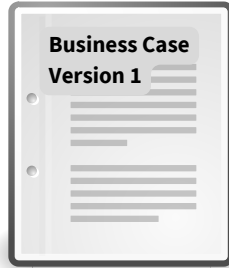


A business case outlines the benefits of a project and justifies the required funding. This crucial document must prove that the proposed project is a more viable investment compared to other competing projects. When executed effectively, a business case remains pertinent throughout the project and assists in guiding it safely along its journey.

Typical contents

1. Executive summary
2. Background
3. Business drivers
4. Solution overview
5. Outcomes
6. Benefits
7. Investment needed
8. Key assumptions, risks, dependencies
9. Benefit realisation plan
10. Change log

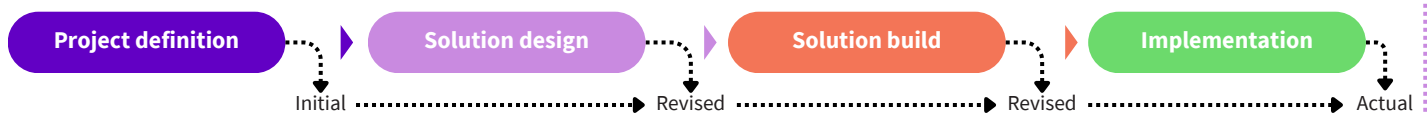


There is usually a standard or typical list of contents for a business case within an organisation. Policies, practices dictate what should, might and should not be included. Shown here are the contents we most often see.

Building on the organisational-norm, the nature of the change initiative itself will also suggest additional contents.

Finally, arrange the contents so it tells the story. The business case should set out a clear narrative on why the change is needed.

Evolution of the business case



As the business case evolves throughout the initiative, it takes on board more facts as they become known. This may mean the business case becomes more positive, or less positive. The key is the evolution, helping to ensure no-one is surprised by the benefits finally delivered or the costs finally incurred. Consider the business case as a guide throughout the initiative, not just a means of securing the initial investment.

Types of benefit

Consider: such things as:

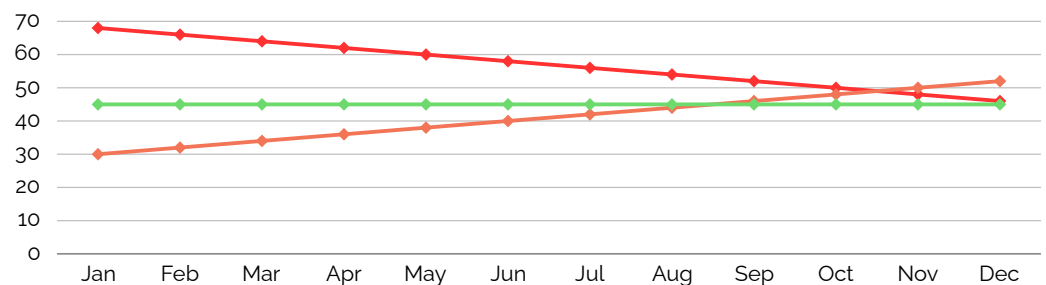
- Meeting mandatory requirements - legal or regulatory.
- Bottom-line benefits such as revenue generation or cost savings.
- Non-financial benefits such as improvements in process or quality.
- Soft benefits such as capability development or training.

Most organisations have strict rules on how the above benefits are allowed (or not allowed) in business cases.

Work closely with finance to make sure you're treating benefits the right way. Work with them early - it helps to avoid later issues.

Planning for success

Give yourself the best chance of success by avoiding (i) being overly optimistic (red line) or (ii) overly pessimistic (orange line). You can use contingency on both costs and benefits to help you plot a consistent journey (green line). Being optimistic risks disappointment; being pessimistic risks not getting the funding for the project.



Types of cost

Under costs, you should consider the cost of **making** the change and the cost of **operating** that change once implemented.

The operating cost may be less than the current cost, but not always.

Cost of change

Some suggestions

- People
- Partners
- Software purchase
- Hardware
- Accommodation
- Training
- Travel and expenses

Operating costs

Some suggestions

- People (recruitment?)
- Third parties
- Software licences
- Hardware (including maintenance)
- Premises
- Facilities

Hints and tips

Ensure you work closely with finance to validate the commercial aspects. Work closely with the sponsor also, to ensure the business drivers are right and the strategic alignment is as strong as it can be. Keep the business case simple, current, with detail kept in appendices. Make sure all key issues, risks, assumptions and dependencies are made known to allow proper consideration.