

Chapters *To Go*



Agile Extension to the BABOK Guide, Version 2

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Chapter 1: Introduction

1.1 Purpose of the Agile Extension to the BABOK® Guide

Agile methods and approaches have become prevalent in recent years. The ideas which were identified in the realm of software product development have spread beyond software development into many other areas that are impacted by business analysis. This means that the practice of business analysis has to evolve to support the new ways of working, not just in software development but in any area of the business where change is happening rapidly. In this context, the term agile refers to a mindset or way of thinking about work. Agile is not a specific set of practices or techniques.

The *Agile Extension to the BABOK® Guide (Agile Extension)* version 2 is the leading guide for describing the benefits, activities, tasks, skills, and practices required for effective business analysis with an agile mindset which has a constant focus on delivering business value. It also describes how techniques and concepts commonly used in agile approaches can be applied to business analysis practices. The *Agile Extension* version 2 provides practitioners, teams, and organizations a base of knowledge to enable effective agile business analysis in order to generate successful business outcomes that add real business and customer value.

1.1.1 Why Version 2?

Since version 1 of the *Agile Extension* was released, the state of practice has advanced. Version 2 of the *Agile Extension* taps into the latest thinking and presents ideas and techniques representing good agile business analysis practices.

The primary purpose of the *Agile Extension* version 2 is to describe the link between business analysis practices applied with an agile mindset, defined here as agile business analysis, and *A Guide to the Business Analysis Body of Knowledge® (BABOK® Guide)* version 3. *BABOK® Guide* version 3 reflects the evolution of the business analysis discipline and its most common practices, and this *Agile Extension* version 2 demonstrates the evolution of agile business analysis practices and common techniques.

The *Agile Extension* introduces a multi-level, rolling planning model to help practitioners, teams, and organizations manage business analysis work, so they can quickly leverage learning and discover what provides the most actual value. This rolling wave planning model is presented using three horizons which provide context and scope for lower levels. The three horizons are: the Strategy Horizon, the Initiative Horizon, and the Delivery Horizon.

There are a wide variety of techniques, processes, and tools that can be applied to agile business analysis. There is no single approach that should be applied to every context, and part of the skill of the agile business analysis practitioner is to select the most effective techniques for the specific context; the *Agile Extension* does provide some advice for practitioners on the applicability of different techniques to different contexts.

1.2 What is Agile Business Analysis?

Agile business analysis is the practice of business analysis in an agile context with an agile mindset. Agile business analysis can provide a competitive advantage in fast-paced and complex environments and has moved beyond software development initiatives to any business domain. Organizations have adopted agile practices at all levels of planning and in many diverse business areas.

A key element of the agile mindset is inspecting and adapting. Feedback at one horizon influences decisions at all the horizons which results in changes to work at the horizons. For more detailed information on horizons, see 3. Analysis at Multiple Horizons, 4. Strategy Horizon, 5. Initiative Horizon, and 6. Delivery Horizon.

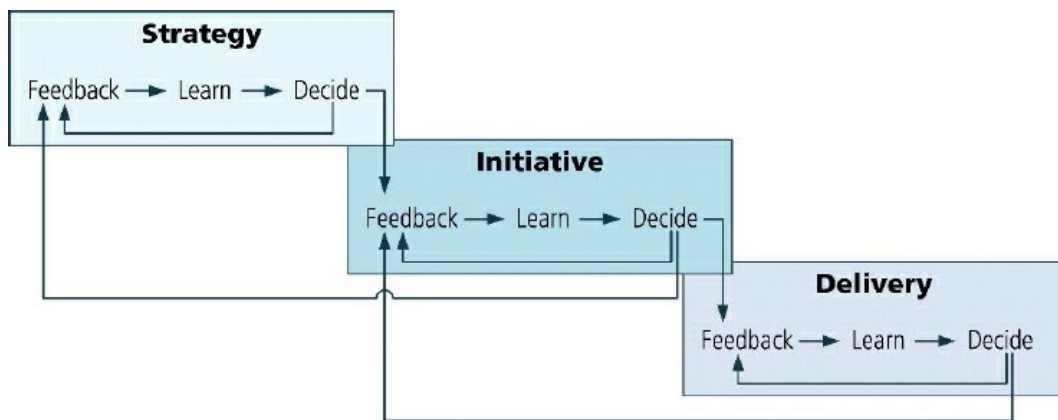


Figure 1.2.1: Figure 1: Agile Business Analysis

Agile business analysis focuses on maximizing business value. This constant focus on business value produces better and more timely business outcomes.

1.2.1 About Agile Delivery

Agile delivery is a business strategy that creates value through fast feedback and short decision cycles. The agile analysis mindset is based on the Agile Manifesto and the Principles of Agile Business Analysis (for more information, see 2.6. Principles of Agile Business Analysis)

Agile delivery planning takes two primary forms: iterative and adaptive.

- Iterative planning prioritizes and refines the work in short cycles designed to provide focus and increase the feedback and learning gained from stakeholders.
- Adaptive planning involves the continuous change to long-term plans. Constant planning and analysis is used to prioritize and refine the work to be done to deliver the highest value.

Agile approaches deliver value incrementally, slicing the product into small pieces, prioritizing them by business value, and delivering new items of value frequently. Incremental delivery allows for rapid feedback, learning, and adapting to change.

The *Agile Extension to the BABOK® Guide* is agnostic to the approach used and provides benefits, activities, tasks, skills, practices, and techniques applicable to any agile approach. There is no "one size fits all" approach and techniques from both planning approaches can be used together.

1.2.2 Business Analysis in the Organization

Business analysis is fundamental to organizations striving to deliver value to their customers. Agile business analysis uses continuous feedback and learning to prioritize delivery, minimize waste, and increase customer value.

Organizations gain feedback from a number of sources such as customers, competitors, partners, investors, subject matter experts, and regulators. Feedback collected can be used to help organizations understand if they are delivering the value customers want. Organizations continually learn what works in their environment. Rapid change means organizations need to identify, collect, and process stakeholder feedback quicker.

Feedback is used to prioritize work items based on those that deliver the most value and to eliminate those that do not. Agile business analysis uses this feedback to effectively create and distribute value. It helps individuals, teams, and organizations focus on what delivers the most value. Part of this focus includes identifying and avoiding work that does not deliver the value sought.

Agile business analysis techniques help organizations interpret the constant flow of feedback and learning in order to prioritize work with enough speed to meet stakeholder needs, take advantage of opportunities, and respond to change.

Agile product delivery, whether for external or internal stakeholders, includes a degree of uncertainty. By delivering value in a minimum viable way as early as possible, organizations can learn what is valuable and what is not, and help to minimize waste and understand what value meets stakeholders' needs.

1.2.3 Agile Business Analysis for Practitioners

Business analysis practitioners use agile business analysis techniques to maximize business value, to rapidly learn, adapt and respond to change, and to reduce waste by maximizing the amount of work not done.

Agile business analysis practitioners use learning derived from stakeholder feedback in order to guide the delivery process and deliver value constantly. Agile business analysis activities play a central role in learning and identifying what is truly valuable, what does not add value, and facilitate the learning and communication needed to continually deliver the right value.

Agile business analysis activities

- provide the link between the organization's strategy and the initiatives resourced to meet the goals of the strategy,
- discover, interpret, and communicate information in order to increase understanding and clarity on where value can be created,
- clarify for whom value is created, who can contribute to the creation of value, and who else might be impacted, and
- help stakeholders make decisions about approaches, priorities, and trade-offs to stay focused on continuous value creation in the face of constraints, differing opinions, risks, and complexity.

Agile business analysis supports an environment of creativity, rapid learning, and experimentation which leads to innovation.

There are seven principles of agile analysis that guide agile business analysis practitioners:

- See the Whole
- Think as a Customer
- Analyze to Determine What is Valuable
- Get Real Using Examples:
- Understand What is Doable
- Stimulate Collaboration and Continuous Improvement
- Avoid Waste

For more information regarding these seven principles, see 2.6. Principles of Agile Business Analysis.

1.2.4 Three Horizons of Agile Business Analysis

A key concept in the *Agile Extension* is planning horizons. A planning horizon represents a view of work within an organization with a level of granularity appropriate to the time frame being planned for and the nature of the feedback loops used. The *Agile Extension* defines three horizons: Strategy (see 4. Strategy Horizon), Initiative (see 5. Initiative Horizon), and Delivery (see 6. Delivery Horizon). This framework provides a model to describe agile business analysis. Individual practitioners and organizations may employ different terms, levels of granularity, and time frames based on the context of the organization and the work being done.

Each horizon uses different time spans and level of detail, and the *Agile Extension* explores agile business analysis techniques and practices used at each horizon to deliver business value. The specific time spans for each horizon differ from organization to organization but the concept of planning at multiple time horizons and different levels of granularity is central to agile business analysis.

The Strategy Horizon looks at all of the work being undertaken in an organization and is used to make decisions at the highest levels about what work should be funded, the approaches to be taken, the availability of skills and resources, and alignment with business goals. The level of granularity is about selecting which initiatives should be undertaken, how they will be funded, and how they will be monitored. Feedback is based on assessing how well business goals are being met.

The Initiative Horizon looks at the work needed to produce a single product, either for internal use in the organization or customer facing. Each initiative should have clear goals which help to achieve specific strategic outcomes. The level of granularity is related to the specific features the product will have and how these are divided into discrete pieces of business value. Feedback is based on customer or user interaction with the product and value delivered.

The Delivery Horizon is where work happens: implementation teams build discrete pieces of the product using iterative or adaptive and incremental techniques, working from a prioritized list based on business value as identified at the Initiative and Strategy Horizons.

1.3 Structure

The core content of the *Agile Extension* is the Strategy, Initiative, and Delivery Horizons. These chapters describe common agile business analysis practices.

The chapters on The Agile Mindset, Analysis at Multiple Horizons, and Techniques form the extended content in the *Agile Extension*. These chapters provide a richer understanding and context to agile business analysis activities.

The Appendices of the *Agile Extension* include the Glossary, Mapping *BABOK*® *Guide* Tasks to Horizons, Contributors, Contributors, and a Summary of Changes from Agile Extension to the *BABOK*® *Guide* version 1.