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FEATURE

What is a business analyst? A key role for business-IT efficiency

Business analyst help guide businesses in improving processes, products, services and software through data analysis. These agile workers straddle the line between IT and the business to help bridge the gap and improve efficiency.



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Business analysts (BAs) are responsible for bridging the gap between IT and the business using data analytics to assess processes, determine requirements and deliver data-driven recommendations and reports to executives and stakeholders.

BAs engage with business leaders and users to understand how data-driven changes to process, products, services, software and hardware can improve efficiencies and add value. They must articulate those ideas but also balance them against what's technologically feasible and financially and functionally reasonable. Depending on the role, you might work with data sets to improve products, hardware, tools, software, services or process.

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The International Institute of Business Analysis (IIBA), a nonprofit professional association, considers the business analyst “an agent of change,” writing that business analysis “is a disciplined approach for introducing and managing change to organizations, whether they are for-profit businesses, governments, or non-profits.”

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Business analyst job description

BAs are responsible for creating new models that support business decisions by working closely with financial reporting and IT teams to establish initiatives and strategies to improve importing and to optimize costs. You'll need a “strong understanding of regulatory and reporting requirements as well as plenty of experience in forecasting, budgeting and financial analysis combined with understanding of key performance indicators,” according to Robert Half Technology.

According to Robert Half a business analyst job description typically includes:

- Creating a detailed business analysis, outlining problems, opportunities and solutions for a business
- Budgeting and forecasting
- Planning and monitoring

- Variance analysis
- Pricing
- Reporting
- Defining business requirements and reporting them back to stakeholders

Identifying and then prioritizing technical and functional requirements tops the business analyst's list of responsibilities, says Bob Gregory, a professor and academic program director for the business analysis and management degree program at Bellevue University.

"Elicitation of requirements and using those requirements to get IT onboard and understand what the client really wants, that's one of the biggest responsibilities for BAs. They have to work as a product owner, even though the business is the product owner," Gregory says.

"[They need to ask:] What do the systems need to do, how do they do it, who do we need to get input from, and how do we get everyone to agree on what we need to do before we go and do it? The BA's life revolves around defining requirements and prioritizing requirements and getting feedback and approval on requirements," says Jeffrey Hammond, vice president and principal analyst at Forrester Research.

The role of a business analyst is constantly evolving and changing — especially as companies rely more on data to advise business operations. Every company has different issues that a business analyst can address, whether it's dealing with outdated legacy systems, changing technologies, broken processes, poor client or customer satisfaction or siloed large organizations.

Business analyst skills

The business analyst position requires both hard skills and soft skills. Business analysts need to know how to pull, analyze and report data trends, and be able to share that information with others and apply it on the business side. Not all business analysts need a background in IT as long as they have a general understanding of how systems, products and tools work. Alternatively, some business analysts have a strong IT background and less experience in business, and are interested in shifting away from IT to this hybrid role.

[According to the IIBA](#) some of the most important skills and experience for a business analyst are:

- Oral and written communication skills
- Interpersonal and consultative skills
- Facilitation skills
- Analytical thinking and problem solving
- Being detail-oriented and capable of delivering a high level of accuracy
- Organizational skills
- Knowledge of business structure
- Stakeholder analysis
- Requirements engineering
- Costs benefit analysis
- Processes modeling
- Understanding of networks, databases and other technology

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Business analyst salaries

The average salary for an IT business analyst is \$67,762 per year, according to [data from PayScale](#). The highest paid BAs are in San Francisco, where the average salary is 28 percent higher than the national average. New York is second, with reported salaries 18 percent higher than the national average; Boston comes in third, with a 7 percent higher annual pay.

PayScale offers data on similar job titles that fall under the category of business analyst. The average salaries for those positions are as follows:

JOB TITLE	AVERAGE SALARY
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JOB TITLE	AVERAGE SALARY
Business management analyst	\$60,428
Business performance analyst	\$60,678
Business analyst II	\$64,981
Junior IT business analyst	\$65,330
Application business analyst	\$66,882
Business intelligence analyst	\$66,791
ITSM business analyst	\$66,891
Technical business analyst	\$71,489
Agile business analyst	\$74,000
IT business analyst	\$74,000
Business solutions analyst	\$75,243
Systems business analyst	\$78,095
Business analyst III	\$78,107
Senior IT business analyst	\$90,201

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For tips on boosting your salary, see [“7 steps BAs can do to earn more.”](#)

Certifications

Although business analysis is a relatively new discipline in IT, a handful of organizations already offer certifications to help boost your resume and prove your merit as an analyst. Organizations such as the IIBA, IQBBA, IREB and PMI each offer their own tailored certification for business analysis. These include:

- IIBA Entry Certificate in Business Analysis (ECBA)
- IIBA Certification of Competency in Business Analysis (CCBA)
- IIBA Certified Business Analysis Professional (CBAP)

- IIBA Agile Analysis Certification (AAC)
- IQBBA Certified Foundation Level Business Analyst (CFLBA)
- IREB Certified Professional for Requirements Engineering (CPRE)
- PMI Professional in Business Analysis (PBA)

For more information about how to earn one of these certifications — and how much they cost — see [“10 business analyst certifications to advance your analytics career.”](#)

Boot camps

Unlike certifications, which are designed to prove the skills you already have, boot camps are designed to teach you new skills or improve your current skillset. Boot camps can be anything from traditional workshops held over the course of a few days or full-fledged, instructor-led courses that run for weeks or months at a time. No matter what your preferred learning style is, you can find a boot camp to suit your needs.

Courses are often offered both in-person and online; alternatively, your organization might bring a boot camp to the company to run a four-day workshop. Some boot camps are free, while others might require a subscription fee or a one-time fee that ranges from \$100 to \$2,500, depending on the program. They're all designed to give hands-on experience and help you build your resume and portfolio — some even offer career guidance and mentorship.

To find a business analyst boot camp that will fit your schedule, budget and skillset, see [“10 boot camps for business analysts.”](#)

Master's programs

If you have a computer science or business degree, you might want to look at a master's in business analysis. Exactly what type of degree you go for will depend on what area of BA or IT you want to work in, but there are plenty of programs designed to give you a formal business analyst education.

Business analytics tools and software

Business analysts typically rely on software such as Microsoft Excel, Microsoft PowerPoint, Microsoft Access, SQL, Google Analytics and Tableau. These tools help BAs collect and sort data, create graphs, write documents and design visualizations to explain the findings. You won't necessarily need programming or database skills for a business analyst position, but if you already have these skills, they won't hurt. The type of software and tools you'll need to use will depend on your job title and what the organization requires.

The role of business analysts in software development

Business analysts use real-time user data and analytics programs to identify user trends, successful functions and potential user adoption problems with the applications. As data becomes more valuable to organizations, so do business analysts.

"One of the key values in the concept of the BA moving into being a product owner, as the whole line between IT and digital and software development and business shifts, is that this role has become more and more exciting," says Kelly Emo, director of product and solutions marketing for application lifecycle and quality at HPE Software.

Given the expanding list of responsibilities put on the position, some organizations have created product manager positions that work with BAs or have teams of BAs reporting to them, Hammond says.

Similarly, the expansion and the faster, more iterative pace of software development has changed the timing of the BA's involvement with a given development project. A BA working in a classic waterfall development environment is more heavily involved at the front end, when gathering, analyzing and prioritizing user requirements, before handing those off to developers and then moving on to another software development project. Meanwhile, BAs working on agile projects generally stay with the project through implementation and even through multiple releases.

Organizations often assign BAs to several projects at a time if the projects are small enough, or they may assign a BA to a single project if it's complex. Hammond notes that organizations also assign multiple BAs to very large software development projects. But some IT departments today are not involving their business analysts in all in-house application development projects, Emo says.

According to Emo, organizations are less likely to assign BAs to development work on new classes of applications such as mobile marketing apps and apps for temporary sales promotions “because they’re operating very lean or doing DevOps.”

“It’s all happening very rapidly in continuous delivery mode, and it’s data-driven and not [driven by] lengthy requirement documents. What I see today, especially in the digital first applications, like digital e-commerce, it’s not the traditional business analyst involved.”

On the other hand, BAs are almost universally used for the development of back-office applications and core business software products, where identifying and documenting requirements is particularly critical, Emo says.

“A lot of those applications are under a lot of regulations, so [organizations] need that BA interface to document and ensure compliance,” she says.

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