

Business Analysis

Business Analysis brings into the business framework an individual or company that provides a communications channel through which companies, employees, and leadership elicit, analyze, and validate requirements for changes to their business processes, policies and information systems. It provides an explicit overview vehicle of problems and opportunities in the context of fundamental requirements and then recommends solutions that can enable the organization to achieve those goals."

In order to provide this kind of service a company must have a background knowledge of business processes to make the requirements gathering efficient, and then have the skills to apply logical and analytical thinking to the business issue. The degree of knowledge required depends on the complexity of the project. This is called domain analysis. An analyst provides expertise in the modeling/mapping of business processes, the conduct as-is/to-be business processes, and is instrumental in the business process re-engineering and involved in the change management exercise.

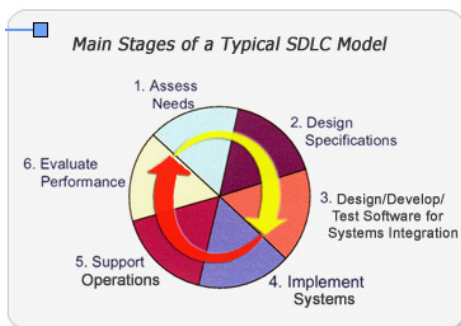
- They must have a clear understanding of Information Technology and Information Systems.
- They must provide competent analysis around how realistic the requirements are in terms of effort, time, costs.
- They must detail the purpose served by individual requirements in relation to larger business and/or project goals.
- They must focus on identifying what data the business currently has, what data need to be carried over into the new systems and/or analysis around what can be achieved with a new system

Thunderdome Systems has demonstrated a firm understanding of Data Management, Computer Networking, Systems Designs, Systems Management, and Management Information Systems. Throughout our history we have striven to help our client manage their data in ways that make it at once safe, secure, and always available. In the course of our business we have helped many of our professional companies deal with issues like HIPAA compliance as well as Sarbanes-Oxley, and other federal mandates on business.

“And now for something completely different.”

The most difficult part of any relationship that involves technology, analysis, and heavy competition in the marketplace is the language that results from it. Far from needing to impress business men and women with highly technical terms, it is our position that all technical and analytical jargon needed to be reduced to more understandable terms.

The diagram at left shows the stages of what we call the Systems Development Life Cycle. It is certainly a simpler concept than its' name would otherwise indicate. It is a simple and effective problem solving model that provides a path for determining and implementing solutions without adversely impacting the company.



Put into simple terms, we provide a seamless and non intrusive analysis of the client business cycle in order to get a clear understanding of what the operation in place is. We meet with management to determine what the specific needs they have determined need to be addressed, and if asked to provide insights as a result of our own analysis, we do.

We believe strongly in documented interviews with principle employees who are central to the system under analysis as well as their supervisors to build the greatest possible fact base relevant to our process. The sole purpose of our review is to build a fact base to assure the greatest level of understanding as is possible surrounding the issue at hand.

Typical deliverables

Simply put, this describes what the business is looking to see as an end result of the project. This is usually expressed in terms of broad outcomes the business requires, rather than specific functions the system may perform. Specific design elements are usually outside the scope of this particular document, although design standards may be referenced.

Functional Requirements describe what the system, process, or product/service must do in order to fulfill the business requirements. These can often be broken out into smaller segmented reports dealing with more specific issues. The system must allow for associating notes with parts of the project plan. These notes should be available for input by all parties who are directly related to the issue under consideration to insure that all points of view are noted.

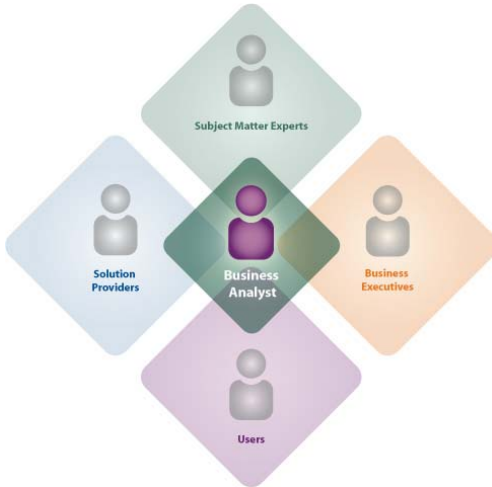
As the process is enacted the analyst should chart all aspects of the project and make this matrix available for all participants to review. It should provide a schedule and reporting system that includes financial reporting. Financial reporting would be restricted to the upper supervisory and management tier for their review. Employees are directly impacted and

affected by the process where upper management needs to see the process in operation while being fully appraised of the cost.

Roles of Business Analysts

The scope of Business Analysis is very wide and there's been a tendency for Business Analysts to specialize in one of the three sets of activities which constitute the scope of business analysis.

1. **Strategist** - Organizations need to focus on strategic matters on a more or less continuous basis in the modern business world. Business analysts, serving this need, are well-versed in analyzing the strategic profile of the organization and its environment, advising senior management on suitable policies, and the effects of policy decisions.



2. **Architect** - Organizations may need to introduce change to solve business problems which may have been identified by the strategic analysis, referred to above. Business analysts contribute by analyzing objectives, processes and resources, and suggesting ways by which re-design, or improvements could be made. Particular skills of this type of analyst are "soft skills", such as knowledge of the business, requirements engineering, stakeholder Analysis, and some "hard skills", such as business process modeling. Although the role requires an awareness of technology and its uses, it is not an IT-focused role. Three elements are essential to this aspect of the business analysis effort: the redesign of core business processes; the application of enabling technologies to support the new core processes; and the management of organizational change. This aspect of business analysis is also called "business process improvement", or "reengineering".

3. **Systems analyst** - There is the need to align IT Development with the systems actually running in production for the Business. A long-standing problem in business is how to get the best return from IT investments, which are generally very expensive and of critical, often strategic, importance. IT departments, aware of the problem, often create a business analyst role to better understand, and define the requirements for their IT systems. Although there may be some overlap with the

Business Process Improvement

1. **Selection of teams and leader** - Process teams of individuals that are involved in the particular process. Teams select a process team leader, typically the person who is responsible for running the respective process.
2. **Process analysis training** - The selected process team members are trained in process analysis and documentation techniques.
3. **Process analysis interview** - Members of the teams conduct several interviews with people working in the processes. They gather information about process structure, as well as process performance data.
4. **Process documentation** - The interview results draw the first process map. Previously existing process descriptions are reviewed and integrated. Process improvements, discussed during the interview, are integrated into the process maps.
5. **Review cycle** - Draft documentation is then reviewed by employees working in the process. Additional review cycles may be necessary in order to achieve a common view (mental image) of the process. This stage is an iterative process.
6. **Problem analysis** - Thorough analysis of process problems can then be conducted, based on the process map, and information gathered about the process. At this time of the project, process goal information from the strategy audit is available as well, and is used to derive measures for process improvement.

Goals of the Process

1. Reduce waste

A. Project costs – For every month of delay, a team continues to rack up costs and expenses. For internal resources, the costs of delays are not as readily apparent as labor costs are essentially 'fixed' costs.

B. Opportunity costs – Lost revenue and unrealized expense reductions. Some projects are specifically undertaken with the purpose of driving new or additional revenues to the bottom line. For every month of delay, a company loses a month of this new revenue stream. The



purpose is to improve efficiencies and reduce costs. In the majority of cases, these opportunities are never captured or analyzed, resulting in misleading ROI calculations. Of the two opportunity costs, lost revenue is the most egregious – and the impacts are greater and longer lasting

2. Complete projects on time

Following the established methodology that guides the company's process of production, keeps costs down and makes business more profitable. These are generally designed to provide the most reliable methods. Not only does this reduce loss from repeat processes, but it also has a high impact on the client confidence. Good will and reliability are often as important as a good product.

3. Improve efficiency

Efficiency can be achieved in two related ways by reducing extra work to fix errors due to incomplete or missing requirements and by shortening project length. One reason for rework is that the requirements gathering and definition process is broken and there is a huge disconnect between the business and tech sides of a project. While various technical solutions have helped efficiency, very few solutions have been targeted at the business analysts who are tasked with delivering the requirements. Shortening project length has two outcomes. For every month a project is shortened, cost and resources can be released to other projects. This produces a savings on the current project and accelerates the start of future projects resulting in more project output.

4. Document the right requirements

Business analysts have to be sure they define applications to meet the end-users' needs. This means they must document the right requirements through careful listening to 'customer' feedback, and by delivering a complete set of clear requirements. This way the process delivers only required corrections limiting time lost on unproductive pursuits. Documentation is the trail of fact based steps that assure the best possible results.

5. Determine positive ROI (Return on Investment) for all projects.

In finance, return on investment (ROI), is the ratio of money gained or lost on an investment relative to the amount of money invested. ROI is the return on a past or current investment, or the estimated return on a future investment. ROI is usually given as a percent rather than decimal value. ROI does not indicate how long an investment is held.

Never Forget - "Analysis 101"

