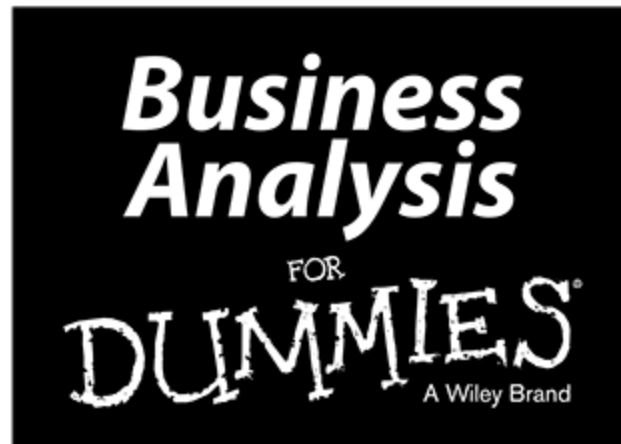# Business Analysis

FOR DUMMIES®

A Wiley Brand

Learn to:

- Make an impact in your organization with business analysis

- Ensure your team is delivering the right solution

- Use techniques to be an effective business analysis professional

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Business Analysis

FOR DUMMIES
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Business Analysis For Dummies®

Business Analysis For Dummies®

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Visit www.dummies.com/cheatsheet/businessanalysis to view this book's cheat sheet.

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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