



INTRODUCTION TO IIBA AND BABOK

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Mission: To develop and maintain standards for the practice of business analysis and for the certification of its practitioners

The IIBA is an international non-profit professional association for business analysis professionals



IBATM International Institute of Business Analysis

- ▣ March 2004
 - 37 members
 - 2 countries (Canada & US)
- ▣ December 2008
 - 7,791 members
 - 81 chapters
 - 68 countries
 - 462 CBAP's (Certified Business Analysis Professional)

Business Analysis

- Business Analysis is the set of tasks, knowledge and techniques required to identify business needs and determine solutions to business problems.
- Solutions often include a systems development component, but may also consist of process improvement or organizational change.

International Institute of Business Analysis –Body of Knowledge (BABOK)

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

Business Analysis

- Business analysis involves understanding how organizations function to accomplish their purposes, and defining the capabilities an organization requires to provide products and services to external stakeholders. It includes the definition of organizational goals, how those goals connect to specific objectives, determining the courses of action that an organization has to undertake to achieve those goals and objectives, and defining how the various organizational units and stakeholders within and outside of that organization interact.
- Business analysis may be performed to understand the current state of an organization or to serve as a basis for the later identification of business needs. In most cases, however, business analysis is performed to define and validate solutions that meet business needs, goals, or objectives.

Solution

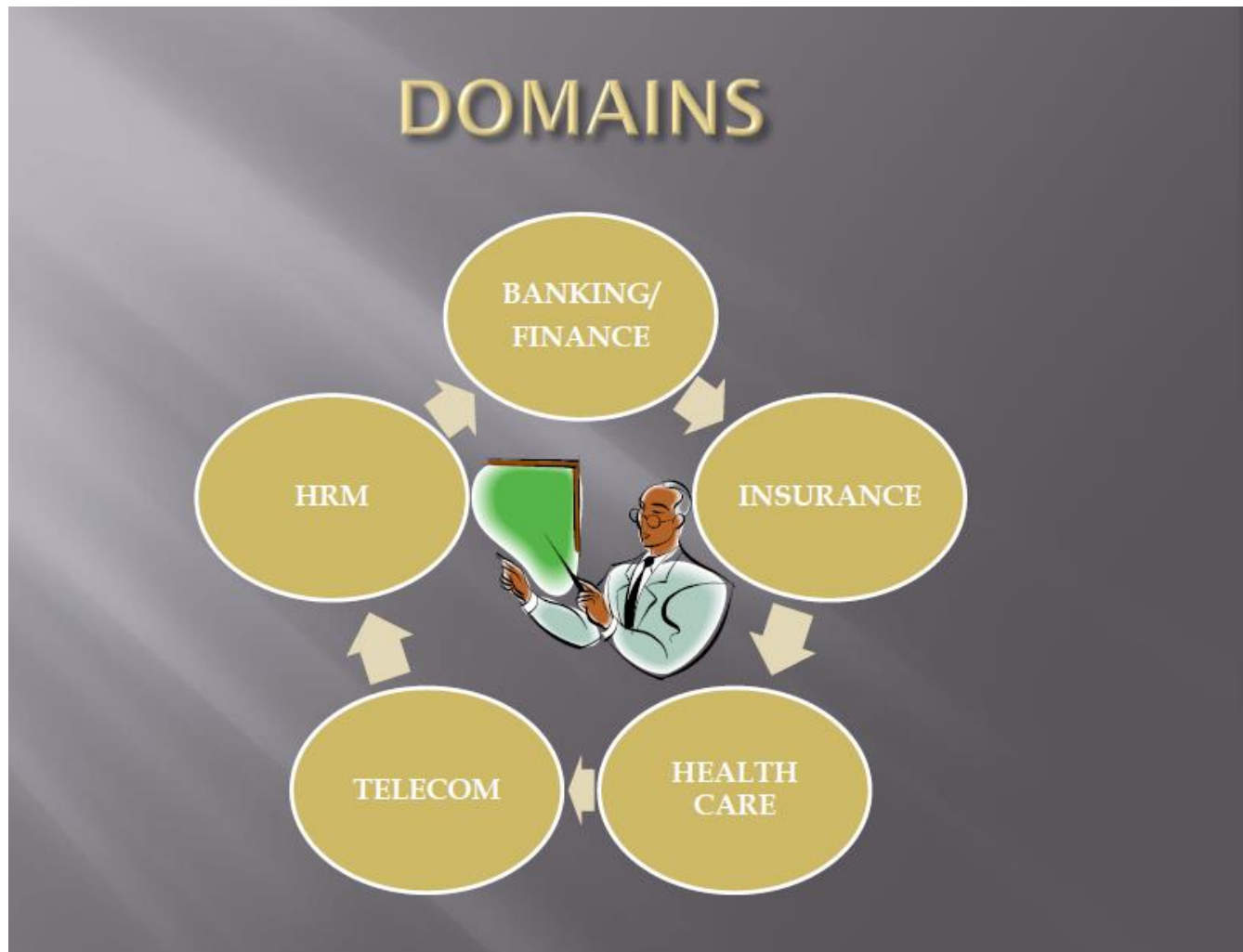
- A solution is a set of changes to the current state of an organization that are made in order to enable that organization to meet a business need, solve a problem, or take advantage of an opportunity. The scope of the solution is usually narrower than the scope of the domain within which it is implemented, and will serve as the basis for the scope of a project to implement that solution or its components.
- Most solutions are a system of interacting solution components, each of which are potentially solutions in their own right. Examples of solutions and solution components include software applications, web services, business processes, the business rules that govern that process, an information technology application, a revised organizational structure, outsourcing, insourcing, redefining job roles, or any other method of creating a capability needed by an organization.

Solution

- Business analysis helps organizations define the optimal solution for their needs, given the set of constraints (including time, budget, regulations, and others) under which that organization operates.

Domain

- A domain is the area undergoing analysis. It may correspond to the boundaries of an organization or organizational unit, as well as key stakeholders outside those boundaries and interactions with those stakeholders.
- Business analyst are going to working on different Domains of projects.
- Banking/Finance domain
- Insurance domain
- Telecom domain
- Health care domain
- HRM domain
- It domain/ERP



What is the Business Analysis Body of Knowledge?

- A Guide to the Business Analysis Body of Knowledge® (BABOK® Guide) is a globally recognized standard for the practice of business analysis. The BABOK® Guide describes business analysis areas of knowledge, their associated activities and tasks, and the skills necessary to be effective in their execution.
- The primary purpose of the BABOK® Guide is to define the profession of business analysis. It serves as a baseline that practitioners can agree upon in order to discuss the work they do and to ensure that they have the skills they need to effectively perform the role, and defines the skills and knowledge that people who work with and employ business analysts should expect a skilled practitioner to demonstrate. It is a framework that describes the business analysis tasks that must be performed in order to understand how a solution will deliver value to the sponsoring organization. The form those tasks take, the order they are performed in, the

What is the Business Analysis Body of Knowledge?

relative importance of the tasks, and other things may vary, but each task contributes in some fashion, directly or indirectly, to that overall goal.

- This chapter provides an introduction to key concepts in the field of business analysis and describes the structure of the remainder of the BABOK® Guide. Chapters 2 through 7 define the tasks that a business analyst must be capable of performing. Chapter 8 describes the competencies that support the effective performance of business analysis, and Chapter 9 describes a number of generally accepted techniques that support the practice of business analysis.

Business Analysis Body of Knowledge

- The BABOK is the collection of knowledge within the profession of Business Analysis and reflects generally accepted practice
- Describes business analysis areas of knowledge, their associated activities and tasks and the skills necessary to be effective in their execution
- Provides the basis for the CBAP certification

Business Analysis Body of Knowledge

- Business analysts must analyze and synthesize information provided by a large number of people who interact with the business, such as customers, staff, IT professionals, and executives. The business analyst is responsible for eliciting the actual needs of stakeholders, not simply their expressed desires. In many cases, the business analyst will also work to facilitate communication between organizational units. In particular, business analysts often play a central role in aligning the needs of business units with the capabilities delivered by information technology, and may serve as a “translator” between those groups.
- A business analyst is any person who performs business analysis activities, no matter what their job title or organizational role may be. Business analysis practitioners include not only people with the job title of business analyst, but may also include business systems analysts, systems analysts, requirements engineers,

Business Analysis Body of Knowledge

process analysts, product managers, product owners, enterprise analysts, business architects, management consultants, or any other person who performs the tasks described in the BABOK® Guide, including those who also perform related disciplines such as project management, software development, quality assurance, and interaction design.

Requirements

- A condition or capability needed by a stakeholder to solve a problem or achieve an
 - 1. Objective. A condition or capability that must be met or possessed by a solution or solution
 - 2. Component to satisfy a contract, standard, specification, or other formally imposed documents.
- As implied by this definition, a requirement may be unstated, implied by or derived from other requirements, or directly stated and managed. One of the key objectives of business analysis is to ensure that requirements are visible to and understood by all stakeholders.
- The term “requirement” is one that generates a lot of discussion within the business analysis community. Many of these debates focus on what should or should not be considered a requirement, and what are the necessary characteristics of a

Requirements

requirement. When reading the BABOK® Guide, however, it is vital that “requirement” be understood in the broadest possible sense. Requirements include, but are not limited to, past, present, and future conditions or capabilities in an enterprise and descriptions of organizational structures, roles, processes, policies, rules, and information systems. A requirement may describe the current or the future state of any aspect of the enterprise.

- Much of the existing literature on business analysis is written with the assumption that requirements only describe an information technology system that is being considered for implementation. Other definitions may include future state business functions as well, or restrict the meaning of the term to define the ends stakeholders are seeking to achieve and not the means by which those ends are achieved. While all of these different uses of the term are reasonable and

Requirements

defensible, and the BABOK® Guide's usage of the term includes those meanings, they are significantly narrower than the way the term is used here.

- Similarly, we do not assume that requirements are analyzed at any particular level of detail, other than to say that they should be assessed to whatever level of depth is necessary for understanding and action. In the context of a Business Process Management initiative, the requirements may be a description of the business processes currently in use in an organization. On other projects, the business analyst may choose to develop requirements to describe the current state of the enterprise (which is in itself a solution to existing or past business needs) before investigating changes to that solution needed to meet changing business conditions.

Requirements Classification

For the purposes of the *BABOK® Guide*, the following classification scheme is used to describe requirements:

- **Business Requirements**▶▶ are higher-level statements of the goals, objectives, or needs of the enterprise. They describe the reasons why a project has been initiated, the objectives that the project will achieve, and the metrics that will be used to measure its success. Business requirements describe needs of the organization as a whole, and not groups or stakeholders within it. They are developed and defined through *enterprise analysis*.
- **Stakeholder Requirements**▶▶ are statements of the needs of a particular stakeholder or class of stakeholders. They describe the needs that a given stakeholder has and how that stakeholder will interact with a solution. Stakeholder requirements serve as a bridge between business requirements and the various classes of solution requirements. They are developed and defined through *requirements analysis*

Requirements Classification

- **Solution Requirements**►►describe the characteristics of a solution that meet business requirements and stakeholder requirements. They are developed and defined through *requirements analysis*. *They are frequently divided into sub-categories, particularly when the requirements describe a software solution.*
- **Functional Requirements**►►describe the behavior and information that the solution will manage. They describe capabilities the system will be able to perform in terms of behaviors or operations—specific information technology application actions or responses.
- **Non-functional Requirements**►►capture conditions that do not directly relate to the behavior or functionality of the solution, but rather describe environmental conditions under which the solution must remain effective or qualities that the systems must have. They are also known as quality or supplementary requirements.

Requirements Classification

These can include requirements related to capacity, speed, security, availability and the information architecture and presentation of the user interface.

- **Transition Requirements**▶▶describe capabilities that the solution must have in order to facilitate transition from the current state of the enterprise to a desired future state, but that will not be needed once that transition is complete. They are differentiated from other requirements types because they are always temporary in nature and because they cannot be developed until both an existing and new solution are defined. They typically cover data conversion from existing systems, skill gaps that must be addressed, and other related changes to reach the desired future state. They are developed and defined through *solution assessment and validation*.

Enterprise Analysis

Enterprise Analysis *describes how business analysts identify a business need, refine and clarify the definition of that need, and define a solution scope that can feasibly be implemented by the business. This knowledge area describes problem definition and analysis, business case development, feasibility studies, and the definition of solution scope.*

- Define Business Need
- Assess Capability Gaps
- Determine Solution Approach
- Define Solution Scope
- Define Business Case

Enterprise Analysis

The Enterprise Analysis Knowledge Area describes the business analysis activities necessary to identify a business need, problem, or opportunity, define the nature of a solution that meets that need, and justify the investment necessary to deliver that solution. Enterprise analysis outputs provide context to requirements analysis and to solution identification for a given initiative or for long-term planning. Enterprise analysis is often the starting point for initiating a new project and is continued as changes occur and more information becomes available. It is through enterprise analysis activities that business requirements are identified and documented.

It describes the business analysis activities that take place for organizations to:

- Analyze the business situation in order to fully understand business problems and ►►opportunities.

Enterprise Analysis

- Assess the capabilities of the enterprise in order to understand the change needed to ►►meet business needs and achieve strategic goals.
- Determine the most feasible business solution approach.►►
- Define the solution scope and develop the business case for a proposed solution.►►
- Define and document business requirements (including the business need, required ►►capabilities, solution scope, and business case).

Enterprise Analysis

1. Business Goals and Objectives.

- Business goals and objectives describe the ends that the organization is seeking to achieve. Goals and objectives can relate to changes that the organization wants to accomplish, or current conditions that it wants to maintain.
- Goals are longer-term, ongoing, and qualitative statements of a state or condition that the organization is seeking to establish and maintain. High-level goals can be decomposed to break down the general strategy into distinct focus areas that may lead to desired results, such as increased customer satisfaction, operational excellence and/or business growth. Focus areas are usually described in brief statements. For example, a goal may be to “increase high-revenue customers” and then further refined into a goal to “increase high-revenue customers through mergers and acquisitions”.

Enterprise Analysis

- As goals are analyzed they are converted into more descriptive, granular and specific objectives, and linked to measures that make it possible to objectively assess if the objective has been achieved. A common test for assessing objectives is to ensure that they are SMART:
 - **S▶▶pecific**–describing something that has an observable outcome
 - **M▶▶easurable**–tracking and measuring the outcome
 - **A▶▶chievable**–testing the feasibility of the effort
 - **R▶▶elevant**–in alignment with the organization’s key vision, mission, goals
 - **T▶▶ime-bounded** –the objective has a defined timeframe that is consistent with the business need

Customer

- A customer is a stakeholder outside the boundary of a given organization or organizational unit. Customers make use of products or services produced by the organization and may have contractual or moral rights that the organization is obliged to meet.

Domain Subject Matter Expert (SME)

- A domain subject matter expert is any individual with in-depth knowledge of a topic relevant to the business need or solution scope. This role is often filled by people who will also be end users or people who will be indirect users of the solution, such as managers, process owners, legal staff (who may act as proxies for Regulators), consultants, and others.

Customer

End User

- End users are stakeholders who will directly interact with the solution. The term is most frequently used in a software development context, where end users are those who will actually use the software application that is being developed, but in the broader context of a solution they can include all participants in a business process.

Implementation Subject Matter Expert (SME)

- Implementation subject matter experts are responsible for designing and implementing potential solutions. The implementation subject matter experts will provide specialist expertise on the design and construction of the solution

Customer

components that fall outside the scope of business analysis. While it is not possible to define a listing of implementation subject matter expert roles that is appropriate for all initiatives, some of the most common roles are:

Developers/Software Engineers

- Developers are responsible for the construction of software applications. Areas of expertise among developers or software engineers include particular languages or application components. Good software development practices will significantly reduce the cost to build an application, the predictability of the development process, and the ability to implement changes in the functionality supported by an application.

Customer

2. Organizational Change Management Professionals

Organizational change management professionals are responsible for facilitating acceptance and adoption of new solutions and overcoming resistance to change. Areas of expertise among change management professionals include industry and cultural expertise. Good change management can help to create advocates for change within an organization.

3. System Architects

System architects are responsible for dividing a software application into components and defining the interactions between them. Areas of expertise among system architects include understanding of methodologies and of solutions offered by specific vendors. Good system architecture will facilitate rapid development of solutions and reuse of components in other solutions.

Customer

4. Trainers

Trainers are responsible for ensuring that the end users of a solution understand how it is supposed to work and are able to use it effectively. Areas of expertise among trainers may include classroom-based or online education. Effective training will facilitate acceptance and adoption of a solution.

5. Usability Professionals

Usability professionals are responsible for the external interaction design of technology solutions and for making those solutions as simple to use as is feasible. Areas of expertise among usability professionals include user interface designers and information architects. Good usability will increase productivity, customer satisfaction, and reduce cost in solution maintenance and training.

Customer

6. Project Manager.

Project managers are responsible for managing the work required to deliver a solution that meets a business need, and for ensuring that the project's objectives are met while balancing the project constraints, including scope, budget, schedule, resources, quality, risk, and others.

7. Tester.

Testers are responsible for determining how to verify that the solution meets the solution requirements defined by the business analyst, as well as conducting the verification process. Testers also seek to ensure that the solution meets applicable quality standards and that the risk of defects or failures is understood and minimized.

Customer

8. Regulator.

Regulators are responsible for the definition and enforcement of standards. Standards may be those that the team developing the solution is required to follow, standards the solution must meet, or both. Regulators may enforce legislation, corporate governance standards, audit standards, or standards defined by organizational centers of competency.

9. Sponsor.

Sponsors are responsible for initiating the effort to define a business need and develop a solution that meets that need. They authorize work to be performed and control the budget for the initiative.

Customer

10. Supplier.

A supplier is a stakeholder outside the boundary of a given organization or organizational unit. Suppliers provide products or services to the organization and may have contractual or moral rights and obligations that must be considered.