

BUSINESS ANALYSIS TASK:

PLAN BUSINESS ANALYSIS GOVERNANCE

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INSIGHT

Purpose

According to *A Guide to the Business Analysis Body of Knowledge (BABOK Guide)*, the purpose of Plan Business Analysis Governance is to develop effective decision-making and approval processes to manage requirements and designs.

Description

Business analysis governance refers to the roles and responsibilities, policies and procedures, rules, and structure that guide business analysis within an organization.

Typically established by a business or an organization as an overarching business analysis guide, this strategic asset mainly aims to provide consistency around decision-making, approvals, and quality standards. It continuously ensures the alignment of business analysis work with organizational objectives and the creation of good business outcomes.

Business analysis governance attempts to answer the following questions:

- *What deliverables are expected?*
- *What are the desired quality standards for deliverables?*
- *Who are the approvers and what is the approval process?*
- *What communication channels have been approved for this change initiative?*
- *How are the processes continually improved?*
- *How do we measure performance?*

It can also be described as a risk management tool, as it creates a uniform understanding of delivery expectations within the organization (or among teams) and ensures that deviations from set standards are promptly detected and mitigated.

Defining the Business Analysis Governance Approach

Creating a business analysis governance approach is a meticulous procedure. It accounts for the harmonization of various components (e.g., business analysis standards, methodologies, communication strategies, reporting requirements, change control) to guarantee the efficient creation of high-value deliverables meeting specific quality criteria, adhering to established timelines, and aligning with the organization's strategic goals.

The business analysis professional should understand the organizational goals and objectives before engaging in this process. Here are eight elements to consider when defining a business analysis governance approach.

1. Key stakeholders

Key stakeholders within the organization who are involved in or impacted by business analysis work should be identified and engaged in the design of a business analysis governance approach. They should typically include domain subject matter experts, business analysis professionals, process owners, project managers, IT teams, and sponsors.

2. Governance principles

The business analysis professional should lead the team through a brainstorming session to come up with the fundamental principles and values that will guide business analysis governance. These principles will serve as the foundational beliefs underpinning the business analysis thinking within the organization. *The Business Analysis Standard* provides business analysis principles to adopt:¹



3. Roles and responsibilities

Defining the roles and responsibilities of individuals and groups engaged in developing the business analysis governance approach and specifying how these roles will support the ongoing maintenance of the established framework are of utmost importance. Assigning roles and responsibilities provides clarity to the governance team or relevant stakeholders regarding their expected contributions and their roles within the broader context.

To ensure maximum efficiency and effectiveness, individuals can be grouped into smaller subgroups like committees or boards, such as the Business Analysis Governance Board or the Business Analysis Centre of Excellence. In some cases, an individual may hold multiple roles, such as sponsor or committee member.

¹ International Institute of Business Analysis, *The Business Analysis Standard*, Version 1.0 (Toronto: International Institute of Business Analysis, 2022), XX.



4. Policies, processes, and procedures

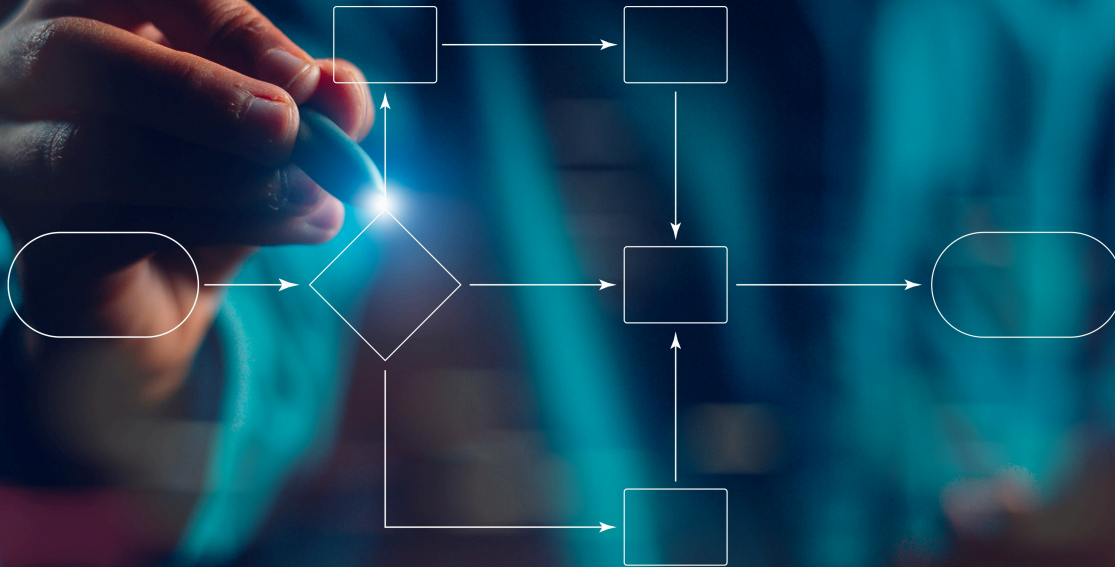
Clearly defined governance principles will serve as a guiding force to help the governance team derive effective:

- policies
- processes
- and procedures

to direct the business analysis governance approach.

Policies outline the set of rules established by an organized body. They should address compliance, risk management, and legal/regulatory requirements:

- **Compliance** is a mechanism to monitor adherence of documentation to established policies and procedures
- **Risk management** is a process of assessing all the possible business risks associated with the initiative alongside the mitigants
- **Legal/regulatory requirements** describe legislative rules or regulations that must be followed



A **process** refers to a logical sequence of tasks and activities that produce an outcome. Some common processes include:

- **Decision-making processes**, which help to review business analysis outcomes (such as reports, requirement documents, and designs) and establish who is responsible for approving them
- **Communication and reporting**, including a communication plan that outlines how the progress and outcome of business analysis work are reported (the frequency of communication typically depends on factors such as the complexity of the change initiative or domain, the intended audience, the seniority of the recipient, and the communication method employed). In many cases, the responsibility for external communications is often restricted to the marketing or brand communication teams)
- **Change management processes**, which enable stakeholders in a change initiative to raise change requests and for designated authorities to approve those changes after a proper assessment of the potential impact on business.
- **A quality assurance process**, which is established to:
 - Verify and validate the business analysis deliverables produced
 - Check that the quality standards are met
 - Ensure that the review and approval process is followed
 - Provide recommendations on how the gaps are to be addressed

Procedures deal with activities/tasks on a more granular level than processes—they offer step-by-step instructions on completing specific activities/tasks. They should encompass how requirements are elicited, prioritized, and clarified as well as how to analyze stakeholders before engaging with them. Within the final document, provide hyperlinks to procedure documents and multimedia items.

5. Business analysis standards and methodologies

To promote consistency and discourage business analysis professionals from adopting their own methods, it is important to choose suitable standards, methodologies, and tools that provide guidance and support for different aspects of business analysis work.

The BABOK Guide is as an excellent example of a framework worth considering. Other methodologies and frameworks that have gained prominence include Scrum, ADKAR, BPMN 2.0, Lean, and Six Sigma. Some commonly used tools include Jira, Confluence, and Visio.

It is important to ensure that business analysis professionals are comfortable with the standards/methodologies recommended. If not, a plan should be enacted to provide adequate training to cover the skill gap.

6. KPIs and metrics

Establish performance management structures—metrics and key performance indicators (KPIs)—to evaluate the effectiveness and efficiency of the governance processes. Metrics and KPIs measure the performance of solutions, solution components, and other matters of interest to stakeholders (see Chapter 10 of the BABOK Guide).

7. Documentation

The components of the business analysis governance approach must be carefully documented and regularly reviewed to ensure that no crucial information is overlooked. Additionally, it's essential to establish what documents need to be developed by business analysis professionals at each stage of the change initiative. Other items considered under documentation include:

- Approved templates for creating high-value deliverables and reports
- Document control and versioning
- Document storage and access

8. Continuous improvement

Create a system for gathering feedback provided during change initiatives, whether through sprints, project retrospectives, or surveys/questionnaires. Use this feedback to enhance business analysis practices and revise the governance approach.

Things to Consider

When thinking of a business analysis governance approach, make a comprehensive list of all the factors you can think of. Then, carefully search for shared characteristics or similarities among the items you've listed and create logical groupings. The extent of your list will largely hinge on your organization, the complexity of the change initiative, and related factors. Here are some factors to consider.



Organizational objectives and goals:

These are strategic objectives and goals derived from an organization's overarching mission and vision statements. The governance approach must be crafted to align closely with these goals and objectives.



Key stakeholders:

The individuals and teams that are responsible, accountable, or impacted by business analysis work within the organization. They will be responsible for or tasked with creating a business analysis governance approach.



Roles and responsibilities:

The defined roles and associated tasks assigned to selected stakeholders within the governance framework. The governance leads are also considered.



Guiding principles:

The foundational values that guide the conduct of the governance team and business analysis professionals.



Policies, procedures, and processes:

A set of rules, stepwise instructions, and a logical sequence of activities that underpin the smooth operation of the governance approach.



Methodologies and frameworks:

Recognized methodologies and frameworks that are commonly employed in business analysis.

**Tools and technology:**

These enhance productivity and communication and enable the creation of high-value business analysis artifacts.

**Business analysis deliverables:**

In the context of business analysis work, artifacts are high-value outcomes expected from or produced by a business analysis professional during a change initiative.

**Templates:**

The approved document or report layouts that promote consistency and standardization in the creation of high-value business analysis deliverables.

**Approval processes and approvers:**

The established processes for document review and approval by recognized authorities.

**Communication plan:**

This describes how business analysis professionals will communicate with internal and external stakeholders.

**Change management:**

Change control processes for change request, evaluation, and approval.

**Quality assurance:**

The established processes for ensuring that quality standards are met.

Many organizations often turn to external consultants (who are not influenced by the organization's biases) to help establish a business analysis governance framework in the belief that they can introduce fresh ideas into the process based on their experience.