



# Business Analysis

2nd Edition

**by Ali Cox**

First edition written by Paul Mulvey, Kate McGoey,  
and Kupe Kupersmith

for  
**dummies**<sup>®</sup>  
A Wiley Brand

# Contents at a Glance

<b>Introduction</b> .....	1
<b>Part 1: Getting Started with Business Analysis</b> .....	5
CHAPTER 1: Business Analysis in a Nutshell. ....	7
CHAPTER 2: Breaking Down Different Levels of Business Analysis .....	25
CHAPTER 3: Identifying and Working with Stakeholders .....	37
<b>Part 2: The BA Toolkit: Tools, Terms, and Techniques</b> .....	61
CHAPTER 4: Talking about Tools of the Trade .....	63
CHAPTER 5: Understanding What Requirements Truly Entail. ....	85
CHAPTER 6: Hunting for the Right Information, Part 1: The Process. ....	109
CHAPTER 7: Hunting for the Right Information, Part 2: The Techniques .....	127
CHAPTER 8: Uncovering and Analyzing Needs .....	161
<b>Part 3: Selling the Plan and Keeping It on Track</b> .....	185
CHAPTER 9: Making the (Business) Case. ....	187
CHAPTER 10: Creating and Maintaining Scope .....	209
CHAPTER 11: Creating Your Work Plan .....	235
<b>Part 4: Achieving Goals with Business Analysis</b> .....	263
CHAPTER 12: Defining Solutions, Part 1: Taking a Closer Look at Your Requirements .....	265
CHAPTER 13: Defining Solutions, Part 2: Choosing the Right Analysis Technique .....	281
CHAPTER 14: Verifying and Validating Solutions .....	321
CHAPTER 15: Transition: Moving from Planning to Implementing. ....	347
<b>Part 5: The Part of Tens</b> .....	361
CHAPTER 16: Ten Ways to Keep Your Business Analysis Skills Sharp .....	363
CHAPTER 17: Ten Ways to Prepare Yourself for a New Project .....	371
CHAPTER 18: Ten Experts Chime In .....	379
<b>Index</b> .....	391

# Table of Contents

<b>INTRODUCTION</b> .....	1
About This Book .....	1
Foolish Assumptions .....	3
Icons Used in This Book .....	3
Beyond the Book .....	4
Where to Go from Here .....	4
<b>PART 1: GETTING STARTED WITH BUSINESS ANALYSIS</b> ....	5
<b>CHAPTER 1: Business Analysis in a Nutshell</b> .....	7
Defining Business Analysis .....	8
Knowing Your Role in the Basic Business Analysis Lifecycle .....	9
Looking at the Value of Business Analysis .....	11
Considering the Skills of a Successful BA .....	13
Outstanding communication .....	13
Detailed research, analysis, and recording .....	14
Time management and information organization .....	14
The ability to see the big picture .....	14
Customer-focused and value-driven perspective .....	15
A large BA toolkit .....	15
Flexibility .....	16
Business Analysis in an Agile Environment .....	16
What does agile mean? .....	16
An overview of business analysis from an agile perspective .....	17
How is your role different in agile? .....	18
Working at the strategic level .....	18
Working at the team level .....	18
Using agile frameworks to organize projects .....	19
Getting to Know the IIBA BABOK .....	22
Pursuing Business Analysis Certification .....	23
<b>CHAPTER 2: Breaking Down Different Levels of Business Analysis</b> .....	25
Checking out an Overview of the Levels .....	26
Going to the Top: The Enterprise Level .....	28
Doing business analysis activities at the enterprise level .....	28
Overcoming challenges at the enterprise level .....	29
Moving to the Organizational Level .....	30
Fulfilling duties at the organizational level .....	30
Dealing with organizational-level obstacles .....	31

Drilling Down to the Operational Level . . . . .	32
Knowing your tasks at the operational level . . . . .	32
Taking on operational-level challenges . . . . .	33
Getting a Handle on the Project Level . . . . .	34
Tackling activities at the project level . . . . .	34
Rising above project-level hurdles . . . . .	35
<b>CHAPTER 3: Identifying and Working with Stakeholders . . . . .</b>	<b>37</b>
Identifying the Participants . . . . .	38
Objective characteristics . . . . .	38
Reviewing a who's who of potential project participants . . . . .	39
Identifying the Stakeholders in Your Project . . . . .	46
Finding your stakeholders . . . . .	47
Using the RACI matrix . . . . .	47
Playing (and Communicating) Well with Others . . . . .	49
Targeting your communication to the various stakeholders . . . . .	50
Using active listening to your advantage . . . . .	52
Overcoming common barriers to effective communications . . . . .	53
Dealing with communication in virtual or hybrid environments . . . . .	54
Understanding and responding to verbal and nonverbal messages . . . . .	55
Fostering Strong Relationships . . . . .	56
Building trust and respect . . . . .	57
Generating consensus/gaining buy-in . . . . .	58
Dealing with conflict . . . . .	58
<b>PART 2: THE BA TOOLKIT: TOOLS, TERMS, AND TECHNIQUES . . . . .</b>	<b>61</b>
<b>CHAPTER 4: Talking about Tools of the Trade . . . . .</b>	<b>63</b>
Examining Communication Tools for Every Situation . . . . .	64
Talking about your options . . . . .	64
Choosing the right communication tool . . . . .	66
Trying Collaboration Tools . . . . .	67
Physical places . . . . .	68
Electronic places . . . . .	68
Investigating Innovation and Idea Capture Tools . . . . .	70
Looking at the technology spectrum . . . . .	71
Considering specific features . . . . .	71
Discovering Definition Tools . . . . .	72
Textual definition tools . . . . .	72
Modeling and diagramming tools . . . . .	73
Prototyping and simulation tools . . . . .	74

Reviewing Requirements Management Tools . . . . .	75
Low- and mid-tech options . . . . .	76
High-tech options . . . . .	76
Picking the Right Tools for the Situation . . . . .	77
Inventorying the situation you have now . . . . .	78
Determining what situation you need later. . . . .	78
Avoiding unnecessary tools and features . . . . .	79
Money, money, money: Facing budget challenges. . . . .	80
Preparing Team Members for Change. . . . .	81
Change management in a traditional environment. . . . .	82
Change management in an agile environment. . . . .	83
<b>CHAPTER 5: Understanding What Requirements Truly Entail. . . . .</b>	<b>85</b>
Defining Needs . . . . .	85
Business needs . . . . .	86
Stakeholder needs. . . . .	88
Defining Requirements. . . . .	89
Business requirements. . . . .	92
Stakeholder requirements. . . . .	93
Solution requirements . . . . .	94
Transition requirements. . . . .	97
Technology requirements . . . . .	97
Making Your Requirements Excellent. . . . .	99
Complete . . . . .	99
Correct. . . . .	99
Unambiguous. . . . .	100
Verifiable. . . . .	100
Necessary . . . . .	100
Feasible . . . . .	101
Prioritized . . . . .	101
Focusing on the Four Core Components . . . . .	102
Data . . . . .	102
Process (use cases) . . . . .	105
External agents and actors. . . . .	105
Business rules . . . . .	106
<b>CHAPTER 6: Hunting for the Right Information, Part 1: The Process . . . . .</b>	<b>109</b>
Elicit, Don't Gather: Developing the Right Questions . . . . .	110
Identifying the type of question you want to ask . . . . .	110
Identifying appropriate sources of information . . . . .	116

Choosing an Approach . . . . .	117
Using Clear, Consistent Language . . . . .	120
Choosing terms consistently . . . . .	120
Using language that's consistent with the company's language . . . . .	120
Framing questions that clearly reveal core needs . . . . .	121
Planning Your Elicitation Sessions . . . . .	122
Elicitation in an Agile Team . . . . .	124
<b>CHAPTER 7: Hunting for the Right Information, Part 2: The Techniques . . . . .</b>	<b>127</b>
Understanding Research-Based Techniques . . . . .	128
Starting with document analysis . . . . .	128
Distributing surveys . . . . .	133
Doing interface analysis . . . . .	135
Reverse engineering . . . . .	136
Choosing competitive analysis . . . . .	137
Mining for data . . . . .	138
Understanding Collaborative Techniques . . . . .	139
Conducting interviews . . . . .	139
Brainstorming techniques . . . . .	141
Getting to know requirements workshops . . . . .	145
Considering focus groups . . . . .	149
Using personas for empathy . . . . .	150
Walking through the customer journey . . . . .	151
Employing collaborative games . . . . .	153
Understanding Experimental Techniques . . . . .	154
Looking out for observation . . . . .	154
Prototyping . . . . .	157
<b>CHAPTER 8: Uncovering and Analyzing Needs . . . . .</b>	<b>161</b>
Investigating the Needs . . . . .	161
Discovering a company's specific business needs . . . . .	162
Searching out stakeholder needs . . . . .	166
Uncovering the Root Cause . . . . .	167
Evaluating the Problem . . . . .	169
Choosing a good problem to solve . . . . .	169
Figuring out whether the problem matters . . . . .	170
Determining the impact of the problem . . . . .	172
Establishing the costs and benefits . . . . .	173
Creating the Problem Statement . . . . .	174
Creating the Solution Position Statement . . . . .	175
Knowing When You Have the Right Solution . . . . .	177
Validating the value of the solution . . . . .	177
Taking your audience into consideration . . . . .	178

Setting Your Solution Up For Success: Getting Clear Objectives . . . .	179
Eliciting and articulating clear objectives . . . . .	180
Getting clear with SMART objectives . . . . .	182

**PART 3: SELLING THE PLAN AND KEEPING IT ON TRACK . . . . . 185**

**CHAPTER 9: Making the (Business) Case . . . . . 187**

Before You Dive In: Breaking Down Business Case Basics . . . . .	187
Looking at the benefits of writing a business case . . . . .	188
Playing to the crowd: Knowing your audience . . . . .	189
Following basic business case structure . . . . .	190
Defining and Presenting the Opportunity . . . . .	191
Executive summary . . . . .	191
Mission statement . . . . .	193
Description of the approach used . . . . .	195
Justifying the Recommendation . . . . .	195
Identifying and prioritizing alternative solutions . . . . .	196
Including a cost/benefit analysis . . . . .	197
The Devil Is in the Details: Providing Supporting Materials . . . . .	204
Addressing supporting documentation . . . . .	204
Noting your assumptions . . . . .	205
Documenting risk . . . . .	206
Presenting the Business Case . . . . .	207

**CHAPTER 10: Creating and Maintaining Scope . . . . . 209**

Making Sure You're Scoping the Right Solution . . . . .	210
Recognizing Relevant Stakeholders . . . . .	211
Uncovering stakeholders by asking project-specific questions . . . . .	211
Discovering key stakeholders in different parts of the organization . . . . .	212
Ensuring that the Scope Aligns with Key Business Drivers . . . . .	213
Identifying Interfaces that Are Part of the Project . . . . .	216
User interfaces . . . . .	216
System interfaces . . . . .	217
Hardware interfaces . . . . .	217
Defining Scope with a Data Flow Diagram . . . . .	218
Identifying parties and systems that will be impacted by the project . . . . .	219
Identifying information (data) flows among the parties or systems . . . . .	220
Gaining consensus on the scope for the project . . . . .	221
Giving the project a descriptive name . . . . .	222
Finalizing the scope diagram . . . . .	222

Using Project Initiation Documentation to Clarify Scope . . . . .	223
Stating the purpose of the project . . . . .	223
Describing the project approach or methodology . . . . .	224
Listing project objectives . . . . .	225
Articulating problems and opportunities. . . . .	225
Outlining risks . . . . .	226
Specifying project assumptions and constraints . . . . .	228
Documenting high-level processes. . . . .	228
Identifying who's responsible for each deliverable . . . . .	228
Indicating What Isn't Covered: Items Not in Scope. . . . .	229
Getting Agreement on the Scope . . . . .	230
Avoiding Scope Creep. . . . .	231
Spotting scope creep. . . . .	231
Formulating a change control process. . . . .	232
<b>CHAPTER 11: Creating Your Work Plan . . . . .</b>	<b>235</b>
Hashing Out Work Plan Basics . . . . .	236
Considering the key components of a business analysis work plan. . . . .	237
Using a framework to create your plan . . . . .	238
Planning in a traditional versus agile environment . . . . .	238
Perusing the Project Characteristics. . . . .	240
Identifying project type. . . . .	240
Identifying project size . . . . .	248
Other things . . . . .	250
Taking It to the People: The Stakeholder Communication Plan . . . . .	251
Identifying the people. . . . .	251
Getting to know the stakeholders. . . . .	252
Getting stakeholders involved. . . . .	254
Putting together the stakeholder communication plan. . . . .	254
The Process: Figuring Out How Things Are Done. . . . .	255
Waterfall approach . . . . .	256
Agile development approach. . . . .	257
Compiling Your Work Plan . . . . .	258
<b>PART 4: ACHIEVING GOALS WITH BUSINESS ANALYSIS . . . . .</b>	<b>263</b>
<b>CHAPTER 12: Defining Solutions, Part 1: Taking a Closer Look at Your Requirements . . . . .</b>	<b>265</b>
Categorizing Your Requirements . . . . .	266
Getting the process started . . . . .	266
Choosing the right category. . . . .	267

Documenting Your Requirements . . . . .	268
Documenting business and stakeholder requirements . . . . .	269
Documenting solution requirements, functional and nonfunctional . . . . .	270
Documenting transition requirements . . . . .	275
Documenting technical requirements . . . . .	275
Ensuring Your Requirements Have Traceability . . . . .	276
Making Your Requirements Agile . . . . .	277
Just enough – just in time . . . . .	277
Storing requirements for an agile team . . . . .	279

<b>CHAPTER 13: Defining Solutions, Part 2: Choosing the Right Analysis Technique . . . . .</b>	<b>281</b>
Dealing with Data Flow Diagrams and External Interaction Textual Templates . . . . .	282
Getting a handle on data flow diagrams . . . . .	282
Examining the external interaction textual template . . . . .	284
ERD Is the Word: Using Entity Relationship Diagrams . . . . .	285
Getting familiar with the ERD . . . . .	285
Presenting the data with entity relationship text templates . . . . .	288
Rounding out the data: Entity text templates . . . . .	288
Using Data Mapping for System Interfaces . . . . .	289
Drilling Down a Process Decomposition Diagram . . . . .	291
Step 1: Creating the process decomposition diagram . . . . .	293
Step 2: Documenting the processes . . . . .	294
Telling a Good Story with a Story Map . . . . .	294
Understanding the levels of user stories . . . . .	295
Building the story map based on iterations or releases . . . . .	295
How far out do you map? . . . . .	296
Developing Acceptance Criteria . . . . .	297
Initial acceptance criteria . . . . .	298
Detailed acceptance criteria . . . . .	298
Deciding on Decision Tables . . . . .	299
Working with Workflow Diagrams . . . . .	300
Decoding diagram symbols . . . . .	302
Creating a workflow diagram . . . . .	303
Seeing a diagram in action: An example . . . . .	304
Making a Use Case Model . . . . .	305
The graphic: Use case diagram . . . . .	306
The text: Use case description . . . . .	308
Prototyping . . . . .	311
Familiarizing yourself with mockup basics . . . . .	314
Creating mockups . . . . .	315
Mocking up reports and graphs for excellent data storytelling . . . . .	317

Keeping It Brief with User Stories . . . . .	318
Creating user stories . . . . .	319
Confirming user stories . . . . .	320
<b>CHAPTER 14: Verifying and Validating Solutions . . . . .</b>	<b>321</b>
Getting a Handle on Testing Basics . . . . .	322
Differentiating between verification and validation . . . . .	322
Making testing an ongoing activity . . . . .	322
Driving toward acceptance test driven development . . . . .	324
Testing in an agile environment . . . . .	325
Verification Testing: Confirming You Built the System Right . . . . .	325
Smoke test . . . . .	326
Unit test . . . . .	326
Integration test . . . . .	327
System test . . . . .	327
Validation Testing: Making Sure You Built the Right System . . . . .	330
Utilizing a usability test . . . . .	331
Getting users involved with a user acceptance test . . . . .	333
Receiving feedback with a post-implementation user assessment . . . . .	334
Preparing for the Test . . . . .	335
Creating test cases . . . . .	335
Putting together the verification and validation plan . . . . .	337
Conducting a Requirements Review . . . . .	342
Conducting a step-by-step review of the artifact . . . . .	343
Recruiting participants . . . . .	344
<b>CHAPTER 15: Transition: Moving from Planning to Implementing . . . . .</b>	<b>347</b>
Preparing for the Transition . . . . .	348
Understanding transition requirements: The basics . . . . .	348
Reviewing the requirement components . . . . .	349
Assessing organization readiness . . . . .	349
Fostering stakeholders' motivation and competence . . . . .	350
Transition planning on an agile team . . . . .	352
Rolling Out Your Strategy with the Right Approach . . . . .	353
Trying parallel processing . . . . .	354
Picking piloting . . . . .	354
Selecting single cutover . . . . .	355
Examining the Components of Your Rollout Plan . . . . .	356
Turning Your Solution Over to Operations . . . . .	358

<b>PART 5: THE PART OF TENS</b> .....	361
<b>CHAPTER 16: Ten Ways to Keep Your Business Analysis Skills Sharp</b> .....	363
Participate in Social Media.....	363
Network with Peers.....	364
Get/Be a Mentor .....	365
Leverage Peer Reviews.....	365
Attend Formal Training.....	366
Present on Business Analysis Topics .....	366
Read Books (Like This One!).....	367
Have Lunch with Business Partners .....	367
Rotate to Multiple Business Domains or Applications.....	368
Use Business Analysis Techniques at Home.....	369
<b>CHAPTER 17: Ten Ways to Prepare Yourself for a New Project</b> .....	371
Hit the Ground Running and Get Up to Speed .....	371
Clear Your Calendar and Your To-Do List .....	372
Take a Vacation!.....	373
Get Organized .....	373
Identify What's Been Done So Far.....	374
Color in the Solution.....	375
Define Everyone's Roles, Responsibilities, and Deadlines.....	376
Get to Know the Core Team.....	376
Extend a Hand to the Extended Team .....	377
Collaborate.....	377
<b>CHAPTER 18: Ten Experts Chime In</b> .....	379
The Three Pains Approach to Better Elicitation (Hans Eckman).....	379
Context Diagram (Ali Cox) .....	380
Behavior-Driven Development – Build for Your Users! (Ali Cox) .....	381
Affinity Diagram (Jonathan Babcock) .....	382
Process One Pager (Robin Grace) .....	383
Data Modeling (David Morris) .....	384
Facilitated Session (Shelley Ruth) .....	385
Root Cause Analysis (Kathy Claycomb).....	386
Requirements Traceability (Russ Pena) .....	387
Functional Decomposition Diagram (Greg Busby) .....	388
It's All About the Communication! (Kupe Kupersmith).....	389
<b>INDEX</b> .....	391