

# Useful Business Objectives and the Agile BA



Become  
a more  
effective  
Business  
Analyst

August 2011

Orientation

What are Objectives?

What are they for?

How do we use them?



# **PART 1      OBJECTIVES AND THEIR PURPOSE**

# Agenda

## Time<sup>Duration</sup>

The Purpose of Objectives	0:00-0:20
The Attributes of an Objective	0:20-1:20
The Attributes of an Indicator	1:20-2:00
Exercise	2:00-2:40
▪ Building A Complete Objective	
Discussion	2:40-3:00
▪ Application In My Workplace	

# What are Objectives?

---

(p5)

- The highest level **requirements** the organization measures
  - Business Requirements
  - Stakeholder Requirements
- They allow you to...
  - Manage scope
  - Prioritize by value
  - Sequence by significance
  - Simplify resolution of conflicts

# A requirement is: (p6)

---

1. A condition or capability needed by a stakeholder to solve a problem or achieve an objective.
  - **Functional** requirements provide **Benefits**
2. A condition or capability that must be met or possessed by a solution or solution component to satisfy a contract, standard, specification, or other formally imposed documents.
  - **Non-Functional** requirements mitigate **Risks**

# Objectives and the BABOK (p96)

## Objectives define two elements of a Business Case

### 1. Benefits

- Measure the benefits of the recommended solution in terms of both qualitative and quantitative gains to the enterprise. Where possible, benefits should be quantified. Benefits of a non-financial nature ... are also important and add significant value to the organization, even if they must be assessed qualitatively. Benefit estimates should relate back to strategic goals and objectives.

### 2. Results Measurement

- The business case articulates not only the projected costs and benefits to be realized, but also how those costs and benefits will be assessed and evaluated.

## The other two are out of scope for today's work

### 3. Risk Assessment

### 4. Investment

# Objectives are...

---

- Rigorously aligned to the organization's
  - Vision
  - Mission
  - Operating Model
  - Strategy
  - Business Unit Goals
- Statements that define
  - Future capabilities of the organization
  - Measures of success
  - Timelines for change
- What Project Scope is traced to
  - Objectives are in the business case
  - One business case may be fulfilled by several projects
  - Some project documents will duplicate or refer to these statements

# The Trouble With SMART (p84)

<b>Specific</b>	Describing something that has a measurable outcome
<b>Measurable</b>	Tracking and measuring the outcome
<b>Achievable</b>	Testing the feasibility of the effort
<b>Relevant</b>	In alignment with the organization's key vision, mission and goals
<b>Time bound</b>	Has a defined timeframe that is consistent with the business need

- Useful ideas, particularly for discussion.
  - SMART objectives are not complete requirements. They need clearer *attributes*.
  - Attributes are key information that stakeholders need to make use of the requirements. They are *metadata* about the business need, not the need itself.



# Attributes of an Objective

---

## Summary of Attributes

- |                              |      |
|------------------------------|------|
| ■ Statement of Business Need | S    |
| ■ Alignment                  | R    |
| ■ Owner                      |      |
| ■ Benefits                   | R    |
| ■ Timeline                   | T    |
| ■ Unique Identifier          |      |
| ■ Priority (by Value)        | R    |
| ■ Indicators                 | M, T |

# Attributes of an Objective

ii

## Statement of Business Need

S

- Capability the organization will have when the objective is fulfilled

## Alignment

R

- Directly and explicitly traced to organizational Vision, Mission, Goals, etc.

## Owner

- Who will deliver the value, assume risks, reap rewards, approve or deny, etc.

# Attributes of an Objective

---

iii

## Benefits

R

- What value the business will gain by meeting this objective

## Timeline

T

- Span when delivery of benefits will be maximized

## Unique Identifier

- Used for impact and gap analysis, prioritization (by benefits and sequence), etc.

# Attributes of an Objective

iv

## Priority

R

- Relative value of the objective. How important is this change to the business?
  - **O<sub>2</sub> – Survival.** Cut this = cut business case
  - **H<sub>2</sub>O – Jeopardy.** Cut this = reassess business case
  - **Food – Discomfort.** Cut several of these = reassess business case
  - **Shelter – Distain.** Cut any or all without consequence. May be “free” features in a vendor or COTS package (commercial off the shelf)

# Attributes of an Objective

v

## Indicators

M, T

- Performance measures that track or predict the benefits
- Timeframes apply to indicators and the Objective

Much more on Indicators in a moment.

# Documenting the Attributes

---

You want all attributes, but there is no ‘best’ format to present it. Several may be combined in one phrase. For example:

- A Statement, Alignment, Timeframe and one Measure in one sentence:
  - “BABOK 2.0 can be purchased and downloaded in March 2009, supporting the BABOK and CBAP Strategic Goals.”

# Understanding Indicators

---

- Indicators measure success and benefit in the business case
  - Often represent the targets that the business will meet to deliver value
  - Often need several reports to support measurement of the targets
- There are two kinds of measure:
  - Risk Mitigation: Non-functional requirements
  - Benefits: Functional requirements

One objective can have both types!

# Attributes of an Indicator

---

## Summary of Attributes

- Statement of Indicator
- Timeline
- Unique Identifier
- Indicator Type
- Measure



# Attributes of an Indicator

---

- **Statement of Indicator**
  - What you are measuring, why you care about this measure, how the measure will be used
- **Timeline**
  - When the organization will measure value delivered
- **Unique Identifier**
  - Reports and other functionality are often driven from these measures

# Attributes of an Indicator

---

- Indicator Type

- Key Performance Indicator (KPI)

- Target range for success

- Leading Indicator

- Predicts that you will – or won't – reach your target

- Lagging Indicator

- Reports that you did – or did not – reach your target (not usually seen in business; often used in economics)

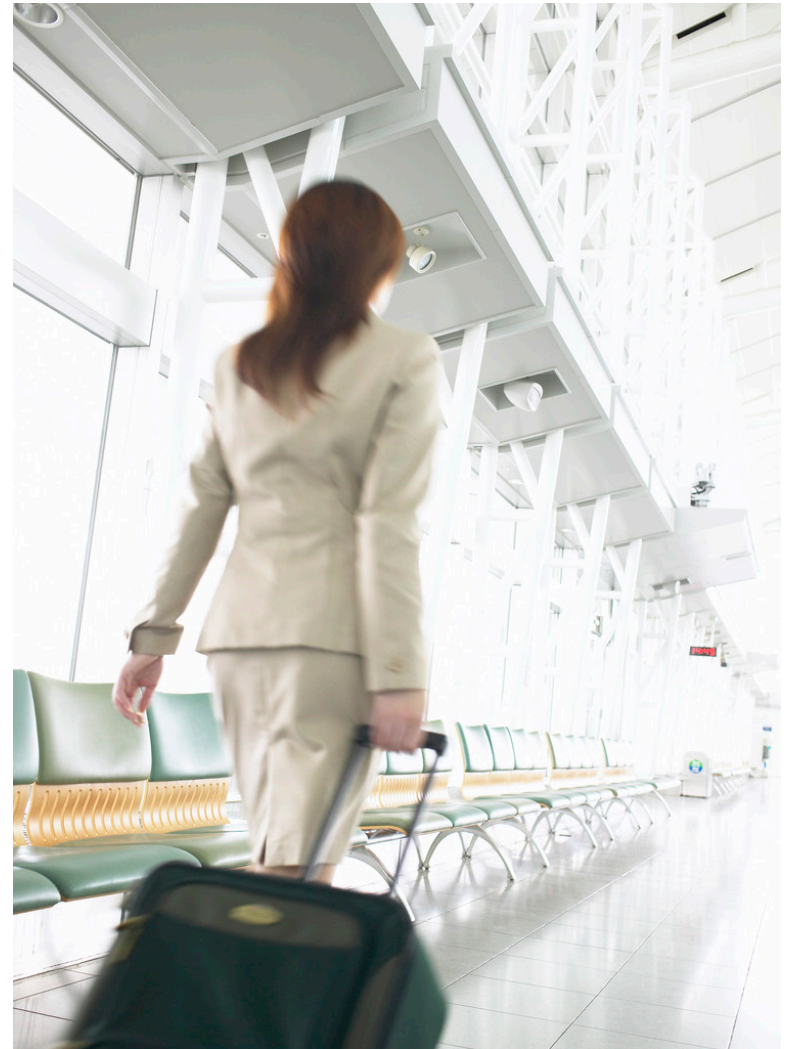
- Measure

- Scale used to assess the delivery of risk mitigation or benefit

# Act 1. Develop Objectives

40

- Using these attributes of objectives and indicators, define objectives for a problem, need or opportunity you are working on today.





# CONCLUSION AND DISCUSSION

# Putting it All Together

---

## Eliminate Scope Creep and Bad Cuts

- Not enough time/money/resources? Too many features of questionable value? Change requests flying in?
  - When changes are proposed or demanded, ask, “Help me understand the way this impacts our objectives.”
  - Objectives define ‘in scope’ and ‘out of scope’ for you and your team.
  - Owners of objectives can make decisions that align to organizational needs.

# Making it Work

- How does this apply to your 'real' work?
- Are there common challenges to defining objectives across all businesses?
- Can you use your objectives to:
  - Simplify Conflict Resolution
  - Manage Scope
  - Prioritize by Value
- What should change to help you and your business partners succeed?



# Its up to You!

---

- Take control of the work you do – your future is up to you
- Do the right thing – effectiveness first
  - Define Business objectives to reflect the business imperatives
- Do it right – efficiency will help you accomplish more with less
  - Leverage best practices to manage scope and change, decrease churn and increase value of what you deliver

# Learning Objectives

---

1. Able to describe the benefits of business analysis in terms that encourage decision makers to support your work.
2. Able to define and use clear, complete objectives to encourage decision makers and project team members to focus on providing the best value to the business.
3. Able to define and use a targeted approach to business analysis activities to build commitment and support for high value business analysis work.



# Start, Stop, Keep

---

From today's session, what will you

- **Stop**
- **Start**
- **Continue?**

Can be individual or organizational



[www.theiiba.org](http://www.theiiba.org) | [info@theiiba.org](mailto:info@theiiba.org) | [community.theiiba.org](http://community.theiiba.org)

Julian Sammy

[Julian.Sammy@theIIBA.org](mailto:Julian.Sammy@theIIBA.org)