

Shubhadha Iyer
Copyright © November 2011

MANAGEMENT BUSINESS ANALYSIS

This document describes the scope, impact and benefits of the Management Business Analyst role. It can be performed in permanent or consulting mode. Skill areas, methodologies and service strategy are outlined.

Copyright © 2011 by Shubhadha Iyer. All Rights Reserved. Unauthorized Copying or Reproduction prohibited.

S.Iyer

11/2/2011

Table of Contents

| | |
|--|----|
| Executive Summary..... | 3 |
| ❖ Management Business Analysis Consulting Model..... | 3 |
| ❖ Business Analysis- The Past Two Decades | 3 |
| ❖ Role of the Management Business Analyst..... | 4 |
| Market Analysis..... | 5 |
| Consulting Service Features..... | 6 |
| Service Strategy..... | 7 |
| Areas of Expertise | 8 |
| Methodologies & Frameworks..... | 9 |
| ❖ Management Process Improvement | 9 |
| Targeted Improvement..... | 9 |
| Parallel Improvement Methodology..... | 9 |
| ❖ Business Process Troubleshooting Methodology | 10 |
| ❖ Growth & Innovation Methodology..... | 10 |
| Tools & Techniques..... | 12 |
| Consultant Profile | 12 |
| Appendix | 13 |

Executive Summary

The role of *Management Business Analyst* or *Management Analyst*, as envisioned in this document is focused on effecting improvements at the Management level in an organization. Functions performed would include aspects of Management Consulting and Business Analysis.

While working to achieve measurable improvements, higher performance levels, growth and innovation in Management processes and practices, it will leverage the value of MIS, Decision Support systems, Business Analytics, Management Research, Lean Management, Quality principles and Statistical Analysis as applicable.

The Management Business Analyst can either be an internal resource or work in an external Consulting mode.

❖ Management Business Analysis Consulting Model

The business consulting model is *scalable* for large companies as well as SME's and Startups. Planned as an *economical* service, it utilizes methodologies and frameworks that are not too elaborate. Various *industry standard* tools and techniques are also considered. The *process improvement* cycles are designed to work at the operational and strategic levels. *Methodologies* created as part of this model, are robust methods to be detailed based on the problem or situation on hand. Other significant consulting areas include *Managerial Decision Support Solutions*, *Management Research* and *Strategy Analysis*.

❖ Business Analysis- The Past Two Decades

There has always been common working ground between Business Analysis and Management Consulting, the former being a standard feature in some of the world's biggest Management Consulting firms.

In recent years, the Business Analyst role has grown and diversified dramatically. A few intrepid IT Analysts ventured into business analysis during the 1990's IT boom, and worked to add Analysis-intensive skills on IT projects. Reinforced by such cross-functional movements in the US jobs market, these trends gathered momentum on outsourced projects in other geographies including India. At the turn of the century, a few industry thought leaders had already pointed out the immense benefits of business analysis on projects; as well as the profit potential of the futuristic business model for outsourcing analysis services.

Where previously it was Finance or Management professionals doing business analysis, companies started hiring for these skills as a niche role. Business Analysts- whether Functional or Techno-functional, have since expanded their presence in many industries.

The extent of specialization within this role has also increased, with people who can be classified as Domain Specialists and Generalists. And then there are versatile, multi-skilled Analysts with competencies to handle both, and work across verticals.

In another interesting trend, growing fields such as Analytics have been quick to absorb Business Analysts. There is greater clarity in the classification of entry, mid-level and senior professionals. Last but not least, one can now choose from a range of advanced Tools, techniques and certifications for advancing their professional skills in this category.

❖ Role of the Management Business Analyst

A *Business Analyst* who specializes in the *Management domain* is in a vital role that can bring cutting-edge, state of the art skills to the world of *Management Consulting*.

When we speak of Management Consultants, their impact is obvious- they are known to effect improvements in Management practices. While working with the company to effect important changes based on the right choice of methodologies, they must skillfully navigate the organizational barriers and resistance that such interventions initially bring. The strength of a Business Analyst is seen in their ability to drive work by collaborating with many teams, communicating with stakeholders at multiple levels, and being able to meticulously prepare phase-wise artifacts with different tools and methods.

In summary, the Management Business Analyst is in a unique position to accomplish the following—

- ❖ Effect *actionable* and *measurable changes* in the organization to answer client requirements.
- ❖ Act as a *catalyst* for growth and *innovation*, while working to *accelerate performance*.
- ❖ Work with the company to drive *improvements* at *strategic* and *management operation* levels.
- ❖ Support the *introduction* and *absorption* of *best practices* in a given area.
- ❖ Apply the *right mix* of industry standard *Management methods and tools*.
- ❖ Apply *advanced problem solving* and *creative improvement solutions*.
- ❖ Raise the working *standards* and *awareness* by providing *training* in relevant areas.
- ❖ Enable *smooth transitions* through synchronized and *coordinated planning* across work groups.

Market Analysis

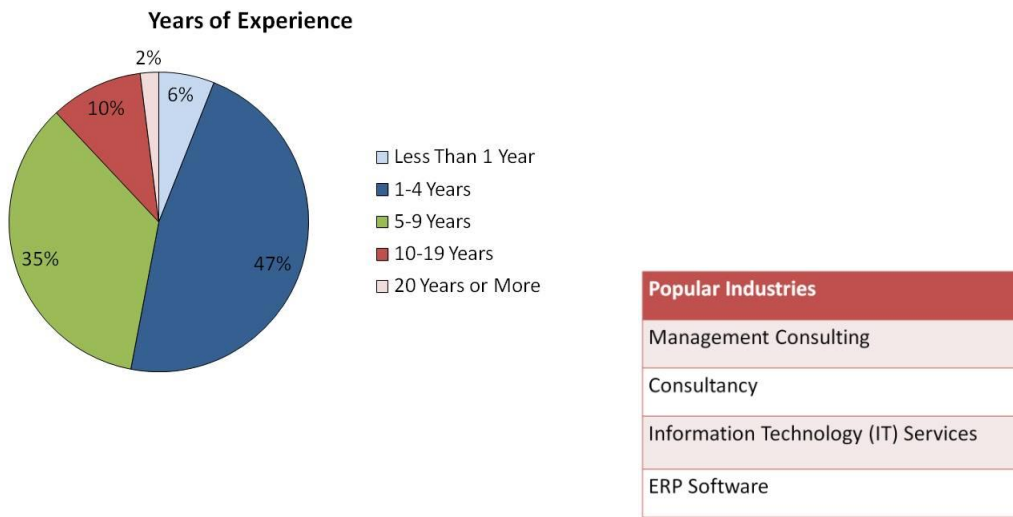
One can find many companies going through some form of expansion, transition, re-structuring or other changes. Reasons for organizational change may vary, the standard ones being- to gain a competitive edge, respond to internal or external environmental forces, or for increasing profits and performance levels. In particular, transitioning to new technology is a popular current trend. Depending on the scope and level of change that is affecting the strategy, structures, processes or people in these companies, they need to respond to it successfully.

Yet the quality solutions and ideas to help these companies manage the change, and set their initiatives on the right track are not easy to find. There is a continued demand for qualified professionals with the right mix of Management, Business and Analytical expertise- who can also leverage IT/ Technology and show quantitative results.

Refer a sample from online employment statistics for Management Consulting. (Figure 1 Key Statistics for Management Consultant Jobs (Source site: PayScale India www.payscale.com)

- The data is interpreted as a high demand for Management Consulting in some Industries, but a relatively low supply of highly experienced resources in this stream. (only 12% with over 10 years experience)
- The Management Business Analyst role discussed in this paper is not readily available online. In contrast, there are Management Consulting and Management Analyst roles. A possible reason is that Management Business Analysis is considered too generalized in contrast to more specific job roles e.g. Business Operations Analyst or Business Research Manager.
- The view held in this paper is that while the above roles are definitely relevant to the work force, the Management Business Analyst also serves a distinct purpose. He/she collaborates with the organization as the initiator, innovator and implementer of improvements in Management processes. In many cases the diagnosis and correction at the Management level requires an investigation into multiple domains, and at times- a generalist view.

Figure 1 Key Statistics for Management Consultant Jobs (Source site: PayScale India www.payscale.com)



Job Description

(Summary Report for 13-1111.00 – Management Analysts, Source: O*NET Online)

<http://www.onetonline.org/link/summary/13-1111.00>

Conduct organizational studies and evaluations, design systems and procedures, conduct work simplification and measurement studies, and prepare operations and procedures manuals to assist management in operating more efficiently and effectively. Includes program analysts and management consultants.

Consulting Service Features

Refer Figure 2- Phases in Management Business Analysis Consulting, Page 7

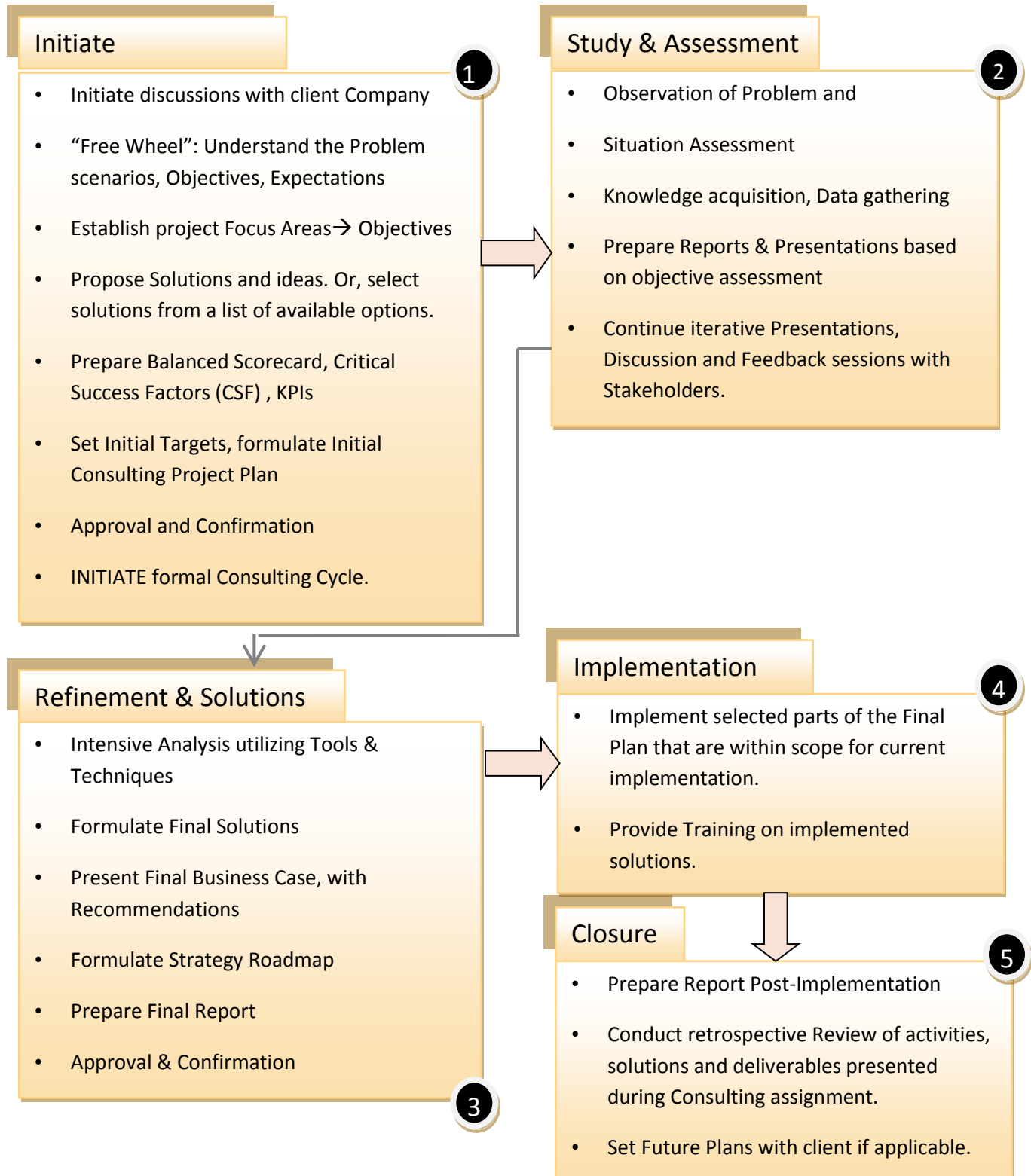
- The service is not positioned to be Industry-specific. It should work for any Industry domain—traditional as well as emerging.
- For each company/industry, the service will provide new custom solutions while maintaining full confidentiality.

Refer Figure 3- Areas of Expertise, Page 8

- An overview of the primary areas that the service or function would provide Solutions in.

Service Strategy

Figure 2 Phases in Management Business Analysis Consulting



Areas of Expertise

Figure 3 Areas of Expertise

Strategy Analysis

- Business Strategy Analysis and Refinement
- Strategy Solutions for Product/ Service and Functional levels
- Development of Business Models

Management Research & Data Analysis

- Customized Research undertaken in Management & related areas
- Statistical Analysis
- Management Reports

Management Decision Support & Analytics

- Development of Decision Models- Behavioral, Management Science and Operations Research
- Trend Analysis, Forecasting
- Descriptive & Predictive Analytics incl. Regression models
- Business Rules

Growth & Innovation Cycle

- Applies the Growth & Innovation Methodology

Management Process Improvement

- Drives improvement for a selected Management Process/ Area.
- Design a new Management process
- Drive Operational Process Improvements
- Product and Service level Improvements

Methodologies & Frameworks

❖ Management Process Improvement

- a) The above term is a generic classification. An Improvement cycle may be based on any of the following practical *Approaches* while ensuring alignment across the value chain--
- (i) Policies and Guidelines
 - (ii) Management Practice Area or Function or Department
 - (iii) Management Process
 - (iv) Structural or Systems
 - (v) Product or Service Area
- b) *Specific improvement methods* will be decided based on the type of change. E.g. Is it an incremental process improvement, work group re-structuring, policy change or an overhaul of product marketing strategy? This may be clarified at the onset or decided following *study & assessment*.
- c) To facilitate better communication and planning, each improvement effort can be further categorized in various ways. Without diving into exhaustive theory, one such classification is provided below, based on the scope of improvement.

Targeted Improvement

- A Management Process is selected for improvement and the entire cycle is focused on the same process/area. In more *standardized* environments typically found in large companies the process boundaries are clear, making this easier to implement in practice.

Parallel Improvement Methodology

- This alternative is applicable to *multiple Management Processes* or areas.
- It is designed to reflect actual situations likely to occur in less structured environments e.g. startups, small to mid-size businesses, or even large companies where some work groups are going through accelerated change cycles.
- The effort initiates by focusing on a management process or area, and proceeds to explore and investigate problems in it. The impact will automatically “spread” to other areas that are linked or associated to the target process with defects, bottlenecks and issues emerging concurrently. For example, improvement is initiated for the Performance Appraisal process. In addition to the main Performance Evaluation process this would impact a variety of other HR Management processes and workflows such as Compensation, Training and Competency management. In an early stage startup, certain processes and systems may not be set up yet- the assessment can be expected to reveal these *gaps*.

- Defects are treated as opportunities for improvement. A percentage of defects from associated areas can be absorbed into the mainstream cycle for which the plan would have to factor in schedules, resources and client approvals. Other defects may be pushed to later cycles. Refer Figure 4 Parallel Improvement Methodology in Appendix.

❖ Business Process Troubleshooting Methodology

- a) This aims at tracking and logically *diagnosing* problems in business processes and systems.
- b) A suggested approach is to construct or extend the functionality of a process/ system to enable processing based on *Fault Tree Analysis (FTA)*. Analogous to converting a system to Rules-based architecture, the methodology followed in this case would involve--
 - i. Converting the process or system logic to *Fault Tree decision* based format
 - ii. Data-driven *Knowledge base* to enable dynamic modifications
 - iii. An interactive *visualization interface*.
- c) Operations manuals, escalation procedures, troubleshooting and Maintenance guidelines can be converted to the above format. It can be applied at IT Troubleshooting procedures as well as *higher Operational levels* in the company, including administrative procedures.
- d) FTA is a detailed and rigorous method. However, as an alternative to the FTA, other troubleshooting approaches can also be considered. For example, Failure Mode and Effects Analysis (FMEA), other Root Cause Analysis techniques, and PERT/CPM models applied in Project Management.

❖ Growth & Innovation Methodology

- a) This methodology can be applied to any project where, in addition to the stated goals, the aim is to achieve *measurable results* in terms of *growth and innovation*.
- b) The purpose of having *planned growth and innovation cycles* can be—
 - To generate and examine *new ideas and solutions* for a given business requirement. For example- to enhance or create a product, service, strategy or business model; and as part of R&D initiatives. In current business environments, innovation is recognized as a success factor. Consequently, new ideas and solutions are usually required at all levels of the enterprise.
 - For *Problem resolution*
 - To set up an improved *performance and productivity cycle*. It may be applied to achieve higher performance and output targets in select work groups.
 - To set up an *accelerated learning cycle*. This is relevant for Training sessions.
 - Organization wants to foster an “innovation culture”.

c) In order to enable higher levels of growth & innovation, such projects would require special *Management styles, Planning, Team Structures and Work dynamics* to be established. The *key characteristics of this Methodology* when applied to a project cycle are--

- i. *Highly Competitive* team dynamics
- ii. *Goal- oriented and deadline- driven* process
- iii. *Balanced Controls*- Certain tasks or phases should allow for unstructured creative thinking and ideation, for example- Brainstorming sessions; other phases would be structured and controlled to achieve set goals.
- iv. *Plan and Scheduling*- Specific plan and scheduling details would depend on the project. The Methodology can also be applied to the process improvement cycle.
- v. *Risk Taking*- Atmosphere of risk-taking.
- vi. *Creative thought process*- Should allow expansive, inspired and creative thinking.
- vii. *Management*- Resource(s) for managing the team and process, while observing the required variations in control. There may be other resource(s) required for conducting facilitated sessions such as Training, Reviews or Brainstorming.
- viii. *Team structure*- Resource(s) for *driving* the process forward, especially for high growth and productivity phases. And resource(s) who can function as “Catalysts” for innovation cycles. These are normally people who are more active and/or have more ideas.
- ix. *Stimuli*- In certain cases though the *core team* would remain the same, the team structure cannot be rigid or *insular*. New people and groups can be brought in for temporary consultation.



Tools & Techniques

The following tools and techniques can be applied as part of Management Business Analysis. To preserve confidentiality, a full list is not provided in this paper.

- **PEST Analysis, Situation Analysis (SWOT)**
- **Situation Assessment**
- **Business Process Analysis, Business Process Improvement (BPI)**
- **Feasibility Study**
- **Competitor Analysis**
- **Value Stream Analysis**
- **Risk Assessment**
- **Balanced Scorecard**
- **Benchmarking**
- **Six Sigma, Lean Six Sigma**
- **Root Cause Analysis**
- **Fault Tree Analysis**
- **Gap Analysis, Impact Analysis**
- **Business Rules Formulation & Analysis**
- **Decision Tools**
 - **ROI, Net Present Value (NPV)**
 - **Decision Tables, Decision Trees, Payoff & Optimization models**
 - **What-If scenarios, Sensitivity Analysis**
 - **Strategic Inflection Point**
- **Program Evaluation & Review Technique (PERT) / Critical Path Method (CPM)**
 - **Other Operations Research Models**

Consultant Profile

Shubhadha Iyer is a Business Analyst with a total work experience of 12+ years, who has specialized in all facets of the Business Analyst role over the past 8-9 years. Has worked at the Management level as Deputy General Manager in 2007.

Initially worked on consulting projects in USA that largely focused on IT/ Applications Analysis, then in India- primarily as Business Analyst from 2002 to 2011 in several domains. Has written entrepreneurial Business Plans and White Papers in 2000-2002 and more recently, in Management. Academic background comprises an M.S. degree from WSU, Kansas, USA (1995), Post-Graduate Diploma in

Business Administration (PGDBA- Sikkim Manipal University DE, 2010), Certification in Business Analysis (CSBA from Quality Assurance Institute, 2010), and B.Tech. From IIT Mumbai (1988).

Appendix

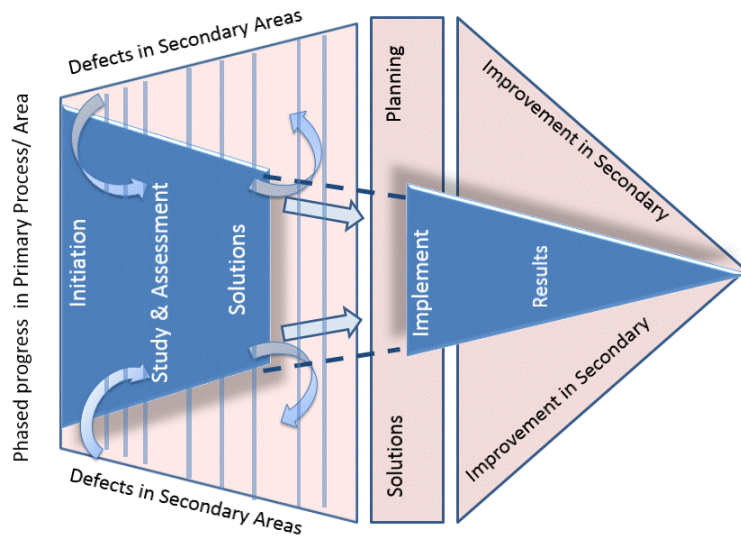


Figure 4 Parallel Improvement (Jet) Methodology