IBM Podcast

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MATHENY: Welcome to this IBM Podcast. I'm Angelique Matheny. The title of this podcast is, The Future of the Business Analyst. The role of the Business Analyst is rapidly changing in today's challenging economic environment. As it becomes more critical for organizations to increase business value while using the same or fewer resources, innovation is key for BAs to provide this value.

And joining me to examine and discuss how this pivotal role is helping to drive more effective product and project delivery, and keeping teams aligned to the business outcomes, is Ashok Reddy, Director of Product Delivery Organization in Rational.

Ashok is responsible for product delivery and software and systems delivery platform including Jazz Foundation and security products. Hi, Ashok. Welcome to the podcast. Thanks for joining us.

REDDY: Hi, Angelique. Thanks for having me, and I'm very happy to join this podcast.

MATHENY: That's great. I'm glad you're here today. Ashok, let's start with this. How has the role of the BA changed in the last few years?

REDDY: So I think that's a very good question, Angelique.   In terms of the actual role of the BA, from a strict definition perspective, it doesn't change as much. It's still about how a business analyst works with the different stakeholders in terms of benefiting, analyzing as well as communicating and validating requirements to the different business processes.

But what has changed is really the context. The context in today's world is quite distributed in terms of organizationally the stakeholders may not be all part of the same organization. They could be outsourcing providers, the IT may consist of both the company's resources as well as contractors.

Plus the people like lines of business and others may be distributed in different parts of the world, so now we add an element of cultural and language barriers. So the role of business analyst in this context becomes much more complicated, plus they have to deal with some constraints because it's not just about understanding the business requirements and translating them, but also they have to make sure that they're meeting the compliance and security regulations which a business may be mandated to meet.

And it's not just about understanding technology aspects

which traditionally the business analysts used to be able to do that, but now it's more and more about how do they make sure that they understand what business outcomes their businesses are trying to achieve and being able to translate that and work and communicate across all the organizational silos within the company.

Just as an example, within our in terms of where the business analysts, how they're changing, we have a product management as a business analyst function which reports to now more and more the business unit leaders versus reporting to engineering, which makes the focus from a technology to more and more the business needs.

And similarly I found that in other parts of the companies where the startups, for example, product management and business analysts now typically tend to report to the business general managers or CEOs.

MATHENY: So, Ashok, what types of qualifications and roles make a good business analyst, and what roles do they progress on to? Is there a future?

REDDY: Yes, I think business analysts have a great future. Some of the things, what I specifically look for when we hire business analysts or product managers, is someone who has a real passion for business and technology.

They typically come from the technology side of things in many cases where they may have been a software developer, or could be somebody who has worked in a project management aspects of the technology.

Or we are seeing also people who are coming on the business side. So the qualifications is really they need to have a strong background in one, the technology or business, or they should be good learners in terms of being able to understand concepts such as finance, marketing.

And the other key thing is it's more than the functional knowledge; it's also the softer skills which is very critical for any business analyst to succeed, which is how do they negotiate with the different stakeholders. And the negotiation part as well as communicating that across the organization is a very key qualification because if somebody just understands the technology and they're not able to negotiate or communicate and convince the stakeholders and IT, they will not be able to be successful.

And the main other thing is that they need to be able to focus on business outcomes and what the customers are really trying to do versus trying to just focus on non-functional requirements.

I think in terms of what roles they progress onto, I

mentioned earlier startup analysts now are becoming … as
they progress in their careers they have exposure to both
business and technology skills, which is more and more
sought after, whether it's in our own company IBM or other
companies. It's a...it leads to general management roles.
They could become CIOs. They could become line of business
leaders.

So it's a very critical need. And also, another key
important part of business analyst roles are the ones where
you can't outsource them, because they need to be able to
understand and work with the customers and others. So
that's another aspect which I think many people like, is
that these roles are not something which can be outsourced
and automated, but because they need all this combination of
technology, business and software skills.

MATHENY: Ashok, what are the biggest challenges business
analysts face today? How can they be overcome?

REDDY: Well, I think that's a very good question. In
terms of, some of the biggest challenges are to some extent
the lack of clarity. I think that's a big challenge in
terms of trying to get what they want to accomplish within a
company because the business analyst role itself is not
clearly defined or in many cases there's not sponsorship
from a senior leadership perspective.

So when that happens, it's very hard for a business analyst to drive and negotiate and communicate the business needs and get it done, because it's typically a very highly matrixed organization, and a business analyst sometimes may end up reporting to a project manager or somebody who is matrixed themselves and not have that.

So one of the key challenges which a BA needs to face is that they need to make sure that there is a clear clarity of the role as well as senior executive sponsorship. And other things what they'll have to work on is they need to maintain a balance between the technology constraints and business needs.

Many times what happens is there is from a development and IT perspective, there will be quite a few technology constraints. So there will always be people who will say, they cannot do certain things because of certain technology constraints, regardless of what the business needs whether it's the right thing for the business.

So that's, an important thing is the challenge, what the business analysts face is, how do they make sure that they can do the right balance, agree upon a common process, and how do they make sure that I understand there are some technology constraints here, but if you don't really meet

the business need, it doesn't matter what we do in terms of implementing the application, it will be a systems application or a product. So it's very important that they get the sponsorship, maintain the right balance.

And the other thing is, we found as an example the big challenge is the changes, constantly things change and the reason for that is even in our own internal processes we have agreement, we move forward and development or product delivery happens but at a very late stage things get changed, because the executives do not agree that this is what was agreed upon and what's needed for the business or the stakeholders may not.

I think fundamentally the challenge there is many of the stakeholders do not really know what they want until they see it. And I think sometimes when the product or an application is built and they actually are able to see visually or actually have a user use it, they won't really understand what requirements and other things people talked about.

So it's very important for business analysts to work up all those challenges by looking at how can they reduce the risk by moving some of this early on in the process by using visual simulation prototyping to get the stakeholders to agree, because you don't want to wait until the last minute

to get agreement.

MATHENY: Ashok, what is the impact on the role of BA or importance in the current economic conditions? And how can a BA add value today?

REDDY: One other thing, what we are seeing with the current economy is that there is a very, very high focus on reducing costs across the board whether it's internal from an IT perspective, IT budgets are shrinking, or people are outsourcing to cut costs, as well as they're trying to reduce risk.

So what happens in this case is the business analyst becomes such a pivotal role to be able to really understand the business needs, what's really needed, which one will send their CIO to jail, for example, for not meeting a compliance need or a security need. What's really needed to drive certain business outcome, and not something which is a non-functional requirement which is right to have.

So they have a role which they need to play is sometimes when you try to focus too much on reducing costs, people may start looking, short-cutting things which may have an impact on their strategic direction and it will hurt the IT of the company and the line of business one or two years down the road.

So one of the things where the business analyst can do is to
balance that in terms of looking at not only what's the
capability and what are the things what we need from an
immediate perspective, how can we meet customers, how can we
reduce cost and risk. But at the same time, not ignore the
things which they need to be doing in a long term strategic
objectives perspective.

So whether it's something in terms of having compliance with
their enterprise architecture so that they not only know
where they are and also it's more like a GPS. In order to
get to where the IT or the line of business wants to get to,
they need to know where they are today. So it's important
that any actions they take and whatever they define needs to
be in line of what they are going to be going towards in
terms of transforming their business and IT.

So it's very important for truly understanding the customer
needs, and in this environment, it gets much more important
to reduce the re-work because it costs money, it makes
people frustrated. There is a huge delay and cost in
customer satisfaction issues. And so it's important to make
sure that the business analysts are building trust and
credibility with a very fact-based approach.

And I think one thing what I would say is that we can't, in

this economy and in this sort of conditions, there is no clear answers. You know, business analysts when they work through, the only thing which I would say is any decision they make, or they drive, they can only look at facts and how can they increase the probability of success.

So the way to do that is to experiment early, focus on some results, adjust and be able to get agreement across the organization and not wait until it's too late when the costs are very high.

MATHENY: And our last question today, Ashok. Outside of financial or value orientation, what are the hot topics or emerging skills of the business analyst?

REDDY: What I am finding is that there is quite a few things which are happening in the marketplace and I think with the technologies, some of the things what we are finding is very important for business analyst is, outside in design skills, being able to do some process modeling as well as understanding business architecture models to extend all the UML and other ways of how they might capture the requirements in the business domains before.

And also being able to prototype some of the things what they want to be able to show the different stakeholders and quickly without actually spending a lot of time on creating

the actual application.

They can, in some cases it may be, textual requirements may be the right way to do it, but in many cases they need to be able to assimilate it because people get to see it, they get a feel for it, and also when we talk about organizational and distributed development delivery, in order to eliminate the cultural barriers where when people talk, they think there are certain things and then documents get transferred...

...so all the in context collaboration is very important, because it's not just, what's the requirement, and somebody working on it; it's also for them to know what happened during that? What was the causations, why did somebody decide. So it's all the things what they would like to know, and if they understand how to actually model things as well as develop the right type of use cases both visually as well as simulating them.

Also findings … business analysts are using some of the video techniques such as including YouTube to be able to create quickly some prototypes and demos where they can get the stakeholders to see how things actually work. And I think the other thing which I would think that as I mentioned is the skills.

These are some of the skills what they need in terms of business analysts, but the other key thing, again, I'd like to stress is the negotiation skills and the communication, which I would say are very important in this aspect of the business analysts, is, how do they work effectively to get everybody to agree, because negotiation and in order to make sure that everybody is...there is a give and take, and once the stakeholders agree upon the business requirement, how do you make sure that everybody who is implementing that are all on the same page?

So in that case, it's the communications skills and getting everybody to agree and whether it's in their company or whether an outsource provider. So those are the type of skills which will be very important for a business analyst to be successful.

MATHENY: So sometimes it's just the intangibles, then.

REDDY: Yes. Exactly.

MATHENY: Ashok, this was very informative. Thank you so much for taking time out to discuss the Future of the Business Analyst. We really appreciate it.

REDDY: You're welcome, Angelique. And I'm really excited, again, for the role of business analyst and its changing nature. I do think that we are seeing is the

increasing importance of business analysts both in IBM as well as the customers we work with. And this is one of the roles which is going to continue to evolve more in the context of making sure that people can meet the business outcomes, reduce costs and reduce risk.

MATHENY: That was Rational's Ashok Reddy, Director of Product Delivery Organization. If you're interested in more podcasts like this one, check out the Rational Talks to You Podcast page at www.ibm.com/rational/podcast. This has been an IBM Rational Podcast. I'm Angelique Matheny. Thanks for listening. Keep tuning in as Rational Talks to You.

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