

8.5 Recommend Actions to Increase Solution Value

8.5.1 Purpose

The purpose of Recommend Actions to Increase Solution Value is to understand the factors that create differences between potential value and actual value, and to recommend a course of action to align them.

8.5.2 Description

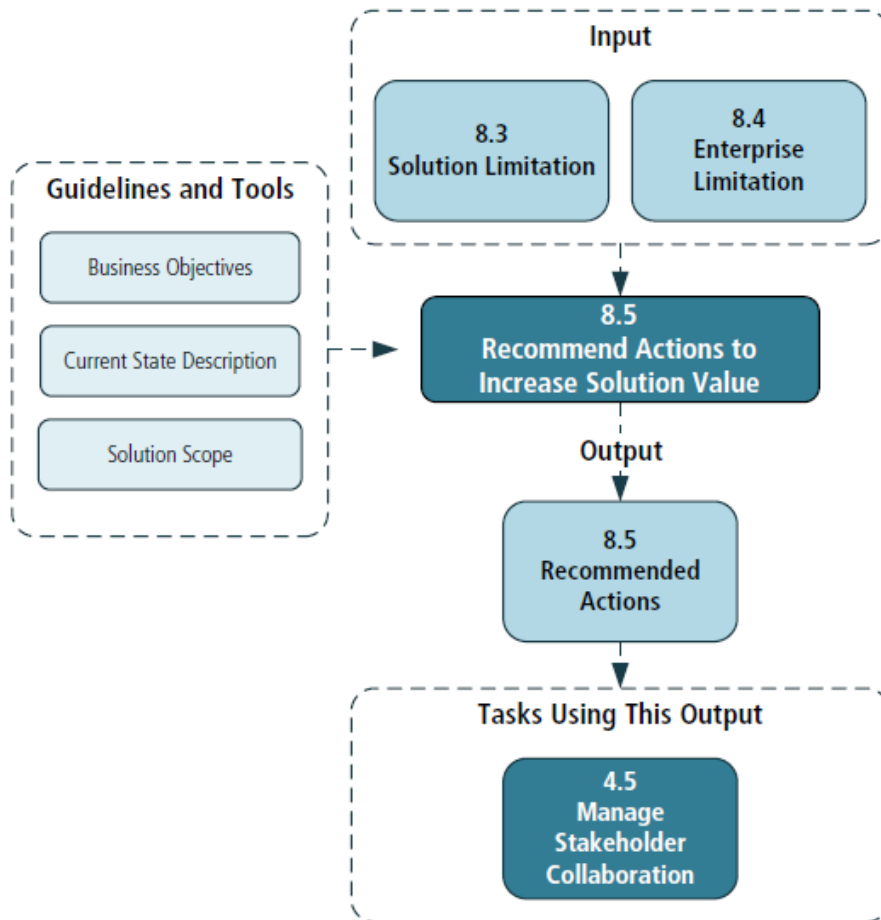
The various tasks in the Solution Evaluation knowledge area help to measure, analyze, and determine causes of unacceptable solution performance. The task Recommend Actions to Increase Solution Value (p. 182), focuses on understanding the aggregate of the performed assessments and identifying alternatives and actions to improve solution performance and increase value realization.

Recommendations generally identify how a solution should be replaced, retired, or enhanced. They may also consider long-term effects and contributions of the solution to stakeholders. They may include recommendations to adjust the organization to allow for maximum solution performance and value realization.

8.5.3 Inputs

- **Enterprise Limitation:** a description of the current limitations of the enterprise including how the solution performance is impacting the enterprise.
- **Solution Limitation:** a description of the current limitations of the solution including constraints and defects.

Figure 8.5.1: Recommend Actions to Increase Solution Value Input/Output Diagram



8.5.4 Elements

.1 Adjust Solution Performance Measures

In some cases, the performance of the solution is considered acceptable but may not support the fulfillment of business goals and objectives. An analysis effort to identify and define more appropriate measures may be required.

.2 Recommendations

While recommendations often describe ways to increase solution performance, this is not always the case. Depending on the reason for lower than expected performance, it may be reasonable to take no action, adjust factors that are external to the solution, or reset expectations for the solution. Some common examples of recommendations that a business analyst may make include:

- **Do Nothing:** is usually recommended when the value of a change is low relative to the effort required to make the change, or when the risks of change significantly outweigh the risks of remaining in the current state. It

may also be impossible to make a change with the resources available or in the allotted time frame.

- **Organizational Change:** is a process for managing attitudes about, perceptions of, and participation in the change related to the solution. Organizational change management generally refers to a process and set of tools for managing change at an organizational level. The business analyst may help to develop recommendations for changes to the organizational structure or personnel, as job functions may change significantly as the result of work being automated. New information may be made available to stakeholders and new skills may be required to operate the solution. Possible recommendations that relate to organizational change include:
 - automating or simplifying the work people perform. Relatively simple tasks are prime candidates for automation. Additionally, work activities and business rules can be reviewed and analyzed to determine opportunities for re-engineering, changes in responsibilities, and outsourcing.
 - improving access to information. Change may provide greater amounts of information and better quality of information to staff and decision makers.
 - **Reduce Complexity of Interfaces:** interfaces are needed whenever work is transferred between systems or between people. Reducing their complexity can improve understanding.
 - **Eliminate Redundancy:** different stakeholder groups may have common needs that can be met with a single solution, reducing the cost of implementation.
 - **Avoid Waste:** the aim of avoiding waste is to completely remove those activities that do not add value and minimize those activities that do not contribute to the final product directly.
 - **Identify Additional Capabilities:** solution options may offer capabilities to the organization above and beyond those identified in the requirements. In many cases, these capabilities are not of immediate value to the organization but have the potential to provide future value, as the solution may support the rapid development or implementation of those capabilities if they are required (for example, a software application may have features that the organization anticipates using in the future).
 - **Retire the Solution:** it may be necessary to consider the replacement of a solution or solution component. This may occur because technology has reached the end of its life, services are being insourced or outsourced, or the solution is not fulfilling the goals for which it was created.
 - Some additional factors that may impact the decision regarding the replacement or retirement of a solution include:
 - **ongoing cost versus initial investment:** it is common for the existing solution to have increasing costs over time, while alternatives have a higher investment cost upfront but lower maintenance costs.
 - **opportunity cost:** represents the potential value that could be realized by pursuing alternative courses of action.
 - **necessity:** most solution components have a limited lifespan (due to obsolescence, changing market conditions, and other causes). After a certain point in the life cycle it will become impractical or impossible to maintain the existing component.
 - **sunk cost:** describes the money and effort already committed to an initiative. The psychological impact of sunk costs may make it difficult for stakeholders to objectively assess the rationale for replacement or

elimination, as they may feel reluctant to "waste" the effort or money already invested. As this investment cannot be recovered, it is effectively irrelevant when considering future action. Decisions should be based on the future investment required and the future benefits that can be gained.

8.5.5 Guidelines and Tools

- **Business Objectives:** are considered in evaluating, measuring, and determining solution performance.
- **Current State Description:** provides the context within which the work needs to be completed. It can be used to assess alternatives and better understand the potential increased value that could be delivered. It can also help highlight unintended consequences of alternatives that may otherwise remain undetected.
- **Solution Scope:** the solution boundaries to measure and evaluate.

8.5.6 Techniques

- **Data Mining:** used to generate predictive estimates of solution performance.
- **Decision Analysis:** used to determine the impact of acting on any of the potential value or performance issues.
- **Financial Analysis:** used to assess the potential costs and benefits of a change.
- **Focus Groups:** used to determine if solution performance measures need to be adjusted and used to identify potential opportunities to improve performance.
- **Organizational Modelling:** used to demonstrate potential change within the organization's structure.
- **Prioritization:** used to identify relative value of different actions to improve solution performance.
- **Process Analysis:** used to identify opportunities within related processes.
- **Risk Analysis and Management:** used to evaluate different outcomes under specific conditions.
- **Survey or Questionnaire:** used to gather feedback from a wide variety of stakeholders to determine if value has been met or exceeded, if the metrics are still valid or relevant in the current context, and what actions might be taken to improve the solution.

8.5.7 Stakeholders

- **Customer:** people directly purchasing or consuming the solution and who may interact with the organization in the use of the solution.
- **Domain Subject Matter Expert:** provides input into how to change the solution and/or the organization in order to increase value.
- **End User:** people who use a solution or who are a component of the solution. Users could be customers or people who work within the organization.
- **Regulator:** one or many governmental or professional entities that ensure adherence to laws, regulations, or rules. Relevant regulations must be included in requirements.
- **Sponsor:** authorizes and ensures funding for implementation of any

recommended actions.

8.5.8 Outputs

- **Recommended Actions:** recommendation of what should be done to improve the value of the solution within the enterprise.