



Business Analysis Standardization & Maturity

Contact Us:
210.399.4240
info@EnfocusSolutions.com

© Copyright 2014 Enfocus Solutions Inc. Enfocus Requirements Suite™ is a trademark of Enfocus Solutions Inc. All Rights Reserved.

March 2014
www.EnfocusSolutions.com

Let's get one thing straight—all organizations perform business analysis at one time or another, whether there's a "Business Analyst" in the company or not. Some people still don't seem to get this because business analysis as a field is relatively new in comparison to more established fields like project management and systems development, so its practices tend to remain neglected and immature.

For instance, the International Institute of Business Analysis (IIBA), the association for business analysts (BAs), was founded in 2003 and has over 26,000 members. When compared to the Project Management Institute (PMI), which was founded in 1969 and has over 350,000 members, business analysis seems like a minor field. However, the IIBA estimates there are actually over 1 million business analysts (BAs) in the United States, with less than 1/10 of 1% certified. This is because many people who perform business analysis activities in their jobs do not tend to think of themselves as BAs since they don't have the title of one. The truth is BAs have many different titles and perform a vast array of functions, ranging from strategic to tactical.

There's a lot of myths out there causing people to believe that business analysis is not necessary in the organization, especially when adopting agile practices. Many project management and product development groups still don't understand that various roles perform business analysis, seemingly because these groups aren't aware of what business analysis actually is and the benefits it can provide. If we examine the definition of business analysis, we can see it's relevant to any organization:

“Business analysis is the practice of enabling change in an organizational context by defining needs and recommending solutions that deliver value to stakeholders.” - *Business Analysis Body of Knowledge Version 3 (BABOK V3)*

In many companies, if business analysis practices do exist, they consist of nothing more than requirements development, ignoring all other business analysis activities described in BABOK (V3). But Requirements Analysis is only one knowledge area of six listed in the new version of BABOK (V3):

- Business Analysis Planning and Monitoring
- Situation Analysis
- Requirements and Design Analysis
- Elicitation and Collaboration
- Solution Assessment and Validation
- Requirements and Design Management

It greatly benefits companies to implement these six knowledge areas. If we examine the top 10 reasons IT projects fail according to Standish Group research, we can see how business analysis would help to solve most of them:

1. **Lack of user involvement**
2. **Lack of transparency**
3. **Poor or incomplete requirements**
4. **Changing requirements**
5. **Lack of business alignment**
6. Lack of executive support
7. **Significant scope creep**
8. **Failed user adoption**
9. **Improper solution**
10. Poor testing and quality assurance

Notice that every item listed in bold is related to poor business analysis. According to this research, Business Analysis is the cause of 8 out of the top 10 reasons why project fail.

The organizations that have actually managed to implement business analysis practices have, for the most part, done a poor job of it. Business analysis activities are often silo-ed across the organization, cutting off communication between business analysts so that everyone is doing different things and getting different results. It's a mess. What we need is a standardized method for performing business analysis in our organization, as well as a plan for maturing our capabilities. Unfortunately, the IIBA and the profession of business analysis are so young, it's just about impossible to create a standard definition for what every business analyst should be doing. Our organizations have to define what business analysis means to us and what our business analysts are responsible for.

Standardized BA practices helps to achieve benefits, align solutions with business needs, increase stakeholder satisfaction, and solve business problems. And it makes sure these goals are achieved with every project, ensuring the project portfolio is more successful overall and delivering more value to the business. When standardized and mature in an organization, business analysis helps to achieve many benefits for the organization:

- **Deliver more successful projects** by eliminating the major causes of failed projects
- **Eliminate waste** by causing less rework and ensuring only necessary functionality is built
- **Deliver more business value** by obtaining better understanding of business needs and realizing more benefits with project outcomes
- **Achieve results faster** by identifying and delivering “quick wins” and high value functionality
- **Provide better solutions** by gaining an understanding of various stakeholder perspectives and achieving higher user acceptance

To achieve the highest amount of benefits possible, business analysis should have a standard operational definition within the organization. Everyone must be on the same page in regards to business analysis activities and responsibilities. In this white paper, we'll discuss what needs to be standardized and how to know whether your BA practices are mature enough to deliver the results you need.

FIRST OFF: GET RID OF SCATTERED SILOS

A major hindrance to business analysis standardization and maturity is the fact that most BAs are spread across the organization, dispersed throughout various departments. About half of BAs report to the business and the other half reports to IT. The competency level of business analysts in these organizations is generally low, because they do not have the resources to develop new and better BA practices. BAs located in the business generally do not have training in information technology and often have had little formal training in business analysis. Business analysts located in IT often do not have a good grasp of business and have difficulty understanding what the real needs of users are. They're usually stuck doing the bare minimum and struggling just to survive, leaving no room for professional growth and limiting the amount of value they can deliver to the organization.

But there are some organizations that have implemented company-wide BA practices, allowing BAs to communicate with one another and share knowledge, experience, and ideas. These organizations have seen greater project success because their business analysts have an array of best practices and techniques available to them, enabling BAs to perform their jobs correctly. The way these organizations achieve this state of structured collaboration is through building Communities of Practice and Centers of Excellence.

SCATTERED SILOS	COMMUNITY OF PRACTICE	CENTER OF EXCELLENCE
Formal hierarchy	Informal peer groups	Structured department
Disconnected from others in domain	Loosely connected to others in domain	Tightly connected to others in domain
Goal is business unit outcomes	Goal is knowledge acquisition and sharing	Goal is building organizational capabilities
People are hired into position	Voluntary enrollment	People hired to fill a role or provide expertise

A **Community of Practice** is a group of similar practitioners coming together to share resources. This group collaborates to discuss topics that can help make an impact on their work and projects. Communities of Practice are started at the grassroots (practitioners) level with little to no management oversight. Online collaboration tools are often used to share templates, blogs, and continue conversations via forms. Communities of Practice offer many benefits:

- Connect people who might not otherwise interact.
- Provide a shared context for people to communicate and share information.
- Share knowledge for solving problems and performing activities.
- Stimulate learning and skill development.
- Enable discussions on a variety of topics to enhance performance and know-how.
- Generate new knowledge to help people transform their practice to accommodate changes in needs and technologies.

It's important to note that not all communities are alike. Depending on the organization's needs, the community will be designed a certain way. We've identified four different types of communities:

- **Helping Communities** provide a forum for community members to help each other with everyday work problems, issues, and needs.
- **Best Practice Communities** develop and disseminate best practices, guidelines, and procedures for their members use.
- **Knowledge Stewarding Communities** organize, manage, and steward a body of knowledge from which community members can draw.
- **Innovation Communities** create breakthrough ideas, new knowledge, and new practices.

The most advanced organizations have gone a step further than the Community of Practice and built a **Center of Excellence**, which helps implement and support improvement initiatives to meet organizational goals (i.e., improve project success). A business analysis Center of Excellence is responsible and held accountable for improving the business analysis processes for an organization. Processes and standards are developed, communicated, implemented, measured, and continually improved at the direction of a Center of Excellence. A project management office (PMO) is a type of Center of Excellence.

Both Communities of Practice and Centers of Excellence provide similar services. In regards to the list below, Communities of Practice provide more or less the same services as Centers of Excellence in terms of numbers 1-4, but has no official authority over deployment of company resources such as people, places, equipment, or budget.

- 1. Support:** Provide support to their members in providing better service to business units.
- 2. Guidance:** Maintain standards, methodologies, tools, and knowledge repositories.
- 3. Shared Learning:** Coordinate training and certifications, skill assessments, and team building to encourage shared learning.
- 4. Measurements:** Demonstrate they are delivering the valued results that justified their creation through the use of performance metrics.
- 5. Governance:** Help ensure that the organization invests in the most valuable projects and coordinates activities with other corporate interests.

WHAT NEEDS TO BE STANDARDIZED? EVERYTHING!

Standardization is going to be a lengthy process that starts with setting up a Community of Practice (with the eventual hopes of implementing a Center of Excellence). This helps to establish a governance structure. We need to have authority over the decisions we make regarding our business analysis activities. Analysts from both Business and IT must cross organizational lines and agree to work together to define a set of standards to govern business analysis in the company.

The first decision to be made by the Community of Practice is what business analysis means to us. Regardless of who performs the role, business analysis must be clearly defined and understood as effective business analysis drives project success and business outcomes. Below is a list of key activities that should be considered when creating the definition of business analysis in your organization:

- Analyzing and documenting the business problem
- Evaluating options and recommending the right solution
- Identifying and engaging stakeholders
- Eliciting business and stakeholder needs
- Defining requirements
- Facilitating collaboration between business and development teams
- Enabling business change and transformation
- Ensuring the solution delivers business value

Knowing what business analysis is to us, we can identify who is involved within the organization. As we’ve seen so far, business analysis is quite broad. Activities can range from defining a business case and set of business needs, to requirements development, solution assessment, and benefits realization. All of these responsibilities are split across a bunch of groups, and it’s our job in the Community of Practice to bring the accountable BAs together to standardize the way they do things. If multiple people are responsible for the same activities, those activities must be performed consistently across the organization. This means we’re not only identifying individuals with the title of “Business Analyst,” but many of different people who might not even know they’re BAs, yet are doing key BA tasks. We’ll need to standardize all BA tasks, regardless of who’s doing them.

Once we understand the context of business analysis in our organization, we can begin the detailed process of standardizing every aspect of business analysis in our Community of Practice. The eight aspects we’re referring to are:

- Services
- Capabilities
- Competencies and Skills
- Processes
- Practices
- Data
- Tools
- Deliverables

SERVICES

The first aspect we need to standardize before all others is the set of business analysis services offered to the organization. Business analysts provide services on two levels: the project level and the higher, enterprise level. Within the two levels, there are a few different types of services and your organization may not perform them all:

PROJECT SERVICES

- **Finding Solutions to Problems**—Determining the root cause of problems and the available solutions that will address them.
- **Developing and Managing Solution Scope**—Defining the features that will make up the solution and ensuring scope only addresses necessary business and stakeholder needs.
- **Assessing and Validating Solutions**—Validating the viability of available solutions and recommending the best one.
- **Process Modeling and Design**—Designing the processes to be followed in the business when the new solution is implemented.
- **Defining and Managing Requirements**—Developing Functional and Non-Functional Requirements for solutions that adhere to business and stakeholder needs.
- **Evaluating and Acquiring Solutions**—Assessing viable Commercial-off-the-shelf (COTS) purchases and recommending the best solution.

ENTERPRISE SERVICES

- **Empowering Business Architecture**—Managing the organization’s business architecture, including business processes, enterprise data, IT services, stakeholder profiles, and governance/business rules.
- **Measuring and Evaluating Performance**—Tracking project performance across the organization.
- **Managing Benefits Realization**—Ensuring completed projects deliver on business objectives and achieve benefits for the organization.
- **Enabling Business Change**—Implement change in the organization’s people, processes, and technology.
- **Facilitating Portfolio Management Decisions**—Assessing portfolio decisions and making calculated recommendations.
- **Designing IT Services**—Determining and defining the IT services that must be offered by the organization to facilitate day-to-day operations.

CAPABILITIES

Define and manage the capabilities necessary to support the services offered to the organization. A capability is the ability to perform or achieve certain actions or outcomes through a set of controllable and measurable processes or services. The business analysis capabilities need to be defined to ensure that we deliver consistent high quality business analysis services. For example, we may provide a service like “Develop Business Case.” To do that, we need to have at least the following capabilities:

- Problem Analysis
- Visioning
- Financial and Cost/Benefit Analysis
- Risk Analysis
- Solution Alternative Analysis

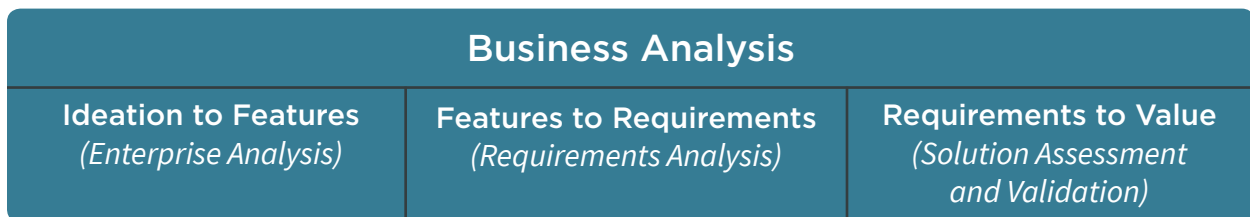
See the Enfocus Solutions Business Analysis Capability Maturity Model on page 12 for more information about the capabilities that are needed for an organization to deliver value through business analysis.

COMPETENCIES AND SKILLS

Develop the knowledge, skills, abilities, and other personal characteristics required to perform business analysis activities. Develop or subscribe to a learning program for BAs to improve skills and increase competencies. The IIBA has a very useful competency model for individual BAs.

PROCESSES

Standardize the business analysis processes for each service, promoting consistency and eliminating non-value added steps. Enfocus Solutions has defined 33 business analysis processes. Depending on the agreed set of services and capabilities, it's possible our organization has no need for some of these processes, or, after discussion, we may feel the need to revise them before standardizing. All 33 of the suggested processes listed below are described in Enfocus Solutions' business analysis methodology, Requirements Excellence Framework™, and divided into three areas, which correlate to the three phases of business analysis in a project lifecycle. Business analysis standardization should address the entire project lifecycle:



IDEATION TO FEATURES (DISCOVERY)	FEATURES TO REQUIREMENTS	REQUIREMENTS TO VALUE
<ul style="list-style-type: none"> Analyze Problem or Opportunity Determine Target State and Performance (Vision) Assess Capability Gaps Define Business Requirements Conduct Stakeholder Analysis Determine Enabling Changes (i.e., people, processes, technology, governance) Evaluate Solution Options and Innovate Identify and Define Features Prioritize Features and Determine Solution Scope Prepare Business Case and Benefits Realization Plan Prepare Business Analysis Plan 	<ul style="list-style-type: none"> Assign Features to Analyst and Sponsor Document Stakeholder Needs Identify Applicable Business Rules Define Functional Requirements (INVEST) Define Non-Functional Requirements Review and Improve Requirements Elaborate Requirements with Detail Determine Bundling Strategy Allocate Requirements to Bundles Validate Requirement Bundles Baseline Requirement Bundles 	<ul style="list-style-type: none"> Identify Lifecycle Events Define Test Cases and Verifications Execute Test Cases Perform Verifications Trace Requirements Manage Defects Facilitate Business Technical Communications Facilitate Enabling Business Change Manage Requirements Change Define Transition Requirements Assess Organizational Readiness Manage Benefits Realization

We need to plan the activities that make up each process to ensure everybody is doing the same activities and producing the same outputs. For every process, the standardized information should include:

- Workflow
- Inputs
- Outputs
- Process Steps

PRACTICES

Standardize methods and techniques used in performing business analysis processes. It is best to keep this information stored in a central location (e.g., a wiki) that all BAs in the Community of Practice or Center of Excellence can access. Store and share the following information about BA practices:

- Business Analysis Techniques (e.g., Root Cause Analysis, SWOT Analysis, Scenarios, Stakeholder Profiles, etc.)
- Practice Aids (i.e., checklists and templates)
- Requirements Visualization Methods
- Useful white papers
- Training materials (e.g., videos, slideshows, etc.)

DATA

Standardize and manage the data used across BA activities. In our work as BAs, we often end up using the same enterprise data and assets in different projects. When we're separated by silos, this work is often re-done in every project, instead of getting re-used. With a **Business Analysis Repository**, BAs are able to re-use information about the people, processes, and technology that are affected by the projects we're working on. A Business Analysis Repository is key to sharing information across domains served by BAs. The repository supports reusability of requirements and related data, reducing the amount of work that we have to do at the beginning of every project. It helps to maintain a history of requirements and can be accessed in one central location. The Business Analysis Repository must store metadata for business processes, enterprise data, business rules, stakeholder profiles/personas and locations, IT services, and Projects.

STANDARDIZE REQUIREMENTS

For many organizations, Solution Requirements (i.e., Functional and Non-Functional Requirements) are a vital input to project delivery. Requirements can be standardized through the use of a BA technique—**Requirement Patterns**.

A requirement pattern is a template and guide to writing a particular type of requirement such as performance, archival and storage, report and query, etc. The pattern specifies what information should be gathered for that type of requirement, what to say, and what to worry about.

Requirement patterns provide many benefits, including:

- Enable the BA to write higher quality requirements
- Write requirements more quickly and with less effort
- Point out issues
- Provide cost savings as high as 200:1 from finding errors early

In addition to providing cost savings, requirement patterns help to standardize the way BAs in the organization write requirements. We want all of our BAs to be producing the same, high level of quality on requirements. Requirement patterns make it easier for development when it comes time to build, ensuring the product gets built correctly and helping to produce an overall higher quality product.

TOOLS

Standardize tools used to support the performance of BA activities. Be careful in selecting the tools you use, because many requirements management tools do not work well for implementing complex business solutions that are intricately tied to underlying business processes and affect multiple types of users (e.g., managers, data entry, multiple departments, suppliers, customers, etc.). There are many tools on the market that address some aspect of business analysis, but most address only a small part of the spectrum of business analysis responsibilities. In addition, most tools focus exclusively on the development team, while ignoring stakeholder and business needs. Many organizations use Microsoft Word and SharePoint for business analysis; these are good tools in the right circumstances, but using them for business analysis is like using a hammer and screwdriver to construct a skyscraper.

We want our business analysis tools to address all of the agreed to services and processes. If we follow all 33 processes described in Enfocus Solutions' business analysis methodology, we want our tools to deliver the following capabilities:

- Define problem statements
- Define vision
- Develop business case
- Document constraints
- Document assumptions
- Perform stakeholder analysis
- Perform business process analysis
- Perform capability gap and impact analysis
- Document and link business rules
- Perform elicitation
- Perform user needs analysis
- Develop requirements
- Allocate requirements
- Validate requirements
- Trace requirements
- Manage requirements change
- Manage solution acquisition
- Perform solution assessment and verification
- Manage requirements lifecycle
- Document user acceptance tests
- Develop transition requirements
- Perform retrospectives
- Manage project portfolio
- Manage benefits realization

DELIVERABLES

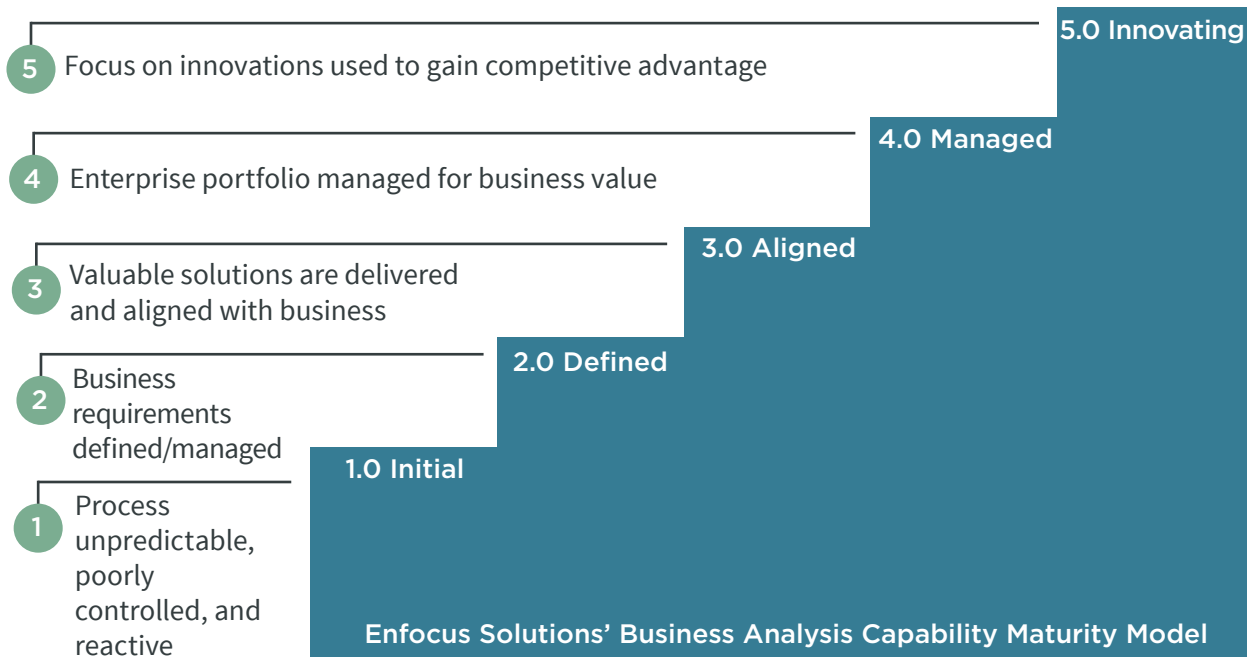
Once all other details are ironed out, we can standardize the set of deliverables expected from every BA initiative. It’s important to know what services we offer and which processes we perform before deciding on the set of deliverables to be expected in every project. We need to standardize the deliverables for every project so that business stakeholders are aware of what to expect and so that developers don’t get confused when the deliverables are handed off. If you’re changing the format or the look and feel of deliverables all the time, it gets confusing for developers and stakeholders to understand. We need to standardize our deliverables to avoid confusion. That means everything about our deliverables is standardized—the definitions we use, the format of the document, the process to complete it, etc.

DELIVERABLE	BABOK REFERENCE
Problem Analysis and Business Need	5.1
Vision and Scope Document	5.4
Business Case with Benefits Realization Plan	5.5
Business Analysis Plan	2.3,2.4,2.5
Stakeholder Needs Analysis	3.4, 6.5
Capability Gap Analysis (Process, People, and Technology)	5.2
Functional Requirements Document (Organized by Feature)	4.4, 6.5
Requirements Bundle (with Software Requirements Specifications)	7.2
Solution Assessment and Validation Plan	7.0
Requirements Traceability Matrix	4.2
Solution Defects	7.5
Transition Requirements	6.5, 7.4
Organizational Readiness Assessment	7.3
Benefits Realization Reviews	7.6

BUSINESS ANALYSIS CAPABILITY MATURITY MODEL

Since the profession of business analysis is relatively new, there is no recognized standard for measuring business analysis maturity within the organization. The IIBA’s competency model is geared toward individuals, not organizations, so Enfocus Solutions has developed its own Business Analysis Capability Maturity Model for organizations implementing business analysis activities.

Business analysis maturity is low for most organizations. Most companies are between level 1 and level 2 on Enfocus Solutions’ Business Analysis Capability Maturity Model. This is because BAs are often silo-ed, and most organizations have many pockets of BAs, each using their own methods and techniques.



While a Stage 5 organization on the above capability maturity model is ideal, it will take a lot of work to get to that point; Stage 5 maturity isn’t achieved overnight. Organizations must build on their BA capabilities over time through mutual growth. In the following pages, every stage of the Enfocus Solutions Business Analysis Capability Maturity Model is explained.

STAGE 1: INITIAL	
Focus	Survival
Goal	Awareness of the importance of business analysis
Description	Business analysis methods are not well established and defined. Deep fragmentation exists across the organization—one area does it one way while another unit is following a different process for getting the same thing done. Things get done through individual effort as opposed to a standardized process.
Capabilities	None
Governance	BAs report to organizational hierarchies. Some report to the business and some report to IT. Many people perform business analysis activities and do not even know it.
STAGE 2: DEFINED	
Focus	Projects
Goal	Business requirements defined and managed
Description	All five types of requirements are defined and managed in a consistent way: <ul style="list-style-type: none"> • Business Requirements • Stakeholder Requirements • Functional Requirements • Non-Functional Requirements • Transition Requirements
Capabilities	<ul style="list-style-type: none"> • Elicitation • Solution scope definition and management • Requirements development • Requirements management • PM partnership • Stakeholder engagement & communications
Governance	Community of Practice

STAGE 3: ALIGNED	
Focus	Business Alignment
Goal	Solutions aligned with the business
Description	More advanced business analysis techniques are used to address business and organizational change. All projects are now aligned with business goals and objectives.
Capabilities	<ul style="list-style-type: none"> • Business analysis planning and management • Situation analysis • Business case development • Business rules • Business process improvement • Organizational change • IT service strategy and design
Governance	Center of Excellence
STAGE 4: MANAGED	
Focus	Enterprise Portfolio
Goal	Enterprise portfolio managed for business value
Description	Given standard performance baselines, BAs can now measure, benchmark, and evaluate performance across the enterprise. Enterprise portfolio management practices are used to manage business benefits across the enterprise.
Capabilities	<ul style="list-style-type: none"> • Project portfolio management • Process portfolio management • Service portfolio management
Governance	Enterprise Portfolio Management Office (EPMO)

STAGE 5: INNOVATING	
Focus	Innovations used to gain competitive advantage
Goal	Business analysts collaborate with business units to link enterprise goals and strategies to programs
Description	Business analysts work as internal consultants with business units to evaluate innovations to gain a competitive advantage.
Capabilities	<ul style="list-style-type: none"> • Business Model/Capabilities Analysis • Competitive market analysis • Enterprise portfolio management • Innovation management
Governance	EPMO manages enterprise innovation

Enfocus Solutions offers a complete set of professional and software services to help achieve BA standardization and maturity in your organization. With the training and consulting available via strategic professional services, Enfocus Solutions has the capabilities to help set up a Community of Practice and improve your organization’s standardization and maturity. Executing standardized business analysis activities is made easy with Enfocus Requirements Suite™, a robust business analysis tool.

ABOUT ENFOCUS SOLUTIONS INC.

Enfocus Solutions is a provider of software and services to help organizations deliver more value from IT projects. With Enfocus Solutions strategic professional and software services, organizations have the capabilities to capture, manage, and leverage requirements that enable successful business change of people, processes, and technology. Enfocus Requirements Suite™ and the supplementary next generation business analysis services and technologies support successful product discovery and delivery, helping organizations achieve better business outcomes by aligning projects with business needs and delivering higher ROI. Enfocus Solutions Inc. is a privately held company headquartered in San Antonio, Texas.

Please contact us to learn more about how your organization could benefit from the use of our technology and services to achieve higher project success rates.

CONTACT INFORMATION

Email: info@EnfocusSolutions.com

Phone: (210) 399-4240

Toll-free: (877) 253-0275