IBM

Tullverket creates a competitive customs organization with SOA and CBM.

Overview

Business challenge

Managing the Trade (MT) was preparing to implement a new European Union (EU) e-customs program. Done properly, MT could transform its operations into de facto standards designed to enhance Swedish economic competitiveness. First, however, MT needed to implement a new organizational structure and strategy, and prioritize investments in business processes and IT architecture. In so doing, MT was seeking to gain competitive advantage and differentiate itself from other EU customs authorities.

Solution

Managing the Trade worked with IBM Global Business Services to define a new business operating model and to initiate a service-oriented architecture (SOA) IT framework. By leveraging the IBM Component Business Model and IBM Service-Oriented Modeling and Architecture (SOMA) methodologies, MT created a flexible, end-to-end business and IT architecture responsive to current and future requirements of the Swedish government and the EU, as well as to the organization's own strategic objectives.

Benefits

- Developed a framework to evaluate and choose future strategic projects that will align to both national and EU goals
- Aligned IT and business strategy by identifying key IT services needed to support business processes.

Industry

- Government

Challenge

The Swedish Customs Managing the Trade division routinely facilitated trades for the European Union (EU) and collected importation revenues for goods bound to other EU member states. If it could obtain early compliance with a new EU e-customs program, Managing the Trade (MT) could gain short-term competitive advantages by being able to offer additional services to member states, such as operations consulting and IT services. In turn, the division could future-proof its investments by incorporating a larger user community for its standards and systems, and by transforming its operations into de facto standards designed to enhance Swedish economic competitiveness and societal safety. Although EU mandates to establish a competitive environment were clearly stated, there was vague guidance to member states about how objectives and integration should be achieved.

As member states faced the uncertainties of upcoming EU legislation, Managing the Trade was challenged to decide how it should change. Unfortunately, Managing the Trade lacked strategic leadership and direction. And even though it was one of the recognized leaders in customs administration, a growing list of competitors could quickly erode its position. Also, a recent reorganization had resulted in less effective collaboration between the two main divisions of the group, and it was unclear how the business should be supported by the IT department. At times, the IT department defined business requirements and objectives rather than allowing business leaders to set goals.

Solution

Managing the Trade worked with IBM Global Business Services to define a business operating model for its division of Swedish customs and to initiate a service-oriented architecture (SOA) framework by integrating the IBM Component Business Model and IBM Service-Oriented Modeling and Architecture (SOMA) methodologies. Leveraging these methodologies, Managing the Trade created a flexible, end-to-end business and IT architecture that's responsive to current and future requirements of the Swedish government and the EU, as well as to the organization's own strategic objectives. Consequently, Swedish customs is prepared to assume and sustain a leading role within the EU customs community.

Tullverket

Using the Component Business Model methodology to understand and articulate current and desired capabilities, as well as its most vital business components, the organization first identified the gap it had to close to reach its 2012 vision. It also outlined shortfalls in achieving near-term EU compliance, and operational impacts based on component dependencies. For the first time, the IT organization was able to view IT projects from a business perspective with the goals and business services that IT supports.

An IBM Global Technology Services team developed a high-level SOA using the SOMA methodology for a selected number of components of the Component Business Model phase. The team used the SOMA technique throughout the identification phase and during parts of the specification phase.

Benefits

- Developed a framework to evaluate and choose future strategic projects that will align to both national and EU goals

- Aligned IT and business strategy by identifying key IT services needed to support business processes

- Established a strategic planning method/discipline

- Identified key investment & improvement opportunities

- Collaborative effort between "Managing the Trade" and IT (rarely happened previously if at all)

Why it matters

Knowing that early compliance with a new European Union (EU) e-customs program would give it a competitive advantage against other national agencies in facilitating trade within the EU, Swedish Customs' "Managing the Trade" Division needed to undergo a major organizational and strategy change. The division invited IBM Global Business Services, which used IBM's Component Business Model (CBM) and Service Oriented Modeling and Architecture (SOMA) methodologies, to analyze and recommend organizational and infrastructure changes. By implementing a service oriented architecture (SOA), and following IBM's organizational strategy recommendations, the division will align its IT strategy and infrastructure with its business strategy and goals, enabling it to respond and adapt to a more competitive EU trading environment.

"The unique aspect with this project is that we are linking together the Component Business Model methodology with an SOA. By doing this we are assuring a successful transformation result from a business as well as IT perspective."

—Vidar Gundersen, former CIO