

## REPORT REPRINT

# Orbus ascends in enterprise architecture with the growing need for digital transformation

**CARL LEHMANN**

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The company takes familiar Microsoft tools and exposes them to the strategic data needed to guide enterprise architects through the change required in the current era of digital transformation.

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Orbus Software is currently incorporating software capabilities in response to the growing market need for so-called 'digital transformation.' Nearly all businesses are trying to make sense of the onslaught of new cloud, mobile and social computing trends. For many, the effort is overwhelming. Savvy enterprises, however, are seeking help from vendors that provide enterprise architecture management (EAM) suites – tools to help strategic planning and align business strategy with IT architecture and execution. A rising tide lifts all boats, so EAM providers at large are likely to benefit. Orbus has been silently practicing its craft for years and now is chasing the market limelight through 2016 with what it claims is a more capable product portfolio.

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## THE 451 TAKE

Users should note that to get the most out of the Orbus platform, or from any EAM suite for that matter, business and IT planners alike must be aware of the resources and effort needed to feed and maintain them. The repository creates what is often referred to as an 'enterprise metamodel.' Considerable stewardship is required to maintain the currency and accuracy of the data and metadata needed to create an exact metamodel for analysis. Moreover, such EA initiatives should also be driven by a methodology designed to structure and maintain a consistent managerial approach and effort. Orbus eases the burden by offering best-practice accelerators (software modules) as part of its iServer suite of products that codify and automate popular enterprise architecture best-practice methodologies detailed below. However, this does not negate the need for consistent managerial drive, without which many such enterprise architecture efforts stall and sometimes fail.

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## CONTEXT

Orbus Software was founded in 2004 as a business process analysis software firm. It has evolved to become a player in the enterprise architecture management market. The company specializes in adding value to Microsoft applications such as Visio, Word, Excel, PowerPoint, SharePoint and Project Server, equipping them with technology needed by organizations to better understand how they operate, plan for and execute strategic change. Orbus is privately financed, based in London, and operates globally with offices in New York City and Sydney. It is planning to open a new office in Dubai in early 2016.

The vendor has about 80 employees (plus 15 outsourced resources) and reports that it has been profitable since its inception, with an average year-over-year revenue growth rate of 25% for the past three years. Current annual revenue is estimated at \$11.2m, or \$13.5m when including its associated business Good e-Learning. Orbus has been approached by investors but is not seeking incremental capital at this time.

In our last report on the company, we concluded that its approach to enterprise architecture and business process management is appealing to executives and managers charged with such. Its iServer repository is practical and sound, affording fast, customizable metamodel implementation. The repository makes complete use of Visio as a modeling environment by extending its capabilities with collaboration, modeling and analysis features. However, back in 2012 the firm seemed aloof, preferring to avoid any resellers that could extend its market reach or add value in other ways to prospects and customers. That sentiment has now changed. Orbus drives a significant proportion of its revenue through strategic, complementary partners within its target markets.

The complexity brought on by the current cloud era and the confusion among business and technology leaders alike as to how to transform their organizations into so-called 'digital businesses' has sparked a need for a new form of enterprise intelligence. In addition to its current product suite, Orbus is in the process of soft launching a new product, Office Architect (OA), a key focus of which is full integration with the SharePoint platform and collaboration features. The combination of iServer and OA is intended to enable the company to respond to the latest demands of digital businesses.

## STRATEGY AND PRODUCTS

Orbus' strategy over the past 10 years has been to add capabilities to familiar Microsoft software to better enable customers to drive transformation through business and IT, and to understand operations and plan and execute strategic initiatives.

The company's flagship offering is its iServer business and IT transformation suite. It uses Microsoft Visio as its UI to visualize and help align business and technology initiatives across multiple organizational domains, and creates a collaborative software environment that brings together other Microsoft products such as Office, SharePoint and Project Server via a

common planning and analysis repository. The product captures IT capabilities across IT functional domains such as enterprise architecture (EA); strategic planning; business process analysis (BPA); IT governance, risk and compliance (GRC); IT project and portfolio management (ITPPM); and ERP management. In addition, iServer provides a unified platform for cross-domain analysis, aiding in the decision-making processes required of business and IT transformation.

A number of 'accelerators,' or software modules, are available as add-ons to iServer that help enterprises better use various transformation best practices and methodologies. Among them are accelerators for The Open Group Architectural Framework, ArchiMate (an enterprise architecture modeling language), BPMN 2.0 (a business process notation language), Lean (a quality management methodology), COBIT (an IT governance framework) and ITIL (IT service management practices), as well as an upcoming accelerator for IT4IT (EA/COBIT/ITIL) due in January 2016. To access the data needed for analysis and planning, the iServer repository integrates with other strategic systems such as CMDB, ERP suites (e.g., SAP), BPM suites and various third-party tools.

Orbus has invested to enhance its product range. Its 2016 product roadmap is focused on better managing business strategy and outcomes. The company will expand the core features of collaboration, decision-making and alignment of information across the multiple domains cited above (i.e., EA, BPA, GRC, ITPPM, PPM and ERP). New planning features of note include a BI module (via an OEMed Tableau offering, Microsoft Power BI and others) that offers 150 predefined dashboards specific to various business and IT domains at corporate, organizational-unit and role levels; scenario management for enhanced analysis of business models, budgets and trends; and improved data-visualization and decision-making tooling. The iServer platform will also be boosted to enhance various technical enablers such as alerting/notifications; SAP and BPM connectors; workflow (for approval and feedback); SharePoint integration; and Project Server integration. User experience improvements will better manage and relate content within the Microsoft Office UI and provide support for mobile clients. The vendor sells iServer as both an on-premises and cloud-based licensed product. The basic offering for five users is priced at \$30,000, the average entry-level installation is \$45,000, and it can range up to \$300,000 for enterprise site license installations. Orbus notes that 80% of its customers choose the on-premises installation; however, the company also has hybrid and cloud-based offerings. New releases come out quarterly. Implementation time is typically one week (three days to configure and two days of training). In many cases, this is the result of a presale proof-of-concept (POC) service. Orbus offers this free POC – including repository setup, training and data import – to generate interest and ensure the success and use of its platform. The company also provides a one- to three-month 'fast start' package consisting of 15 key deliverables against a planned statement of work and agreed-upon set of business outcomes.

## CUSTOMERS AND PARTNERS

Orbus reports that more than 400 customers in 28 countries use iServer. Over 70% of those clients acquired in the past year have annual revenue exceeding \$10bn, signaling that the firm is moving upmarket. It primarily sells to enterprise architects and CIOs. Orbus' plan at the beginning of this year was to land more than 100 new customers. So far, it has signed on 80. Over 90% of its client base has annual maintenance agreements. Retention of customers exceeded 91% annually in the past five years.

The vendor has limited its partnerships to 10 resellers, preferring to maintain quality through direct customer contact. Its business model now incorporates a network of consultancy partners, including most of the top 10 consultancies worldwide. Partnerships yield 20% of new business annually. Customers of note include Amtrak (transport), Cathay Pacific (aviation), GSK (pharmaceuticals), MasterCard (credit card services), Novartis (pharmaceuticals) and Barclays (finance).

## COMPETITION

Orbus successfully competes with other well-established EAM providers such as MEGA, Planview (with its acquired Trough) and Software AG (Alfabet platform). OpenText's ProVision offering also contends in the EAM domain, complemented by the firm's Cordys BPM asset. All of these tools are rather sophisticated and require considerable commitment to the data stewardship required to feed their enterprise metamodels. Orbus' use of Microsoft tools might make data aggregation and collaboration tasks a bit easier.

Other rivals for Orbus include Casewise, whose products include a mix of EAM and BPM capabilities; and Avolution, whose ABACUS platform can import/export to Microsoft Visio to model business structures. Companies deploying more traditional IT portfolio management platforms such as IBM (Rational Systems Architect), SAP (Sybase PowerDesigner) and Oracle (Enterprise Performance Management) might find Orbus helpful as a supplemental tool to align the strategic initiatives of various lines of business in their organization with IT projects

## SWOT ANALYSIS

### STRENGTHS

Orbus makes efficient use of familiar Microsoft tools to enable enterprise architects and other business and IT professionals to model a company's structure and capabilities, which could be a new form of enterprise intelligence needed for successful digital transformation initiatives.

### WEAKNESSES

Some of the enhancements that the vendor has made in 2015 and is preparing for in 2016 have been implemented in rival EAM suites. In some regards, Orbus is catching up.

### OPPORTUNITIES

Businesses of all sizes and in all markets are now struggling with how best to assemble various cloud-enabling technologies in pursuit of a digital transformation that can bring them closer to customers and partners. They will increasingly seek tools like those from Orbus to make sense of it all.

### THREATS

Competitors pose a threat in any market. But for Orbus to realize its growth strategy, it must simplify the stewardship and use of its technology to ensure that user learning curves are flat and time to value is quick.