

# Methodology for prior analysis of interoperability

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# Agenda

- State of the art & Definitions
- Interoperability representation
- Framework
- Methodology & Case study
- Conclusion

# State of the art of interoperability

 Interoperability is the ability of two or more systems or components to exchange information and use the exchanged information without special effort on either system (IEEE, 1990).

# State of the art of interoperability

- Qualitative models based on maturity models.
- Quantitative models use indicators to measure interoperability characteristics
  - time, cost and quality of interoperation.
- The main limitation of these approaches
  - the considered interoperability is disconnected from enterprise objectives.

# **Definitions**

## Performance Measurement System

 a set of strategic objectives and performance metrics applied throughout the entire enterprise

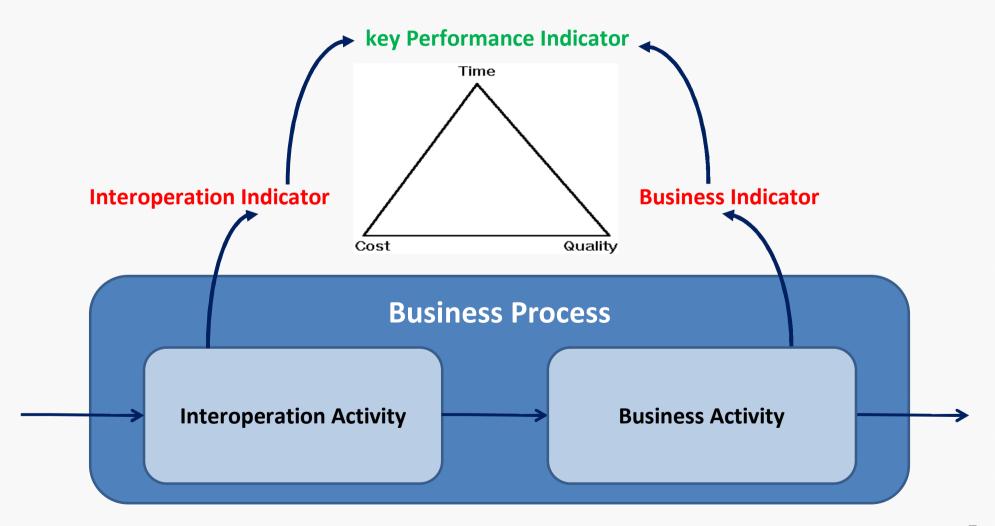
### Causal Performance Measurement Models

- links together the measures in the PMS by cause-andeffect relationships.
- measures are arranged in a hierarchical fashion
- Example:
  - Balanced Scorecard strategy map
  - Action-profit linkage

# Interoperability representation and measurement

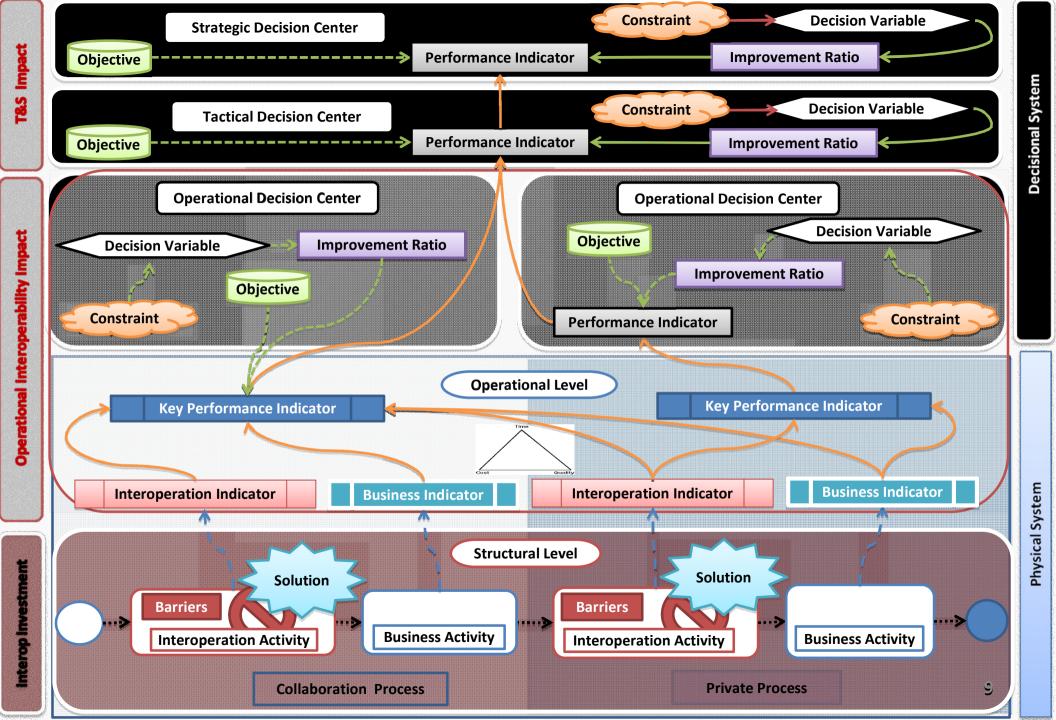
- Business activities are those which create value in business process.
- Interoperation activities are non-value-added activities representing efforts for the interoperability of information exchanges between partners
- KPIs are considered as aggregations of BIs and IIs of all activities of a business process

# Interoperability representation and measurement



# Interoperability evaluation framework

- It should enable an understanding of how interoperability influences the achievement of enterprise objectives
  - the interoperability investments layer,
  - the operational impact layer,
  - the tactical and strategic impact layer.
- The core element of this framework is the causal relationships between process KPIs and the objectives of partners, at all decisional levels



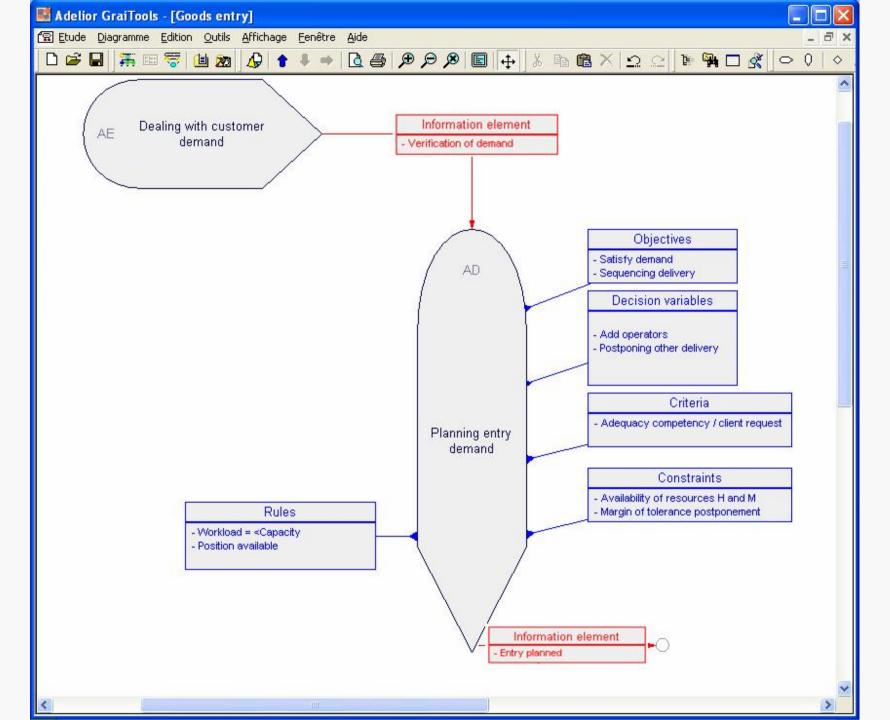
# Case study: ASICOM project

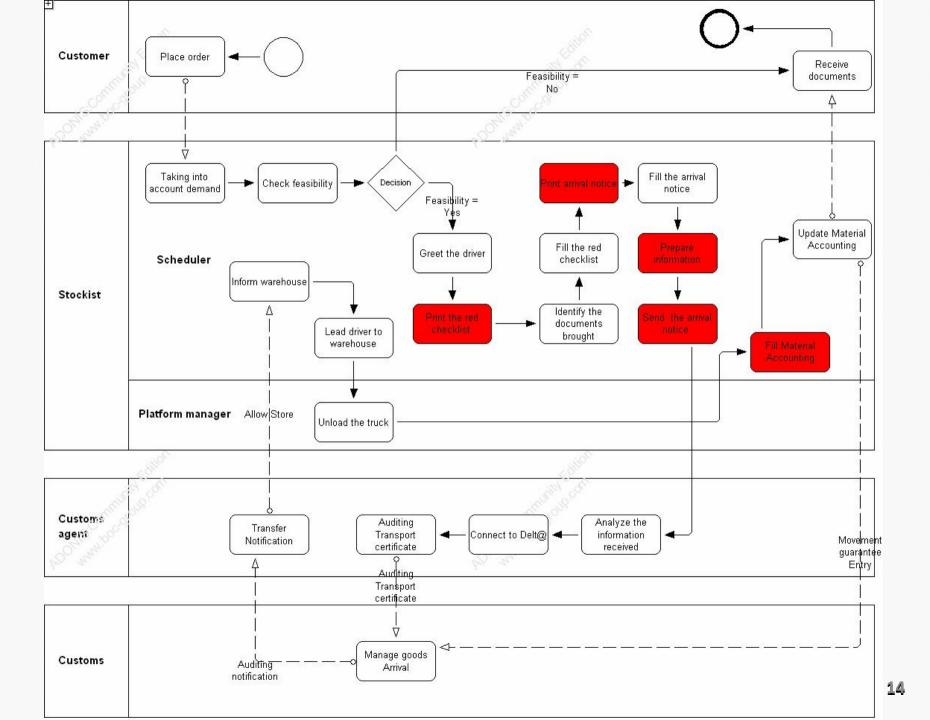
- Partners involved in the collaboration :
  - the customer (an e-commerce company),
  - the stockist,
  - the customs agent and
  - the customs.
- Two collaboration business processes
  - goods entry and goods output
- Two decision centers belonging to the stockist:
  - goods entry and goods output.

# Interoperability evaluation methodology

- Makes it possible an a priori evaluation on the basis of the capacity of solutions to improve the achievement of enterprise objectives
- Steps in the methodology can be grouped in three blocks: Learning, Design and Validation

### Ŧ Validation Learning Learn the CPMM End Event Start Event Validate and Implement Decisional solutions system Evaluate the "As-is" Initialize the CPMM **PMS** Evaluate the "To-be " PMS Predict the "To-be" O, T&S Pls Monitor the "As-is" **PMS** Simulate the "To-be" **KPIs** Operational level Design Physical Model the "As-is" system Define solutions Structural level Identify interop, activities Determine Model the "To-be" in "As-is" barriers





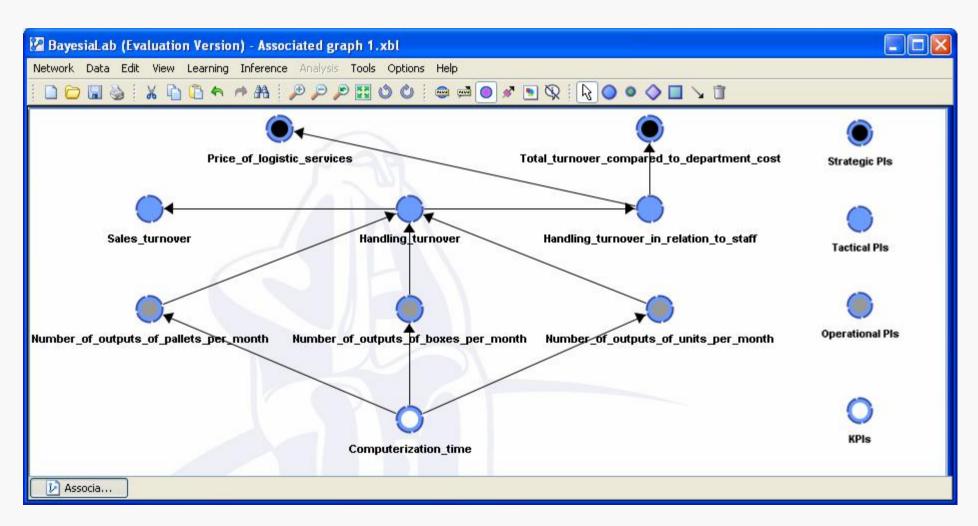
# Interoperability evaluation methodology

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# Initialize and learn CPMM

- Allow quantifying, from an estimate of the improvement in the performance of a given process, the benefits that can be hoped for in terms of achievement of objectives.
- The customers can run the goods output process and sell goods only once the goods are registered in the system ("computerization time" = average elapsed duration of the goods entry process).
- A regression model is learned using the data set

# Initialize the CPMM



# Interoperability evaluation methodology

### $\pm$ Validation Learning Learn the CPMM End Event Start Event Validate and Implement Decisional solutions system Evaluate the "As-is Initialize the CPMM PMS. Evaluate the "To-be " PMS Predict the "To-be" O, T&S Pls Monitor the "As-is" **PMS** Simulate the "To-be" **KPIs** Operational level Design Physical Model the "As-is" system Define solutions Structural level Identify interop, activities Determine Model the "To-be" in "As-is" barriers

# Comparison table

### **Evaluate "As-is "PMS**

- The "As-is "PMS is calculated as being the average of indicators for cases collected from the "As-is" phase
- In our example, the average values were directly obtained from partners

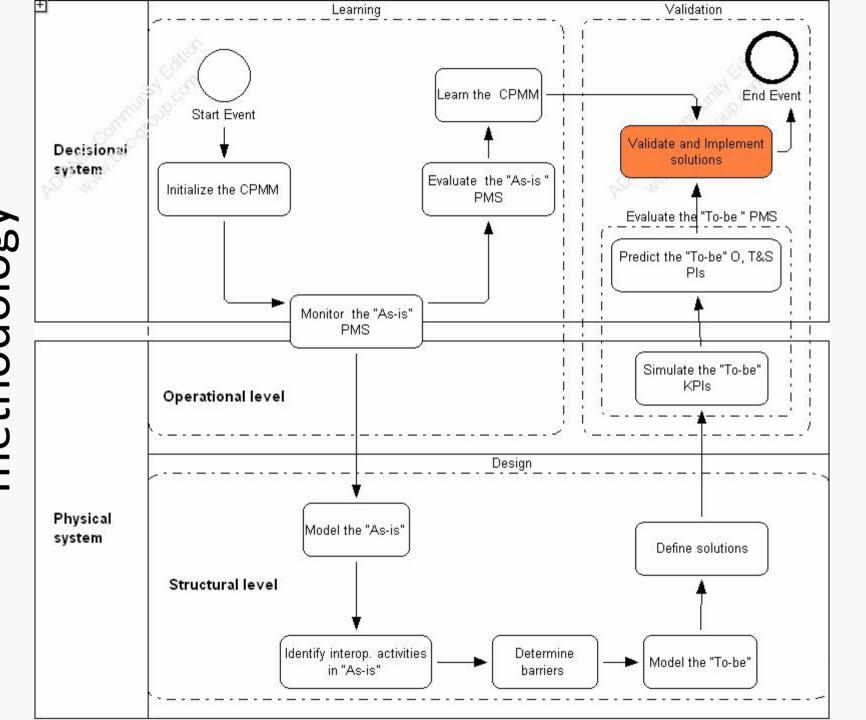
### **Evaluate "To-be" PMS**

- KPIs values of the "To-be" PMS are estimated by simulation.
- Values corresponding to operational, tactical and strategic PIs components are predicted using the CPMM

				"As-is"	"To-be"
	Model component	Variables	Acronym		
	KPIs				
Physical System		Computerization time	CT	183 min	152 min
Decisional System	Operational PIs				
		Number of outputs of pallets per month	NOPM	259	319
		Number of outputs of boxes per month	NOBM	25760	25865
		Number of outputs of units per month	NOUM	32451	32540
	Tactical PIs				
		Handling turnover	HT	109353	109951€
		Handling turnover in relation to staff	HTRS	1521€	1528€
		Sales turnover	ST	252012	253341 €
	Strategic PIs				
		Price of logistic services	PLS	27.5 €	26.5
		Total turnover compared to department cost	TTCDC	1456€	1459€

Phase

# Interoperability evaluation methodology



# Validate and implement solutions

- Starts with the comparison of "As-is" and "To-be"
  PMS
- In our example, the SOA based solution was validated because the results highlighted important improvements that can be expected
  - 17 % in the "computerization time" process KPI
  - at the strategic level: a 3.7 % decrease in the "price of logistic services" for the customer and a 0.20 % increase in the "total turnover compared to department cost" for the stockist

# Conclusion

- The study proposes a framework and methodology for evaluating interoperability impact on a supply chain
- Contribution: the use of business process models in order to locate interoperation activities and interoperability barriers, but also to measure interoperability
- In future work,
  - take into account non-technical interoperability problems
  - extended methodology with a posterior evaluation

# Thank you for your attention