Adrian Reed: Business Analysis Function: IT or Business Change?

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Introduction

In this article, Adrian Reed discusses the advantages and disadvantages of locating the Business Analysis practice within IT or within a separate Business Change function. He draws on comments and experience from his peers, along with information and opinions captured during the European Business Analysis Conference 2010.

As business analysts, we are able to add value to a wide variety of projects, whether they are IT enabled projects or pure business change projects. There is an ongoing debate in our profession over where the BA function should sit – whether we should be part of the IT department, or part of a separate Business Change function.

I recently spoke on this subject at the European Business Analysis conference, where I was able to hear and capture the views of a number of my peers. This article is based on the output from that session, which I have interpreted, categorised and sorted. Many thanks to everyone at the conference who had input into this.

The output fell into six key themes, which are summarised in figure 1 overleaf. Each of these themes are generalisations and observations based on comments from the individuals who were present at the session:

Figure 1: Key themes & Considerations for the Location of a BA Practice

	BAs within IT	BAs within Business Change
Business Perception of BA Role	**Narrower** May be perceived as 'IT people' by the business. This has advantages and disadvantages – BAs will be seen as 'experts' in IT change, but are unlikely to be involved in non-IT projects (e.g. organisational change). In some cases may be perceived as 'Requirements Analysts' rather than Business Analysts.	**Widened** Business perceive BAs as practitioners of change, able to work on IT and non-IT enabled projects.
Relationship with IT	**Closer** Likely to have a good working relationship with IT, allowing information to flow more freely and quickly. This will help significantly during discussions over solution design.	**Distanced** Relationships with IT may suffer, since distance has increased. IT may see BAs as 'another' business stakeholder, and in a worse case scenario fragmentation may occur with duplicate BA roles emerging.
Engagement & Visibility of BA Role	**Lesser** Unlikely to be involved in early stages of projects, particularly if the IT impact is perceived as minimal.	**Greater** Easier to sell the benefits of earlier BA engagement, feasibility and pre-concept.
Deliverables	**Collaborative** Ability to work closely with IT throughout the project lifecycle.	**Danger of IT 'Silo'** If not carefully managed, a danger of 'throwing deliverables over the fence', and an 'us and them' mentality.
Currency of IT Knowledge	**Keeping Pace** BAs likely to keep pace with technology.	**Knowledge Fading** BAs technological IT knowledge may fade and/or date.
BA's Understanding of Problem Domain	**Lesser** Distance from business may provide challenges in understanding problem domain. Once a BA has been engaged, the business may already have a solution in mind.	**Greater** Earlier engagement should lead to more opportunity to define the problem and logical requirements, before analysing potential solutions.

Conclusion

What is clear is that there are a variety of views throughout the profession. There is no ‘one size fits all’ solution.

Where the BA function should sit will depend on the size, maturity and attitude towards change of the individual organisation.

The potential implications of the BA being part of the IT department are that the role is likely to be narrower. The BA team are likely to have to market themselves extremely well in order to get involved earlier in the project lifecycle.

If a BA resides within a Business Change team, then a significant advantage is that they will be more able to position themselves as Change Practitioners who are able to champion both business change and IT change. However they will need to carefully manage their relationship with IT, to ensure that technical deliveries do not suffer.

Both these scenarios are generalisations, and I’m certain that exceptions exist. Whilst it is possible for a BA team to function incredibly well within an IT function, my personal view is that there is more value in placing them within a seperate Business Change function. As a profession, our role is evolving. We have huge opportunities to help our business customers define strategy, customer journeys and provide high quality analysis to help them decide which projects to proceed with. We can design organisations and target operating models, but it is much more difficult to do this if we carry the label of ‘IT’. We must however keep abreast of IT and how it evolves so that we are able to effectively contribute to projects where implementation of an IT solution is being considered.

I believe we are moving towards a world where the demands on BAs will be greater, in terms of depth and breadth of knowledge. As a profession we need to gain visibility from our senior leaders, and I believe the best position to pursue this goal is from an objective Business Change team. I think the BA needs to act as an independent change consultant, positioned in a way that enables objectivity. There are issues and risks with this approach, but I believe these can be managed with foresight.

Moving BAs to a Business Change team presents huge opportunities both for BAs and also for the organisations that recognise their value, however it also involves a subtle redefinition of a BA’s role. Organisations that take this jump will need to recognise this change, and ensure that their BAs are properly equipped and ready to capitalise on the opportunities that are presented.

About the Author

Adrian Reed is a true advocate of strategic business analysis and innovation. In his day job, he acts as Principal Consultant and Director at Blackmetric Business Solutions where he provides Business Analysis consultancy and training solutions to a range of clients in varying industries. Adrian is a past President of the UK Chapter of the IIBA and he speaks internationally on topics relating to strategy, problem solving, analysis and business change.

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