

The Business Analyst, The Business Model and the Business Strategy

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Business *Analyst* Solutions

Problem statement:

Why aren't CASE / Business Modelling tools used more?

Problem scope:

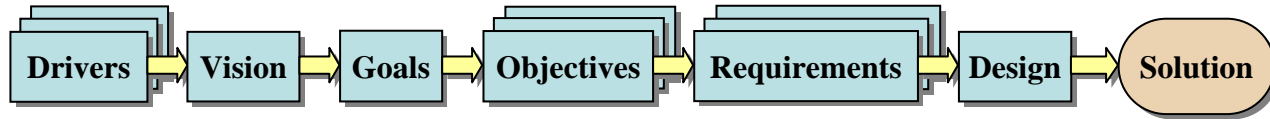
less than 7.5% of Businesses use a small percentage of CASE / Business Modeling functionality

Problem background: Basic Components for BAs

- 'Chain of reasoning'
- Business Model
- Methodology
- CASE/Business Modeling Tool

Basic Components for BAs: Chain Of Reasoning

- There is a chain of reasoning that leads from the analysis of a problem to solutions



- **Drivers:** reasons why for change and the problem that needs to be addressed
- **Vision:** the response to those **drivers** in terms of what the business will look like when the problem has been solved
- **Goal(s):** how a project will move the business towards realising the **vision**
- **Objectives:** the measure(s) of achievement of the **goal**
- **Requirements:** Capabilities the business will need to operate in order to achieve the **objectives**
- **Design:** technical **solutions** to the **requirements**
- **Solutions:** solve the problem and realise the **business benefits** that the **drivers** showed us we ought to realise

Strategy? What Strategy?

- A Business has a strategy for making money
- The Business Analyst should map and reconcile all proposed changes to that strategy
- Its hard to get the Business stakeholders and the Project personnel to agree the need to do it
- There is nothing to compel the Business Analyst to do it
- Its easier not to do it

What would you do?

Basic Components for BAs:

Business Models(1): models of the Business at any point in time

IT Planning Constraints apply to...

IT owned

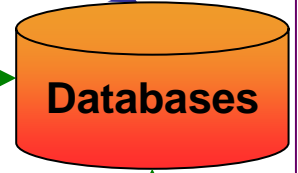
Infrastructure



Applications



Databases

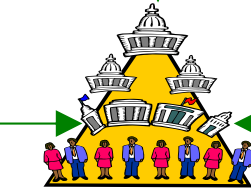


*A change in the source of the arrow may result in an **impact** in the target of the arrow.
Targets are to some extent **dependant** on sources.*

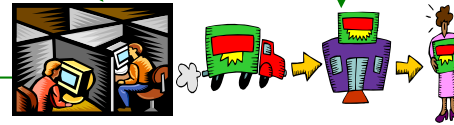
Business owned



Locations

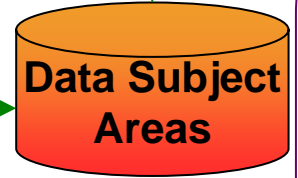


Org Structure
& Comms
Routing



Processes

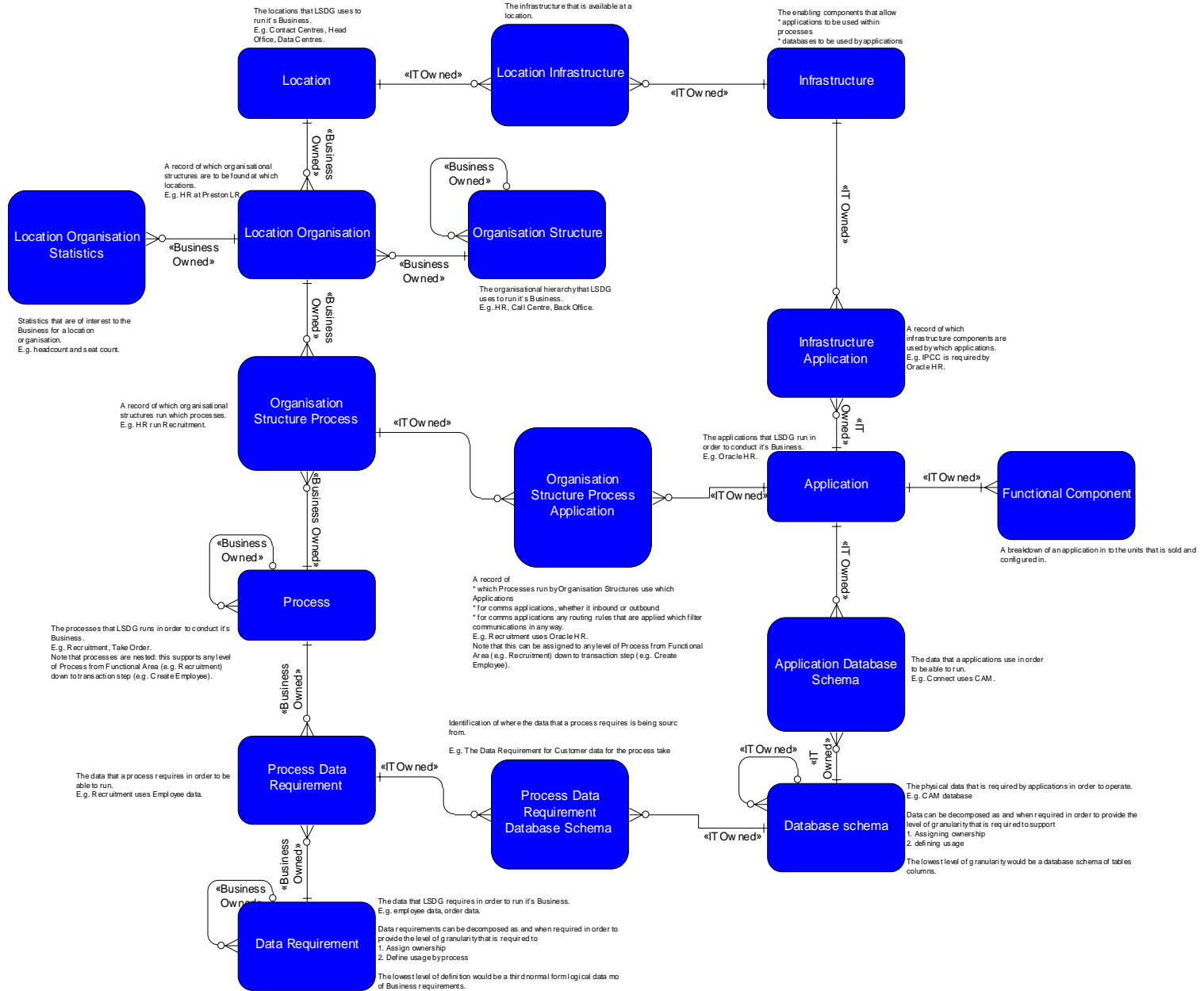
Data Subject
Areas



Business Planning Constraints apply to...

One Model – Many owners and users

Basic Components for BAs: Business Models(2): information about the Business capabilities at any point in time in terms of...



Basic Components for BAs: Methodologies

- a codified set of recommended practices, procedures and diagrams for analysing problems.
- Who knows how many methods / frameworks / approaches???
- There are many and they keep being created.
- Why is that?

Business Analysis Methodology

If it is true that

- Business organisational units have **always** operated processes on data out of locations using technology of some sort
- Businesses do that because they have a strategy for how to make money

Then why does the methodology that models businesses keep changing? .

Basic Components for BAs:

CASE TOOLS

Computer-aided software engineering (CASE): software to assist in the development and maintenance of software.

Term CASE coined by Nastec Corporation of Southfield, Mich. in 1982 by (amongst others) Albert F. Case, Jr. vice president (the rumor that he changed his last name is untrue)

Basic CASE tools categories are:

Upper CASE: Tools for the analysis and design phase of the software development lifecycle (diagramming tools, report and form generators, analysis tools)

Lower CASE: Tools to support data base schema generation, program generation, implementation, testing, configuration management

(Wikipedia)

There are somewhere around **666** different
CASE tools available

(<http://www.cs.queensu.ca/Software-Engineering/tools.html>)

Analyst – Analyse Thyself (I)

- There is a chain of reasoning that leads from the analysis of a problem to solutions – this is the domain of BA
- There is no rational justification for not following a chain of reasoning to navigate from the analysis of a problem to solutions
- A CASE/Business Modeling tool used in line with a Methodology to develop Business Models imposes rigour through the formalisation of the documentation of the chain of reasoning.

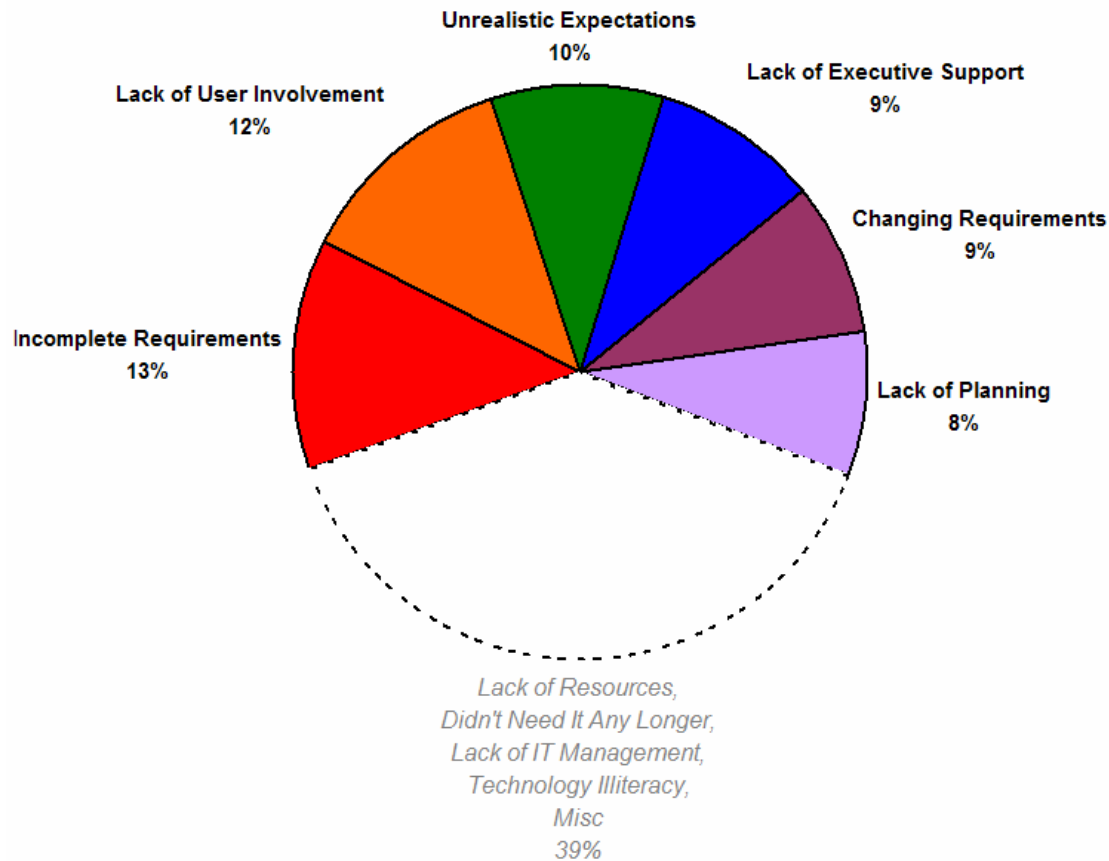
**But is Business Analysis
worth the effort?**

How Analysis Helps

The Standish Group “Chaos Report” (1995)

The landmark study of project failure covering 365 executive managers and 8,380 applications in all major industry segments including: banking, retail and wholesale.

Analysis will help mitigate over 60% of factors that cause project failure



How Much Poor Analysis £Costs

Cost of fixing missing/wrong requirements after analysis phase

5 times more in design phase

10 times more in coding phase

20 times more in unit testing

200 times more if they remain until delivery

Studies show that 40-56% of bugs can be traced to requirement errors and that finding and fixing requirement errors consumes 70-85% of project rework costs



which contributes to...

- **The average project exceeds its planned time schedule by 120%**
- **52.7% of projects will cost 189% of their original estimate**
- **Only 16.2% of projects will be completed on time & on budget**
- **Even in large companies, only 9% of projects meet original time/budget schedules**
- **30% of projects are cancelled before completion**

Why Business Models are needed...

- So the whole Business and IT can
 - ***understand*** the ***current*** whole Business and IT environment
 - ***define*** the ***target*** whole Business and IT environment.
- So the whole Business can understand ***all*** planning constraints and plan accordingly.
- So IT can understand ***all*** planning constraints and plan accordingly.
- **To analyse impact of**
 - **New work and/or**
 - **Changes to plan**

Who would use the Business Model for what?

- **Business senior managers**
 - » Understanding Business capabilities
 - » Proposing changes
 - » Assessing Business impact of proposed changes
 - » Planning
 - » Defining benefits
 - » Monitoring benefits delivery
- **Design Authority Analysts**
 - » Driving strategy
 - » Assessing impact of proposed changes
- **Change Programmes and Projects**
 - » Analysing programme and project scope
 - » Identifying constraints and dependencies
 - » Planning
 - » Assessing impact of proposed changes
 - » Defining benefits
- **Integrators/deliverers**
 - » Verifying proposed benefits
 - » Monitoring benefits delivery
 - » End to end analysis

Analyst – Analyse Thyself (II)

- There is a chain of reasoning that leads from the analysis of a problem to solutions – this is the domain of BA
- There is no rational justification for not following a chain of reasoning to navigate from the analysis of a problem to solutions
- A CASE/Business Modeling tool used in line with a Methodology to develop Business Models imposes rigour through the formalisation of the documentation of the chain of reasoning
- Rigour mitigates the risk of errors in analysis - 40-56% of bugs can be traced to requirement errors and finding and fixing requirement errors consumes 70-85% of project rework costs
- **So why aren't CASE / Business Modelling tools used more?**

Hypothesis I:

**CASE / Business Modeling tools are not
used more because...**

...humans only use 10% of their brains!

Hypothesis II:

CASE / Business Modeling tools are not used more because...

...It's easier in the short term not to as there is no ***compelling*** reason to do so.

If true then it is likely that:

1. No one methodology will be followed rigorously by an organisation
2. Analysis products have their success measured by time/effort taken to produce and not quality of deliverables
3. the parts of a CASE tool being used are the 'easy' parts (process models and reporting) and not the harder parts (the other components of the Business Model, simulation, code generation)
4. CASE tools will (primarily) be developed to support the 'easy' parts.

The Great Business Analyst ~~Metaphor~~ Myth

“A Business Analyst is like an Architect – and you wouldn’t build a house without an Architect would you?”

Would you employ an Architect who

- *took the ‘pragmatic’ view that you don’t really need Planning Permission?*
- *Is ‘not being a slave to the method’ and so does not work out the stress load bearing walls must support*
- *Suggests that in the ‘real world’ you can probably get away with plastic instead of glass for your windows*
- *Will do your plans on time to budget but only if you agree to him doing less than he should?.*

What is the difference between a Business Analyst and an Architect?

(I)

- Who trains for 7 years and who just gets dumped in a job and told they are one?
- Who deals with multi-million pound projects?
- Whose work will make or break a budget?
- Whose work will have profound implications on the success or failure of a project?
- Whose work will have profound implications on users for years to come?

What is the difference between a Business Analyst and an Architect?

(II)

- Who has to conform to a proscribed method and who doesn't?
- Which is regulated and which one can make it up as they go along?
- Who is legally liable for errors in their work?

Basic Components for BAs

- ‘Chain of reasoning’ – starts with strategy **BUT**
 - No-one in the Business or Project wants to go there
 - Every following step is unproven to support the strategy – including the Business Model
- Business Model – defines the Business in all dimensions **BUT**
 - It’s hard and expensive to build
 - No-one wants to go there unless they HAVE to – and they don’t!
- Methodology – proscribes how to ensure rigour **BUT**
 - It keeps changing
 - It’s hard and expensive to be trained up in and implement
- CASE Tool – imposes rigour on the model **BUT**
 - No-one wants to build the models because
 - They don’t know if it will be in line with the strategy – ignorance is bliss
 - It takes time, effort and money
 - **You don’t HAVE to do it**

So the answer is another question

- **Why aren't CASE / Business Modelling tools used more?**
- **The answer is that because**
 - analysis is hard
 - consumes time and effort
 - there is no legal or professional 'requirement' to do it**less than 7.5% of businesses bother.**
- **So SHOULD there be a legal and/or professional requirement to do it?**

SHOULD BAs be like architects...



...or cowboys???

