Business Analyst Interview Questions

A list of top frequently asked business analyst interview questions and answers are given below.

1) What is Business Analysis?

Business Analysis is the set of tasks, knowledge, and techniques required to identify business needs and determine solutions to enterprise business problems. Although the general definition is similar, the practices and procedures may vary in various industries.

In Information technology industry, solutions often include a systems development component, but may also consist of process improvement or organizational change.

The business analysis may also be performed to understand the current state of an organization or to serve as a basis for the identification of business needs. In most cases, however, business analysis is performed to define and validate solutions that meet business needs, goals, or objectives.

2) Who is a Business Analyst?

A business analyst is a person who analyzes an organization or business domain (real or hypothetical) and documents its business, processes, or systems, assessing the business model or its integration with technology. However, organizational titles vary such as analyst, business analyst, business systems analyst or maybe systems analyst.

3) Why a Business Analyst needed in an organization?

Organizations need business an analyst for the following reasons -

To deploy a system in the organization there is a need to understand the basic structure and the dynamics of the organization.

To identify improvement potentials and understand current problems in the target organization.

To ensure that the end user, customer, and developers have a shared understanding of the target organization

4) What is a flowchart?

Flowcharts are used to show the complete flow of systems through symbols and diagrams. It shows that what information is needed in a process and where it is stored, and how it moves through a system to accomplish an objective. A flowchart is used to solve the problem.

5) What is the importance of the flowchart?

The flowchart is essential because it makes the system easy to understand for the developers and all concerned people.

6) What is SDLC?

SDLC is an acronym stands for Software Development Life Cycle. Sometimes, it is also called System Development Life Cycle or Application Development Life Cycle. It is used to describe the process of planning, creating, testing and deploying an information system.

The SDLC process includes five phases:

Planning

Analysis

Design

Implementation

Maintenance

7) What are the different types of SDLC models?

Following are the different SDLC models:

Waterfall Model

Iterative Model

V-Model

Spiral Model

Prototype model, etc.

8) What are the most important skills which a business analyst should have?

A business analyst must be:

A good listener

Quick learner

Good analytical skills

Problem-solving approach

Tech Savvy

Thinker beyond the box

Rather than the above stated necessary skills, a business analyst must have excellent communication and written English.

9) What are the main challenges faced by a business analyst?

These are the following three challenges faced by a business analyst:

Change management: It is the most crucial challenge because it happens in real time. It occurs when you get the requirements from the client side and when development is started client will come up with some changes or enhancements.

Cross team management: It is due to conflict between team and individuals. It requires soft skills and smartness

Communication problems: Sometimes this type of problem can happen. You might be good at English speaking and understanding the English language, but sometimes you get difficulty to understand a different kind of English accent. For example, Americans speak English. Differently, the Romans speak English differently, etc.

10) What is project management? Can you explain?

Project management is the process of planning, organizing, motivating and controlling resources, procedures, and protocols to achieve a specific goal. It is used to coordinate scientific and daily problems. The primary challenge to project management is to meet all the project goals. These are time, quality, scope, budget, etc.

11) What do you know about Risk and Issue?

Risk: Risk is something which you can forecast and can handle by formulating mitigation plans.

Issue: Risk which happened is known as Issue. Once the problem has occurred, it is solved by contingency management or Issue management. Generally, issues are not resolved, but you can get a lesson from there for other projects.

12) What are the key strengths of a business analyst according to you?

Business analysis is an evolving profession, so a business analyst must have the necessary skills for success. He must know technical as well as nontechnical issues.

13) What is SDD?

SDD stands for System Design Document. It is a middle step dividing between business users and developers.

14) Tell me about the diagrams mostly used by business analysts?

These are the mostly used diagram models:

Activity Diagram

Business Domain model

Data model

Data flow diagram

Feature matrix

State diagram

Sequence diagram

Scope model etc.

15) What is a use case diagram?

A use case diagram is a tool. It is used to explain the entire business environment. It shows many related events or actions that are performed by a single actor.

16) What is UML modeling?

UML stands for Unified Modeling Language. It is a standard in the industry which is used for visualizing, documenting, and constructing the various component of a system.

17) What are the exceptions?

Exceptions are the unaccepted inputs, situations or result in an application.

18) What are the roles and responsibilities of a business analyst?

The primary role of a business analyst is to organize requirement and document in a clear format and make sure that the coordination is proper between the client and development team.

19) What are the mainly required tools for a business analyst?

A business analyst generally uses rational tools, MS Word, MS Excel, Powerpoint, MS Project, etc.

20) What is INVEST?

INVEST stands for Independent, Negotiable, Valuable, Estimable, Sized Appropriately, and Testable. It is used to help project managers and technical team to deliver quality products/services.

21) Which model is better according to you, the Waterfall model or Spiral Model?

You should answer this question on the type and scope of the project. You can also say that a life cycle model is always selected on the basis of organizational culture and various other scenarios to develop the system.

22) How is it different from other Professions?

Business analysis is distinct from financial analysis, project management, quality assurance, organizational development, testing, training, and documentation development. However, depending on the organization, a Business Analyst may perform some or all these related functions.

Business analysts who work solely on developing software systems may be called IT business analysts, technical business analysts, online business analysts, business systems analysts, or systems analysts.

Business analysis also includes the work of liaison among stakeholders, development teams, testing teams, etc.

23) What are the essential phases of SDLC?

Following are the essential phases of SDLC:

Planning Stage

Defining Stage

Designing Stage

Building Stage

Testing Stage

Deployment

24) What is the difference between Business analysis and Business Analyst?

A business analyst is a person who performs business analysis in an organization.

25) As a business analyst, what tools, you think are more helpful?

There are many, but I mostly use, Rational Tools, MS Visio, MS Word, MS Excel, PowerPoint, MS Project.

26) In your previous experience, what kind of documents you have created?

I have worked on, Functional Specification Documents, Technical Specification Documents, Business Requirements Documents, Use Case Diagram, etc.

27) What is SaaS?

SaaS refers to Software as a Service. It is related to cloud computing. It is different from other software bundles as you don't need this type of software to be installed on your machine. All you need is an Internet connection and a Web Browser to use it.

28) What steps are required to develop a product from an idea?

You have to perform, Market Analysis, Competitor Analysis, SWOT Analysis, Personas, Strategic Vision and Feature Set, Prioritize Features, Use Cases, SDLC, Storyboards, Test Cases, Monitoring, Scalability.

29) What is OLTP Systems?

OLTP refers to On-Line Transaction Processing. Such systems are capable of performing database transactions and are meant to provide excellent speed for database transactions. These systems are mainly used for data entry and retrieving data from the database.

30) What is Pugh Matrix?

This technique is a standard part of the Six Sigma technique. It is also known as a problem or design matrix.

Pugh Matrix is used to decide the most optimal and alternate solutions.

31) In how many categories do business analysis techniques exist?

There are over 100 business techniques that a business analyst can select when facilitating the business. These are categorized as strategic, investigative, analytical, project management, documentation, and modeling techniques.