International Institute of Business Analysis™

IIBA UK North Branch
Virtual Event – 16th July 2020

Helping Business do
BUSINESS BETTER

Andrew Precious

Business Architecture Manager and Head of BA Practice

Volunteer - IIBA UK Chapter - North Branch

IIBA UK North Branch LinkedIn group
https://www.linkedin.com/groups/5168049/

IIBA UK LinkedIn group
https://www.linkedin.com/groups/55932/

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IIBA® United Kingdom Chapter

Practical, Pragmatic, Value Focused Business Analysis

For the International Institute of Business Analysis (IIBA) UK

David P Jacobs BSc MBCS

July 16th 2020

What We'll Cover

Background

Business Analysis as a Career

Pragmatic Business Analysis

Enhancements for Business Value:
an introduction to Business Value Maximisation Framework (BVMF)™

Q & A

Background

1981	I start out in computer programming
1986	I solve a training problem using my business-IT mediating skills
1991	I get my first contract in RDBMS/4GL programming
1995	My first article is published
1997	I solve a problem in Telecoms using the 3 As (approach, attitude and aptitude)
1996-9	Individuals and groups start to promote business-IT hybridism which has proven successful but is not getting enough support in the workplace
1997	I move into Business Analysis
2001	I start presenting on 'bridging the gap' to maximise business value
2011	I fix a problem for a university using practical, pragmatic, value focused skills
2020	I take a practical, pragmatic approach to a CRM implementation

Business Analysis as a Career

In an industry that's regularly changing its name…

"Computing -> Data Processing (DP) -> Information and Communications Technology (ICT) -> Information Technology (IT) -> Information Systems (IS) -> Digital Transformation…"

…what are BAs called?

"Business Analyst / Business Systems Analyst / Systems Analyst / IT Business Analyst / Business Process Analyst / Business Data Analyst / Data Analyst / IS Business Analyst / Technical Business Analyst / Digital Business Analyst / ERP Business Analyst / Implementation Analyst / Requirements Analyst / Agile Business Analyst / Testing Business Analyst / Software Business Analyst…"

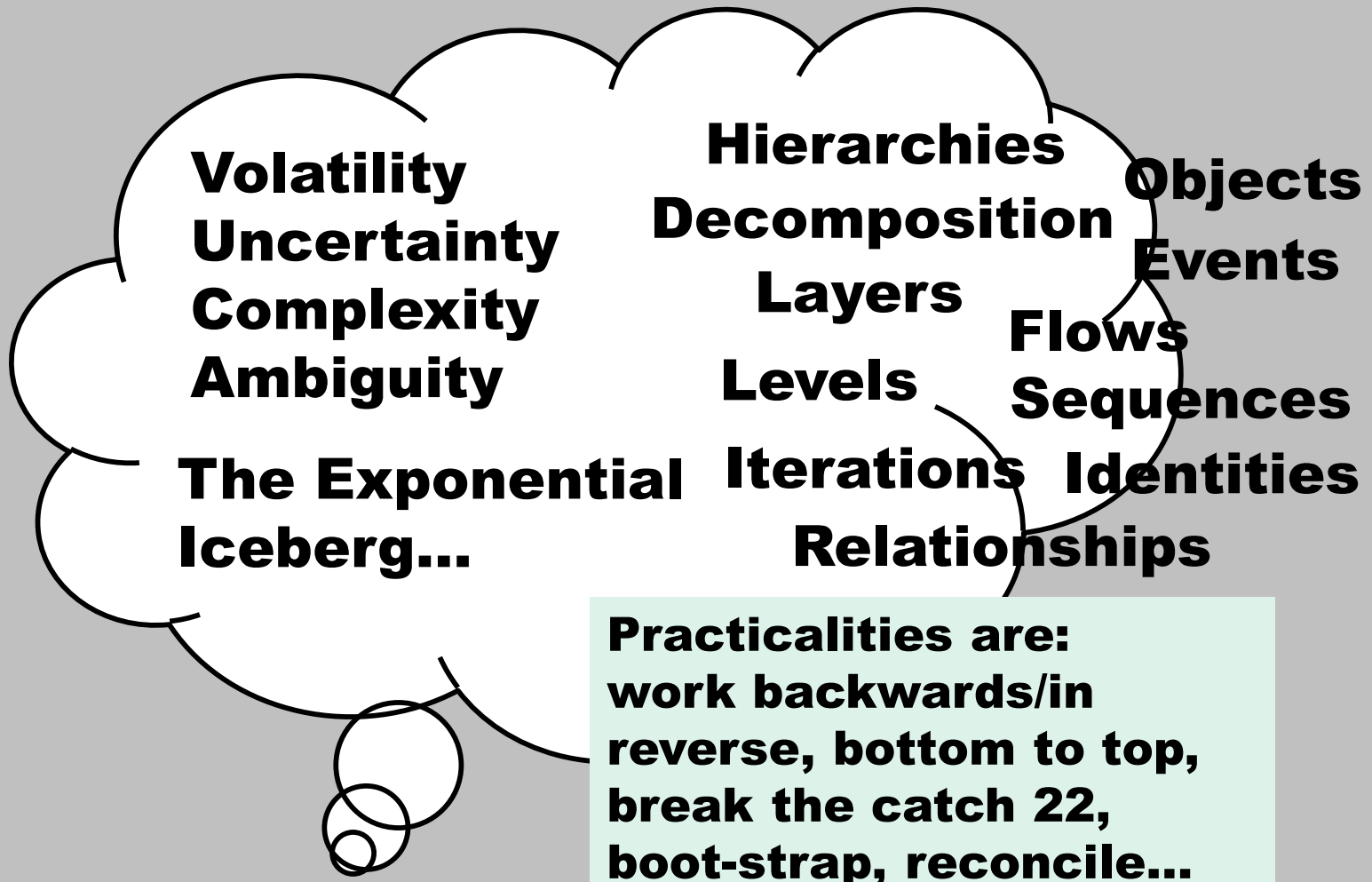
How valuable are transferable/generic skills for BAs?

Beware of pigeon holing, e.g. by business sector, business function, software package/language, business/IT method, etc…

How current do skills need to be?

Desired balance between experience, aptitude, attitude…

Challenges and Practices of Business Analysis



Practicalities are: work backwards/in reverse, bottom to top, break the catch 22, boot-strap, reconcile…

Effective Business Analysis

Ask the right questions - expect growth of resultant what-if questions to be:
1 Exponential -> 2 Linear -> 3 Contracting -> 4 Nearing Zero -> 5 Continuing at low rate ...

Shoot forward when defining processes or requirements by putting proposals onto paper...

Use stepping stones to keep the big picture working as a roadmap and dip down into the detail as appropriate

Pragmatic Business Analysis

A university in Kent

- **The problem**
- **My approach**
- **Process modelling**
- **Deriving IT functionality**
- **Remitting functional requirements to IT**
- **The denouement**

Landscape of Last 20 Years

"Only 15% of IT departments were able to meet strategic business goals"
FT IT Review 1999

"There is no link between IT spend and corporate profitability"
Butler and Strassman 2001

"75% of IT projects fail to achieve measurable benefits!"
BCS Project Management Group 2003

"...90% of digital transformation initiatives underdeliver or fail outright. These days very few organisations work on proper alignment between business goals and IT investments..."
Couchbase 2019

Industry is *still* grappling with business/IT alignment, project succeed/fail and maximising business value.
Bridging the Gap is still a very well used phrase!

The Question

What do I need to do

(*practically* and *pragmatically*)

to get maximum business value (MBV)

from IT enabled process

for my stakeholders/Value Interested Parties (VIPs)?

More Specifically

- **What *is* value?**
- **How does value arise?**
- **What are value's ingredients?**
- **What types of value are there?**
- **How do value's ingredients combine/work together?**
- **How do you get more value?**
- **How do you avoid getting less value?**
- **How do you measure/quantify value?**

Furthermore…

When moving from a current IT enabled process to a future IT enabled process:

Will we be better off?

If so, by *how much* better off? (what's the *net* gain?)

How do we make sure we'll be 'the *best off possible*'?

How will we stay 'the *best* off possible'?

So What is Value?

"The achievement of business objectives, expectations and goals of the stakeholders/value interested parties (VIPs)

PLUS

The exceedance* of business objectives, expectations and goals of the stakeholders/value interested parties (VIPs)"

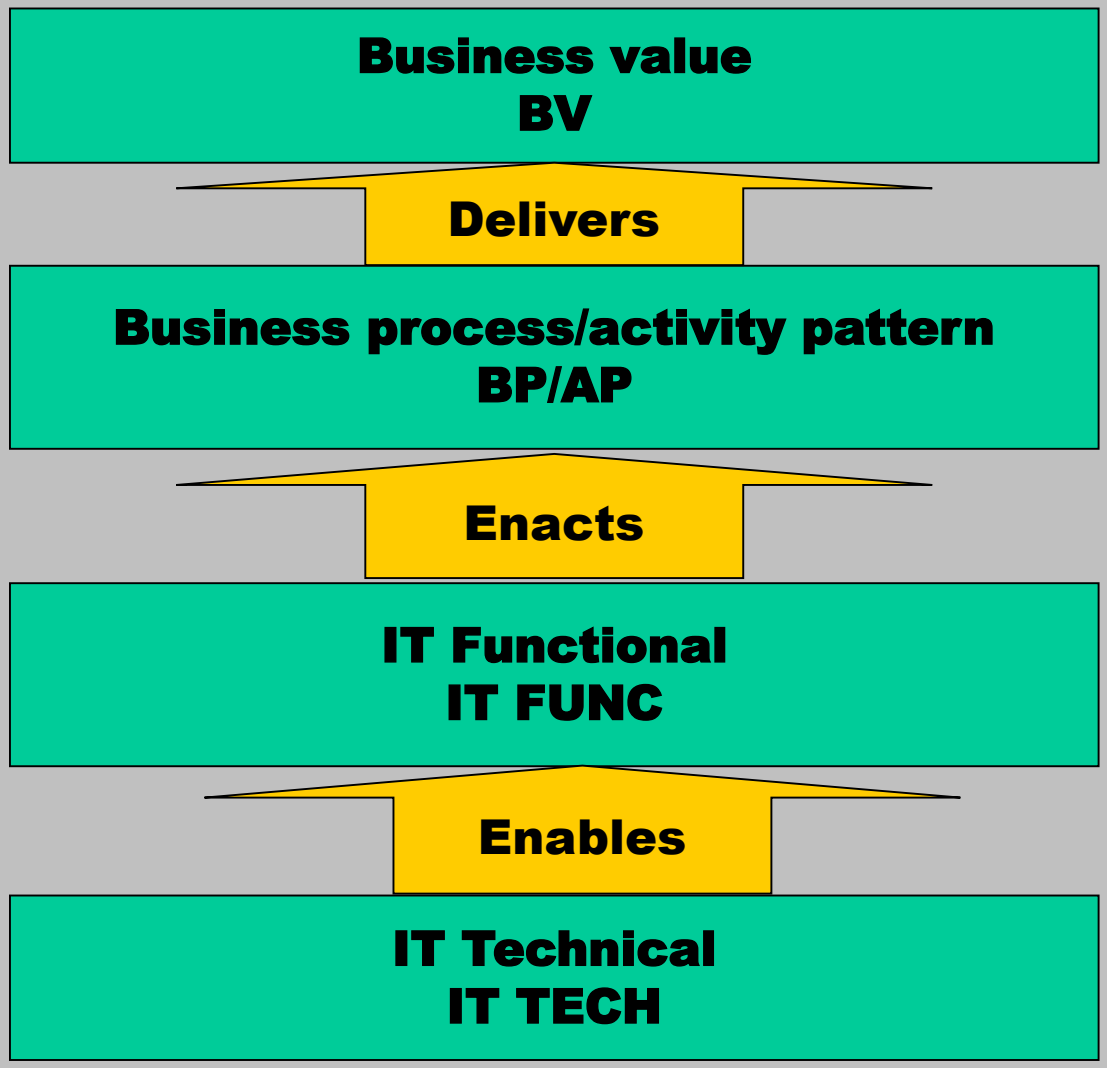
*** I want to maximise the harder to predict ('exceed objectives') value as well as to manifest the easier to predict ('meet objectives') value**

Value is hard to predict as it accrues at *micro* (detail) level

Value is *net* benefit - *all* tangible and intangible costs and benefits must be factored in

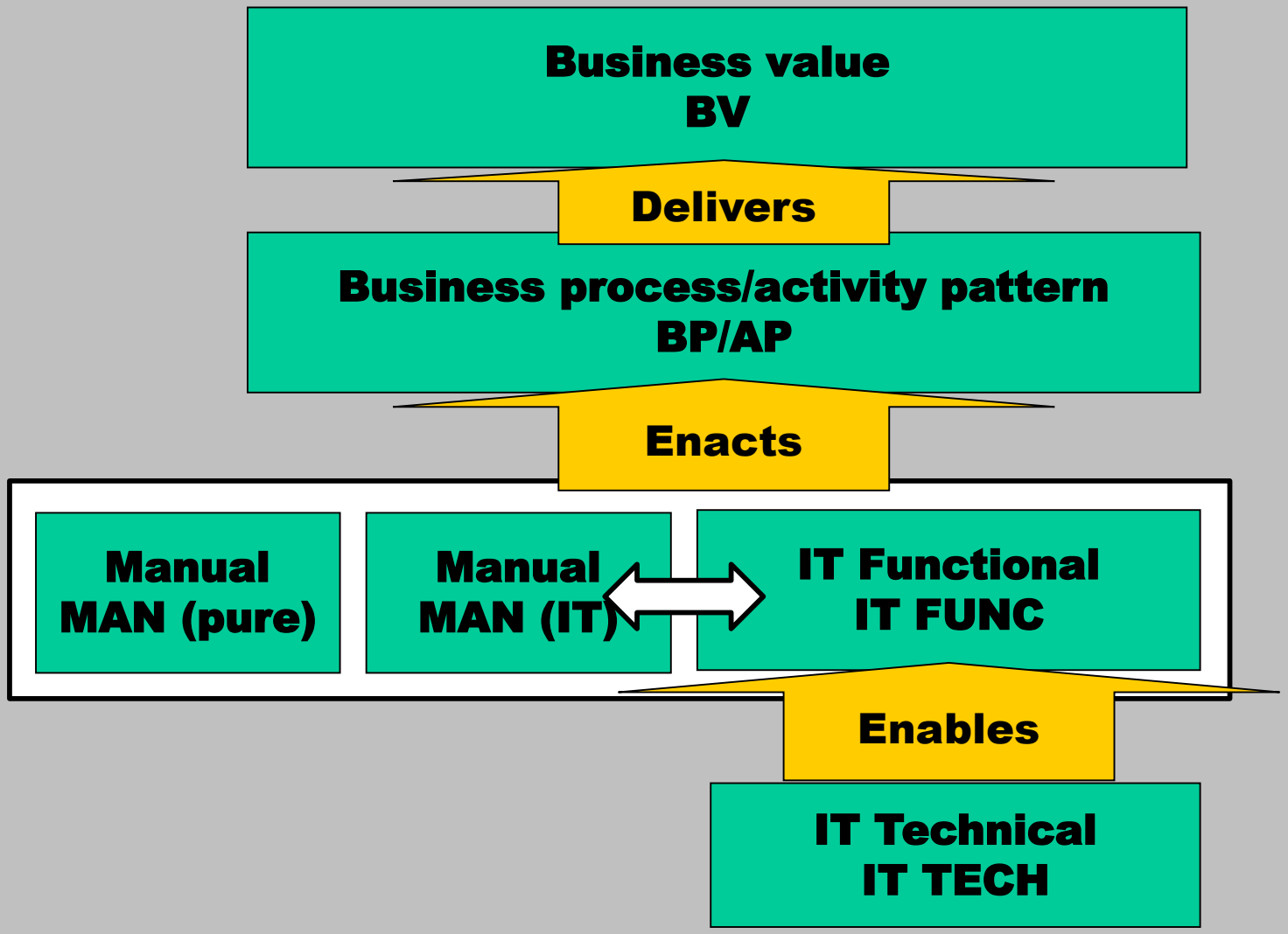
Value Delivery Model (simplified)

Run time, fully 'automated'



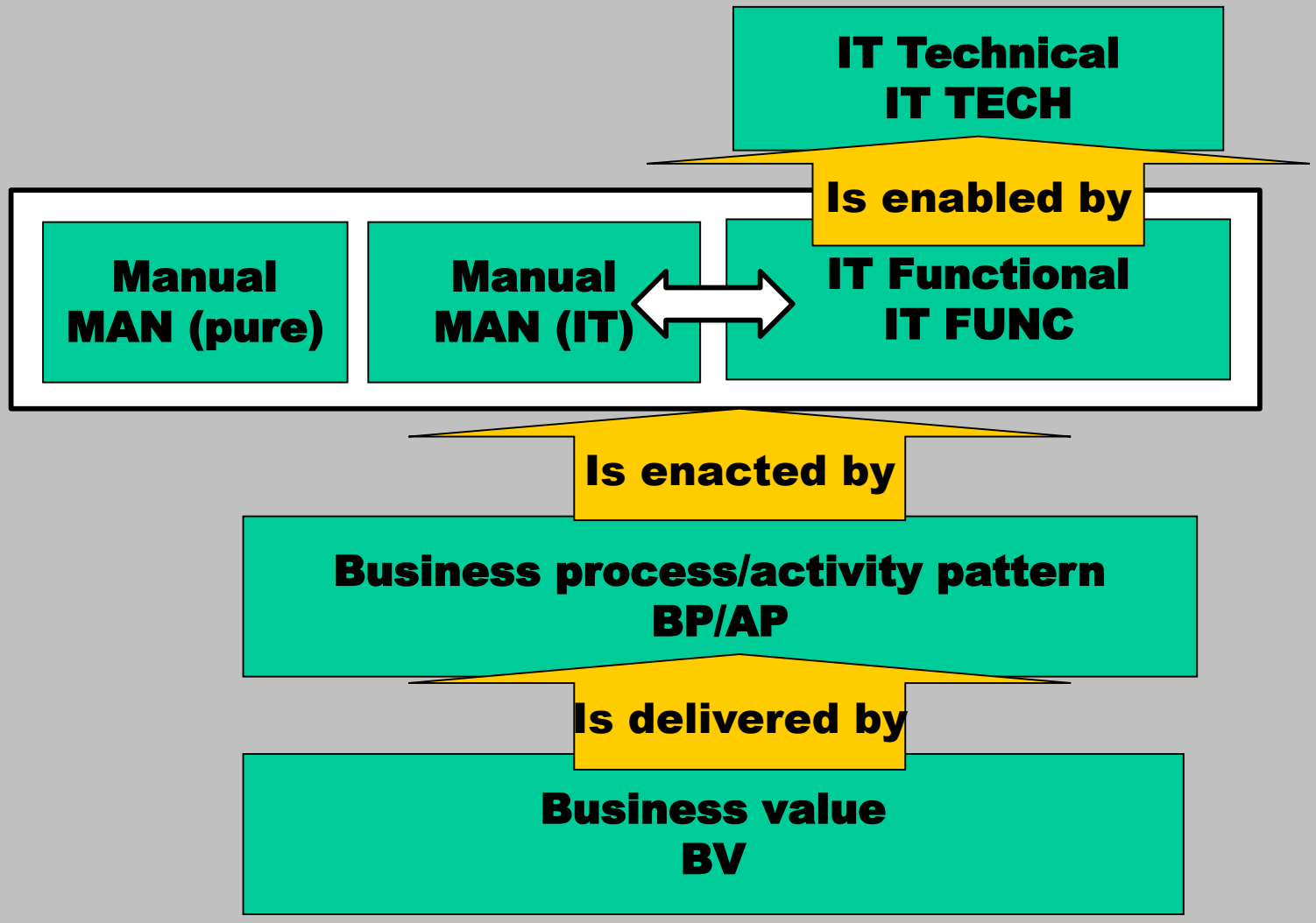
Value Delivery Model (simplified)

Run-time, auto-assisted



Value Conception and Design (simplified)

Design time, auto-assisted



Bridging the Gap
The Activity/Role Spectrum (simplified)

Business/ Real World		<-Antithetic!->		IT
Colour Shades of Grey Analog Fuzzy Human	BP/AP	IT FUNC* + MAN (IT)* + MAN (pure)	IT TECH	Black and white Digital/ Binary Exact Robotic

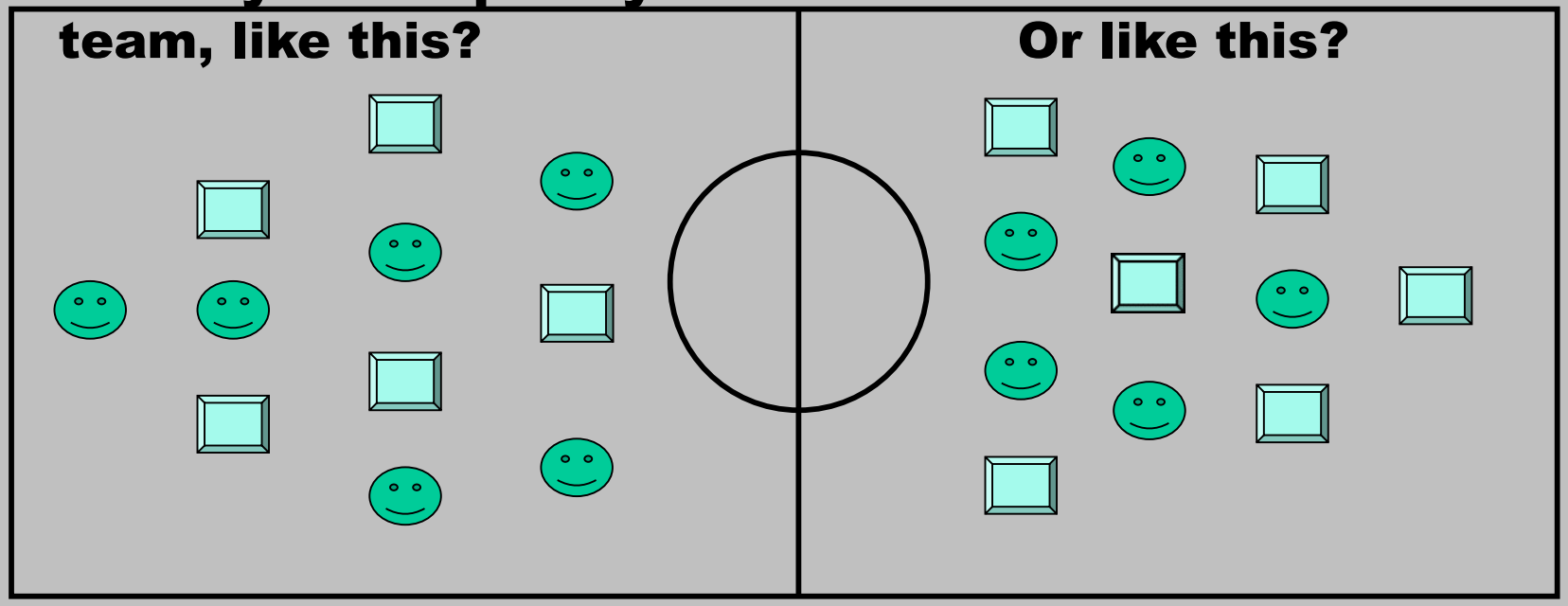
*** This is where most of the value is won, or lost. It's not just another line on the Project Manager's plan.**

Balancing our Football Team for Maximum Performance

Value arises from the <u>combined</u> strength of the players…

Would you compose your team, like this?

Or like this?



Boeing did this badly with their 737 Max MCAS software. Pilots and software were NOT blended together in an effective fashion. Pilots were not properly trained and the ball (of control) could not be passed from system to human effectively at a crucial (run) time when human override was required. Very sadly, 346 people died. Errors occurred at design, train and run time.

Principles of Automation (redefined)

Computers have their strengths and weaknesses which must be taken into account

Humans have their strengths and weaknesses which must be taken into account
(e.g. human/user IT literacy level must be factored in)

Our Football team of Humans and Computers must be optimally blended for maximum strength / effectiveness / performance …

Beware of mantras like: 'aim for a single process', 'force staff to work in a certain way', 'automate as much as possible', 'don't change the process' …

IT is potentially very dangerous… ***the more you 'automate' the higher the potential for damage when things go wrong*** **– too many companies don't get this:**

In 2017, British Airways cancelled 726 flights when their check-in system failed – there was nothing wrong with the planes! Cost £80m.

In 2018, a report said "TSB lacked common sense before its IT meltdown". Cost £100m.

From 1999 to 2020, the Post Office persecuted and even jailed many of its sub-postmasters for fraud which turned out to be the fault of its Horizon IT system. Cost £100m.

Module Business Practice and Contingency (BP&C) helps to deal with this problem

2/3/12

Computer crash hits thousands of customers at the Post Office

by SONIA ELKS

THOUSANDS of people were kept waiting for their benefits and pensions yesterday after the Post Office's computer system crashed.

Customers were told staff could not deal with anything which required a computer, including posting parcels.

It was the 'fourth major service interruption' in the Post Office's electronic systems in nine months, according to Consumer Focus spokesman Andy Burrows. The system crashed yesterday morning and was not resolved for several hours.

'Customers need Post Office services, including the collection of benefits and pensions, to be reliable and resilient,' said Mr Burrows.

'The problems seem to be nationwide and have resulted in several hours of inconvenience for Post Office customers.

'We have heard some branches have decided to close early for the day – leaving customers without access to services. Most branches have only been able to accept cash payments and do manual transactions such as selling stamps.

'We will be meeting with Post Office Limited to understand how the problem will be addressed.'

A Post Office spokesman apologised to customers for the problems.

He added: 'Post Office branches remained open and arrangements were put in place to ensure that special cash payments were made to pensioners and benefit claimants using the Post Office Card Account.

'Post Office ATMs, Post & Go services and Paystation bill payment and E-top up transactions were unaffected by this problem.

'Services have now fully been restored and customers are able to complete all transactions across the Post Office network. We are continuing to monitor the situation closely to make sure our services remain available as normal.'

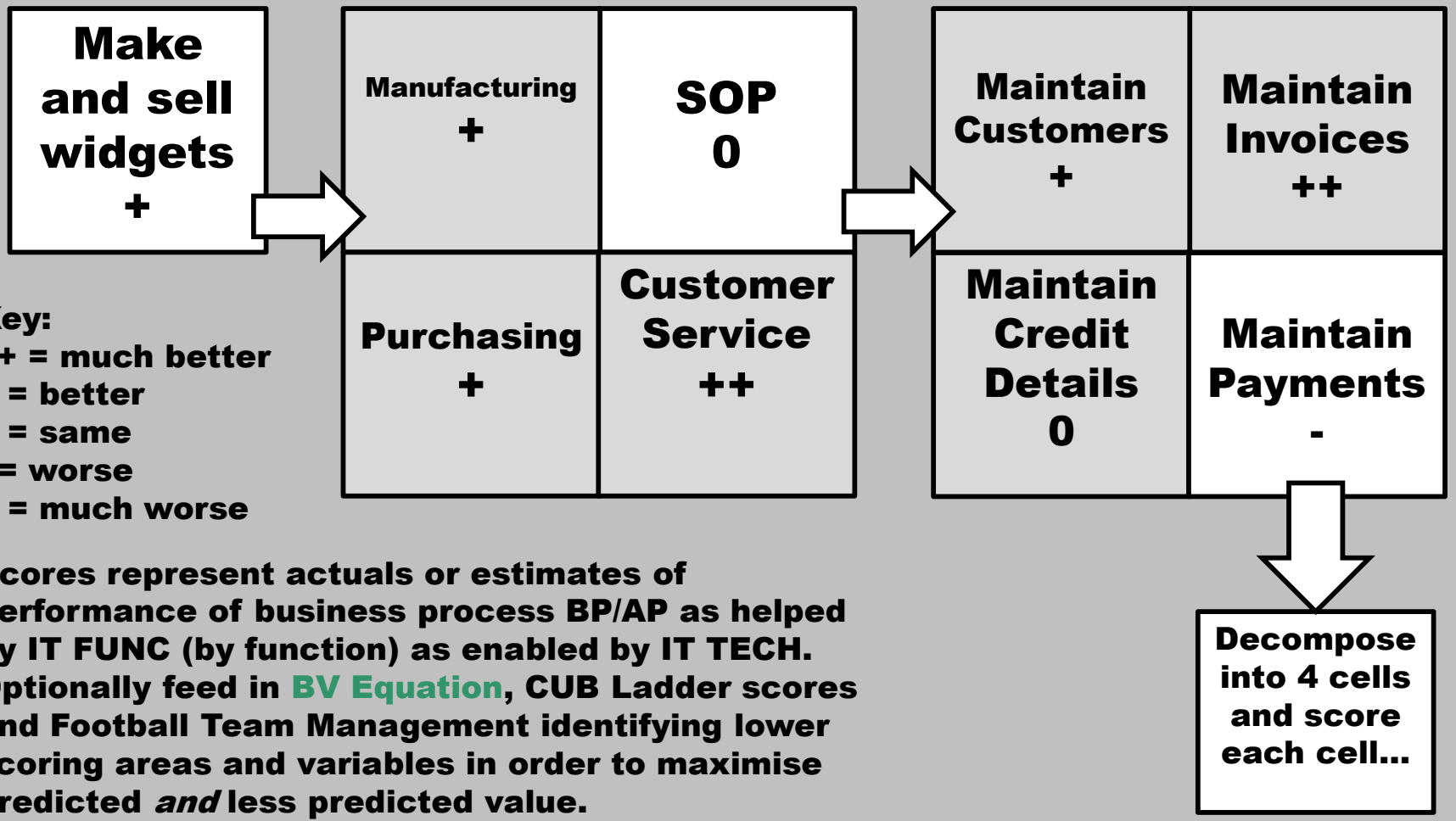
Avoiding Value Wastage
A few key DON'Ts

- **Don't force the user to enter incorrect information - e.g. mandatory drop down lists where no one value is the one the user requires!**
- **Don't wipe the user's data if the user completes a whole screen of input and hits Save, error/s are flagged up (they may need to scroll up to find them) and most or all of their data has been wiped out**
- **Don't make the user guess - be *specific*; e.g. tell them the required format of an entry *before* input, rather than highlighting an error *after* it has occurred**
- **On a brighter note, a great example of how to do it is the Royal Mail's post code finder – it's a joy!**

THINK IT THROUGH!

The Crossword Model

for 'putting a handle' on value at design time and run time, to identify and rectify low value scores



Key:
++ = much better
+ = better
0 = same
- = worse
-- = much worse

Scores represent actuals or estimates of performance of business process BP/AP as helped by IT FUNC (by function) as enabled by IT TECH. Optionally feed in BV Equation, CUB Ladder scores and Football Team Management identifying lower scoring areas and variables in order to maximise predicted *and* less predicted value.
Use KPIs and extend them.

Wrap Up Points

Maximum business value (MBV) means achieving *and* exceeding your stakeholders/VIPs' objectives, expectations and goals

Value is delivered by the business process/activity pattern (BP/AP) and not directly by the IT functionality

Use of intermediate layers for mediating between business and IT is essential

We're aiming at a moving target; project approach should be continually under review - IT methods are a *starting point* and must be tailored to fit – 'practical and pragmatic' will win the day!

Be prepared for some people / colleagues / companies to be unhelpful, but remember, often you *CAN* win them over!

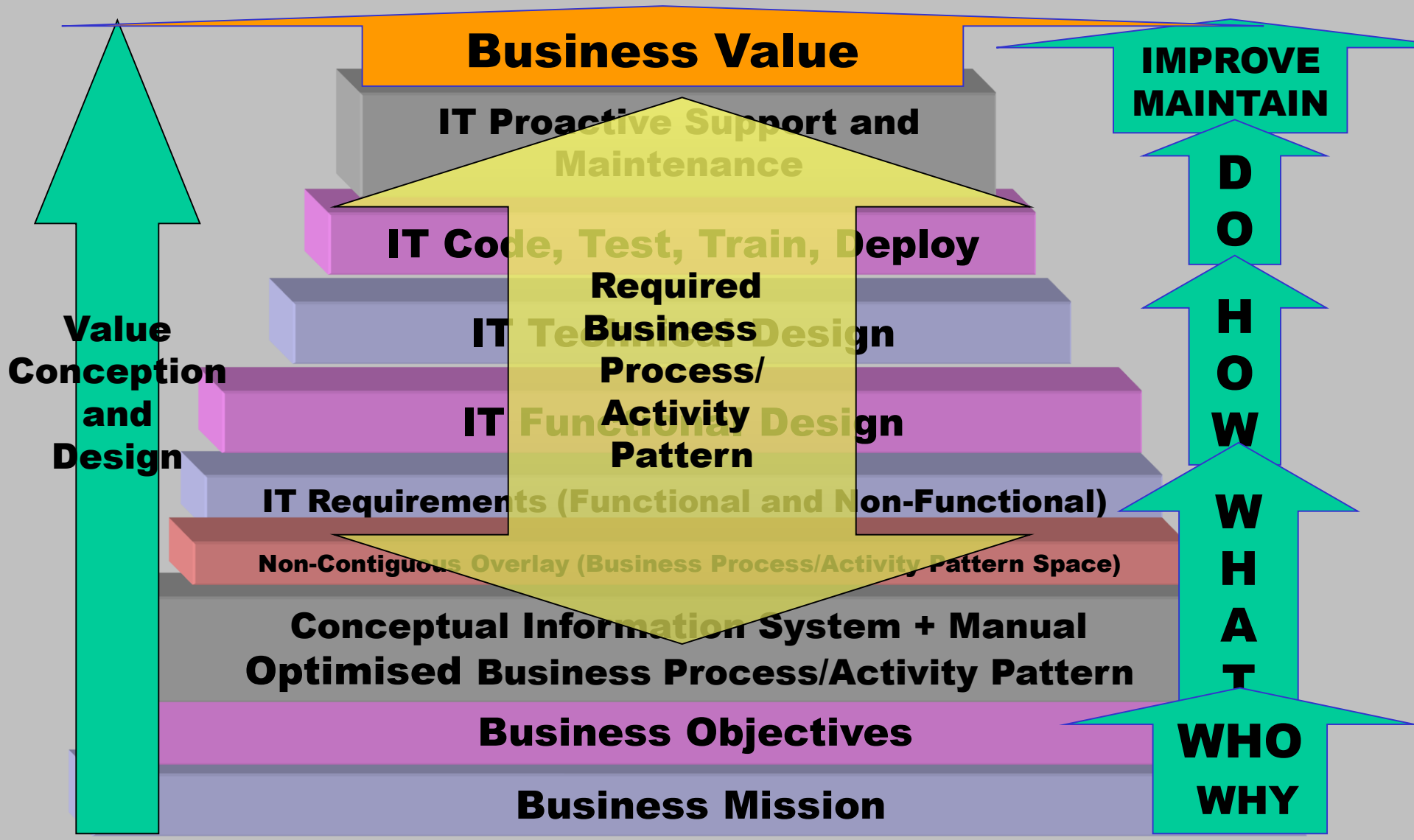
Thank you for listening!

Questions happily received and answered.

Practical, Pragmatic, Value Focused Business Analysis

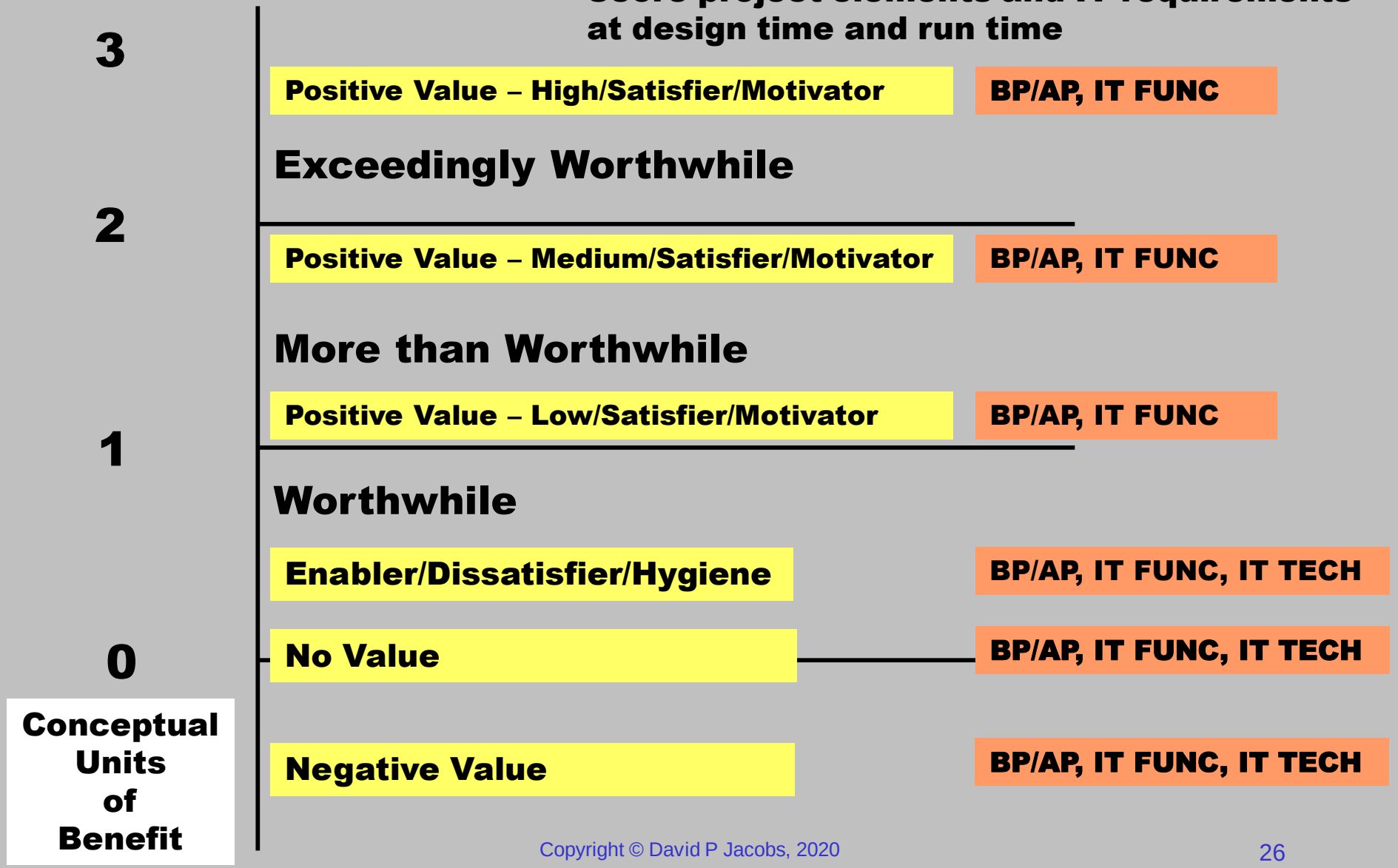
Tel: 07799 036652 / 01932 248027
Email: DavidJ@Maximum-Value.co.uk
Business Value Website: www.Maximum-Value.co.uk
CV Website: www.davidpjacobs.co.uk
LinkedIn: https://www.linkedin.com/in/davidpjacobsbsc/

Value Conception and Design (intermediate) using the Layers of Focus model



The Conceptual Units of Benefit (CUB) Ladder

Score project elements and IT requirements at design time and run time



Further Models / Modules from BVMF™

1. **Origins of Value and Propensity** - where value comes from and how much can be expected
2. **Types of Value** - angles from which value can be addressed/approached
3. **The Business Value (BV) Equation** - how value's ingredients combine numerically to boost the business process/activity pattern
4. **Business Value Affirmation** - to boost value against dissipation with Assess, Boost, Check (ABC)
5. **BP/AP Space, Non Contiguous Overlay (NCO), Representivity** - to optimise the power of humans + IT
6. **The 1934 Model and Step Diagram** - to set expectations and optimise project increments
7. **Business Practice and Contingency (BP&C)** - to minimise damage when IT doesn't work or runs at a degraded level
8. **Modes** - to highlight what's easy to do in IT and what's hard