By Laura Brandenburg

Lesson Objective:

After completing this lesson, you’ll be able to break down the IIBA definition of business analysis and describe its key parts.

5 Key Elements of Business Analysis You Don’t Want to Miss

As we mentioned in the first lesson, business analysts’ roles tend to plug gaps. The role a business analyst fills tends to be a bit different depending on the organization and the project context and this can cause a lot of confusion both in identifying your BA experiences, and in talking to others about business analysis.

The IIBA® is the International Institute of Business Analysis, and it’s really the leading professional association for business analysis professionals. They offer all kinds of tools and resources to further the profession both for the individual as a BA, and for employers who employ BAs.

The main publication of the IIBA is what’s called the BABOK®, or the Business Analysis Body of Knowledge®. This is the main resource that defines what a business analyst is and what business analysis is. In this lesson, we’re going to unpack the definition of business analysis that IIBA puts forward in version 2.0 of the BABOK.

In general, IIBA takes a general and all encompassing view of business analysis. So this definition will include all the bits and pieces you might find in any given job role. Going through this exercise is going to arm you with deep understanding of what the role entails so that you are really in a position to describe and identify any part of the role that you might see in a given job or a given work situation.

IIBA Definition

So let’s start with what this definition is. The IIBA defines business analysis as,

“A set of tasks and techniques used to work as a liaison among stakeholders in order to understand a structure, policies, and operations of an organization, and to recommend solutions that enable the organization to achieve its goals.”

Now this is a big loaded sentence here. I’m going to go through and unpack five pieces of this sentence and talk through it in a bunch of detail.
SET OF TASKS AND TECHNIQUES

Let’s start with the first phrase, the “Set of Tasks and Techniques.” This is important because a lot of people come to the BABOK looking for a description of a specific business analyst role. They want to read the BABOK and learn what it is that they are supposed to do as a BA. The BABOK does not necessarily encompass a job description. Your job role may include pieces of the BABOK and not others.

The other thing that the BABOK is not is a process. People talk about the requirements process or the BA process. And there are, actually, several BA processes out there. We’ll talk about some of those in the future lesson on the BA role in the project.

But the BABOK is not a process. It’s a collection of activities or tasks and techniques that BAs use. It does group those activities together and it shows how one task relates to another. But no BA in any given project typically would do all of the activities set out in the BABOK. It would just be way too many activities and techniques. You’d really never get done with the requirements. Instead, the BABOK was created by polling business analysts about what it is that they do and pulling all of that together into one consolidated body of knowledge.

So when you think about the BABOK, think of it more like a tool set or activities you might do as a BA, not a process that you would use to do business analysis. That’s how the BABOK is set of tasks and techniques. These tasks and techniques are used to work as a liaison among stakeholders.

LIAISON AMONG STAKEHOLDERS

Let’s talk about this phrase next. This one should seem very familiar. We actually talked a lot about this one in the first metaphor in the first lesson where we talked about how the BA is a bridge. The BA is a bridge among business and IT. The BA is a bridge among stakeholders within different areas of the business and also between executives and subject matter experts in the business. This liaison role is really that bridge role; it’s how the BA works with these groups of people in order to work through these tasks and techniques – and as we’re going to see in the next piece – really understand an organization.

UNDERSTAND ... AN ORGANIZATION

Before we go in to the structure of policies and operations, I want to pull out the phrase “Understand an organization” because I think there’s a big piece here that’s critical to how we understand what business analysis is.

Understand

When you think about “Understand,” think of it as bringing to light or surfacing because often the understanding the BA brings to the stakeholders is a new understanding that was not fully appreciated.
before. It may have been there, but it wasn’t something that the business stakeholders fully appreciated or saw about their organization.

The understanding that a BA works through is going to differ in scope based on your role and the context in which you are working. Most often, BAs do not start by understanding the entire organization because that’s just way too much to start with. If you’re thinking about a Fortune 500 Company, think about how many departments and business units and pieces there are to that organization. If you had to understand the entire organization before you started on a project, you would never get it done.

Instead, most BAs are going to start by focusing on the aspects of that organization that are most critical to their work assignment or to their project. So you’re going to start by understanding a slice. BAs are going to use many techniques to understand the business. This is laid out in the elicitation knowledge area of the BABOK, and we’re going to talk about that in Module 2 in a lot of detail.

But just to give you a flavor, you might review documentation of the systems and the processes that the organization uses. You might analyze the existing systems to understand what they’re capable of. You could observe the work of employees on the job. And you can conduct interviews with subject matter experts such as day-to-day employees or managers about the goals of the organization and how work is organized.

Understanding is really like peeling the layers of an onion. You’re going to start at a fairly high level, even within the slice of the organization that you’re trying to understand. And you’re going to keep digging and digging until you have enough understanding to be productive within your project work.

**What is an organization?**

An organization is a person, or a group of people intentionally organized to achieve a specific purpose.

Most often in business analysis, the organization is a business; it’s a functional, operating, profit-generating entity. But “organization” could also be used to refer to a non-profit association, a club, or a group. Your local grocery store is an organization, but so is your home-owner’s association, and so is your children’s school.

Throughout this course, I’m going to generally use the term “business” to refer to organizations since this is the most common type of an organization that business analysts work within. Let’s just consider those terms interchangeable for the purposes of this course.
Business analysts use a set of tasks and techniques to work as a liaison among stakeholders. They’re working with multiple people to bring to light or understand an organization. We’re culling information from all of those stakeholders and bringing it together to create a common understanding of what it is that the organization does.

STRUCTURE, POLICIES, AND OPERATIONS

Let’s dig in to that phrase that we skimmed over the first go round which was “structure, the policies and the operations.” These are the aspects of the organization for which the BA creates understanding. We’ll go through these one by one.

Structure

Structure is how the organization is organized. An organization is not just a random assortment of people and things. There’s organization. There are some ways that those pieces and parts work together that make it a business or an organization and not just a random collection of people.

When we talk about a business, structure can include everything from the boxes of the organization chart to the technology systems. Every piece and thing that an organization has within its domain is a part of the structure of that organization.

Take note that this definition does not explicitly include technology, but technology is definitely a part of the structure. Even though the bulk of understanding that a BA will do in many roles is going to involve technology, it’s not a separate line item in the IIBA definition. It’s embedded within it.

For the sake of an example, let’s consider a fairly simple organization – this course. I’m using this example because I know that all of you will be familiar with it because you’re here and you’re participating. And it’s also fairly simple. My business is not as complex as a lot of the other bigger businesses out there that are a little bit more difficult to unpack.

From a people perspective, the structure of this organization includes your instructors and you the members. But there are also some people behind the scenes that you might not be aware of and they’re part of the internal structure of the organization.

I work with an assistant who helps administer the course and proofread the lessons. There’s a transcriptionist who creates the transcript that you might be reading right now. And in creating this course, there was also my husband who helped me overcome some of the technology hurdles that I faced in getting the website up and running.

The technology structure is actually pretty significant. It includes this website which has at least a few subsystems. Behind the scenes, there’s audio recording and editing software, word processing, and PDF creating software, an accounting system, an email system…and that’s really just getting us started.
There are all these pieces and parts of the structure of the organization that work together to deliver this course. One way to look at understanding an organization is to just look at its pieces and parts.

**Policies**

Policies are the governing rules and regulations for an organization. Policies can be internal, meaning that they are generated internally by the company to achieve a specific goal. Or they can be external, meaning that an external organization or factor imposes a policy on the organization.

For example, a public company often has policies that are regulations from the government. As a company, they choose to adhere to those policies, but the policies themselves are dictated by the government.

Other external regulations could include a certifying body. For example, an organic farm would use an organic certification process as part of the policies by which they decided to run their business.

Internal policies tend to be decisions about how to run the business or how to build the business. They can include everything from employee guidelines to sales commissions. Sometimes those policies are enforced through the structure of the organization’s technology. Usually, when this is the case, we call them business rules. Sometimes policies are enforced through other parts of the structure, such as a manual process or just the organization’s culture.

Let’s, again, use this course as an example. There are a bunch of policies at play here. One of the first ones you ran into as a member was the pricing policy. What does it cost to become involved and what does a subscription cost? Part of that policy also says that there is one user per subscription. A lot of those rules are actually enforced by the system.

On the flip side of that, there’s also a 30 day money back guarantee. So if you don’t like what you’re hearing here and decide to get your money back, that’s a policy that’s not enforced by the system at all, but something that I would handle manually on an ad hoc basis.

Another part of the policy would be the forum guidelines. There are specific rules and policies that each of you as a forum participant will adhere to in terms of what’s acceptable to post and what’s not. Again, I could use a mix of automated and manual review processes here to guide that. I could choose to exclude certain words from the forum, or I could choose to manually review each forum post. Instead, I’ve decided to rely more on culture and trust you all to be on your best behavior.

These are just a few examples of the policies in play at this course. I think as you look at creating understanding with an organization, you’ll see how different policies are part of the context of that organization and part of the understanding that you need to surface when you’re working with your stakeholders.
Operations

“Operations” really refers to how the organization operates. What are the functional or moving parts of the business? The operation could include processes that are used to run the organization. It will include the flow of information, materials, and services through the organization.

Operation indicates some sort of a boundary. There’s a boundary in which the operation of the organization exists. On the borders of that operation are the sources of input, or how information and materials come into the organization. Then there also are points of output or how information flows out of the organization. In other contexts, you might hear these called the organization touch points, the customer touch points, or the supplier touch points.

Let’s just consider the simple example of a sale. The customer might call a customer service representative to place their order. Or they might go through the website and place that order online. These are the organization’s external touch points for bringing sales-related information into the organization. From that point, an internal operation or process will take over to fulfill that order. Then once that order is processed, the operation might send an email to the customer letting them know that the order has been shipped. That’s an outgoing external touch point.

Of course, even this example is really a bit simplistic because the process of creating the product to be shipped also has external touch points with suppliers and manufacturers. Where a technology system is somewhat of a static entity and will be part of the organization’s structure, the flow of information through that system will be part of the organization’s operation.
In many cases, technology automates the flow of information. For example, when you purchased your course subscription, a couple of integrated systems ensured that you automatically had access to the website and all of the available course materials. In building this course, I had to decide if this is something that was going to be a manual process or an automated process. As a BA, you’ll often go through these sorts of decisions as well and you’ll be recommending how much work the technology will do for the business because sometimes it makes sense to automate, and sometimes it does not.

Let’s consider some other examples from this course. There is a process that I go through to set up a new lesson and that’s largely manual in terms of how that information flows through the system and becomes available to you, the member. There’s a process that you go through as a member and a participant in that lesson. You log into the website, you go to the right page, you choose to listen to the audio file, download that audio file, look at the PDF, do the worksheet; all of those are pieces and parts of the information flow that you go through in utilizing that lesson.

We both post forum topics and these are touch points and processes that go through the system.

While, relatively speaking, my business and this course represent a pretty simple organization. You can see that as we peel away the layers of this onion. It becomes complex and probably more complex than you originally thought when you chose to sign up for this course.

If you put the analysis we just did in the context of a much larger corporation, you’ll see how much bigger the onion can be and how many more layers of complexity, and often, how many more internal and external touch points, are at play within the components of the structure of your business. All of this is the complexity and the understanding that a business analyst will bring to the table.

Again, you’re working with stakeholders as a liaison to bringing this understanding about the business to surface. As you think about what you’re doing as a BA, it’s really looking at all of these pieces and parts and how they work together in helping all of those different stakeholders also have a common understanding of those pieces and parts.

**RECOMMEND SOLUTIONS TO ENABLE THE ORGANIZATION TO ACHIEVE ITS GOALS**

What we’ve talked about so far is just the first part of being a BA: understanding what exists today. Often you’ll hear somebody say, “What is the as-is?” The “as-is” is what exists today and it’s creating this understanding that we just talked about. Creating that understanding made up the first four parts to business analysis. The fifth part is recommending solutions to enable the organization to achieve its goals.

How do we get from where we are to where we want to be? That’s essentially what this last part of the definition is talking about.
**Recommend solutions**

Let’s first talk about recommending solutions. In essence, a business analyst solves problems, and they do so by recommending solutions to those problems. Solutions could be changes to any part of the organization: to the structure, to the policies, or to the operations. Most often, those solutions will involve some aspect of technology. We make changes to the technology system either to automate a part of the information flow or automate a process that the organization uses as part of its operations.

But not all solutions involve technology. A business analyst may recommend an operational process change; maybe a new role is added or a new manual process is put into place to help streamline the operation. Solutions can involve technology, but they don’t have to, and that’s an important part of the business analyst’s role – recommending the most appropriate solution given the problem that’s being solved.

Business analysts are not usually in the position to make the final decision about the solution. More often, they are “recommending” solutions. That’s a really important word in this definition. Many times the results of their work is presented to a group of stakeholders or a business sponsor, and that group or person is in charge of that final decision for the direction of the project.

Business analysts recommend solutions by exploring the options available, rating those options in some way, and bringing forth the pros and cons of the available options. They might present one recommended solution to the stakeholder, but that primary stakeholder/sponsor typically is going to make the final decision.

**Enable the organization**

Now, let’s talk about enabling the organization. “Enable” is a key word here. Business analysts are enablers. They make change possible. Business analysis exists for the sake of the organization and not vice versa. This is important, so I want to talk about it a bit more because oftentimes as a business analyst you’ll be tempted to follow a specific process for your requirements, or through your analysis you will become committed to a specific solution that seems inherently ideal in some specific way. These desires can sometimes come in conflict with the goals and the direction of the larger organization.

When you remember that your role exists to enable the organization, it can help you think about how to make better decisions and handle these situations when your goals and maybe the organization’s goals are in conflict.

**To achieve its goals**

Finally, the business analyst recommends solutions in order to enable the business to achieve its goals. Goals are objectives, aims, targets; goals represent achieving something that does not exist in the current state, or in that “as-is” state that you came to through understanding the business.

Business analysts enable the organization to get from where it is today to where it aims to be tomorrow. The first step in recommending the solution involves understanding the problem to be solved or the
opportunity to be taken advantage of. Business analysts will set out to understand what the problem or opportunity is and what’s preventing the organization from achieving its goals.

Achieving goals and solving problems almost always involve change. There’s a change to the structure, the policies, or the operations of the organization.

As a business analyst, you are using tasks and techniques to be that bridge between stakeholders in order to understand the organization (its structure, its policies, its operations) and recommend solutions so that you are enabling the organization to achieve its goals.

**YOUR NEXT STEP**

I hope that by walking through this definition in a lot of detail I helped you unpack it a bit, and put it into context of the kinds of things that maybe you have already done.

Now what I’d like you to do is go ahead and flip on over to the next action worksheet and practice this exercise for yourself. Without listening to the lesson or reading the transcript, describe each element of business analysis in your own words. Go ahead and post your results in the forums to obtain some feedback from the other members and also your instructors.

I’m looking forward to hearing your view of the BA definition and how this might help you think more broadly about your role and the role of a BA.