The BIAN Service Landscape as Reference Model for SAP

Jens-Peter Jensen, Head of Architecture, Financial Services, SAP AG
Karin Fischenbeck, Secretary General of BIAN
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The Power of Joint Standardization: BIAN

Increasing Interest in Emerging Standard Banking Industry Architecture Network (BIAN):
- Not-for-profit association of leading banks and their partners
- Semantic Definition of standardised IT services
- Close collaboration with other standards initiatives: ISO 20022, IFX Forum and Open Group (TOGAF)

Immediate Value for Banks and Partners:
- Reference landscape to facilitate creation of individual architecture roadmaps
- Complemented by aligned Metamodel and Service definitions
- Flexible Integration of existing application landscapes and commercially available software solutions
BIAN – Organizational Structure

**Liaisons**
- Relationship Manager for BIAN Membership

**Experts**
- Domain Skills and Knowledge

**General Assembly**
- Delegates (All members)
- Board Members (Elected members)

**Secretariat**
- Representatives (Interested members)

**Working Groups**
- Architecture Committee

**Strategy Advisory Group**
- Communications

**Overall**
- Architecture
- Service Definitions
- Building Blocks

**Architecture Framework & Foundation**
- Quality Assurance
- Standardization Group

**Analytics**
- Business Partner
- Lending
- Payments
- Market Data
- Pricing

**Architecture Management**
- Building Block Structures
- Service Repository

**Standardization Group**
- Communications
- Strategy Advisory Group
- Overall

**Service Definitions**
- Architecture
- Building Blocks

**Building Blocks**
- Architecture
- Service Definitions
- Building Blocks
What is the BIAN Service Landscape

The BIAN Service Landscape is a reference framework containing all of the identified BIAN Service Domains organized for ease of access.

The BIAN Service Domain represents a generic business capability for which BIAN seeks to define the standard canonical semantic services for the banking industry.

Version 1.5 retains the established BIAN Service Landscape format of:

- Business Areas
- Business Domains
- Service Domains
Agenda

SAP for Banking

Modeling in SAP for Banking
- SAP for Banking Solution Architecture
- BIAN Service Landscape
- Business Process Model
- Message Flow Model
- From BIAN Service Domain to SAP solutions
2500+ Banks in 120 Countries build on their success with SAP for Banking

Retail Core Banking: SAP recognized as most visionary vendor by Gartner & as a “shortlist” choice by Ovum

“Effective partnerships are enabling multiple, simultaneous, complex core banking replacement programs through extended bandwidth.”
Gartner – September 2010

“SAP has managed to leverage its overall strength in enterprise applications to become a significant provider in the core systems market”
Ovum – February 2011
SAP for Banking
From Solution Portfolio to Solution Architecture

Business Requirements

- Customer Communication Channels
- Customer Relationship Management
- Transactional Banking
- Analytical Banking
- Integration Infrastructure

Business Agility
Efficiency

Requirements Influencing Architecture

- Openness
- Extensibility
- Flexibility
- Abstraction

Front end / Multi channel

Collaboration / Process Management

Business Functionality

Business Functionality
Decoupling of „content“ and „container“
- Manage change
- Independent lifecycle management

Models to capture content
- Binding methodology
- Based on standards

End-to-End modeling
- Business Models
- Transformation Models (Software Analysis Models)
- Software Design Models

ENTERPRISE SERVICES WORKPLACE
Modeling
Method for Roll-In and Roll-Out

Goal is
a transparent, consistent, efficient and scalable management
of requirements and solutions of any company
along its complete lifecycle

Approach
Clarity on terms and artefacts
- What is in scope of a specific model type
- What is out of scope
Easy to understand relations
Responsibilities and Governance

Roll-In
What do I need?

Business Process
Software Analysis
Software Design

Roll-Out
What do I get?

Software Analysis
Software Documentation

Software Design
Software Documentation
Models in the Context of our Today Discussion
Simplified View

Static representation
Captures capabilities

Dynamic representation
Captures a business activity based on a consistent and common usage of these capabilities

Software Analysis Models
Establishes the relationship between business requirements and the real software

Emphasis of the current modeling activities
Goal:
- Comprehensive catalogue of models
- Establish platform independent models
Service Landscape
Cornerstone in the Business and Software Lifecycle

The Service Landscape plays a vital role in the management of the software lifecycle same as in the management of the business lifecycle

Service Domains ...
Can be provided in a standardized way
• The vast majority of capabilities to run and manage a bank do not differ from bank to bank around the globe
• This needs to be separated from the question how these capabilities are used in a concrete business context. This differs from bank to bank and around the globe.

Play a critical role in the alignment between business and IT
• Service domains are understood by business as well as IT
• Both can establish a link to their dynamic models

Are used as a reference along the software and business lifecycle
• Software: From portfolio case to software
• Business: From value engineering to operations
From a BIAN Service Landscape to an SAP Service Landscape

Reasons for SAP specific adoption:
BIAN draft status for Service Domains
Different grouping better representing the SAP needs
SAP for Banking – Service Landscape (July 1st, 2011)
Comparison to BIAN: Broad Reuse – Selected Areas of Difference

Legend

Business Area

Business Domain

Service Domain

Key Areas of Difference

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Business Process Model
Example: Saving Account Opening with card (Call Center)

- Provides information on main flow of activities, dependencies and organizational units involved
- Easy to understand, discuss and adapt for business
- Allows implementation team to derive component related key requirements
- Reflects what a typical bank currently needs
- Allows to provide overview on current SAP solution coverage
Message Flow Model
Example: Saving Account Opening with Card (Call Center)

Characteristics

- Provides information on flow of activities, dependencies down to message level and provider of the needed capabilities
- Provides application related input for the integration of software components
- Allows to explicitly cover orchestration requirements
- Provides detail on current SAP coverage
Usage of Service Domains
Business Process: Saving Account Opening with card

Reference Data
- Party Data Management
- Third Party Service Providers
- Product Management
- Customer Interaction
- Customer Services
- Business Development
- Offer Management
- Servicing
- Financial Markets
- Consumer Products
- Corporate Products
- Corporate Banking Products
- Corporate Financing & Advisory Services
- Cross Product Operations
- Analytics & Risk
- Business Support

Legend
- Business Area
- Business Domain
- Service Domain

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From BIAN Service Landscape to SAP Platform
An Example

Service Domain: Party Data Management
The service domain Party Data Management enables a bank to manage party data that is relevant in its business processes. The management of business party data includes the management of general data like names, complementary identification, roles parties can play in business processes and especially in agreements, address information like postal addresses, internal and external ratings, tax information as well as links to documents.

Business Objects:
Business Partner, Business Partner Relationship
The business object Business Partner is a person, organization or group of persons in which a company has a business interest.

Process Component:
Business Partner Data Management
The process component Financial Services Business Partner Data Management enables a bank or an insurance company to manage its business partner data that is relevant to its business processes.

Service Operations: Create, Read, Update, Inform, Find, ...

For more information please go to ...
Summary & Conclusion

BIAN Service Landscape targets a critical element for the lifecycle management of business and IT in the banking industry

There is no alternative model – especially not one with a comparable ambition and industry support

The current status of the BIAN Service Landscape now adds substantial value to the modeling activities within SAP and for our customers

Used as reference model since July 1, 2011

Some adjustments still required

SAP trusts BIAN and is fully supportive to broaden and deepen the scope to further drive standardization in the banking industry
Thank You!

Contact information:

Jens-Peter Jensen
Head of Architecture, Industry Sector Financial Services
Dietmar-Hopp-Allee 16 / D – 69190 Walldorf
BIAN Benefits in a Nutshell

- Join a vibrant community of banking and architecture experts
- Achieve interoperable banking architectures
- Reduce integration costs and therefore minimize IT risks
- Facilitate complex transformation projects
- Share experiences with your peers
- Learn more about IT and business architecture topics
- Shape an emerging industry standard
Explore BIAN in more Detail

- Visit the BIAN Homepage  [www.bian.org](http://www.bian.org)

- Have an individual follow up session arranged for your team

- Learn more about BIAN at selected Banking events, including
  - SIBOS, Toronto (Canada), September 19-23, 2011
  - Member-hosted events
  - EURO Finance Week, Frankfurt am Main (Germany), November 14–18, 2011

- Your Feedback on BIAN results is highly welcome
  - Online Survey available on the BIAN Homepage
  - For access through the BIAN homepage, follow this [Link](http://www.bian.org)
  - For Direct Link to questionnaire, follow this link: [Questionnaire](http://www.bian.org)
Thank you!
Contact BIAN for Additional Questions

Karin Fischenbeck
Secretary General

BIAN e.V.
P.O. Box 16 02 55
60065 Frankfurt am Main
Germany
T  +49 (0) 62 27-7 62 535
F  +49 (0) 62 27-78 19 363
M  +49 (0) 171-30 85 181
karin.fischenbeck@bian.org

www.bian.org
Model for Gradually Increased Engagement in BIAN

Engagement Level 1: Membership and Limited Engagement

- Member contributing membership fee to support funding of third party resources
- Access to BIAN internal wiki, including work in progress (e.g. documents currently under review)
- Engagement limited to participation in physical BIAN Core Team Meetings
  - February 22 - 25, 2011 near Zurich (Switzerland)
  - June 8 -10, 2011, Amsterdam

Engagement Level 2: Participation in (virtual) Reviews

- See above – in addition:
- Participation in Document reviews – Contribution to Quality Assurance
  - Virtual or physical review sessions with other subject matter experts
  - Recently finalized documents prior to final approval and publication

Engagement Level 3: Active Contribution

- See above – in addition:
- Active engagement in 1 Service Definition Working Group / 1 Architecture Working Group, for example:
  - Service Definition: WG Business Partner or Lending
  - Architecture: Service Landscape (alternatively: Architecture Framework and Foundation)

- Financial and Marketing Support
- Network
  - 6-9 PDs*) per member representative per year

- Guidance through Participation in Reviews
  - In addition approx. 2 PDs*) per expert review: Prep., guidelines, review)

- Active engagement in area relevant to Member
  - In addition approx. 15 PDs*) per working group per year (mainly virtual collaboration)

*) PDs = Person Days
Intellectual Property and Membership Fees

**Intellectual Property**
- BIAN Intellectual property policy
- WG membership triggers IPR Policy
- Members surrender IP on contributions to WG’s
- Members warrant that all WG contributions are their IPR
- BIAN deliverables are royalty free

**Fees** (annual membership)

**Software / Tech vendors / Integrators**
- (250 employees or more)
  - EUR 30,000,-

**Banks / FI’s that are not vendors**
- EUR 20,000,-

**Software / Tech vendors / Integrators**
- (less than 250 employees)
  - EUR 10,000,-