



Business Dimensions Consulting Group Inc.

Four Key Dimensions of Capability



A Capability Model for Effective Business Analysts

By Alice Bienia

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The Effective Business Analyst – A Scarce Resource

Businesses and organizations operating in today's highly competitive and complex global market face a myriad of challenges. Changes in market conditions, advances in technology, growing social awareness, environmental concerns and changing workforce demographics are just some of the pressures organizations are facing while trying to sustain business health and competitive advantage.

In turn, information management service organizations face their own challenges in helping their clients address operational issues resulting from mounting global business pressures while enabling the creation of new sources of wealth.

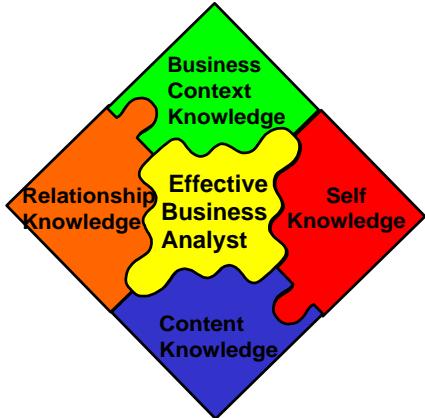
Information management service organizations recognize that they need to offer their clients more than technical expertise. In order to provide the next level or higher order of value in the information management service value chain, they need to engage with their clients as trusted advisors.

The business analyst, as trusted advisor, has the potential to influence and impact the development of solutions that address business system performance issues, as well as the level of system integrity and sustainability required to excel in today's ever changing business environment.

The business analyst is the trusted advisor who combines experience, expertise and knowledge to help narrow the gap between what their clients have now and what they need or want to achieve their goals, objectives and vision.

The challenge is in finding or developing talent in a global marketplace experiencing a lack of the very skills and expertise required to accelerate the business changes needed to create competitive advantage.

Capability Development Model Dimensions



There are four dimensions or skill sets critical to the business analyst's success. These four dimensions form the components of our capability development model and include:

- Business context knowledge
- Knowledge of self
- Content knowledge
- Relationship knowledge

These four dimensions represent the hard (content and context) and soft (self or personal and interpersonal) skills that must be developed, integrated and demonstrated by the business analyst in order to achieve effective business analyst or trusted advisor status.

Business Context Knowledge

In order to help their business clients effect business change and improve performance, the business analyst will need to understand the business conditions. They also will need to investigate and effectively orchestrate all the components of the business system in order to generate the required results.

The business analyst needs to recognize that the business entity itself is a system and is made up of various business subsystems and system components.

The common definition of a business system is 'a group of interacting, interrelated, interdependent components that form a complex and unified whole'. Components can be data, tools, processes, people and technology operating together to create a particular business outcome or result.

When clients seek a business solution or engage in business improvement initiatives, they are looking to undertake actions required to end a state of discontinuity that currently exists or is expected to occur between components of the particular business system in question. This action is

usually undertaken when the level of discontinuity is such that the business system outcome or performance is being impacted.

In order to orchestrate this business solution for the client the business analyst must have context level understanding of how businesses actually work, including principles and concepts of business management, issues and challenges specific to the industry, broad understanding of technology products and what they can facilitate, as well as business system principles and concepts. Some people call this business context knowledge, business acumen, or understanding the 'big picture'.

The focus of the business analyst's work is to use their knowledge of business systems to resolve the existing or potential discontinuity in such a way that the business needs are addressed, business system goals or outcomes are achieved, and system integrity is maintained.

Self Knowledge

The best business analysts are those who know unquestionably, that what they are doing fits well with their personal goals, values and purpose. Those who are certain that they are on the right path can focus all of their attention and energy on what they are co-creating or orchestrating through their work as a business analyst.

Effective business analysts bring their passion, their personal leadership skills, their inherent traits and characteristics and their way of being in the world to the challenges and opportunities presented to them through their work.

Our own personal values, mental models and way of relating to and perceiving the world around us are key dimensions to success, personal contribution and productivity. This is not a new concept but one that is gathering acceptance and increased importance with the growing volume of documented evidence. Authors Teresa Amabile and Steven Kramer describe one such body of work in the May 2007 edition of the Harvard Business Review. Their paper, titled Inner Work Life: Understanding the Subtext of Business Performance, describes their research into the relationship of mood and feelings and the impact on productivity in the work lives of the 238 professionals that participated in the study.

Much has been written to identify and document the differences between those individuals who succeed in reaching their goals and those who do not. Phrases that are commonly used to describe these characteristics include, 'taking initiative, taking ownership or being accountable, doing the right

thing, being fearless in the pursuit of excellence, and being focused, action oriented and positive'.

The challenge for most organizations is to identify individuals with the desired orientation and outlook during the recruiting process. The good news is that people choose how they relate to the world around them. Organizations that want to maximize the talent they have already attracted need to develop work environments that support employee engagement, learning, personal development, effective communication, personal well being and teamwork.

Business Analysis Knowledge

The business analyst is the expert in the process of business system analysis and the orchestration of business solution design and implementation. The business analyst knows how to quickly assess, pinpoint, and diagnose the system components and subcomponents and focus in on those critical ones that are having the greatest impact on the systems performance.

The business analyst carries out a series of actions and processes used to effectively diagnose, locate and address the root causes of the discontinuity between system components that are creating barriers or roadblocks to the desired business system goals or results. Once the gaps in performance and their causes have been detected, they can be addressed in solution design. The business analyst uses a variety of tools and techniques in conducting this analysis and defining the requirements for a solution that addresses the performance gap while maintaining the integrity of the system as whole.

We know that the best business analysts combine their critical thinking, analytical skills, creativity and experience to create business solutions that their business clients embrace. This is not a random process, nor is it a cookie cutter step by step linear process. There is however, a methodical approach that can help guide business analysts in their thinking and in choosing the activities and actions that are required for each particular situation encountered.

Analysts, who can combine their critical thinking and analytical skills with knowledge of methodology, and apply that appropriately to the situation at hand, distinguish themselves as the analysts who 'know what they are doing'. When clients talk about these analysts they use phrases like, 'they understood our issue, great problem solvers, creative, they not only gave us what we asked for but what we needed, shifted our thinking, provided value'.

Relationship Knowledge

Relationships are critical to the business analyst because the analyst must orchestrate the harmonious arrangement of all the system components including each and every stakeholder of the business system and each and every player contributing to the composition of the most effective business solution for the situation. The business analyst will require collaborative input from the business owner, subject matter experts, system users, as well as the technology experts, architects and developers.

The experienced business analyst knows that the basis of good relationships is trust. Establishing valued, respected, long term relationships requires that the client knows they can rely on the business analyst to do what is needed, carry out what they said they would do, and be open and honest in their communications.

The business analyst's goal is to reach the level of trusted advisor or partner not only with the business client but with the team members engaged in the design, delivery and implementation of the business solution. Communication skills are critical to establishing the level of relationship required for the creation of effective solutions that provide tangible business benefits.

From our survey of hundreds of business managers, business analysts and their supervisors, great communication skills topped the list of attributes of a 'top analyst'. Top analysts were said to be superb communicators, great listeners, and influencers. Top analysts took action, delivered more than just what they were told, provided options and helped their clients see the value differentiators within those options. Ultimately, top business analysts ensured that their clients' business situation was improved.

The level of knowledge required to be an effective business analyst does take time to develop. Many people filling these positions have already developed proficiency or mastery levels in some components of each of the four critical dimensions. Further capability can be addressed or increased by developing a clear vision of the position and a clearly articulated and understood value proposition. Supportive work environments that incorporate elements of education, training and experience, combined with committed management communications, engaging discussions and mentoring and coaching will go a long way to encourage the required expertise, applied creativity, personal awareness, curiosity and interest that distinguish top business analysts from the rest.

“Learning is not attained by chance, it must be sought for with ardor and attended to with diligence”. *Abigail Adams*