

Project Business Analysis

Lecture 1

Introduction to Business Analysis and the Role of the Business Analyst

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What we will cover

1. Learn the foundational principles of Business Analysis
2. Determine the role of the Business Analyst
3. Identify the key competencies of a Business Analyst

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What is Business Analysis



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Key Points

Business Analysis adds values to organizations through ensuring that implemented business change solutions are aligned with business needs

Business analysis is the application of knowledge, skills, tools and techniques to Determine problems, identify viable solutions, gather, analyze, document and implement requirements to achieve benefits

Analyzing a Business System means Studying: People, Processes, Technology, and organizational context

Business analysis is a set of processes guided by principles

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Business Analysis Definition

Business analysis is the application of knowledge, skills, tool, and techniques to:

- Determine problems and opportunities
- Identify business needs and viable solutions to meet those needs and support strategic decision making
- Illicit, analyze, specify, communicate, and manage requirements and other product information, and
- Define benefits and approaches for measuring and realizing value, and analyzing those results

Source: The PMI Guide to Business Analysis. Project Management Institute, Project Management Institute Inc., 2017

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What is Business Analysis?

- Effective business analysis enables individuals, groups, and public and private organizations to achieve better business outcomes.
- Effective business analysis helps:
 - Address Business needs
 - Manage risk and reduce rework
 - Minimize product defects and recalls, lawsuits, and reduction in consumer confidence; and
 - Achieve stakeholder satisfaction

Source: The PMI Guide to Business Analysis. Project Management Institute, Project Management Institute Inc., 2017

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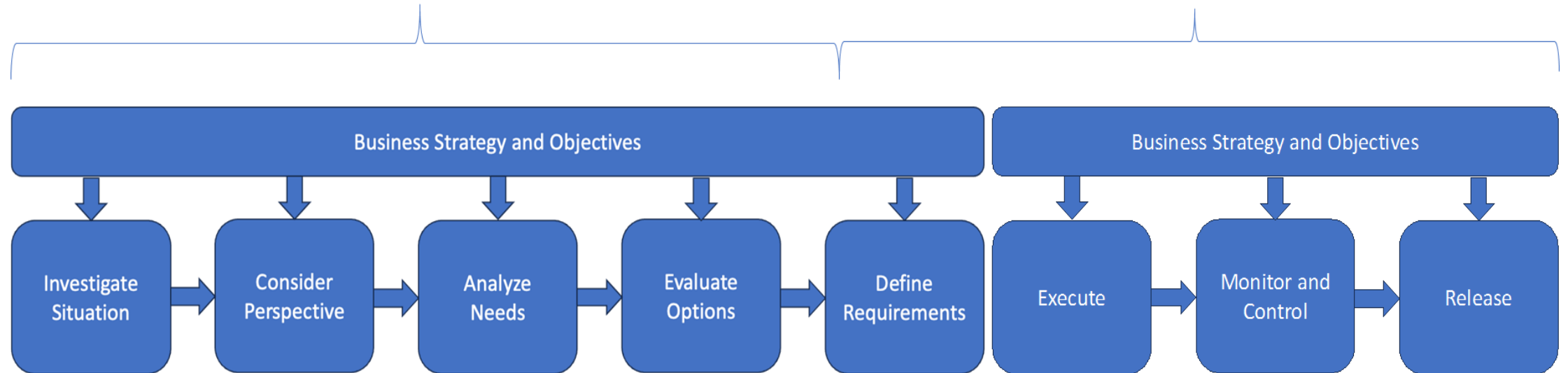
Business Analysis Process Model

Pre-Project

concludes with business case development, presentation, and approval

Project

concludes with Acceptance of project deliverables and transition to operations



Business Analysis role expands beyond defining requirements to implementing solutions, monitoring, controlling, and approving the release of solutions ensuring they meet business needs.

The Six Knowledge Areas of Business Analysis (1/3)

Knowledge Areas are fields or areas of specialization that are commonly employed when performing business analysis.

- **Needs Assessment**

- Analyzing current business problems or opportunities to understand what is necessary to attain the desired future state.

- **Stakeholder engagement**

- Identifying and analyzing those who have an interest in the outcome of the solution to determining how to collaborate and communicate with them.

Source: The PMI Guide to Business Analysis. Project Management Institute, Project Management Institute Inc., 2017

The Six Knowledge Areas of Business Analysis (2/3)

- **Elicitation**

- Planning and preparing for elicitation, conducting elicitation, and confirming elicitation results to obtain information from sources

- **Analysis**

- Examining, breaking down, synthesizing, and clarifying information to further understand it, complete it, and improve it.

Source: The PMI Guide to Business Analysis. Project Management Institute, Project Management Institute Inc., 2017

The Six Knowledge Areas of Business Analysis (3/3)

- **Traceability and monitoring**

- Tracing, approving, and assessing changes to product information to manage it throughout the business analysis effort.

- **Solution evaluation**

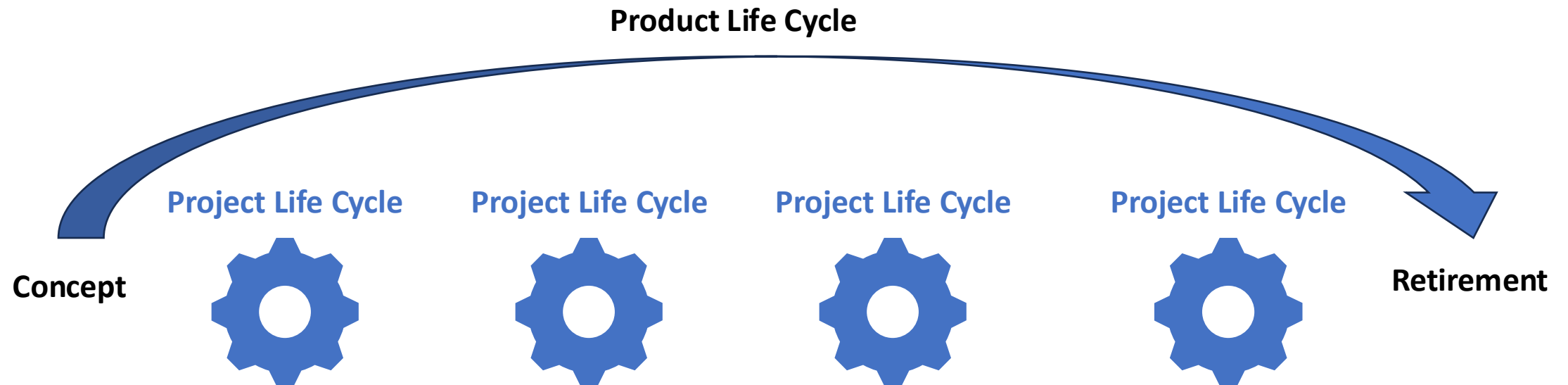
- Validating a full solution or part of it that is about to be or already has been implemented to determine how well a solution meets the business needs and delivers value to the organization.

Source: The PMI Guide to Business Analysis. Project Management Institute, Project Management Institute Inc., 2017

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Product vs Project Lifecycle



Source: The PMI Guide to Business Analysis. Project Management Institute, Project Management Institute Inc., 2017

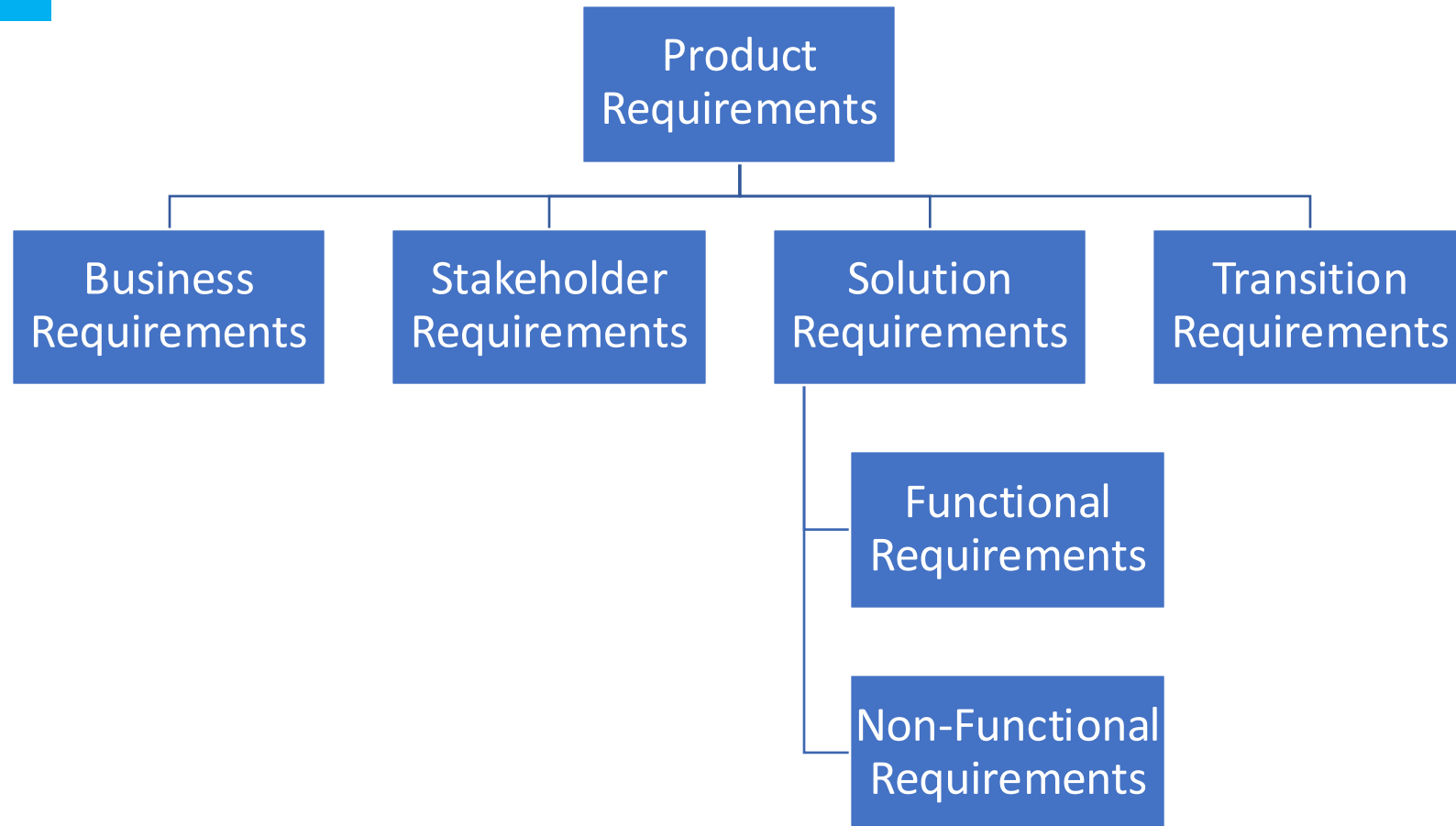
Product Vs. Solution

- **A product** is an artifact, materials, or goods that is produced, is quantifiable, and can be either an end item or a component, or an enhancement to an existing product.
- Products can be tangible or intangible, for example an organization structure, a process, or a service.
- **A solution** is produced to deliver measurable business value to meet the business need and expectations of stakeholders.
- *Products are created or updated as parts of solutions to address business needs and provide business value.*

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Product Requirements



Common Business Analysis Outputs

Outputs	Description
Business Case	Documented economic feasibility study as the basis for defining the value and benefits of project work
Business Analysis Plan	Details about the business analysis approach, including tasks that are performed, deliverables to be produced, and roles to carry out the tasks
Elicitations Notes	Documented outputs from conducting elicitation (ex. Minutes of meeting)

Common Business Analysis Outputs

Outputs	Description
Requirements Specification/ Documentation	Written description of the requirements and other product information
Models	Visual representation of information
Traceability Matrix	Table that links requirements to other deliverables
Transition Material	Information that is helpful to transition from current as-is state to the future state

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Role and Competencies of the Business Analyst



Evolution of the Business Analyst Role

- Before Business Analysis was recognized as a separate discipline, requirements related activities were performed by other roles as:
 - Project Managers
 - Software Developers
 - System Architects
 - Product Quality Control Analysts
- These roles didn't have the communication and business skills required to work effectively with business stakeholders.
- Results were solutions that fell short of meeting the business needs

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Evolution of the Business Analyst Role

- New technical analyst roles evolved to focus on requirement-related activities and convert the business requirements into solution requirements for the technical team, as:
 - Programmer analyst, and
 - System analyst
- Business Analyst positions began to appear to improve the shortcomings of the technical analyst role because they:
 - Understood business issues faced
 - Understand the context where problems or opportunities existed
 - Advocated and championed the need for change

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The Business Analyst Role continues to Evolve

More involvement in pre-project initiation phase to ensure a clear and correct definition of the problem

Expansion of business analysis into specialized role and Enterprise Business Analyst to support strategic planning effort

Acknowledging that projects are created to deliver business value rather than just technical solutions.

Recognizing that business analysis needs to be tailored based on project characteristics and selected lifecycle

Many organizations use hybrid role for performing project management and business analysis activities

Business Analyst

A consultancy role that has the responsibility for investigating business situations, identifying and evaluating options for improving business systems, defining requirements and ensuring the effective implementation of solutions to meet the needs of the business.

- Can be Internal or External role
- Can be a generic business analysis role or specialized in one discipline
- Can be a full-time role or performed in addition to other duties
- Is a different role than the Project Manager

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There are many titles and variations in Business Analysis roles

Strategic Business
Analyst

System Analyst

Process Analyst

Data Analyst

Operations
Business Analyst

Lead Business
Analyst

What is a Competency?

Competence is the ability to do a particular activity
to a prescribed standard.

Skills needed to perform the role effectively.

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Business Analyst Competencies

Behavioral Skills and Personal Qualities

Interpersonal skills and characteristics that are useful for a business analyst, Concerned with the way you think and how you interact with the people around you

Are general skills that are important for developing and progressing in any business environment

Business Knowledge

Helps to develop a good understanding of the organization and the business domain or sector within which it operates

Important for business analyst to offer advice or guidance to Improve organizational performance

Techniques

They are the technical skills required for the business analyst role

Include all approaches, models, tools, and techniques that form the toolbox for business analysis

Soft Skills are the Hard Skills

Behavioral Skills and Personal Qualities are called Soft Skills.

Technical Skills are called Hard Skills

- It is much harder to develop soft skills than to develop hard skills
- Soft skills requires long time and effort to develop and practice effectively.

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Behavioral Skills and Personal Qualities (1/7)

Communication

Relationship
building

Influencing

Team working

Political
awareness

Analytical skills and
critical thinking

Attention to
detail

Problem solving

Leadership

Self belief

Behavioral Skills and Personal Qualities (2/7)

- **Communication**

- The most important skill, and includes wide range of skills as building rapport, speaking, listening, and body language
- Business analysts need to adjust their communication to align with people they are communicating with

- **Relationship Building**

- The ability to get on well with people and be liked and trusted
- Business analysts need to get people to disclose information and share opinions
- It is important to be genuine and have real interest in other people making them feel respected and important

Behavioral Skills and Personal Qualities (3/7)

- **Influencing**

- Needs careful consideration and proper planning to select the right influencing style based on identifying the stakeholders and understanding their requirements and the amount of power they exert over the decision-making processes
- Requires utilizing personal characteristics and charisma to get people to accept your proposals, recommendations, and solutions
- Influencing is not a one-time effort, it requires utilizing multiple methods and styles in different situations

Behavioral Skills and Personal Qualities (4/7)

- **Teamwork**

- Business Analysts usually work in teams
- Includes collaboration, sharing information, building trust, accountability and ownership of objectives.
- Requires understanding of your role within the team, and of what needs to be done, and appreciation other people's working style

- **Political Awareness**

- Ability to understand and work out what is and is not politically acceptable within the organization and to use the right organizational levers to get things done
- Requires knowing the sources of power within the organization, understanding what they like and don't like, and tailoring your approach accordingly
- Using resourcefulness and astute to get results even in the face of opposition

Behavioral Skills and Personal Qualities (5/7)

- **Analytical Skills and Critical thinking**

- It means not jumping to premature conclusions and digging deeper until the true situation is uncovered and the real problem has been defined.
- Involves asking; Why do you do this? What value does it add? Where is it done? How is it done? Who is or should be responsible? When should it happen?
- Business analyst will be able to assess the level of analysis required for a specific situation and recognizing the key factors

- **Attention to detail**

- Having an eye for detail is an important attribute of a good business analyst
- Rigorous research is needed in order to find the best and optimal solution to a problem
- Many business cases fail because there is insufficient detailed evidence for the proposed change

Behavioral Skills and Personal Qualities (6/7)

- **Problem Solving**

- A business analyst needs to have a problem-solving mindset and approach an issue with the attitude that problems can be solved.
- The business analyst must be pragmatic and be prepared to find creative solutions that will yield business benefit.

- **Leadership**

- Leadership is not only for managers
- Business Analysts must be able to create a vision of the options available to address a business issue, advise stakeholders to obtain agreement about the vision and then drive the business change process towards the achievement of that vision.

Behavioral Skills and Personal Qualities (7/7)

- **Self-Belief**

- Ability to have sufficient confidence in yourself, in the quality of your analysis and in the correctness of your solution to be able to withstand pressure and sustain your arguments
- It is a key competence for working effectively with stakeholders across the broad range of situations likely to be encountered by business analysts.

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Business Knowledge (1 / 5)

Finance and the
economy

Business case
development

Domain
knowledge

Subject matter
expertise

Principles of IT

Organization
structures and
design

Supplier
management

Business Knowledge (2 / 5)

- **Finance and Economy**

- Finance is the universal language of business. It plays a key factor in determining what can and cannot be done
- Basic knowledge on finance and economy as reading balance sheets, Profit and Loss, ROI calculations, cost/benefit analysis, time value of money, costing, and economic ratios as needed

- **Business Case Development**

- Business case is sometimes the means to communicate business analysis findings and it usually includes a financial impact section
- Business analysts involved in business case preparation will need to understand basic investment appraisal techniques

Business Knowledge (3 / 5)

- **Domain Knowledge**

- A good general understanding of the business domain, or sector, in which your organization operates, be it private, public or not-for-profit.
- It enables you to talk the same language as stakeholders, understand what is acceptable and what is not, and apply best practices in the industry

- **Subject Matter Expertise**

- A good understanding of the business area in which you work is important in order to establish credibility with your customer.
- More detailed and specialized than domain knowledge (ex. Recruiting for telecom companies, or legal considerations in Oil and gas companies)

- **Principles of IT**

- Many business analysis projects result in the use of IT in some way, a general understanding of the field seems necessary so that business analysts can communicate meaningfully with the IT professionals.
- The business analyst should understand the technical terms used by IT specialists and help the business users to appreciate any impacts on the organization

- **Organization structure and Design**

- Many business analysis projects involve restructuring organizations
- Requires a good understanding of the various organization structures that may be encountered as functional, project, matrix and of their relative strengths and weaknesses.

- **Supplier Management**

- Many organizations use external suppliers to deliver items within their projects
- The business analyst so needs a broad understanding of procurement and supplier management processes. As a minimum, business analysts should be aware of supplier selection criteria and the different contractual arrangements as Fixed price and time and material.

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Techniques (1 / 5)

Project
management

Strategy analysis

Stakeholder
analysis and
management

Investigation
techniques

Requirements
engineering

Business system
modelling

Business process
modelling

Data modelling

Managing
business change

Facilitation
techniques

- **Project Management**

- Business Analysis is usually done within the context of a project
- Business analyst should have some project skills. For example, understanding project initiation allows the analyst to understand and/or define terms of reference for the project.
- It is important that analysts understand project management approaches and aware of aspects such as dependencies between tasks, quality assurance and risk management.

- **Strategy Analysis**

- Covers a range of techniques that can be used to understand the business direction and the strengths and weaknesses of an organization, or unit within it

Techniques (3 / 5)

- **Stakeholder Analysis and Management**

- Includes understanding who are the stakeholders in a business analysis project and working out how their interests are best managed

- **Investigation Techniques**

- To get to the root of a business issue the analyst will have to undertake detailed analysis of the area utilizing different investigation techniques

- **Requirements Engineering**

- The set of practices and processes that lead to the development of a set of well-formed business requirements, from which the business and IT solutions can be developed

- **Business Systems Modelling**

- An approach to visualizing business systems through the creation of conceptual models

- **Business Process Modelling**

- Used to map and analyze how the business processes actually work and to help identify opportunities for process improvement.

- **Data Modelling**

- Analyzing the data within a business system affords valuable insights into how the system operates.
- For example, what are the data items that are held about our customers? What are the relationships between customers, products and suppliers?
- Techniques such as entity relationship modelling and class modelling techniques

Techniques (5 / 5)

- **Managing Business Change**

- Covers the techniques needed to implement changes within an organization and to make them 'stick'

- **Facilitation Techniques**

- The interpersonal skills required for effective facilitation – usually exhibited within the context of a workshop
- include techniques and approaches as brainstorming, mind- mapping, the use of Post-it notes, Edward de Bono's 'six thinking hats', etc...

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Main Business Analysis Organizations and Certifications



The PMI Guide to Business Analysis

PMI Professional in Business Analysis
(PMI-PBA)®



A Guide to the Business Analysis Body
of Knowledge by IIBA

Certified Business Analysis Professional
(CBAP®)

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Key Points

Business Analysis extends from pre-project phases till the end of the project and deliverables transition and release.

There are six knowledge areas in business analysis: Needs assessment, stakeholders' engagement, elicitation, analysis, traceability and monitoring, and solution evaluation.

a project delivers products which are part of a solution that meets business requirements and delivers business value.

All Business analysis outputs are mainly in the form of documents (or artifacts)

A business analyst should possess many competencies categorized into three main areas: behavioral and personal skills, business knowledge, and techniques

For Discussion Panel and Next Lecture:

- Reading, Chapters 1, 2. from textbook
“Business Analysis” by James Cadle, Malcolm Eva, Keith Hindle, Debra Paul, 2nd edition
- Watch the video:
[“Intro to Business Analysis”](#)

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**For Discussion Panel and
Next Lecture**





Thank You