

Establishing and Maintaining Business Value Alignment to Support Ontology Development

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Value Metrics, Value Models, and the Value Proposition
Ontolog Virtual Session – 2011.02.07

http://ontolog.cim3.net/cgi-bin/wiki.pl?ConferenceCal-_2011_02_17

Introduction

- Informed by active collaboration with Bo Newman, Bob Smith, and Joe Beck
- Based on work in the following areas
 - Alignment theory
 - Values-based decision making
 - Knowledge flow analysis and modeling
- Key ontology development risk areas
 - Synchronization of alignment issues and strategies
 - Disassociation
 - Dynamic semantics inherent to natural ontologies
- Potential Solutions
 - Knowledge flow analysis and modeling
 - Federated business value framework

Alignment

- Definitions of business value are alignment mechanisms
 - Seek to align ontology development effort with other organizational goals
- Engineered ontologies are alignment mechanisms
 - Driven by performance gaps
 - Solutions should be matched to the agent-specific alignment issues
 - » Changes to natural ontologies
 - » Engineered ontologies: Performance targets, Policies and procedures, Syntax-based data standards, Controlled vocabularies, Taxonomies, Fully-formalized ontologies
- Expect to find fractal relationships among the semantics of the project (perceived business value) and the semantics formalized by the project

Disassociation

- Values represent a synthesis of prior knowledge
 - Decision making is expensive
 - Economic efficiency drives abstraction and decontextualization to allow proven principles to be applied across behavioral contexts
 - Values “short circuit” Data / Information / Knowledge transformations
 - Risk of suboptimized, misaligned decisions increases with changes to behavioral context
- Disassociation risks typically associated with ROI
 - Discounted present value calculations
 - Inability to calculate financial impact of strategic value
 - Instabilities associated with wicked problems and enabling technologies

Dynamic Semantics

- Dynamic Semantics result from the interplay of Individual, Social, and Automated Agents and their associated ontologies
- Formalization doesn't stabilize the natural ontologies that they are based on
- Categorizing the semantic properties of interest can help isolate and prioritize the sources of semantic instability
 - Interpretive semantics
 - Contextual semantics
 - Aspirational semantics
 - Behavioral and conditional semantics

Knowledge Flow Analysis and Modeling

- Main components
 - Knowledge assets: Tacit, Implicit, and Explicit
 - Agents: Individual, Social, and Automated
 - Agent behaviors
 - Semantics: Interpretive, Contextual, Aspirational, Behavioral, Conditional
- Can be used to characterize organizational issues
 - Differentiate behavioral and semantic breakdowns/gaps
 - Identify agent types and their semantic formalization requirements
 - Isolate conceptual drivers and assess expected stability
- Requirements and value propositions based on characterized knowledge flows reduce alignment risks

Federated Business Value Framework

- Perceived value likely to differ across stakeholder groups
 - Specific semantic gaps and requirements typically tied to localized value-system optimizations
 - Consensus-based approaches can filter out strategic value propositions
- Recommend
 - Identifying core business drivers that span organizational contexts
 - Make individual operational units responsible articulating operational benefits
 - » Keeps the most volatile project semantics localized
 - » Allows “to be” Knowledge flows to be updated to reflect new opportunities and other conceptualization changes
 - Enables explicit change control mechanisms to be applied as changes to organizational meaning are encountered