



A White Paper by Kathleen B. (Kitty) Hass
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BA Proficiency

How proficient do I need to be?

Introduction

1. The Terrain

Our current turbulent economic times call for businesses to be able to react to change quickly, to chart a new course on a dime. Challenges abound:

- ▶ Our global economic systems teetered on the verge of collapse and by all accounts the recovery will be sluggish
- ▶ Our legacy of business and technology complexity poses barriers to our ability to change quickly
- ▶ Adaptability and agility are essential for success in the global marketplace
- ▶ Getting it right the first time is the only option
- ▶ Success requires a plan and approach that:
 - Hits the mark
 - Is executed without a flaw
 - With expert skills, and
 - Delivers real business value

To be able to react to – and even pre-empt change to remain competitive, organizations must be able to execute projects flawlessly. With so much riding on successful projects, it is no wonder we have invested heavily in improved project management processes, tools and competencies over the last two decades. Although project performance has greatly improved, it is still woefully inadequate.

Consider our performance (Figure 1). From 2011-2015 29% of projects delivered on time, on cost, with a satisfactory result according to The Standish Group. What does this mean to our ability to compete in the marketplace? We know that failed and challenged projects often come with significant financial impacts. A few examples:

- ▶ Rework and abandoned systems: a combined \$500B per month global
- ▶ Boston's "Big Dig" Public Works Project: \$>10B overrun; Loss of life

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- ▶ EuroDisney: \$4B failure
- ▶ FBI's Virtual Case Management System: \$170M failure

The Results - Unacceptable

From 2011-2015
29% of projects delivered
on time, on cost, with a
satisfactory result

CHAOS Report 2015
Standish Group

The Cause

Gaps in Value-based BA
and Complex PM

The Cost

USD 500 billion/month globally



"If we could solve the problem of IT failure, the US could increase GDP
by USD 1 trillion/yr." Roger Sessions, *The IT Complexity Crisis: Danger and Opportunity*

<http://www.infoq.com/articles/standish-chaos-2015/>

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Figure 1: Standish Group Project Resolution History

2. The Root Cause

So, what is the root cause of our continued inability to deliver new business solutions faultlessly that hit the mark and add significant business benefit? Many experts have made the case that it is our **gap in enterprise value-based business analysis and complexity management capabilities** that is the root.

Consider the following research results that helped drive the overwhelming consensus that the gap in business analysis and complexity management capabilities poses a barrier to higher levels of project performance.

MULTIPLE STUDIES OF 47 MEGA-PROJECTS

Average for complex projects: 88% cost overrun, 17% schedule slippage, 72% fail to reach profit objectives

FORRESTER RESEARCH

Poorly defined applications have led to a persistent miscommunication between business and IT that largely contributes to a 66% project failure rate for these applications, costing U.S. businesses at least \$30B every year.

CARNEGIE MELLON

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25%-40% of all spending on projects is wasted as a result of rework

GARTNER

50% of new applications are rolled back out of production

40% of problems are found by end users

KEITH ELLIS

More than forty-one percent of new development resources are consumed on unnecessary or poorly specified requirements.

3. The Challenge: Close the Gap in Your BA Capabilities

Your challenge is to close the gap in your BA capabilities to meet the needs of your organization's 21st century projects. What will it take? Are you up to the task? According to the *The New Business Analyst: A Strategic Role in the Enterprise*, November 2006 Evans Data Corporation Research Study, the typical business analyst looks something like this:

- ▶ 40 years old
- ▶ Median income: \$75K
- ▶ Well educated
- ▶ Hails from IT
- ▶ More than 5 years experience doing BA work
- ▶ Analysis skills acquired on the job
- ▶ Disturbingly, they report most of their projects do not deliver all requirements

In addition, today's BAs fill multiple roles:

- ▶ Business analysis: 29.3%
- ▶ Project management: 18.7%
- ▶ Developer: 15.4%
- ▶ SME: 13.5%
- ▶ Tester: 10.1%
- ▶ Other: 13%

WHERE IS THE INDUSTRY HEADING?

Clearly, BAs that are focusing on multiple roles and tasks involving diverse disciplines cannot devote the time and attention needed to cultivate mature BA capabilities. The current hybrid role is tactically focused, deep into project tasks; the BA role of the future is focused on strategy execution and on maintaining a competitive advantage. Where is the BA profession heading? How will you transition from a tactical player into a more strategic asset?

TODAY'S VARIETY OF BUSINESS ANALYSTS

According to a recent study, (Carey Schwaber and Rob Karel, *The New Business Analyst*, Forrester Research, Inc., April 8, 2008), today's BA roles are typically either IT- or Business-Oriented.

- ▶ ***IT-Oriented Analysts*** improve business results through changes to technology. These BAs are mostly generalists, with specialists emerging that may include Experience Analysts, Business Rules Analysts, Business Process Analysts, and Data Analysts.

- ▶ **Business-Oriented Analysts** improve operations through changes to policy and procedures. Business-oriented BAs are mostly specialized within a business domain, focused on Finance, Human Resources, Marketing, Manufacturing, etc. In decentralized organizations, these analysts are dedicated to a major business area, improving the processes and the corresponding technologies that are used to run the operations. In other more centralized organizations, these business analysts are organized as a pool of talent whose efforts can be transferred seamlessly to the areas of the enterprise that are in most need of business analysis support.

TOMORROW'S VARIETY OF BUSINESS ANALYSTS

At the same time, the industry will groom and field more strategic BA roles, driving BA practice maturity to meet the 21st century needs of our organizations. These roles include the Business Architect and the Business/Technology Analyst.

- ▶ **Business Architects** strive to make the enterprise visible. They develop the business architecture (rich pictures and documentation that depicts the current state of the business in terms of organization structure, process and data flows, lines of business, locations, etc.). They are also responsible for keeping the business and IT architectures in alignment. The Business Architect then creates the future state architecture to depict how the enterprise will look when the vision is realized and the strategy is executed. Only then can they identify the gap in capabilities that need to be created to execute strategies.
- ▶ **Business/Technology Specialists** are cross-domain experts who convert business opportunities into innovative business solutions, and translate strategy into breakthrough process and technology change. They keep their eyes on the competition, and forge new strategies. According to Schwaber and Karel, "As time passes, fewer and fewer BAs will have the luxury of working only in a single business function or IT domain...these roles will slowly dissolve as projects increasingly demand knowledge that spans business functions like marketing and sales and IT domains like process, information and experience."

As a BA, you need to start grooming yourself right now to be prepared to meet your organization's needs. "Your future business/technology analysts will be the most valuable business analysts, because they can single-handedly turn business-requested IT-delivered applications into tomorrow's dynamic business applications," write Schwaber and Karel.

4. How do I Know if I am Capable Enough?

Your organization needs to ensure it has appropriately skilled BAs possessing the capabilities needed to successfully deliver complex new business solutions that meet 21st century business needs. The array of required BA competencies is vast.

But it's not just about competency (what you think you can do or your score on a multiple-choice knowledge assessment); it's ALL about *capability* - examining your competency level against your current and future work assignments and the performance and project outcomes you achieve within your organizational context. To determine the characteristics of your BA capabilities, identify your capability gaps, and put a plan in place to close the gaps, it is helpful to use a BA Capability Model. The model presented here is based on the latest industry research cited above, and is in alignment with the IIBA® BABOK® Version 2 and the newly released IIBA® BA Competency Model.

This **Applied BA Capability Model** is four-tiered, each tier requiring different BA competencies based on the complexity and focus of typical work assignments. The four tiers include:

1. Operations/Support Focus
2. Project or New Product Focus
3. Enterprise/Strategy Execution Focus
4. Competitive/Future Strategy Focus

OPERATIONS/SUPPORT FOCUS

These BAs typically spend about 30% of their time doing BA activities for low complexity projects that are designed to maintain and continually improve business processes and technology. The remaining time they are likely fulfilling other roles including project manager, developer, engineer, SME, domain expert, and QA/tester. As legacy processes and systems age, these business analysts are becoming more and more valuable since they are likely the best (and often, the *only*) SMEs who fully understand the legacy operational processes and technology. As application modernization efforts emerge, these BAs are invaluable, working closely with Business Architects to document the current state of the business supported by the applications undergoing modernization. This focus area typically includes:

- ▶ Generalist BAs
- ▶ Business System Analysts.

PROJECT / NEW PRODUCT FOCUS

Project-focused analysts work on moderately complex projects designed to develop new/changed products, business processes and IT systems. This focus area typically includes senior BAs who are:

- ▶ IT-Oriented BAs
- ▶ Business-Oriented BAs

BA Workforce Capability Model

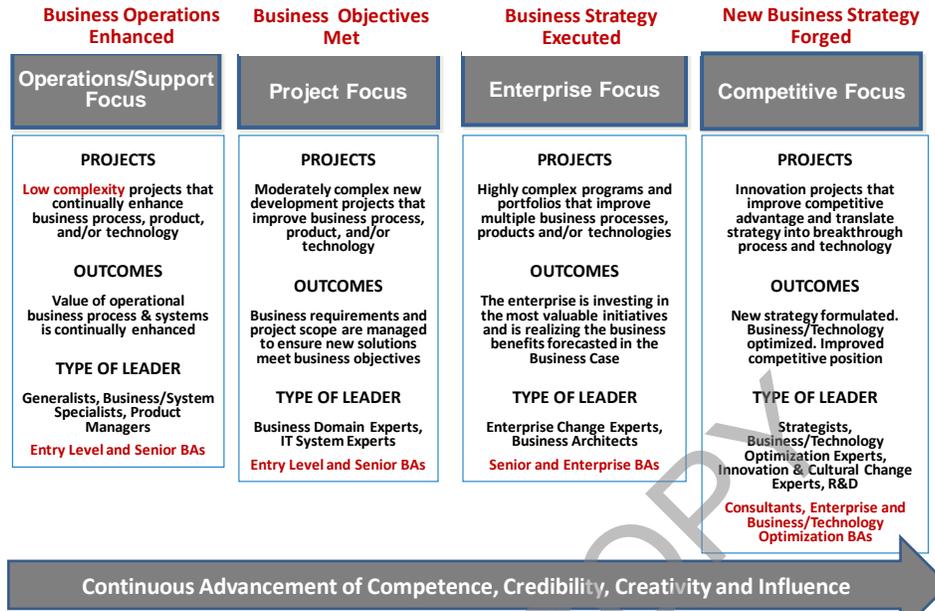


Figure 2: Applied BA Capability Model

ENTERPRISE / STRATEGY EXECUTION BUSINESS FOCUS

These BAs are operating at the enterprise level of the organization, ensuring that the business analysis activities are dedicated to the most valuable initiatives, and the business analysis assets (models, documents, matrices, diagrams etc.) are considered corporate property and are therefore reusable. Enterprise analysts focus on the analysis needed to prepare a solid business case to propose new initiatives to execute strategy. They also work on highly-complex, enterprise-wide projects and programs, typically managing a team of senior BAs. This focus area typically includes experienced, high-level BAs who are:

- ▶ Enterprise Analysts
- ▶ Business Architects

COMPETITIVE / FUTURE STRATEGY FOCUS

Business/Technology Analysts are recognized business domain and technology visionaries who serve as innovation experts, organizational change specialist, and cross domain experts. Business/Technology Analysts focus outside of the enterprise on what the industry is doing, formulate the future vision and strategy, and design innovative new approaches to doing business to ensure the enterprise remains competitive, or even leaps ahead of the competition. Business/Technology Analysts convert business opportunities to innovative business solutions and translate strategy into breakthrough process and technology.

The BA Practices Required for each Level

	Level 1 BA Awareness	Level 2 Project Level	Level 3 Enterprise Level	Level 4 Competitive Level
Business Outcomes	BA Value Acknowledged	Business Requirements Managed	Business Needs Met Strategy Executed	Technology used as a Competitive Advantage New Strategy Forged
Practices				
Customer Relationship Management		Customers and stakeholders are involved throughout the project.	Customer satisfaction is measured for both the process used to involve customers and the new business solution delivered by the project.	External customer relationships are measured and managed to continually increase customer satisfaction.
Standards, Methodology, Tools, Knowledge Management, Change Management	Process and tool standards are undefined.	<ul style="list-style-type: none"> BA standards for practices and tools are defined and integrated. Project knowledge is accessible to all project stakeholders. Project scope changes are managed. 	<ul style="list-style-type: none"> BA standards, tools, and knowledge mgt. are integrated with PM, QA, SDLC standards Organizational readiness assessments are conducted prior to deployment of new solutions. 	<ul style="list-style-type: none"> Convert business opportunities into innovative business solutions. Translate strategy into breakthrough process and technology change. Benchmarking, competitive analysis, feasibility analysis is conducted as part of the strategic planning process. Cultural readiness assessments are conducted prior to deployment of new solutions.
Body Of Knowledge Areas		Standards for the following knowledge areas are defined, institutionalized, and measured: <ul style="list-style-type: none"> BA Planning and Monitoring Elicitation Requirements Management and Communication Requirements Analysis 	Standards for the following knowledge areas are defined, institutionalized, and measured: <ul style="list-style-type: none"> Enterprise Analysis Solution Assessment and Validation 	
Project Selection and Prioritization			<ul style="list-style-type: none"> The business and technology architectures are defined and in sync. The portfolio management process ensures business alignment of projects. 	
Metrics		<ul style="list-style-type: none"> Project metrics for cost, time, and scope are collected, analyzed and reported. 	<ul style="list-style-type: none"> Quantitative BA process management program exists and is integrated with PM, QA, SDLC 	Business benefits management program is tied to the portfolio management program.

	Level 1 BA Awareness	Level 2 Project Level	Level 3 Enterprise Level	Level 4 Competitive Level
		<ul style="list-style-type: none"> Requirement defects are tracked, measured, and steps are taken for prevention in the future. 	<ul style="list-style-type: none"> Business benefits management program is defined and in place. 	
Practice Support and Governance	BA Forum or Community of Practice exists.	BACOE: Centralized management of BA Framework	BACOE: Centralized management of: <ul style="list-style-type: none"> Business case development, portfolio management, BPM, BDM Resources, contractors, vendors Governance Committee 	BACOE: <ul style="list-style-type: none"> Integrated with PM, QA, SDLC COEs Centralized management of Innovation and R&D
Training and Support		BA Framework training program exists and all BAs attend.	<ul style="list-style-type: none"> Business Alignment training program exists and all BAs attend. 	<ul style="list-style-type: none"> Business/Technology Optimization training program exists and all BAs attend. BA Training ROI is measured.
Competency and Career Development		BA Career Track exists for: <ul style="list-style-type: none"> IT Oriented Analysts Business Oriented Analysts 	BA Career Path leading to VP business analysis exists for: <ul style="list-style-type: none"> Business Architecture Analysts Enterprise Business Analysts 	BA Career Path leading to strategic and domain expert BAs exists for: <ul style="list-style-type: none"> Business/Technology Analysts Cross-Functional Analysts Cross-Domain Analysts Organizational Change Analysts Innovation Analysts