AMERICAN EXPRESS – ENTERPRISE ARCHITECTURE

CASE ANALYSIS

York University

Managing Strategic & Effective Information Systems

Feb. 24, 2015
Enterprise Architecture aligning IT + Business Strategy:

▪ Common language to collaborate and transform
▪ Enterprise architects were the change agents
  ▪ Better, more effective ways to use IT resources
▪ Award → Info World/Forrester Enterprise Architecture

EA guided progress in considering new mobile payment systems.
MOBILE PAYMENTS ISSUE

Amex Video Link:  youtube.com/watch?v=FMw_rr3OYYw

Changing Amex & whole payments industry:
⇒ Review business practices
⇒ New delivery channels
⇒ faster time-to-market needs

Business Strategy:
▪ Focus on delivering consistent, global, integrated customer experience common application platform.

Question:  Would you use Amex mobile payments? Why? Why not?
GOAL FACILITATION

Multiple business solution teams:
- Common application architecture
- Set of actions and metrics
- IT & Business unit commitments

Amex’ road map usage:
- Standard language
- Tools
- Application Lifestyle Mgmt.
- IT architecture
- Governance processes

Road maps include technology, ref. architecture, & business capabilities.
FUTURE ISSUES & STEPS

Branch out & extend road maps to service-oriented architecture (SOA):

⇒ Develop new reference architectures
⇒ New classifications of principles to align IT with needs
⇒ New social platform tools & technology creates more competition and opportunities

A road map example:
DISCUSSION & ANALYSIS

American Express Key enterprise architecture components:

- Standard architecture for consistent values, technology, optimal efficiency.
## DISCUSSION & ANALYSIS

Standard Enterprise Architecture at Amex:

<table>
<thead>
<tr>
<th>DISADVANTAGES</th>
<th>ADVANTAGES</th>
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<tbody>
<tr>
<td>May not be efficient in all units</td>
<td>Provides a single point of view</td>
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<tr>
<td>May lack innovation in some levels</td>
<td>Quality levels easier maintained</td>
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<td>Loss of business needs flexibility</td>
<td>Data is easier to secure</td>
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<td>Architecture change agility might suffer</td>
<td>Faster changes throughout business</td>
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<td>Consistently defined data</td>
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<td>Less implementation time</td>
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New architecture supports Amex goals & strategy by:

- Linkage – IT investment & dynamic business needs
- Buy-in from the business teams
- Common apps & road maps
- Easier/faster data access & more current
DISCUSSION & ANALYSIS

Future payment products & services for EA group focus:

1. Different mobile platforms
   - Newer tech. easier/faster
   - Customer + convenience

2. Consumer sentiment changes +/-
   - Consumer trends – where?

3. Tech. savvy entrants
   - OEM brands – payments
Future payment systems...

- Payments mostly electronic & mobile;
- No need to have an actual credit card;
- Accounts on the cloud by SaaS;
- Numerous applications providers.
American Express CIO **must** focus & work with all clients and customers to:

- Provide what they want
- Host “hackathons” for engagement
- Have innovative technology solutions
- Better, less expensive, efficient, and effective payment methods & services

Questions?