



Business Analysis Transformation Maturity Index

The index below sets out the typical **Business Analysis** characteristics demonstrated by councils at each stage of their transformation maturity.

It is split into five levels (Level 1 being lowest and Level 5 being the highest).

A fuller definition of the typical characteristics of councils at each level is set out at the end of this document.

The following **Business Analysis capabilities** are covered.

- Benefit and cost analysis
- Change analysis
- Process analysis and design
- System analysis

	Level 1	Level 2	Level 3	Level 4	Level 5
Benefit and cost analysis	<p>Cost and benefit analysis is ad hoc, if undertaken at all.</p> <p>Benefits and costs are not always known before change initiatives are started.</p> <p>There is limited ongoing tracking.</p>	<p>Services consider the cost and benefits of delivering change, however this is not against a council wide framework.</p> <p>No standardised approaches are in place.</p> <p>Opportunities, benefits, and costs are not considered relative to one another at a corporate level or fed into council wide prioritisation.</p> <p>Monitoring may be in place at a service level.</p>	<p>Cost and benefit analysis is systematically applied council wide to all change projects and forms part of the prioritisation considerations.</p> <p>Decisions are evidence led and take analysis into account.</p> <p>Standardised templates and data capture formats are used.</p> <p>There is ongoing corporate monitoring of the realisation of benefit and of costs in line with initial baselines.</p>	<p>Level 3 is met.</p> <p>In addition, benefit and cost analysis are integrated into strategic decision making, ensuring a consideration of risk and uncertainty in cost and benefit savings is managed.</p> <p>Benefits are identified, profiled, monitored, and linked to organisation outcomes and regularly reviewed throughout the delivery period.</p>	<p>Level 4 is met.</p> <p>In addition, the organisation considers wider factors in the determination of benefit and future cost – for example offsetting demand pressures against benefits to ensure a holistic approach is taken to understanding value.</p> <p>There is close alignment between financial and performance monitoring and prioritisation of analytical activity.</p>

	Level 1	Level 2	Level 3	Level 4	Level 5
Change analysis	<p>Data collection and analysis is not completed to understand, or impact assess change to enable strategic planning.</p> <p>No formalised process or tools are in place.</p>	<p>Change analysis is completed on specific transformation projects, with impact assessments completed to help define actions to enable change and realise benefits.</p> <p>This practice is ad hoc, and not co-ordinated corporately to inform wider management of projects and programmes.</p>	<p>Change analysis is a defined step as part of the council's process for managing change.</p> <p>Data is collected, and used to inform, understand and plan change council wide.</p> <p>The council recognises trends and patterns in change impacts, and uses it to inform communication strategies, learning development etc.</p>	<p>Change analysis is embedded in strategic planning, and decision-making processes.</p> <p>There is ongoing evaluation of change initiatives which leads to proactive adjustment to change strategies.</p>	<p>Level 4 is met.</p> <p>In addition, advanced change analysis techniques and technology are used to predict the future impact of change enabling the organisation to seek opportunities to be innovative and be proactive on planning transformation.</p>

	Level 1	Level 2	Level 3	Level 4	Level 5
Process analysis and design	Processes are informal, not documented and usually defined by historical ways of working.	<p>Some key processes are documented, and analysis completed to ensure effective service delivery.</p> <p>Limited knowledge of key process design methodologies and principles are in place.</p> <p>Processes are redesigned as part of transformation activities, but not managed ongoing to ensure embedding of new ways of working.</p>	<p>Processes are documented, with process owners in place with responsibility for process performance, and alignment with strategic goals.</p> <p>Processes are analysed and redesigned in alignment with best practice principles ensuring they are effective and efficient.</p>	<p>Processes are aligned with strategy objectives and designed within an agreed set of design principles.</p> <p>Robust key performance indicators are in place to help drive improvement of processes, and wider service delivery.</p> <p>Process design is integrated into wider transformation initiatives.</p>	<p>Level 4 is met.</p> <p>In addition, processes are continuously improved in an agile manner based on feedback and analytics. Advanced process analysis tools are in use.</p>

	Level 1	Level 2	Level 3	Level 4	Level 5
System analysis	There is no systematic process in place for understanding the components, functionality, and interactions within and between systems.	<p>Individual services or projects may understand how specific systems work, but there is no reference to the wider architecture, and opportunities to consider cross service functionality are missed.</p> <p>There is usually evidence of some functional duplication between systems and of data being held in silos.</p>	<p>The Council has analysed its core systems and has a good understanding of the functionality, components, and integration capabilities of each.</p> <p>There is a link between systems analysis and architecture development, with system analytics being considered in the context of the wider architecture framework.</p>	<p>Level three has been met. In addition, the organisation understands its wider ICT estate and in analysing systems seeks to optimise and modernise to achieve organisational objectives.</p> <p>There is evidence of benefit being achieved through systems analysis in the context of a council wide approach.</p>	<p>Level four has been met.</p> <p>In addition, the organisation is continually seeking to horizon scan to understand the system roadmaps and the future functionality available and to learn lessons from previous system changes and updates to feed into future delivery.</p>

Maturity level definitions

The following definitions define the general characteristics of councils at each stage of their transformation journey and should be read in combination with the specific characteristics of each capability.

Level One: Level one describes the typical capabilities and characteristics of councils who do not yet have whole organisation approaches to transformation in place. These councils are characterised by having lots of individual projects happening within services and with no joining up between them corporately.

Typically, success depends on the efforts of individuals rather than on processes and established ways of working. Coordination and communication are usually limited. Senior leaders may plan strategically but do not put the mechanisms in place to translate their vision into joined up action, often becoming disappointed or frustrated when initiatives fail.

Level Two: Councils with Level two transformation capabilities may have consistent practices in place within individual service areas or projects, or in pockets of the authority. This may include templates, standard processes, reporting and some repeatable ways of working.

Cross-functional teams, with representation outside of the service area, are often pulled together to drive project delivery, but these defined ways of working do not span the whole organisation.

Typically, at this stage there is some analysis and focus on strategic outcomes, and basic benefit capture and tracking (e.g. identifying and tracking savings). Usually there are a small number of defined roles in place including Project Management capacity.

Level two organisations are beginning their transformation journey.

Level Three: Integrated: At Level Three, councils have integrated transformation capabilities and are applying standard ways of working across the whole organisation, incorporating continuous learning and best practice.

Changes are managed effectively against an integrated governance structure that spans people, process, technology and financial. Teams share information across departments and effective, co-ordinated communication is in place that sets out clear organisational vision and makes the 'golden thread' between projects and organisational outcomes clear.

Roles and responsibilities are clear, enabling employees to understand their role in transformation and to be empowered to take decisions within their remit. Staff engagement is regular and enables two-way communication and problem solving. Change resistance is managed and Senior Leaders understand, and invest appropriately in, all the levers needed to deliver effective transformation.

Level three councils understand what good looks like and are developing their capacity and capability to support transformational change.

Level Four: Councils who reach Level 4 are strategic in their approach to transformation. This means that they go beyond aligning ways of working and linking activity back to the Golden Thread, implementing and embedding consistent, predictable, best practice ways of working that support transformational outcomes.

Accurate, real time or near real time data analysis is consistently used to enable actionable insights that drive decision-making and track progress. Metrics are used to understand what is working, and what's not, enabling changes to be made where needed.

The organisation has confidence in its decision making and is mature enough to stop activity where value has diminished. Change resistance in Level 4 organisations is minimised and there is a more consistent culture across service areas due to effective communication and leadership.

Level Five: Level Five represents a best practice organisation that is fully optimised and self-optimising.

It is rare for councils to reach a fully optimised transformational capability and those that do set the benchmark for the sector.

A fully optimised transformation capability is evident in optimised processes, maximum productivity and efficiency, evidence of significantly positive impact on outcomes and the use of capacity created to drive innovation.