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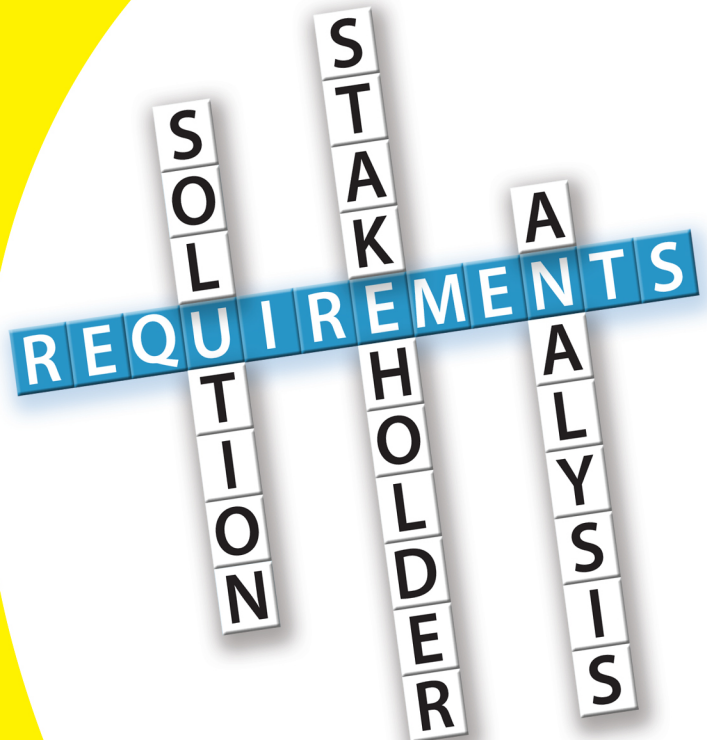
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Paul Mulvey, CBAP®

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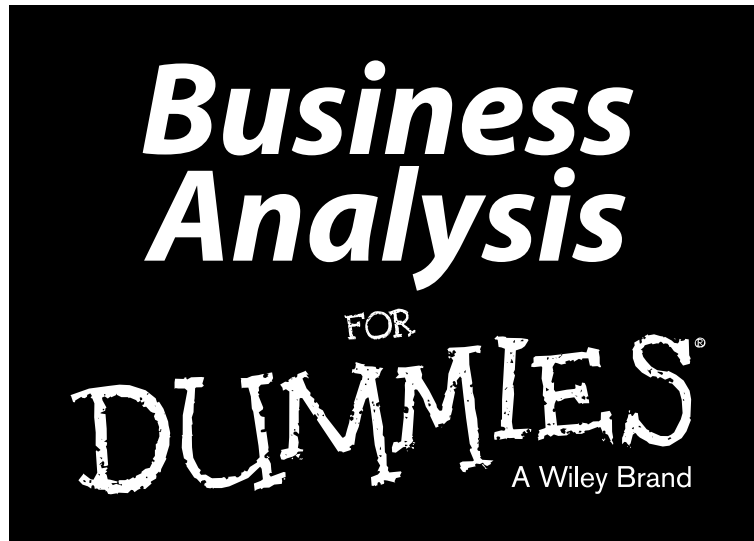
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**by Paul Mulvey, Kate McGoey,
and Kupe Kupersmith**



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Introduction

Okay, so you bought this book looking for hints about performing business analysis. Or maybe you're still in the bookstore thinking about whether this book is going to be of any value to you as a business analyst. (Hint: It is.) You may be working as a business analyst now or wondering whether it's the right job for you.

As a career path, business analysis is a good option. Companies today need business analysis performed so they can solve problems, take advantage of opportunities, make sure they're chasing the most cost-effective solutions, and streamline efficiency. The good news is that the skills needed to address these concerns are learnable. With even basic knowledge, you can immediately help a company reach its goals. You can make a difference today in the success of your (or someone else's) business.

However, one of the challenges you face as a business analyst (BA) is that it isn't black and white; the standard BA answer to almost any question is, "It depends." Business analysis deals with a lot of variables and changing conditions, which means you have to practice a lot to get good at it. The more you experience, the better you get. *Business Analysis For Dummies* brings together a lot of experience in one place to help you get a head start and jump in right away.

About This Book

Part of business analysis is about setting general expectations for the project results and being educated in various techniques and principles, and this book is right in line with that philosophy. No book about business analysis can possibly explain every situation and every approach you may find yourself in. You have to do a certain amount of figuring it out as you go along.

What this book does give you are tools and techniques you can use to set your expectations. We provide tips and starting points for communication with stakeholders and even explain what business analysis terms like *stakeholder* mean. This book is a reference tool you can turn to in order to understand what particular aspect of business analysis you're looking for. The beauty of it is that you don't have to read through the entire book cover to cover to get the information you want out of it. You can simply open to the table of contents, find what you're looking for, and head directly to that section without passing Go or collecting \$200.

Here's a taste of the useful reference material you can expect to find in *Business Analysis For Dummies*:

- ✓ How to determine whether someone is giving you a solution disguised as a requirement and how to find the root cause of the problem (Chapter 6)
- ✓ Why you have to understand what is driving the business to undertake the project and know whether proceeding is a good decision (Chapter 8)
- ✓ How to create multiple solutions for a problem (or take an advantage of an opportunity) and recommend which one the business should undertake (Chapter 9)
- ✓ How to find and maintain the boundaries of a project so you know exactly what you are (and aren't) working on (Chapter 10)

The great thing about this book is that we let you know exactly what information is vital and what's nonessential. We've packed the main body with all the stuff we think you really need to know, but you can skip items like *sidebars* (shaded boxes) and Technical Stuff paragraphs. These bits are interesting, but you won't miss out on vital information if you choose to pass them by.

All web addresses appear in `monofont`. As you read, you may note that some web addresses break across two lines of text. If you're reading this book in print and want to visit one of these web pages, simply key in the web address exactly as it's noted in the text, pretending that the line break doesn't exist. If you're reading this as an e-book, you've got it easy — just click the web address to be taken directly to the web page.

And one business analysis-specific note: We use *BA*, *business analyst*, and *business analysis professional* interchangeably to describe the person doing this type of work — just as these terms are used in real life. Know, though, that “business analyst” is a general descriptor rather than a professional title. Business analysis is performed at all levels of a company. Even mom-and-pop shops need to perform business analysis, but they don't necessarily hire an outside business analyst; someone on their staff performs the business analysis work. In this book, that person is as much a BA as someone who has “business analyst” printed on her business card.

Foolish Assumptions

Business analysis is full of assumptions (though BAs have their own definition of *assumption*). Seeing as how we're so accustomed to assumptions, we make a few about you as our readers:

- ✓ You need to perform business analysis to do your job, whether you have the title “business analyst” or not.

- ✓ You know how to read documents and search for information (the fact that you're reading this book to gain information confirms that assumption).
- ✓ You can (or need to learn how to) ask tough questions, communicate with people both electronically and face to face, and get up in front of a group to present an idea.
- ✓ You're constantly willing to increase your business analysis skills and to look at different ways to accomplish things.

Icons Used in This Book

Look for these familiar *For Dummies* icons to offer visual clues about the kinds of material you're about to read:



This icon points out good advice relating to the subject matter you're reading about. Skimming these paragraphs gives you some seriously good suggestions that can help you utilize resources efficiently and make your work just a little easier!



The decisions you make and information you present can have a profound impact on the business. For that reason, we highlight important business analysis concepts and principles with this icon. Consider these bits the extra-important paragraphs you'll want to come back to.



Read these paragraphs to avoid BA pitfalls that may result in poor customer satisfaction and solutions that just don't hit the mark.



This icon appears beside information that's interesting but that won't impair your understanding of business analysis if you skip it.



The Anecdote icon calls out our attempts to show you how a particular BA technique has been applied in the real world. We have had more than 50 years of experience among us, so we want to share our success (and horror) stories with you so you can benefit from (or just chuckle at) them.

Beyond the Book

In addition to the material in the print or e-book you're reading right now, this product also comes with some goodies you can access on the web. No matter how diligently you prepare, execute, and follow the business analysis

guidelines we offer in this book, you'll probably come across a few situations that stump you.

Check out the free Cheat Sheet at www.dummies.com/cheatsheet/businessanalysis for an overview of a project's lifecycle; 15 indicators that can point you to areas that are ripe for process improvement; and a checklist that helps you perform a business impact analysis, which lets you target the project worthy of your efforts and the business's resources.

Head to www.dummies.com/extras/businessanalysis to find pointers on conducting a requirements review, a process that gets you to the heart of an issue by asking one simple question, and advice for developing a good relationship with your project manager.

Where to Go from Here

The book is about as modular as you can get with business analysis, meaning you don't have to read one chapter to understand what happens in the next. If you're looking for a specific keyword you heard a manager use or a new technique you saw another BA use in a meeting, you can use the index or table of contents as your guide and skip right to the appropriate chapter to read about it.

We've organized this book so that you can jump in wherever you want, so if you want to skip to the end and read the short chapters in Part V first, go right ahead. You find lots of good information presented in easy-to-digest nuggets there, and who knows — these pearls of wisdom may inspire you to go back to find the more detailed, how-to info in the main chapters themselves.

If you're totally new to business analysis, start at Part I. Chapter 3 is a good landing point if you want to brush up on the people side of the business. Want to find out about making a business case? Head to Chapter 9. For help figuring out what the problems are to begin with, your starting point is Chapter 6. If you need to cut right to the chase and implement solutions effectively, try Chapters 12 and 13.

The easiest way, though, to use the book is to just start turning pages and read the content! And because the true value is in how you apply it to real life, don't be shy about making notes in the chapters, highlighting information, and putting flags on the pages. Whether you're using sticky notes or your e-reader's highlighter function, this book is one of the first tools in your BA toolkit; refer to it often!

Part I

Getting Started with Business Analysis



Visit www.dummies.com for great Dummies content online.

In this part . . .

- ✓ Discover the value of business analysis and the impact it has on your organization.
- ✓ Pick up the key skills you need to be a business analysis professional.
- ✓ Get familiar with the different levels on which you perform business analysis and recognize the challenges associated with each.
- ✓ Meet the people you work with and understand how to best interact and communicate with them.

Chapter 1

Business Analysis in a Nutshell

In This Chapter

- ▶ Grasping what business analysis is and why it's valuable
 - ▶ Tracking a business analyst's role and skills
 - ▶ Introducing industry guidelines and certification options
-

In today's competitive world, companies must always be at their best, maintain an edge, and capitalize on opportunities for growth. Business analysis is a deliberate attempt to review operations to ensure that business is moving along as well as it can and that the company is taking advantage of opportunities.

Basically, *business analysis* is a set of tasks and activities that help companies determine their objectives for meeting certain opportunities or addressing challenges and then help them define solutions to meet those objectives. Sometimes, companies hire outside, independent business analysts (BAs) to come in and perform the analysis. Other times, they may call upon an employee to perform BA tasks internally regardless of whether he has a business analyst title. No matter which category you fit into, this book lays it all out for you.

In this chapter, we give you a very broad overview of what business analysis is, introduce you to the business analysis lifecycle, and explain what the job entails.

Defining Business Analysis

According to the Business Analysis Body of Knowledge (BABOK) version 2, business analysis is the “set of tasks and techniques used to work as a liaison among stakeholders in order to understand the structure, policies, and operations of an organization, and to recommend solutions that enable the organization to achieve its goals.”

Translation: Your goal as a BA is to understand how companies work and to enable companies to reach their potential by helping them articulate and meet goals, recognize and take advantage of opportunities, or identify and overcome challenges. All of which is a pretty tall order. But the task becomes more manageable — and understandable — if you think of it as having two distinct parts: the goal and the process.

- ✓ **The goal:** The *goal* addresses why you're doing the analysis in the first place — perhaps to improve a company's revenue and services or to reduce its costs. Think of the goal as the purpose of the project. In order to determine what the real goal is, you often have to employ the most frequently asked question in the world of business analysis: "Why?" Although we go into much deeper detail later in the book about discovering the goal of a project, the process really can be as simple as asking "why" until you've gotten to the root of the issue. (This fact is one reason we feel a 4-year-old is the best business analysis professional around.)
- ✓ **The process:** The *process* involves understanding the how — that is, understanding what the solution needs to do, what it should look like, and the people or systems that interact with it. The process requires you to grasp where the company is today and where it needs to be in order to achieve the goal. During this part, you determine what the solution should look and feel like and how to make sure it's used after developed. To develop the process, you basically break the goal down into manageable pieces that you and the company can execute. Those manageable pieces make up the solution.



In business analysis, you do not actually perform the activities to build the solution, nor do you actually manage the process to build the solution or test the solution. Instead, you identify the activities that enable the company (with your expert help, of course) to define the business problem or opportunity, define what the solution looks like, and define how it should behave in the end. As the BA, you lay out the plans for the process ahead.

Knowing Your Role in the Basic Business Analysis Lifecycle

Business analysis work is done at many levels within a company. From the chief executive officer (CEO) and vice presidents to the line managers, individuals throughout the company use business analysis activities throughout their day.

Because folks at all levels view things in terms of a *project* (a set of steps to accomplish something), explaining business analysis activities as part of a

project lifecycle (as shown in Figure 1-1) is easy. Although these tasks fall in a general order, they're somewhat fluid, as we discuss in later chapters. For now, get to know this cycle; it's at the crux of all things business analysis:

1. Plan the project.

Planning includes creating a work plan or at least thinking through an approach for the analysis effort on a project, encompassing all the activities you do and the techniques you use. As the BA, your primary role during planning is determining the scope of the effort; if you're a more senior BA, you may be involved in project estimation and resource planning. These additional tasks are detailed in Chapter 11.

2. Scope the project.

Defining and documenting the project scope requires you to understand why the project has been initiated (the *project statement of purpose*) and the goals of the project (the *project objectives*). As the BA, you hold folks to the project boundaries and analyze the business problem without jumping to a solution. This step includes clearly identifying the opportunity or problem the company needs to address. Chapter 9 includes information on how to develop a business case, which also discusses the problem definition. For more on scoping, flip to Chapter 10.

3. Elicit, analyze, and communicate requirements.

This step is the bulk of what business analysis professionals do at the project level. As the BA, you actively partake in understanding the real business needs and finding the root cause of business problems, as well as communicating requirements to the intended audience. This task involves categorizing the requirements and knowing how detailed they have to be to ensure your project is solving the right problem. We discuss requirements in Chapters 5 through 8.

4. Design the solution.

BAs aren't typically responsible for this activity; rather, they collaborate with the solution team to develop a solution. Because solution design isn't a core business analysis activity, we don't cover it in this book. However, the fact that design doesn't fall to you doesn't mean you should walk away when the designing starts. Having the BAs available to support the design and development team is important.

5. Build or buy the solution.

Based on the activities in Steps 1 through 4, the business and project team make a decision to build the solution internally, have a group outside the company build it, or buy a prepackaged solution. During this time, your role is to ensure the solution still meets the business need stated in the project objectives and the business requirements. In addition, you may also start writing test cases and test scenarios for the next (test) phase.

6. Test the solution.

As the solution is being designed and built, you need to validate that the business needs elicited during the project are being met. You collaborate with the test team, either as an active tester or by working with the testing team to ensure the solution meets the stated requirements and other project documentation. You can find out more about how to test solutions in Chapter 14.

7. Implement the solution.

After a solution is built, you need to help make sure the business uses the solution. You actively work with project stakeholders as the solution rolls out, perhaps as a change agent (advocating the need for change) and/or to train new users on the system. Part of the implementation may be eliciting metrics surrounding usability, noting how quickly they are adapting to the new system, and gauging customer satisfaction. We cover implementation in detail in Chapter 15.

8. Conduct a post-implementation review.

After the solution has been implemented, you need to make sure the goals outlined in the project are being met. If they aren't, another project may be necessary to address the gap. We detail post-implementation review in Chapter 14.

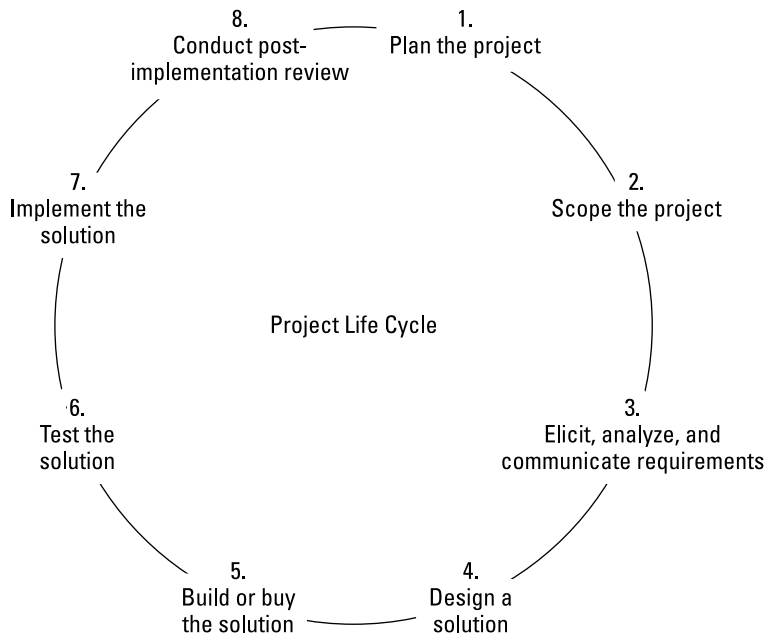


Figure 1-1:
A generic
project
lifecycle.



Don't confuse the post-implementation review with a "lessons learned" process. The latter generally discusses how you can do the project process better, not how well the solution works for the business.

Looking at the Value of Business Analysis

A popular perception of business analysis is that it makes businesses do business better. It's simple but true, and BAs are the people who function as the liaisons between the problems and solutions to make businesses everywhere do business better. Here are just a few of the ways that your performance as a BA can help an organization:

- ✓ **Setting expectations:** BAs help stakeholders define a solution for their problem. After a solution has been defined — whether that solution is to build a four-bedroom, wheelchair-accessible, three-car-garage house or to improve a business process to reduce costs — expectations are set. The stakeholders (the future homeowners, the business owner/executives, or whoever) expect that whatever actions follow will result in the solution that was identified.
- ✓ **Improving estimation:** Most people don't like surprises when it comes to time and cost estimates. Performing business analysis helps define what needs to be accomplished. Having this clearer picture lets organizations do a better job of estimating what their solutions will cost and how long they'll take to implement.
- ✓ **Better aligning projects with goals/objectives:** Because business analysis professionals work on both the "why" and the "how" pieces, they can see when a solution is no longer aligned with the goals and objectives.



Kupe was working on a project where the goal was to reduce employee time on a specific process for a utility company and therefore reduce salary costs associated with that process. He identified many parts of the process that could be automated, thereby reducing employee hours spent on the process. At one point, Kupe asked how many people performed a particular part of the process and how often, only to find that one person did it three times per year. Automating that part of the process would cost \$10,000 . . . and save approximately 30 minutes of work time and \$12 in salary cost per year. Automating this part of the process didn't align to the goal of reducing costs, so Kupe convinced everyone not to automate.



If you discover that the project work is no longer adding value to reaching the goals and objectives of the company, one of the best things you as the BA can do is cancel the project.

- ✓ **Managing scope creep:** *Scope creep* refers to the phenomenon of bringing in new requirements after everyone agrees on what should be included in a project. In companies where projects are going on all the time, scope creep is going to happen. Gain buy-in on the project scope from all impacted people as early as possible. Then, when scope creep happens, you can show the impact the new requirements would have so the business can make an informed decision.

For example, say you're on a project where you're solving a productivity issue for one department of a company; halfway through, the company wants to include another department. In this case, you have to review the original scope with the company and outline how the added department will change the project so the decision-makers can determine whether to proceed with the change.

- ✓ **Reducing project defects:** Business analysis activities detail the rules, process, and user interactions of the solution. This level of detail helps provide clear direction for the people developing the solution and those testing the solution to help ensure that defects are reduced and caught before the solution is implemented. In a solution that enables customers to buy products from a website, for example, one of the required conditions would be that the customer must enter a complete address; the BA would then elicit requirements surrounding the expected experience from the customer's viewpoint: Does the company cancel the order? Do the customers receive an error message? If so, what does the message say?

- ✓ **Smoothing the transition to production:** *Transition* as it relates to projects is all about moving from the development and test environment, where you're building the solution, to the production environment, where the users are actually using the solution. Good business analysis includes ensuring the solution will be used in production, which you do by getting the organization ready for the change and developing a roll-out strategy.

- ✓ **Reusing requirements and reducing duplicate solutions:** For every initiative, BAs should be careful not to duplicate requirements underway in different areas of the company. Because you often develop many solutions at the same time for the same goals and objectives, companies may well be working on multiple projects trying to accomplish the same thing.



Kupe was working at an energy company that was trying to improve the operations of its four real estate divisions. Each division was independently trying to address the same need: updating the real estate database. By looking outside each individual group, Kupe and a team suggested combining efforts that could save time and money by focusing on one solution rather than four.

- ✓ **Improving communication within the team:** Business analysis activities boil down to communication. One of the BA's main roles is to elicit and communicate the true needs of the business so the right solution can be delivered. Making sure everyone has a clear and consistent understanding of what needs to be accomplished helps ensure all sides are working together to accomplish the goal.
- ✓ **Increasing customer satisfaction:** BAs help address the inevitable changes a company goes through and can help mitigate any problems customers may feel as a result of those changes. One of the biggest ways you as a BA can help is by facilitating communication of the changes to customers. For example, if the company wants to make a change to its services or product, you can help it determine what the impact on the customers will be and how to effectively communicate the upcoming changes to those affected.

Considering the Skills of a Successful BA

When performing business analysis, you need to be equally proficient in several skills so you can apply them at different times based on the project you're working on. But you can't stop there; you also have to know when to use which skill. The following sections spell out a few skills you need to succeed at business analysis.

Outstanding communication

Communication is integral to everything in business analysis, so you need to be great at it. BAs operate at the intersection of business problems and business solutions, which means you have to be able to communicate with two groups of folks that sometimes seem to be speaking different languages. We cover more on communication in Chapter 3.

Detailed research, analysis, and recording

BAs need to have the curiosity for understanding processes, procedures, and systems. They shouldn't be afraid to ask questions. If you're consistently the person in the room with your hand up when a presenter asks for question, you just may be cut out for work as a BA. Even if you know the subject matter well, you can still ask questions to understand it in more depth and detail.

That curiosity helps you understand what each person needs from the project. The key isn't just asking questions of other people; it's wanting to understand all aspects about how something works or what the underlying problem is. Such curiosity could lead to conducting research on your own to figure out where the problem exists and then analyzing the issues and barriers that would create an effective solution.

Time management and information organization

If you ask a true BA when analysis is done, his answer will be “Never!” However, the reality is that you have a limited time to complete your project, so to be successful, you have to be able to effectively manage your work and be good at setting priorities. Because you'll be dealing with a lot of people and a lot of information, you need to be good at organizing all the information in a way that lets you recall it when needed to support your communication. You need to understand which pieces of your elicited information are relevant to which stakeholders and how you are going to use what you found to communicate your results.

The ability to see the big picture

If you get close enough to an impressionist painting, all you see are brush strokes. Only as you move away from the painting can you start to see the image of a cathedral or a picnic. Being able to step away from the project at hand and see the big picture is crucial for any business analysis practitioner. You must be able to work on a project while understanding how that project fits in with other projects in the organization and continues to meet the business's overall objectives. This macro view is a particularly important skill because the BA is typically the only person with this vital perspective. You're the one who can keep efforts relevant, synergistic, and efficient.



Once, a project Paul was a part of was being worked on by several smaller areas (or *silos*, in BA lingo) within one organization. He studied the entire end-to-end process — including the different silos — and discovered that multiple silos were creating the same data stores when having just one for everyone to access made more sense. Focusing on the big picture allowed Paul to catch the issue in time to get things back on track.