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Business Analyst Best Practices

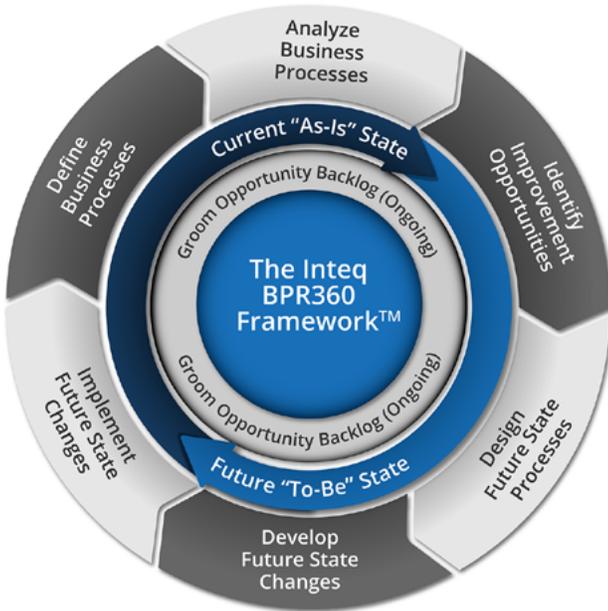


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The Five Essential Business Analysis Questions for:

- ✓ BPR
- ✓ Business Requirements
- ✓ Business System Requirements

Overview



Organizations today operate in a complicated, complex, rapidly changing globally competitive business environment. Business processes and supporting business systems need to continually change and adapt to keep pace.

Business processes, however, in many cases evolve informally, ad-hoc and slowly. The result is that many business processes are a tangled web of inefficient work activities, ambiguous policies and legacy procedures that consume resources and impede performance.

These same processes, unfortunately, often provide the source for business and business systems requirements - requirements that reflect legacy business rules that constrain, rather than improve, business processes.

Getting the “requirements” right is difficult. Most organizations struggle to get the requirements right, regardless of the amount of time and resources expended on the effort.

One core problem is that analysis, in many cases, superficially scratches the surface of the business space being analyzed. The resulting requirement specifications are not sufficiently deep, precise, thorough, or accurate enough to be useful.

The primary reason for superficial analysis is not due to inadequate time for good analysis (although there is rarely all of the time that is needed to get it perfect), it is that many business analysts, even very experienced analysts, are not asking the right business questions.

Superficial analysis results in superficial requirements specifications, usually in the form of bullet lists and indented outlines of vague business ramblings, which are subject to substantial interpretation, frequently resulting in business processes, procedures and supporting applications that do not adequately support business and user requirements.

Many critical business requirements and deep core supporting business rules (including the numerous variations and exceptions to the rules) are not discovered until the system goes live in production.

These rules and requirements were never articulated by the business stakeholders (subject matter experts, end users, functional managers, etc.) during analysis, because no one ever asked the business stakeholders the right kinds of questions during analysis and other stakeholders are not fully engaging in the analysis process.

Missing, incomplete and/or inaccurate requirements that are discovered in production, are at best, extremely expensive to resolve in production. More often than not, however, the production systems (new development, modification of existing system, vendor software, etc.) which are based on the original superficial requirements cannot support the core rules and requirements discovered during production - regardless of time or budget.

Fortunately, this problem has a clear solution. This white paper provides you with a key component of the solution - the five essential business analysis questions that serve as a framework for rapidly conducting much deeper and more sophisticated business analysis.

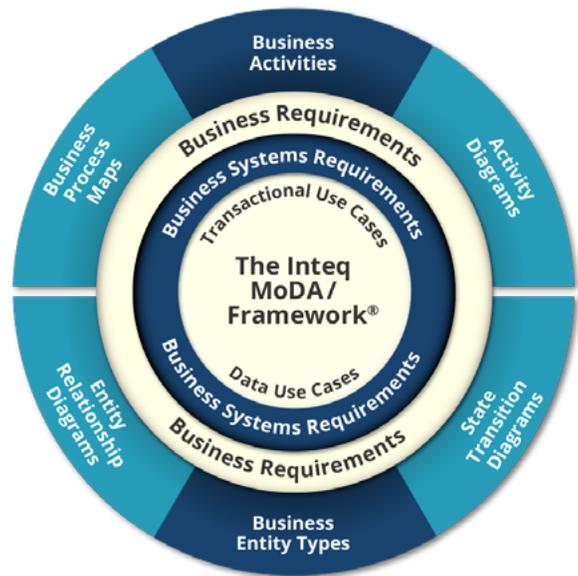
The 5 Essential Business Analysis Questions

I meet with hundreds of business analysts every year in connection with my consulting projects and training courses. As a broad spectrum, business analysts range from order takers to professional analysts.

A key differentiator between order takers and professional analysts is the ability to ask the right business questions – questions that challenge legacy business rules; questions that clearly link requirements with business value, questions that are forward facing to ensure agility in meeting future requirements.

The frame of reference for the five questions below is from the perspective of a business analyst talking with various stakeholders associated with the business space within the scope of analysis.

The five questions, however, are not a scripted list to mechanically engage the stakeholders (i.e. “I have 5 questions to ask you”). The five questions represent a framework for critical thinking and engaging stakeholders in a sophisticated conversation. Applied from this perspective, these five questions will radically change the way you and your team think about and conduct business analysis.



1

“What are you currently doing?”

It’s a simple question, but requires sophisticated engagement with the stakeholders to answer. The engagement in connection with “what are you currently doing” drives out deep business knowledge.

This question enables you to take the first cut at defining as-is business process and identifying the existing work activities that comprise the business processes, work activity sequence (aka workflows), where (functionally) work activities are performed, who performs the activities and how the activities (associated policies and procedures) are performed.

As-is process maps provide a clear, intuitive, thorough and unambiguous baseline of what the business is currently doing. It’s very difficult to identify business requirements, distill functional requirements and identify opportunities to improve a process until you can clearly depict and define the as-is processes via process maps.



A process map is a powerful tool to enable the people performing the activities, their managers and other stakeholders to quickly reach a consensus regarding the things (work activities) that an organization is actually doing, and how the activities are actually being performed.

“What are you currently doing?” is a great starting point for deeper analysis. It provides the lens to talk about business process and business requirements from many different perspectives.

2 “What are you currently doing that is not needed?”

- And you would stop doing, if you could change business policies, procedures, processes and/or supporting information technology.

It's also a simple question, but requires sophisticated critical thinking and engagement with the stakeholders. There are numerous work activities and supporting business requirements (business policies, procedure steps/tasks, business rules, etc.) in most organizations that have low, questionable or no value from a business or customer perspective, but consume significant resource time and effort to perform.

These activities are often legacy in nature (“We have been doing it this way since 1982”), or procedures resulting from in-the-moment overreaction to one-off exceptions (“We’ll ensure that this never happens again.”) or business policies put in place to comply with an internal or regulatory mandate - the mandate, however, is no longer applicable but the business policy and supporting procedures remain.

My experience is that the business stakeholders working in a given business area already have a pretty good idea of the work activities that fit this profile. In many cases, they (and their organization), however, also spend significant time trying to improve and refine these work activities rather than eliminating these activities.

There are a lot of work activities and/or related supporting requirements that do not rise to the level of improving. They just need to be eliminated. In other words, there is no point in improving something, regardless of how well it could be improved, if it's something that the organization does not need to do. If it doesn't add real value – don't waste time improving it – simply eliminate it!

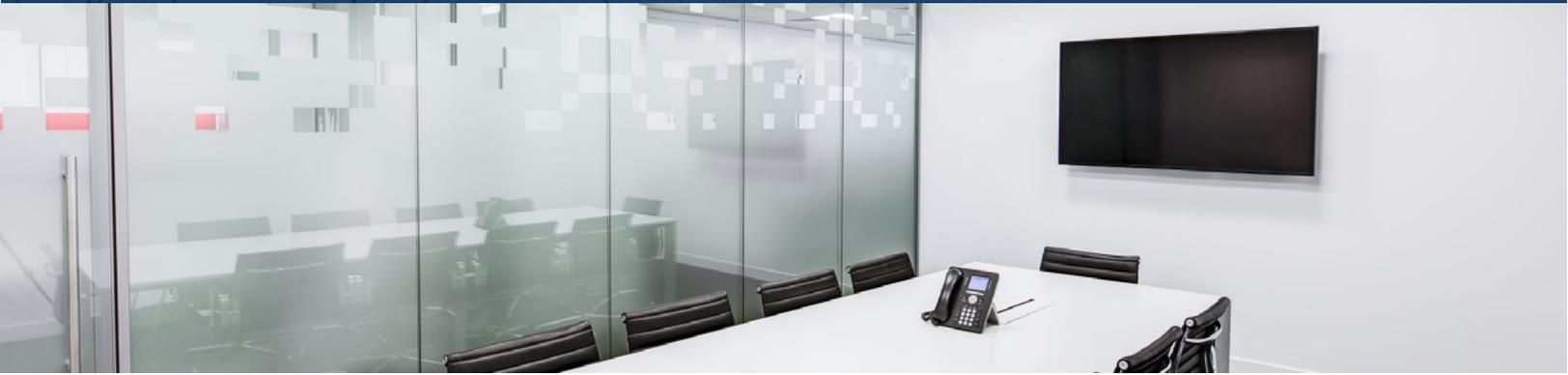
The focus of question #2 is to identify and challenge work activities with low, questionable or no business or customer value. Ask yourself and the stakeholders - do these work activities actually need to be performed; what is the current business driver/purpose for performing these activities? If the activity does not add business value or if it's not required for regulatory compliance, then build a compelling business case for eliminating the activity.

To ensure support for change management, first make the case and ensure buy-in from the people performing the activity. Then, take the case up the organizational hierarchy, one level at a time, to the decision maker that can approve eliminating the activity.



My experience is that more often than not, the people performing the suspect work activity are already on board with eliminating or simplifying the activity because eliminating or simplifying the activity frees-up time to focus on other higher-value activities that drive business value. And, you do not need to go very far up the hierarchy before someone says “I did not now they were doing that. Let's just stop it.”

By eliminating activities that do not need to be performed, you are already significantly improving the business process. And, you are able to focus your scarce analysis time on analyzing the work activities that really matter. Question #2 results in low-tech fast improvements in business process!



3 “What are you currently doing that you need to continue doing, but can be improved?”

- And you would improve, if you could change business policies, procedures, processes and/or supporting information technology.

The objective of Question #1 is to define as-is businesses processes. The objective of Question #2 is to lean-out as-is processes by eliminating work activities and supporting requirements (business policies, procedures, etc.) that do not add value. So, as a result of Question #2, you are left with the work activities in the current as-is processes that add value and therefore need to continue being performed.

Question #3 involves a bit more sophisticated analysis than questions #1 and #2. This is where we challenge the stakeholders as well as ourselves, as business analysts, to identify opportunities to improve existing work activities.

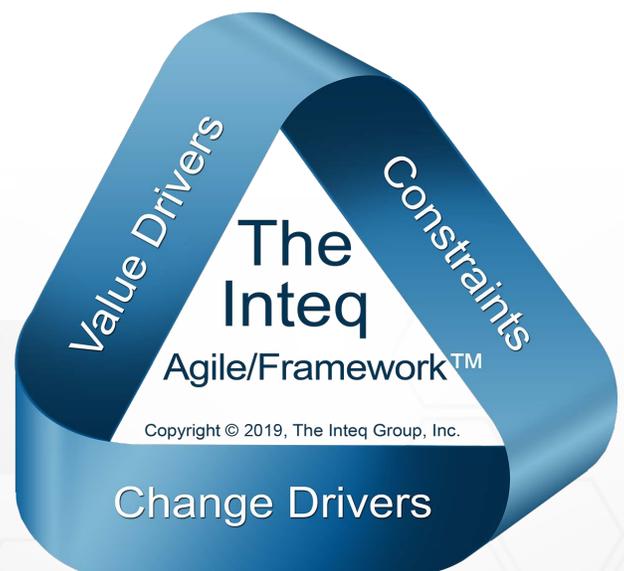
Asking deeper questions - What can we do from a policy or procedural standpoint to improve the process? What can we do from an information technology perspective to improve the process? Does this thing rise to the level of a functional requirement that we can support through application software?

Our job as professional business analysts is to work with the subject matter experts in identifying and analyzing opportunities for improvement and, similar to Question #2, build a compelling business case for each opportunity - albeit a business case for revising rather than eliminating the work activity.

Opportunities resulting from Question #3 range from lowtech / no-tech improvements - reorganization of work activities, changes in policies and procedures, etc. - to tech based changes - enhancements to existing functionality, new functionality within existing systems, new systems, etc.

In my Business Process Mapping, Business Process Management and Agile Business Analysis courses I talk about the concept of agile business processes, agile business process management and grooming the opportunity backlog.

Improvement opportunities that meet the threshold for inclusion in the opportunity backlog include both low-tech / no-tech as well as technology based opportunities that are supported by a compelling business case.



4 “What are you not doing, that you know you should be doing?”

- And you would start doing, if you could change business policies, procedures, processes and/or supporting information technology.”

It’s a very simple question. Most business stakeholders are aware of the things they should be doing, but are not able to do, that can drive value and improve effectiveness and efficiency, and most of them would like to implement these changes, but they can’t. They do not have the right mechanisms (tools, equipment, supplies, etc.), or they are constrained by legacy policies, procedures and supporting technology.



As with questions #2 and #3, build a compelling business case to support these opportunities. The key thing is to ensure that the opportunities suggested by the stakeholders are not just wishes and gripes. Ensure that you identify the business drivers that support the new ideas, then analyze the ideas through the lens of effectiveness and efficiency.

Opportunities associated with Question #4 often have cross-enterprise impact and involve new functionality within existing systems and/or new systems. Accordingly, the business case includes cross functional impact analysis and typically requires the case to be made at a higher level in the organization than the opportunities associated with questions #2 and #3.

5 “What are you not doing that you should be doing, but you don’t”

- And if you knew that you should be doing it, you would start doing, if you could change business policies, procedures, processes and/or supporting information technology.

Question #5 represents forward facing analysis. It’s about identifying the things that an organization is not yet doing, but needs to be doing going forward, but is not yet even aware that they need to do these things now or in the near future.

Forward facing analysis enables you to discover what I call the “unknown unknowns.” There are many opportunities to significantly improve organizational effectiveness and operational efficiency, but the business stakeholders are simply unaware of these opportunities. Accordingly, it’s difficult for a business analyst to discover these opportunities by working solely with internal stakeholders.

Uncovering and analyzing unknown unknowns often involves identifying and analyzing subject matter expertise outside your organization’s body of knowledge. Three excellent sources of identifying the unknown unknown opportunities are industry trade associations, LinkedIn groups and search engine queries.





Industry Trade Associations

Regardless of the business functional area, business process or industry segment that you are analyzing, there is an industry trade association focused on that business function, process and/or industry segment.

Industry trade associations provide a wealth of deep and forward facing information and research. Find the association, see what information you can glean from the web site. Consider joining the organization to gain access to even deeper information. Take the information back to your stakeholders to see what has value in your organization.



LinkedIn Groups

My guess is that most people reading this whitepaper have a LinkedIn profile and many of you associated with a few groups of interest to you. Facebook has numerous groups as well.

Similar to the concept of industry trade associations above - regardless of the business functional area, business process or industry segment that you are analyzing, there is a LinkedIn group (and often multiple groups) focused on that business function, process and/or industry segment.

Join the groups relevant to the business concepts that you are analyzing, identify the topics that are trending and/or particularly relevant to your analysis, engage in the discussion. Take the information back to your stakeholders to see what has value in your organization.



Search Engine Queries

Industry trade associations and LinkedIn groups provide access to a highly focused community of content. However, don't overlook the traditional Google, Bing, etc. search engine queries. Some good targeted queries typically provide an extensive set of links to some very excellent content. Review that content and identify additional unknown unknowns to take back to the stakeholders.

The application of question #5 moves analysis well beyond the realm of "order-taking" and deeply into the realm of a professional analysis. A professional business analyst can draw out many potential forward facing requirements via facilitated discussions with internal business end users and subject matter experts.

Forward facing analysis involves examining the current "as-is" state process map in more detail, analyzing the work activities and underlying policies/procedures through the lens of organizational effectiveness and operational efficiency, and digging until you have a very clear and precise understanding of the underlying business terms and concepts - across the enterprise.

Summary

These five questions represent the critical thinking concepts to apply when discussing business requirements with your business subject matter experts and other stakeholders.

As you utilize the critical thinking represented by these five questions to conduct more sophisticated analysis, ensure that you are also improving your approach to analysis – transforming from a traditional analog approach (bullet lists, indented outlines, etc.) to a digital (diagram) approach (process maps, activity sequence diagrams, etc.)

Applying these five critical analysis questions combined with utilizing digital (diagrams - process maps, activity sequence diagrams, etc.) provide a powerful approach to uncovering and analyzing business requirements to enable a highly effective, efficient, agile, sustainable forward facing enterprise business platform (people, process, technology).

The Next Step

It's a very complex, globally competitive, rapidly changing business environment. Ask yourself some critical questions. Are the business processes and supporting applications in your organization really keeping pace with ever increasing demands for organizational effectiveness and operational efficiency?

Does your team and your organization have the critical thinking skills and analysis techniques to rapidly identify, analyze and articulate essential business requirements? Are you able to rapidly define and specify your business requirements at the level of precision to enable business process reengineering and business system requirements to enable agile solutions?

If you can, what are the benefits? If you can't, what are the risks?

Successful business analysis requires business knowledge, adept judgment and seasoned experience. Inteq's elite business analysis training programs, professional consulting services and staffing solutions enable you, your team and your organization to achieve high-impact highvalue results quickly.



Other whitepapers by James Proctor that may be of interest to you are listed below. The whitepapers can be download the www.inteqgroup.com:

- Transforming a Hero Culture
- Lean: Getting Early Wins from BPR
- 10 Perilous Misconceptions of Censuring Current State Mapping & Analysis
- Crossing the Chasm from Business Chaos to Business Agility
- The Agile/Framework™ - Breaking the Myth of the Iron Triangle
- Customer Self-Service vs. Shifting Work – The Distinction is Critical
- Top 10 Business Intelligence (BI) Requirements Analysis Questions
- The Business Case for Professional Business Analysts
- MoDA/Framework™ - The Tactical Blueprint for Business and Systems Analysis
- The BPR360/Framework™ - The Strategic Blueprint for Business Transformation

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Inteq provides everything you need to build world-class business processes and modernize enterprise systems.

Today's rapidly changing business environment favors high-performing agile organizations capable of delivering extraordinary customer and business value.

Meeting this challenge often requires transformative change - and sustainable on-going improvement in business processes, organizational culture and supporting technologies.

The Inteq Group is uniquely qualified to assist your organization with this challenge.

Contact us and let's discuss business transformation in your organization in more detail:

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