT strategies. This results in EAM being regarded as a detached organizational IT function. We expect that the lack of integration of the EAM function into IT delivery processes may result in inadequate consideration and assessment of architectural consequences of IT decisions, potentially causing significant technical debts in the long-term. Furthermore, governance and committee structures often integrate EAM as an organizational function and promote transparency for all stakeholders.

Role of EAM in different EAM governance models

Companies with a central governance form see EAM predominantly in an organizational function (63%). Decentralized governance models reveal a balanced perspective, with 54% attributing organizational functions to EAM. In federal EAM setups, EAM is increasingly perceived as an organizational function (51%). However, unlike central and decentral governance models, there is a noticeable shift in this case towards viewing EAM as a management philosophy (23%) (see Figure 18).

Figure 18 Participant's understanding of the role of EAM in different governance models



The strategic prioritization of EAM in management is reflected by the operational structure of the EAM function and its perception within the company. On the one hand, the trend of federal EAM governance models along with the perception of EAM as a management philosophy signifies a better integration of EAM in the corporate strategy and the overarching management approach. On the other hand, central EAM governance structures tend to perceive EAM as an organizational function, highlighted by the fact that EAM is driven by a dedicated team responsible for the entire Enterprise Architecture in a holistic manner.

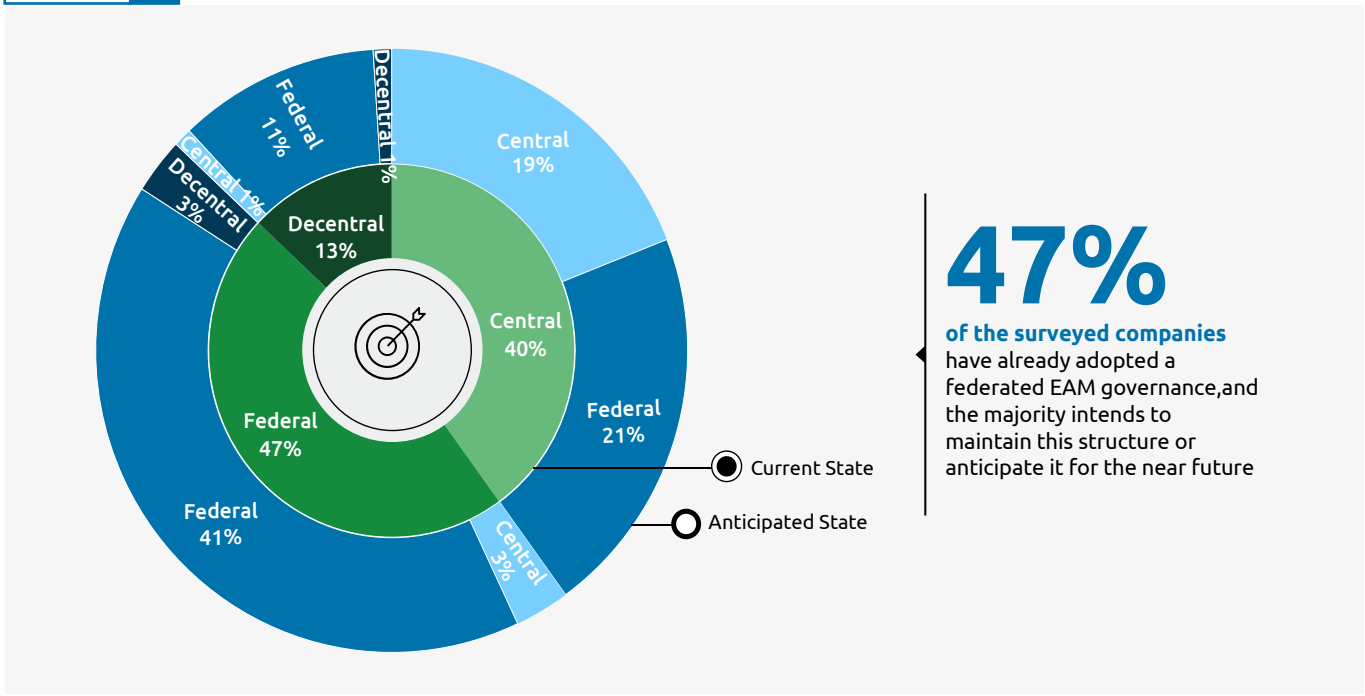
Considering EAM as a management philosophy can serve as a strategic compass, ensuring that EAM progresses beyond its previously isolated stance and actively shapes enterprise-wide business decisions.

The strategic importance and relevance of EAM in operational practice are evident among our clients reflecting the organizational structure and perception of EAM. There is a correlation between the implemented EAM governance model and its perception within the organization. In decentralized EAM governance models, architecture is typically viewed as an organizational function. Federal EAM structures are not only perceived as strategically more relevant and aligned with management philosophy, but there are also cases where EA directs strategic digitization programs, connecting the dots and closely advising lines of business in achieving the anticipated business value.

Current and anticipated EAM governance models

Almost half of the surveyed companies (47%, see Figure 19) have adopted a federal EAM governance, and the majority intends to maintain this structure. Among the respondents, 40% have opted for a centrally organized EAM governance, with half of them expressing a preference to maintain this model while the remaining portion is transitioning towards a federal approach. Organizations with decentral organized EAM structures (13%) lean towards a federal approach in their upcoming EAM governance.

Figure 19 Current and anticipated state of different EAM governance models



Reflecting on the Digital Architecture Study 2023, a noticeable shift towards a federalized approach becomes apparent from a current federal EAM governance of 32% last year growing to 47% this year. This emerging development which also became evident in the previous year, is rooted in diverse business requirements.

A significant majority of respondents (73%) express an intention to move towards or maintain a federal governance structure. This emphasizes the recognition within organizations of the added value offered by this hybrid approach, seamlessly integrating central and decentral elements. Consequently, there is an opportunity to position oneself as a crucial link between business and IT, contributing to strategic decision-making and corporate governance. Compared to last year's results, where organizations showed a preference for either federal or central EAM governance, there has been a noticeable development towards a dominant EAM governance. The shift towards a federal approach can be clearly observed in practice and in ongoing projects, as the interdependence of business and IT becomes increasingly important in nearly all companies. This transition also reduces the risk of operating from an "ivory tower" and ensures that EAM governance effectively supports both strategic and operational goals.

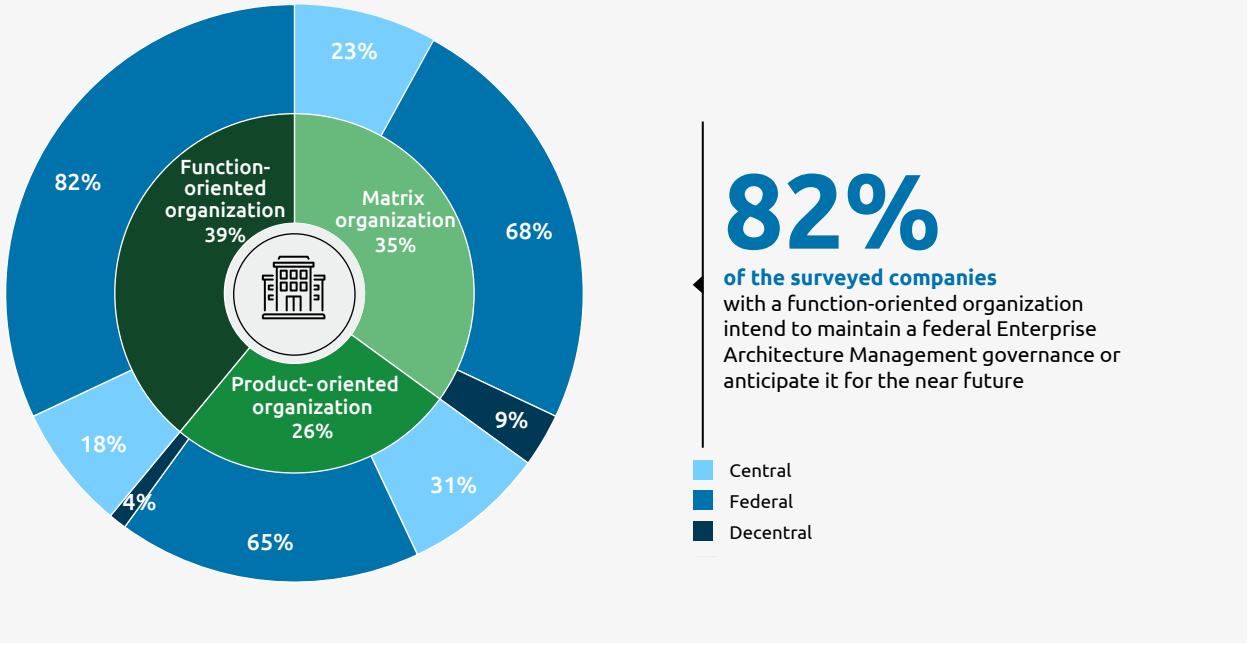
Anticipated EAM governance models in different organizational types

The anticipated observations outlined in Chapter 4.1 towards a predominant federal EAM governance are confirmed by the substantial increase in federal EAM governance among function-oriented organizations (see Figure 20). Their proportion doubles to 82% compared to Figure 8 and decentralized EAM governance is no longer planned.

For matrix organizations, there is a slight shift from decentralized to federal EAM governance. In product-oriented organizations, the expected shift from central to federal governance is evident, along with a small emerging proportion of decentralized EAM governance.

These findings reinforce the evolving landscape of EAM governance models, highlighting the growing preference for federal structures across different organizational types.

Figure 20 Share of anticipated EAM governance models in different organizational types



Key takeaways

- The perceived role of EAM organizations varies. 56% of surveyed companies consider EAM as an organizational IT function. Organizations that consider EAM primarily as a method are less aware of potential organizational and strategic impacts.
- Across all three governance models (central, federal, decentral), EAM is mostly seen as an organizational function.
- A noticeable shift towards a federal EAM governance can be observed, driven by diverse business requirements and the integration of both central and decentral elements, as substantiated by findings from both this and last year's Digital Architecture Study.

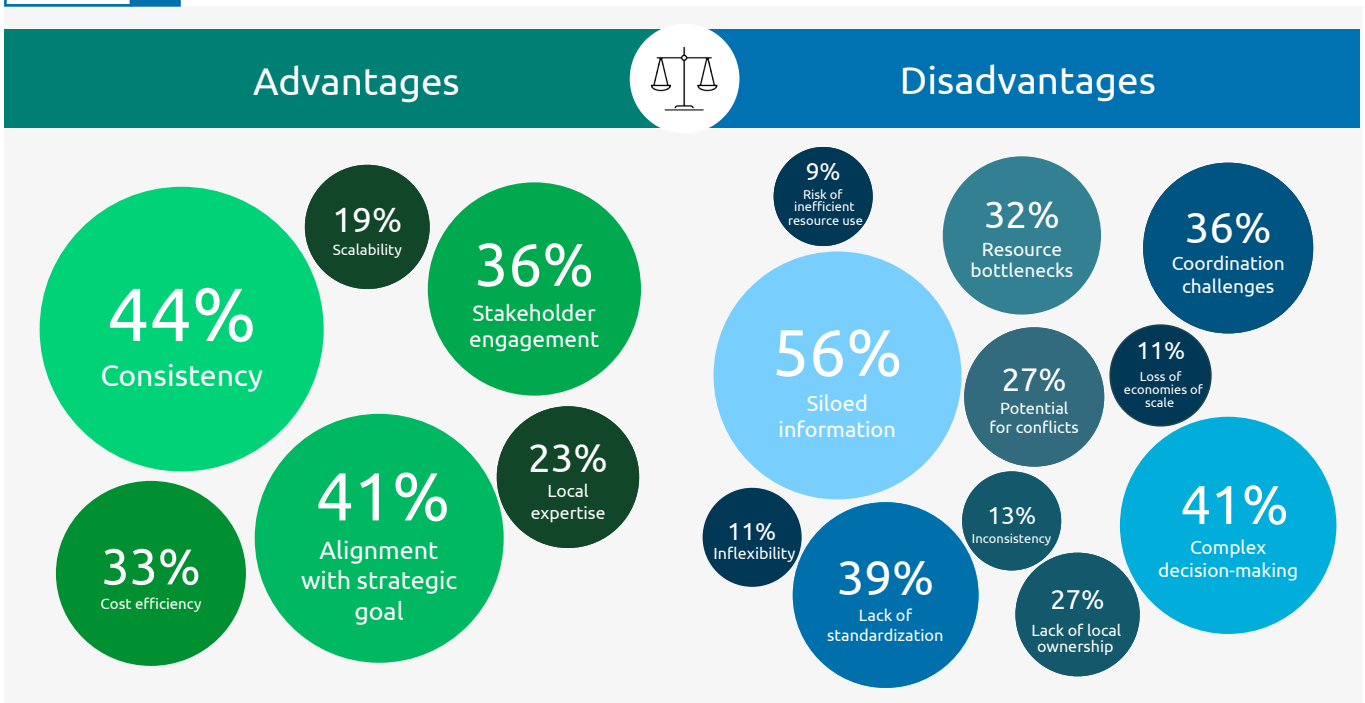
4.3 Added Value of Enterprise Architecture Management

Advantages and disadvantages of EAM

In organizations, various units contribute to the overall business success, with each bringing its individual benefits. Among these, EAM holds a unique position. By structuring and optimizing the Enterprise Architecture, EAM enables a holistic view of the organization.

We expect a central EAM governance to have the advantage of clear central guidelines by facing challenges related to the alignment of specific business units and adaption to local nuances. A federal governance achieves a balance between centralized control and localized adaptation. However, it might face challenges in finding the right balance between central control and regional autonomy along with addressing communication and coordination issues. In case of a decentralized approach, we assume it to be more agile and based on local requirements while also encountering challenges in maintaining consistency and internal alignment as well as enforcing standards uniformly.

Figure 21 Perceived advantages and disadvantages across the different governance models



As shown in Figure 21, across all three governance models, the three most cited advantages are consistency in work outcomes (44%), alignment with strategic goal (41%), and stakeholder engagement (36%). The mostly mentioned disadvantages are siloed information (56%), complex decision-making (41%) and the lack of standardization (39%).

Figure 22 Perceived main advantages and disadvantages in the different governance models

		Central	Federal	Decentral
Advantages	Current State	**Consistency** (20%) **Cost efficiency** (17%)	**Stakeholder engagement** (18%) **Alignment with strategic goal** (16%)	**Speed of execution** (17%) **Local expertise** (17%)
	Anticipated State	**Consistency** (18%) **Scalability** (16%)	**Alignment with strategic goal** (17%) **Stakeholder engagement** (12%)	**Local expertise** (22%) **Agility** (22%)
Disadvantages	Current State	**Siloed information** (21%) **Resource bottleneck** (18%)	**Lack of standardization** (15%) **Siloed information** (15%)	**Siloed information** (23%) **Lack of standardisation** (17%)
	Anticipated State	**Resource bottleneck** (18%) **Coordination challenges** (16%)	**Complex decision-making** (17%) **Coordination challenges** (16%)	**Siloed information** (22%) **Coordination challenges** (22%)

The overarching benefits of the various EAM governance styles suggest that the chosen style is independent of the goals, and favorable outcomes can be achieved regardless of the selected style (see Figure 22). However, it is noteworthy that the disadvantages, particularly the occurrence of "siloed" issues in all governance styles, are prominent. This indicates that regardless of the governance style chosen, there are difficulties in effectively exchanging information between different units, possibly indicating structural or cultural factors within the organization that impede communication and collaboration. Even with decentralized EAM governance, it is crucial to address the challenge of "siloed information", as excessive fragmentation and isolation could impede collaboration and efficiency. This emphasizes the need to balance autonomy and collaboration for optimal outcomes. Therefore, organizational factors such as corporate culture, technology infrastructure or employee involvement could have a significant impact on the effectiveness of EAM.

Among our customers with a **centralized EA governance,** we observe consistency in the overarching architecture deliverables. This consistency is achieved through the continuously involved EA function inherent in this governance model, which is mostly located on an influencing position within the organizational structure. This can be reasoned by our observation that this strategic positioning allows organizations to centrally define frameworks and methodologies to develop architectural artifacts or take architectural decisions, increasing the company-wide consistency.

In **federal structures,** we see a higher integration of the architects into the functional units and therefore a closer collaboration with the stakeholders through the "local experts". This improves the visibility of architecture within the company and ensures that EA is less strongly perceived as an "ivory tower" unit leveraging adherence to guidelines and rules.

The mentioned agility and local expertise highlighted by survey respondents with a **decentralized EAM** governance can be confirmed through cases we see at some of our customers. The loosely coupled connection of architects though communities rather than centralized units improve the speed of decision-making and therefore increases the agility.

Managing information silos and coordinating architectural work are significant challenges across all EAM governance models. Contrary to expectations, decentralized and federal structures do not inherently resolve these issues. In practice, EAM is often viewed as an "ivory tower," detached from day-to-day operational challenges, leading to information silos and prompting a desire to transition to alternative governance models. However, silos are often rooted in organizational culture and a change in governance does not guarantee their elimination. To address these challenges, many organizations have adopted architecture communities that promote cross-functional collaboration among architects. However, architects often struggle to engage actively due to heavy workloads (e.g., due to a shortage of architects[11]) and the limitations of remote work, leading to infrequent participation and passive involvement.

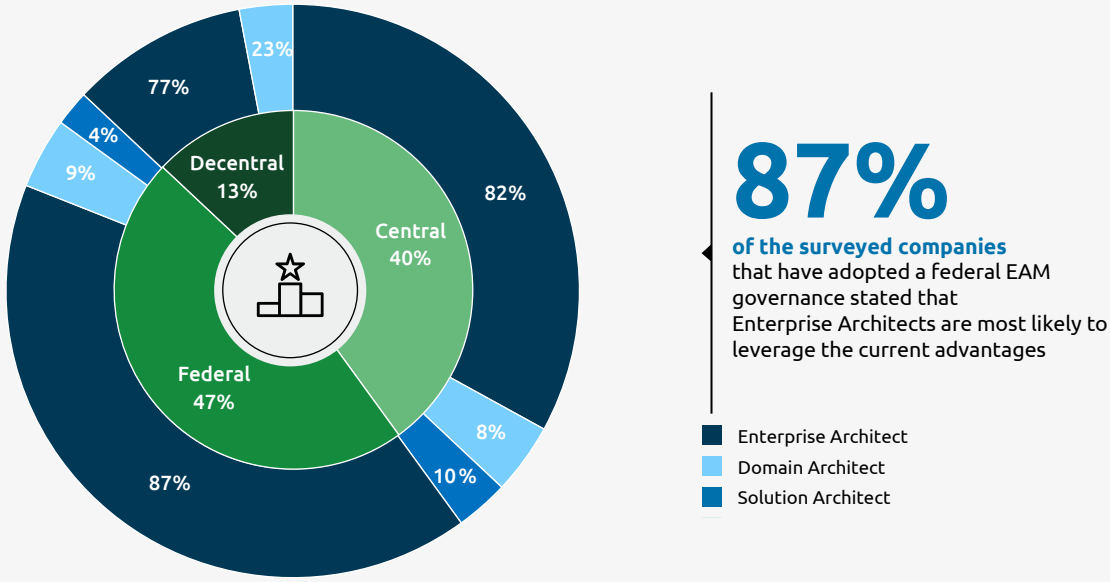
[11] Digital Architecture Study 2023, Capgemini Invent, 2023

Contribution of Digital Architects to advantages and challenges

Contributing to those advantages and addressing the mentioned challenges requires a broad and diverse skillset from the three types of Digital Architects. Each of them takes responsibility on a different area of architecture.

Nevertheless, we expect Enterprise Architects to play a key role by leveraging their holistic views, strategic alignment, and governance expertise. This aligns with last year's study which emphasized the generalist and holistic nature of EAs.[12]

Figure 23 Importance of the three types of Digital Architects



The results shown in Figure 23 confirm our expectations and show that most surveyed companies state that Enterprise Architects contribute the most to the current advantages, such as stakeholder engagement, consistency, and alignment with strategic goal. Simultaneously, they are the ones to best deal with challenges like siloed information, lack of standardization or complex decision-making. According to the participants, Domain and Solution Architects therefore do not have the same impact on the advantages and are therefore less suited to overcome the mentioned challenges. The majority (82%) of the survey companies having a central EAM governance state that the Enterprise Architect (EA) contributes the most to the mentioned challenges followed by the Solution Architect (SA, 10%) and Domain Architect (DA, 8%). That differs from the perception of companies with a federal EAM governance which ranked DAs higher than SAs. In companies with a decentral EAM governance, SAs were never considered best suited to overcome the challenges.

As described in Figure 11, EAs play a crucial role in aligning architecture work with strategic objectives by building bridges between key stakeholders. While EAs maintain a strategic and overarching view, SAs and DAs focus on executing and developing specific solutions, bringing technical expertise and domain-specific insights. The skills expected of EAs include strong communication capabilities, comprehensive business process understanding, and IT and methodological knowledge.

For organizations with a central EAM governance (see Figure 23), leveraging the strategic capabilities of EAs one can see that it is crucial to ensure alignment with overarching goals. This involves fostering strong communication channels between EAs and key stakeholders to maintain consistency across the organization. Organizations with a federal EAM governance should empower EAs and SAs to collaborate effectively across domains and develop standardized processes to address issues like siloed information. In contrast, decentralized EAM governance requires promoting the technical expertise of SAs and DAs to meet specific project needs while adopting agile methodologies for rapid decision-making and adaptability.

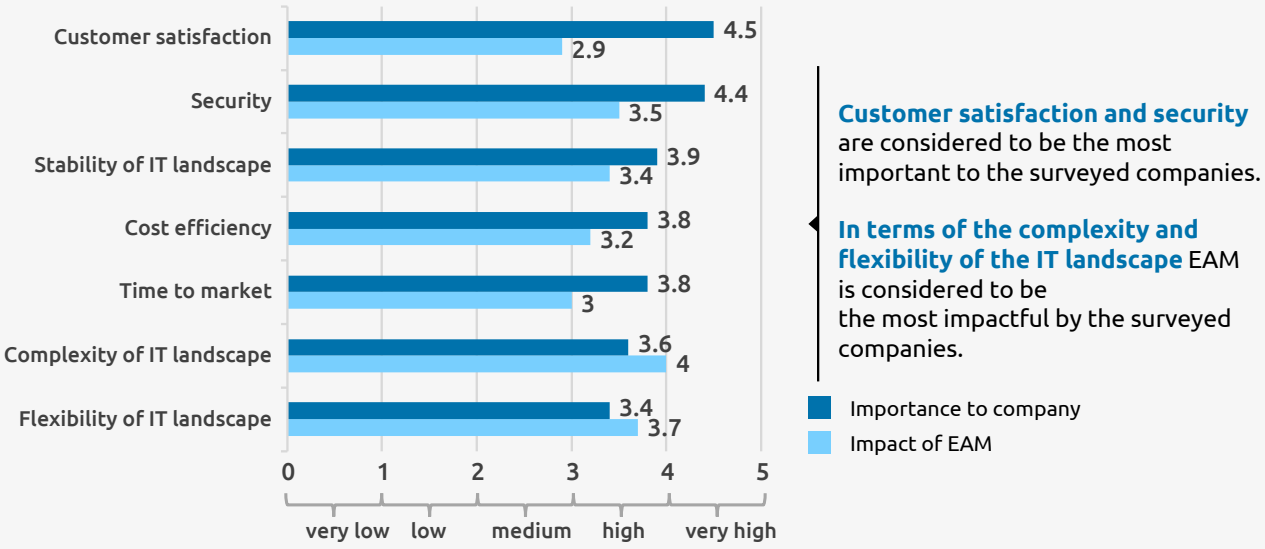
In practice, we see clear benefits in enhancing the communication skills and processes among all Digital Architecture roles, facilitating cross-functional collaboration, and investing in training and development programs. Furthermore, the trend towards product-oriented structures observed in many companies underlines the need for clear differentiation and alignment of the various architecture roles. As every company has its own culture and interpretation of these roles, architecture development paths should be tailored to take these individualities into account and meet the specific needs of each organization.

[12] Digital Architecture Study 2023, Capgemini Invent, 2023

Perceived impact of EAM

In today's volatile, uncertain, complex, and ambiguous (VUCA) business environment, organizations face a myriad of challenges that are constantly evolving. Each company's challenges are influenced by its industry, market dynamics, organizational structure, and unique operating context. However, there are several overarching topics that are crucial for most organizations and their IT departments and EAM can have a significant impact on them.

Figure 24 Impact of EAM in the organization across various dimensions



The results shown in Figure 24 highlight, that "customer satisfaction" is deemed the utmost priority by the surveyed companies (very high impact), followed by "security" (very high impact), and the "stability of the IT landscape" (high impact). EAM's impact on these differs with "complexity of IT landscape" (very high impact), "flexibility of IT landscape" (high impact) and "security" (high impact) ranked highest. This misalignment between the top priorities of the surveyed companies and the top areas impacted by EAM does not necessarily imply that EAM is irrelevant for organizations. Instead, it highlights a disconnect between perceived priorities and the potential impact of EAM on different aspects of the IT landscape. Customer satisfaction, security, and IT stability are undoubtedly crucial factors for organizational success and are rightly identified as top priorities by the surveyed companies. However, the impact of EAM on these areas might not be as readily apparent or directly measurable compared to other aspects.

The discrepancy in priorities versus impacted areas by EAM suggests a need for better understanding and communication about the role and benefits of EAM within organizations. It is possible that while companies recognize the importance of customer satisfaction, security, and stability, they may not fully grasp how EAM can contribute to enhancing these areas. Moreover, the top impacted areas by EAM, such as the complexity and flexibility of the IT landscape, might be seen as secondary concerns in comparison to immediate customer-facing aspects. We see in practice that this can lead to a lack of investment or focus on EAM initiatives despite their potential long-term benefits. In addition, it shows that the value impact of flexibility onto time-to-market is not yet well understood by EA customers. Prioritization of customer experience is an opportunity that Domain Architects are particularly well-suited to address. Given their deep expertise in specific business domains and their ability to align IT solutions with business needs, Domain Architects are ideally positioned to integrate customer-focused approaches into architectural planning.

One of the misaligned topics is **Security** (see Figure 24). In practice, we see security concepts such as Zero Trust or data compliance initiatives are becoming increasingly important. Zero Trust addresses the issue of IT security and requires careful alignment with the corporate architecture to ensure that security principles are effectively and coherently embedded within the Enterprise Architecture. Enterprise Architecture serves as a logical, organizational unit in ensuring the IT security implementing security concepts such as Zero Trust. This involves not only the practical implementation of security concepts but also the seamless integration and allocation of security architecture competencies within the architecture governance. The execution and management of security concepts necessitates

the procurement of appropriate tools and services, as well as the deployment of qualified security architecture personnel. Our clients recognize that security and EA must go hand in hand, requiring careful alignment. The responsibility of architects regarding security is thus gaining significant importance. To address this, there is a growing emphasis on fostering the security competencies of architects, for example, through external certifications, promoting collaboration between security and architecture, and evolving architecture principles for IT security.

The survey results highlight **customer satisfaction** as a key factor within their company (see Figure 24). Investments in Enterprise Architecture, therefore, go beyond technological benefits and have a direct impact on customer satisfaction through a shorter time to market. This is leveraged by the Business and IT goal alignment that ensures IT assets to be prepared for demands and allows faster implementations. Additionally, the increased standardization and simplification, enabled by EAM, reduces complexity, and improves interoperability and therefore allows for faster implementations of new projects and initiatives. Furthermore, the efficient provision of relevant data strengthens the competitive position and improves the overall customer experience.

From last year's Digital Architecture Study, we understand that EAM plays a key role in managing the increasing **complexity of the IT landscape.** This year's results underline the impact of architecture on flexibility and stability, both ranked with a high impact (see Figure 24), which shape the structure and performance of the IT landscape. The growing complexity of the IT landscape is driven by rapid technological advancements, diverse software solutions, integration of legacy systems, and needs for interoperability and scalability. Through the analysis and documentation of business processes, data flows, applications, and infrastructure, EAM creates transparency and understanding, enabling targeted optimization measures. Moreover, EAM contributes to flexibility and stability by establishing clear structures, standards, and principles. This allows organizations to integrate new technologies seamlessly while maintaining overall stability. This emphasizes the value and necessity of architecture.

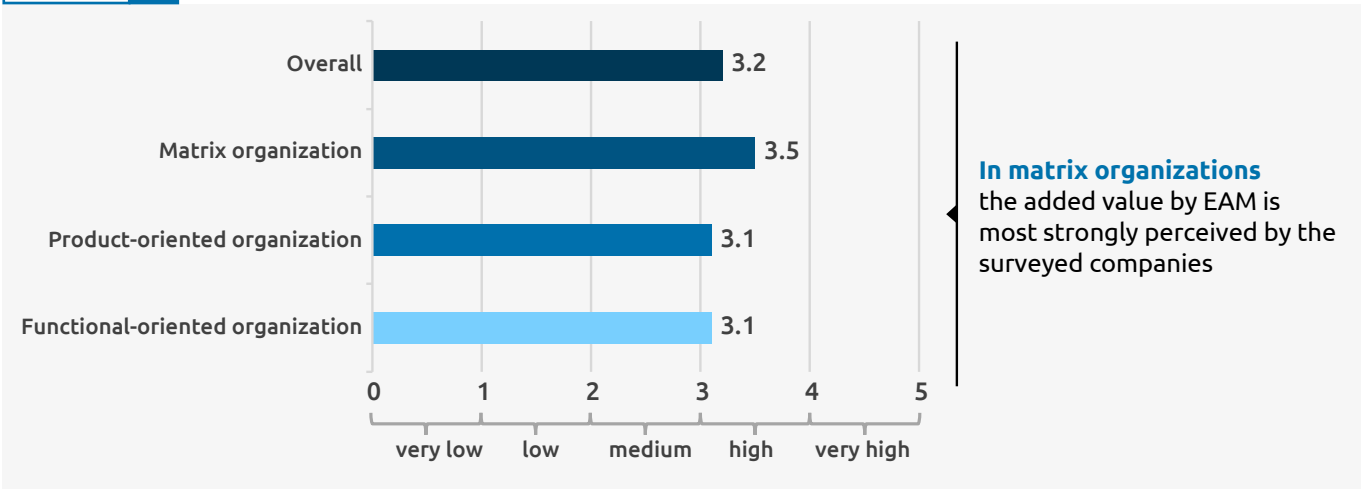
An important aspect is the encouragement of **flexibility of the IT landscape,** for example by modularizing the IT landscape or promoting agility. This enables companies to react quickly and efficiently to external market influences. Considering and utilizing these architectural advantages enables companies to build a robust and resilient IT infrastructure that is also flexible enough to adapt to changing business requirements and technological developments.

In **summary**, the misalignment between the top priorities of the surveyed companies and the areas most affected by EAM highlights the need to raise awareness about the broader impact of EAM. Aligning organizational priorities with strategic initiatives is crucial to fully leverage the potential of EAM and enhance overall business success.

Perceived value of EAM

The highest perceived added value of EAM is expected in a matrix organization with a federal governance. The collaborative and interconnected nature may lead to a higher perceived value of EAM. In a function-oriented, centrally governed structure, the value of EAM might be limited due to a focus on specific functions. In alignment with this hypothesis, our analysis confirms slight variations in the perceived value of EAM across different organizational models (see Figure 25). The added value of EAM is most strongly perceived in matrix organizations (3.5 / 5; high), closely followed by product-oriented organizations (3.1 / 5; high) and function-oriented organizations (3.1 / 5; high).

Figure 25 Perceived value of EAM in different organizational models



The lower perception of the value of EAM in function-oriented organizations, mainly in combination with centralized EAM governance, may arise from limitations in adaptability and the imposition of generic standards that do not align with specific functional requirements. Moreover, participants with decentralized governance may encounter challenges related to inconsistent alignment with overarching goals.

Nevertheless, EAM contributes with an additional value add in each organizational type, based on their specific focus and characteristics as shown in Figure 26.
In practice, we observe the relationship between corporate structure and the perception of EAM to manifest itself in various aspects. Matrix organizations and product-oriented companies promote close interaction between EAM stakeholders and emphasize collaboration between different departments and teams. In function-oriented organizations, stakeholder interactions, including the involvement of architects, are more focused on their own functional areas.

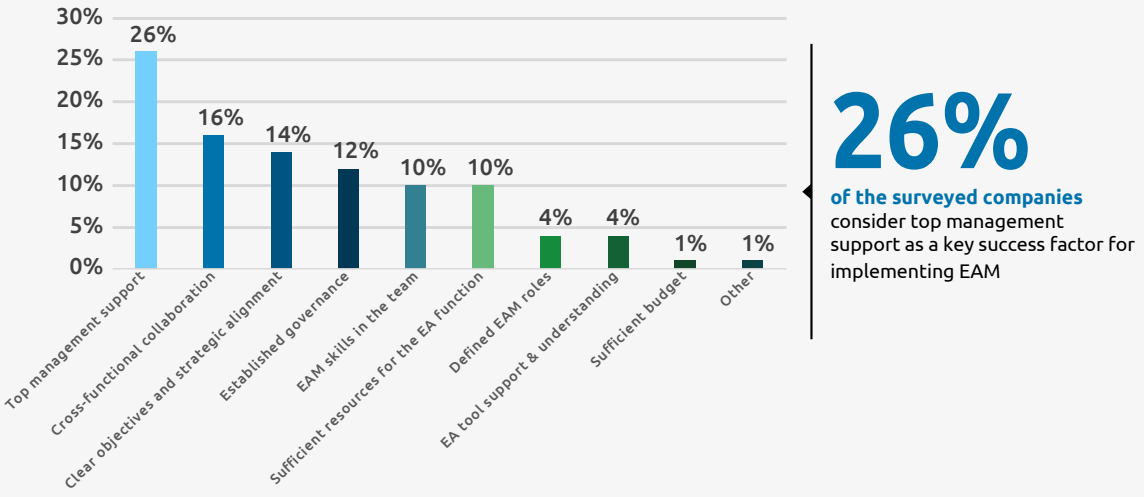
Figure 26 Contribution and value add of EAM for organizational types

	Matrix organizations	Product-oriented organizations	Function-oriented organizations
Focus and characteristics	**Managing complex structures that require collaboration across different functional areas** • Dual reporting lines, with employees reporting to both functional and project managers • Flexible team dynamics, allowing for the right mix of skills for each project • Enhanced collaboration and communication between departments • Complex interactions and dependencies between teams	**Rapid adaptation to market changes and iterative development cycles** • Emphasis on value stream optimization • Teams are aligned around products, leading to rapid innovation and delivery • Iterative development cycles to quickly respond to customer feedback and market demands	**Efficiency and specialization within specific functional areas** • Departments are divided based on function (e.g., marketing, finance, HR) and are focused on operational efficiency within those areas • Clear hierarchy and streamlined processes within each function • Typically less cross-departmental collaboration compared to matrix or product-oriented structures
EAM contribution and value	• Fast adaptation and delivery of solutions • Facilitates coordination across various business areas • Fosters communication and information sharing	• Flexibly designing the end-to-end IT architecture • Supports rapid change • Maintains overall stability	• Streamlines technology to enhance functional efficiency • Enhances departmental autonomy while ensuring alignment

Success factors for implementing EAM

We expect that the key success factors for the implementation of EAM will be dependent on the seamless integration of EAM into strategic goals, solid support from top management and the existence of a competent EA team. This expectation is grounded in the understanding that aligning EAM initiatives with organizational objectives ensures relevance and maximizes their impact. Top management support is therefore crucial for providing the necessary resources and authority to drive EAM initiatives. A skilled EA team is essential for effectively designing and maintaining the architecture framework, ensuring it meets the organization's needs.

Figure 27 Success factors for implementing EAM

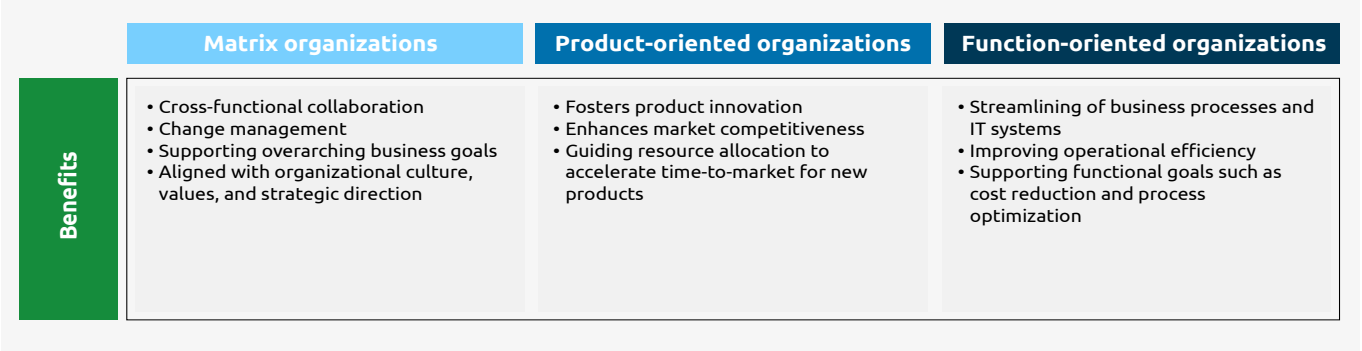


Among the surveyed companies, 26% consider top management support as a key success factor for implementing EAM, followed by cross-functional collaboration at 16%, and having a clear objective and strategic alignment at 14% (see Figure 27). The lack of visibility of EAM in organizations is stated as one of the main reasons for architects' dissatisfaction. More executive support is expected to ensure recognition of the importance of the EAM function, support for EAM governance and alignment between business and IT. It is also noted that architects' contributions to creating transparency, finding solutions or managing risks require significant support as they may conflict with factors such as time-to-market or other units. Cross-functional collaboration is seen as one of the most important success factors for the introduction of EAM. It is crucial for sharing knowledge between different areas, working on overarching goals and promoting a common understanding of the architecture. Effective collaboration is particularly important in federal governance models. Mutual support is considered necessary. To achieve goals such as reducing complexity or creating transparency, EAM needs the support of other departments. At the same time, it is essential that the architecture supports stakeholders and customers.

While product and function-oriented organizations show the same prioritization for critical drivers, matrix organizations conversely rank an established governance second instead of cross-functional collaboration. Without an established governance the decentralized nature of matrix organizations can lead to fragmentation and duplication of efforts. To mitigate these challenges and ensure the effective management, matrix organizations therefore recognize it as a top priority. Furthermore, an established governance provides the guidelines and structure for effective collaboration which can be challenging to achieve without having a clear governance framework in place. In addition, a clear objective and strategic orientation are relevant for success.

For each of the organizational models are unique benefits derived from EAM and are shown in Figure 28.

Figure 28 Success factors for implementing EAM



Enterprise Architecture must be understood as a common asset for companies across all corporate boundaries. To promote architecture awareness, relevance, and mindset, the recognition of EAM by top management is crucial. This top-level support is also necessary to implement initiatives, integrating architects into processes and attributing decision-making authority to architects. This involves the development and operationalization of a governance framework. Therefore, we recommend to position EAM closely to the top management through a direct reporting- or at least dotted line.

Key takeaways

- The strategic importance of EAM is increasingly recognized across the governance models– centralized, federated, and decentralized, which shape decision-making structures and operational workflows.
- Consistency in work outcomes, alignment with strategic goals, and stakeholder engagement are key benefits of all three governance models, while challenges include siloed information, complex decision-making, and lack of standardization.
- With 83% of surveyed companies identifying Enterprise Architects as crucial for navigating complexities and leveraging EAM benefits, there is a clear need for a cultural shift towards greater visibility and involvement of these architects in the governance process.
- EAM plays a crucial role in managing the increasing complexity of the IT landscape by enhancing flexibility and stability, allowing companies to build a robust, adaptable IT infrastructure that improves customer satisfaction, security, and stability of the IT landscape.
- The perceived value of EAM is highest in matrix organizations, followed by product-oriented and function-oriented organizations, highlighting its variable impact based on organizational context.
- Effective EAM implementation heavily relies on top management support, cross-functional collaboration, and clear objectives with strategic alignment to integrate architects effectively into organizational processes and empower their decision-making.

05 Conclusion and Outlook

In chapter 2, we highlighted that EAM is a crucial approach for leveraging digital transformations within companies, enabling them to adapt to technological, market and business needs as well as customer changes. By systematically controlling and driving technological changes, EAM reduces complexity, increases flexibility, improves security, and allows for consistency in work outcomes. As organizations and their IT systems grow, the importance and value of EAM become increasingly important in navigating ever-changing business environments and remaining agile.

The study reveals that the **organizational design** affects the governance model of the EAM function (central, federal or decentral) as we have discussed in chapter 4.1. Function-oriented organizations tend to adopt central or federal EAM governance structures that support a hierarchical approach with centralized control and departmental autonomy. Matrix-oriented companies typically favor federal governance but also exhibit decentralized EAM functions, allowing autonomy at lower organizational structures. Product-oriented companies show a balanced split between centralized and federated governance, reflecting their diverse nature. Each organizational model therefore benefits from its respective EAM function as these choices are well-suited to the unique requirements of each organizational model, resulting in positive outcomes.

As described in chapter 4.1., different **types of Digital Architects** (Enterprise, Domain, and Solution Architects) are employed based on organizational needs and complexity. Larger enterprises tend to have a higher degree of domain specialization among architects, while smaller companies tend to rely on combinations of Enterprise and Solution Architects. Furthermore, the interplay of organizational design and EAM governance-type influences the shape of Digital Architects distribution between Enterprise-, Domain- and Solution Architecture. The pyramid structure is prevalent, especially in matrix and function-oriented organizations. Solution Architects are predominant in this structure. Product-oriented organizations tend towards a pyramid or funnel structure.

Chapter 4.2 outlines that the **perceived role of EAM** varies between the surveyed organizations. EAM is mostly seen as an organizational IT function, nevertheless there are significant portions that perceive EAM as methodology, missing the broader organizational and strategic impact it can have. Most organizations currently adopt a federal or central EAM governance with a significant trend towards the federal governance model as anticipated state. Federal EAM setups tend to view EAM as a management philosophy, aligning it more closely with the corporate strategy. Combined with the results of chapter 4.1, we have also discussed that the prevailing trend indicates that EAM should shift towards a business-oriented approach. This transition is crucial to ensure an effective integration of EAM into business operations and to foster synergy with corporate objectives.

In chapter 4.3 we highlighted, that across the three **EAM governance models** (central, federal, decentral), there is a growing strategic importance of EAM. It provides various benefits, such as consistency in work outcomes, alignment with strategic goals, and stakeholder engagement and can contribute to the mitigation of challenges like siloed information, complex decision-making, and lack of standardization. The perceived value of EAM varies based on the organizational context and an effective EAM implementation relies heavily on top management support, cross-functional collaboration, and clear strategic objectives.

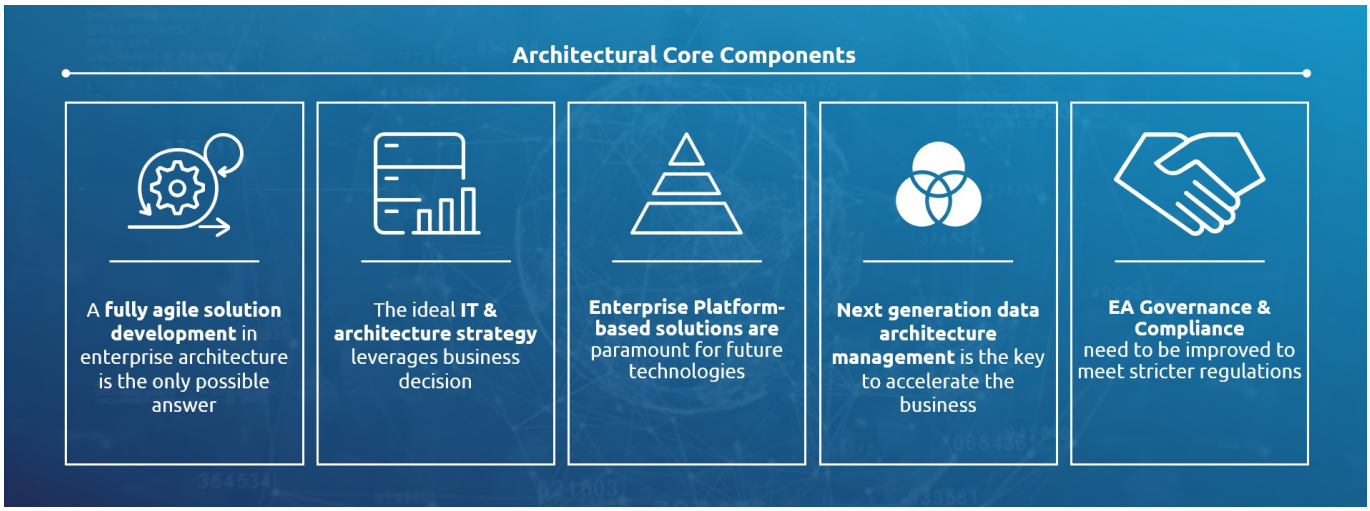
Overall, the Capgemini Invent Digital Architecture Study 2024 emphasizes the critical role of EAM in managing the increasing complexity of the IT landscape and shaping the performance of the IT infrastructure. It highlights contribution of EAM to enable organizations building a robust and resilient IT landscape that is adaptable to changing business requirements. However, achieving this requires a strategic positioning of EAM within the respective organizational models to realize the highest added value. As organizations continue to navigate technological change, EAM remains a key enabler of organizational agility, innovation, and resilience, driving strategic decision-making and fostering collaboration between business and IT departments.

Looking ahead, the role of EAM is expected to evolve and expand in response to the increasing complexity of digital transformations. As organizations continue to grow and diversify, the need for a robust and adaptable EAM function will become even more important, raising the question on the optimal transformation of EAM functions and how the role of EAM can be improved. The trend towards a more business-oriented approach to EAM suggests that EAM will not just be an IT function, but a strategic partner that plays a pivotal role in shaping business strategies and driving innovation. This shift will require a rethinking of traditional EAM roles and responsibilities, with a greater emphasis on strategic planning, cross-functional collaboration, and business-IT alignment. This raises the question of which strategic issues are of particular importance for EAM and require higher involvement.

Moreover, the rise of technologies such as artificial intelligence will present both opportunities and challenges for EAM. EAM will play a crucial role in helping organizations navigate these complexities, ensuring that they can leverage them effectively while minimizing risks.

06
Capgemini Invent's Contribution to Enterprise Architecture

Our Digital Architecture Portfolio delivers a range of services to our clients. From establishing agile and innovative EAM departments to providing the right tools and methodologies to design flexible and capability-driven system landscapes in IT and business transformations. Key architecture principles must be defined for each company and should cover areas like agility, customer experience, regulation, and security. Our approach is based on the following five architectural core components that aim to optimize value contribution of established Enterprise Architecture departments.



The goal is to maximize value-adding activities of Enterprise Architecture by acting as a trusted advisor rather than documenting and maintaining legacy systems. Our key offerings, structured in the following three core domains, enable digital architecture transformations on all five core components.

Architecture Strategy & Governance

- Provide snapshots **for trends and strategic drivers** that influence best-practice architecture decision
- Define **clear governance** structures, align and enable IT-strategy, process and portfolio management
- Evaluate the **maturity** of your Enterprise Architecture and identify future potentials in digitalization

Enterprise Architecture

- Develop a **business capability** map to align your strategy and future business goals
- Establish a transparent overview of your EA and create a **target architecture** that support your business strategy
- Perform a capability driven **vendor and software selection** to reinforce a holistic EA transformation

Enterprise Platforms

- Perform inside-out and outside-in analysis of your current **enterprise platforms** to assess demand for action
- Derive design principles for reshaping your **enterprise platform strategy**
- Leverage our enterprise platform technology library to design your future **enterprise platform service portfolio**

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About Capgemini Invent

As the digital innovation, design and transformation brand of the Capgemini Group, Capgemini Invent enables CxOs to envision and shape the future of their businesses. Located in over 30 studios and more than 60 offices around the world, it comprises a 12,500+ strong team of strategists, data scientists, product and experience designers, brand experts and technologists who develop new digital services, products, experiences and business models for sustainable growth.

Capgemini Invent is an integral part of Capgemini, a global business and technology transformation partner, helping organizations to accelerate their dual transition to a digital and sustainable world, while creating tangible impact for enterprises and society. It is a responsible and diverse group of 340,000 team members in more than 50 countries. With its strong over 55-year heritage, Capgemini is trusted by its clients to unlock the value of technology to address the entire breadth of their business needs. It delivers end-to-end services and solutions leveraging strengths from strategy and design to engineering, all fueled by its market leading capabilities in AI, cloud and data, combined with its deep industry expertise and partner ecosystem. The Group reported 2023 global revenues of €22.5 billion.

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