



BUSINESS ANALYSTS IN THE NAME OF COMPETITIVENESS

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Abstract:

Business analysts are people who perform business analysis activities. They are experts who: monitor the development trends of the local and global business environment; sense and understand the customers' needs, in order to offer efficient and creative solutions, which provides added value; establish long-term equal partnerships with customers; understand business needs as demands, analyze them, and reach systemic and efficient solutions for them together with other business stakeholders to capitalize on opportunities, minimize risks, and solve problems; encourage true understanding of the situations of others, the tolerance for different views and opinions, and the freedom of expressing opinions; nurture the culture of win-win synergies by encouraging relationships based on trust, understanding, cooperation and motivation to reach common goals; see the big picture. They are capable of lateral and out-of the box thinking, which make them a driving force for innovation and creativity. Business analysts help strengthen the sensibility and flexibility of organizations, which leads to a competitive advantage.

Keywords: competitiveness, highly competitive organization, Model of distinguishing competencies, Business Analysis, business analysts.

1. TRULY SUCCESSFUL ORGANIZATIONS MAKE THEIR OWN RULES WHICH OTHERS HAVE TO FOLLOW

In light of the rapid changes in the business world, caused by the globalization of the business processes, the increasing interdependence of organizations, the fast development of revolutionary technologies, mobile communications, and other radical innovations, managers of organizations are faced with the ever expanding complexity of doing business on one hand and ever stronger competition on the other. Under such conditions, organizations are not only required to design strategies or search for their own hidden lagoon in the “blue ocean” of business, but also realize the importance of repeated and ever faster reactions to the changes in the business environment and of the ways customers can distinguish them from their competitors.

This is why classic management skills are no longer enough. Creative leadership is becoming increasingly important, since it enables managers to inspire and join all the potentials of their organizations. Creative leaders act as virtuoso conductors with their own business tempo. Together with their orchestras they can develop not only the sensibility for timely identification of business opportunities brought by the changes in the volatile business environment, but also the ability to co-create these changes. Conducting one symphony is not enough for them. They want to conduct an entire opus for the audience all over the world. They are aware that immaculate concerts are not only created by the hard practice and perfectly tuned playing of classic repertoires, they require new ways of playing new instruments and new melodies to awaken all senses of the listeners and constantly drive them to new performances. This is why they seek cooperation from the best composers who become a part of the orchestra, creating wonderful music together with the conductor, musicians and the listeners.

In these circumstances the management of the organizations requires ever new tools and approaches and new support and assistance. Business analysts are the right persons for this.

2. THE COMPETITIVE POSITION OF AN ORGANIZATION IN THE BUSINESS ENVIRONMENT

Any change in the business environment is a potential business opportunity for an organization, but its competitors will also be trying to utilize it. This is why the ability to co-create the changes in the business environment or at the very least the quickest response to them will create an advantage, which will be very difficult for the competition to achieve.

The ability to co-create changes and the rapid responsiveness of an organization depends on its sensibility to the events in the environment (the ability to quickly perceive and understand changes in the environment), and its flexibility (the ability of fast internal transformation).

The sensibility of an organization shows the level of its ability to utilize new business opportunities. It depends of the way it perceives and understands the general development of demographic and economic trends, social development, discovering new markets on time, creating the needs, wishes and expectations of clients, proper understanding of these clients and the ability to quickly create solutions for them.

The flexibility of an organization shows the level of its ability to quickly implement changes according to identified business opportunities. It depends on the organizational structure,

decision making processes, flexibility of business processes and resources in the organization, and also its culture, which must not only embrace change but must also be based on cooperation, and the readiness to work for a common goal.

This is why the sensibility and flexibility of organizations are key competitive capabilities in today's dynamic and rapidly changing business world. They ensure that the goals, strategies and organizational structure in an organization are aligned with the market needs. In other words, they guarantee a high competitive level of an organization, which is the foundation of organization success, since it adds value for the customers, owners and employees.

3. THE TRANSITION INTO A HIGHLY COMPETITIVE ORGANIZATION

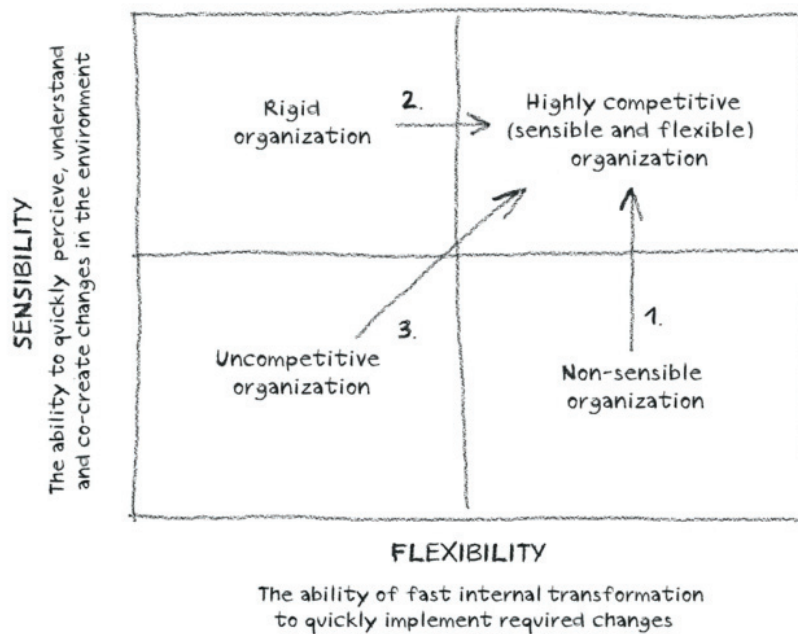
Managers of successful organizations are aware of the increasing scope and rising speed of changes in the environment. That is why they realize that the high competitive advantage of their organization can disappear overnight. They must provide a sustainable competitive advantage for their organizations, so they must use appropriate management tools to continuously verify and strengthen the sensibility and flexibility of their organizations.

According to the current position of an organization, there are three strategic directions for creating highly competitive organizations:

- 1.) *Increase sensibility*: the organization increases the ability to detect and understand the changes in the environment by analyzing the global business and social environment, tracking the development of different technologies, strengthening the use of the approaches for understanding customers and elicitation of their needs. It also increases the understanding of the need for change by implementing scenario planning, and uses it for designing business goals and launching a program of strategic initiatives. Experimentation methods enable the verification and evaluation of these steps on the spot.
- 2.) *Strengthen flexibility*: the organization uses up to date business management approaches to increase the capacity and flow of business processes and procedures, simplify the decision making processes, automate routine tasks and strengthen the culture of creativity, innovation and willingness to implement changes.
- 3.) *Increased sensibility and strengthened flexibility* can be achieved in two ways:
 - a. Increase sensibility first and then strengthen flexibility; or
 - b. Strengthen flexibility first and then increase sensibility.

A sensible organization is outward oriented, so it: constantly and systematically designs and creates different scenarios for the future; supports experimentation with different business models; continuously develops creative solutions with added value for existing and new customers, which also brings added value for the owners and employees. A flexible organization continuously nurtures the culture of association, cooperation and mutual trust, encourages the creativity of all employees and guarantees an innovation-friendly environment, establishes flexible and lean processes, establishes clear responsibility structures and distributes the decision making from the higher levels to the lower levels (in situations where this is beneficial and justified), strengthens and nurtures key resources and keeps up the constant development of key competencies.

Picture 1: The transition into a highly competitive organization



Source: Štampihar & Bračun, 2011, p. 16.

The systematic and continuous performance of these activities in an organization requires adequate models, tools and approaches, appropriate skills and the readiness of employees, and comprehensive management of competitiveness. Such a model is *Model of distinguishing competencies* and the right employees for this are Business analysts.

4. MODEL OF DISTINGUISHING COMPETENCIES

Model of distinguishing competencies is a foundation for making important business decisions since it helps senior management define strategic initiatives for strengthening the capabilities of the organization, and also acts as a foundation for making on-the-fly tactical decisions by middle management. It is a systematic framework which enables management to analyze the competitive capabilities of its organization and the potentials of turning those capabilities into distinguishing competencies, which will enable an organization to reach a competitive advantage. If it reaches this advantage, this means that its response to the environmental challenges was more appropriate than the response of its competitors.

The model is formed from the following four interconnected and interdependent capabilities of the organization, which are selectively strengthened to become distinguishing competencies:

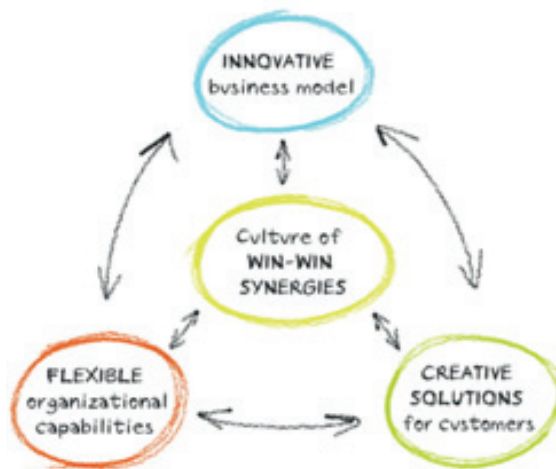
- 1.) *Innovative business model* offers an opportunity to reshape the increased complexity of the business environment into competitive advantage and sustainable financial gain.
- 2.) *Win-win synergy culture* is based on: creative non-egocentric management, connecting and responsible cooperation, mutual trust, the development of interdependency, teamwork, dedication to common goals, sharing of knowledge, and open communication.
- 3.) *Flexible organizational capabilities*: organizations must be creative and innovative while developing their capabilities (processes, resources and competencies, IT) in order to achieve better flexibility in comparison with their competitors.

- 4.) *Creative solutions for customers*: enable a long term and in-depth relationship with clients which see the long-term added value of solutions. This provides a continuous competitive advantage to organizations.

The key property of this model is the interconnection and co-dependence of all the elements. That is why the influences and connections of an element with the other three elements are just as important as the implementation of the element itself. If the connections between elements are properly designed and developed, they can interact efficiently and create synergy, which additionally strengthens the performance of the model as a whole.

Business analysis plays an important or possibly even a critical role in this process.

Picture 2: Model of distinguishing competencies



Source: Štempihar & Bračun, 2011, p. 18.

5. WHAT IS BUSINESS ANALYSIS

Business analysis is a business discipline focused on: discovering the needs of an organization and its clients; preparing comprehensive in-depth solutions for meeting those needs; Ensuring and preparing the necessary resources and business process, which enable effective business solutions.

This in turn ensures profitability, continuous development and competitiveness of the organization.

Business analysis is a set of skills, approaches, methodologies, techniques and activities for identifying business needs, solving business challenges, reducing and limiting business risks, and enabling rapid realization of business opportunities. It helps organizations by optimizing the performance of their business functions, processes and activities in order to understand customers, reduce costs, and use their resources efficiently.

Business analysis offers a unique, in-depth and comprehensive approach to all business situations, which helps management to identify and manage the core management leverage which affects the business results and the development of the organization. This way the human resources, processes, IT solutions and other business resources are aligned with the company's business model. This is achieved through widely acknowledged and tested

business approaches, methods and techniques such as: Porter five forces analysis, TQM, EFQM, Six Sigma, Balanced Scorecard, Project management, ABC, Benchmarking, SWOT, Five Whys. The key role of business analysis in this respect is combining these approaches into a systematic and structured process.

Business analysis focuses on understanding the needs and requirements of external and internal customers to achieve added value and inspire them. It recognizes and acknowledges the general trends of the global economic development, the related markets and technological innovations. In this way, it affects the sensibility and consequently the competitive position of an organization.

The mission of business analysis is aligning all business areas and business functions of an organization, and establishing permanent communication and synergy between them. It enables cooperation and breaks down silo culture. It enables the development of individual and organization-wide competencies.

Business analysis facilitates innovation and out-of-the-box thinking. It explores problems from all angles and offers in-depth analysis of their solutions. It also helps organizations select the optimal solution which provides benefits for all stakeholders involved (the so-called win-win synergy).

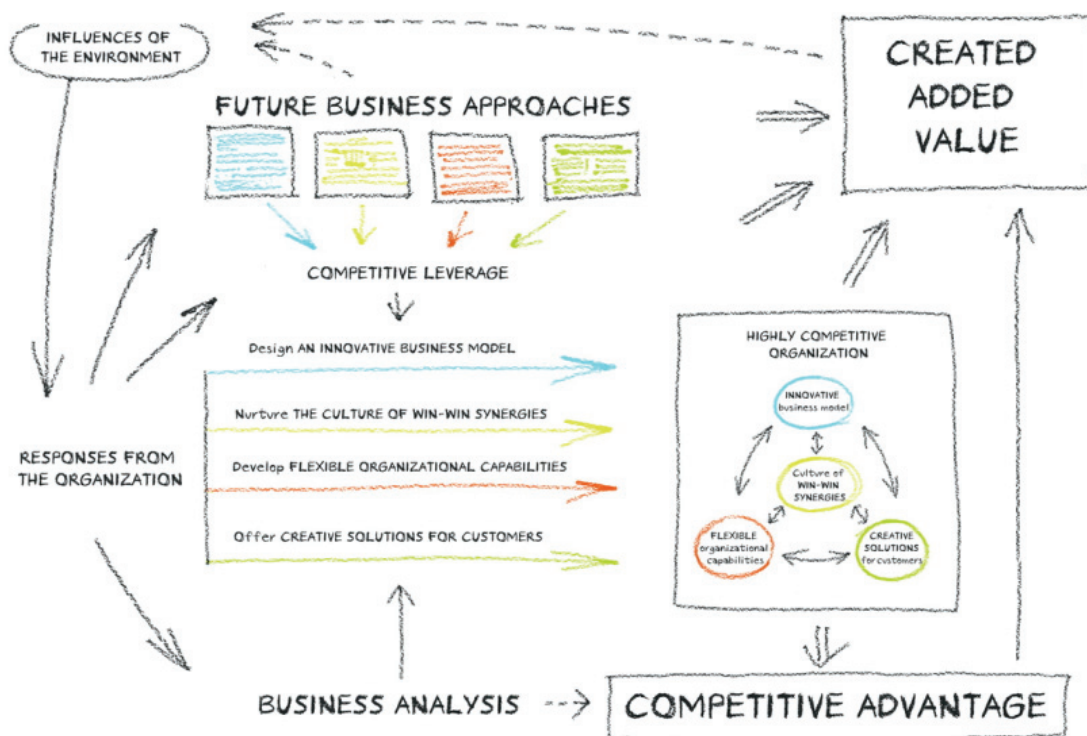
Practical implementation of changes is among the most important and the hardest management tasks. Business analysis is very helpful in this process, since it identifies the flexibility of today's organizations (as a result of responsiveness and the speed of change implementation) as one of their main competitive capabilities which lead to competitive advantage.

6. THE ROLE AND IMPORTANCE OF BUSINESS ANALYSIS

The strategic goal of business analysis is helping management discover, formulate and implement core business leverage on the strategic level to provide value for the organization and the customer. The significance of BA on this highest level is establishing a business environment which can continually raise the satisfaction of customers of the organization, and provide better performance and competitiveness. It also keeps the balance between the success of the organization and customer satisfaction, which can in turn assure long-term added value for all parties involved. Business analysis is therefore not focused on short-term effects; instead it focuses on long-term socially and environmentally conscious value delivery for the business and the community which helps create it (owners, organization, employees, suppliers, customers, society). This of course does not mean that it neglects the profitability of the organization. Short-term profits are considered an essential resource for meeting long-term goals of the organization and its stakeholders.

Successful and competitive organizations optimize the way they create long-term value for their customers (buyers, users, clients, subscribers, and payers). They use competitive leverage to implement this into their business practice and strengthen their competitive capabilities. If organizations want to ensure a sustainable competitive advantage, they must identify competitive leverage as a part of core business leverage through which it can establish active management of competitiveness by using tools such as the model of distinguishing competencies and future business approaches.

Picture 3: Importance of business analysis for competitive advantage of organizations



Source: Štempihar & Bračun, 2011, p. 56.

7. THE ROLE AND IMPORTANCE OF BUSINESS ANALYSTS

Business analysts are people who perform business analysis activities, and follow the approaches and underlying principles of BA. Business analyst is therefore not necessarily an independent work position, because the following roles can perform the activities of business analysts: strategic analysts, business systems analysts, business architects, process owners, proactive controllers, advisors, systems analysts, product managers, banking technologies experts, project managers...

Business analysts as strategists are able to analyze the strategic profiles and the environment of an organization to connect it to strategic business opportunities. They focus on the strategic goals of the organization and can advise the management regarding investment portfolio management. They also ensure that the projects are aligned with the company's strategy, which helps the implementation of that strategy in practice. When business analysts act as strategists, they try to see the big picture and think systemically and laterally.

Business analysts as architects are able to analyze business processes and resources and suggest ways to optimize them. The main area of their work as architects is managing and modeling business processes.

Business analysts in projects analyze the WHY (reason) behind the project, which includes determining the business needs for the project and the metrics which will be used to measure its success. They make sure that those requirements are noted as SMART goals. Then they study WHAT must be done to realize the business success of the project. They make sure that this is clearly written as demands, which need to be realized. They cooperate with project

managers in the project realization by defining HOW the demands and needs will be realized. This is done by determining business and process models, defining processes, and cooperating in defining data models, all of which is represented by clearly written business rules.

Business analysts strengthen the competitiveness of an organization by

- co-creating the changes in the business environment by establishing competitive leverage and strengthening the abilities of an organization, so they can become distinguishing competencies;
- reassuring the commitment to customer satisfaction;
- facilitating the transfer of strategies to practice;
- contributing to comprehensive management of competitiveness;
- co-creating innovative business models;
- accelerating the required changes in the organization;
- connecting and facilitating the cooperation between business units and business functions and their employees.

Business analysts are the right hands of managers, because they help them with activities which require a lot of additional work and time. They offer specialized knowledge and use different non-standard management skills. They present additional studies and resources, all in a framework of systemic independence from day-to-day operations.

Business analyst is the leading role for future-proof business approaches and the guarantor for a sustainable competitive advantage of organizations.

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