

COMPLETING YOUR BUSINESS CASE

This tool kit has been designed to help you complete a Business Case for your proposed project.

It will help you to think about why you want to start the project, identify the benefits of the project and start to think about the problems that you may face.



The business case is justification for the project.

It must contain as much information as possible to enable the decision making body to make a reasoned decision about whether to invest in the project.

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The Project Office Business Case template includes:

- ◆ Executive summary
- ◆ Rational
- ◆ Business options
- ◆ Expected benefits
- ◆ Time scales
- ◆ Major risks



Business Case

Justifying the project



The Business Case needs argue **why** this project should be approved.

The rational for the project needs to tell whoever will be authorising the project why you feel it is necessary to undertake, and why it is better than doing nothing.

The Business Case should not be seen as a static document.

Continued monitoring of the Business Case for desirability, viability and achievability as well as new risks or changes may determine another option as a more suitable as the project progresses.



Why this project?

Any viable project should have a robust rational that can stand up to questioning. Read through the questions below and see if your project rational can answer them:

- ◆ Who is the customer?
- ◆ Will this project change the way that people do business?
- ◆ Is the business ready for the project?
- ◆ Have all alternatives been investigated?
- ◆ Why is this the best option?
- ◆ What is the impact of not doing the project?
- ◆ Has the scope been defined?
- ◆ Have the timescales been realistically forecast?
- ◆ Do you know the benefits of the project?
- ◆ How will these benefits be measured?
- ◆ What are the risks associated with the project?
- ◆ How will these be mitigated against?

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Benefits identification



A benefit is the measurable improvement resulting from an outcome that is perceived as an advantage

The benefits a project is expected to achieve are the key element of the Business Case and are carried forward through the initiation, implementation and closing of a project. They are the measure of a successful project and should be

If a project is not expected to achieve any benefits, or if the cost of the project outweighs the value of the benefits, the project is unlikely to be worthwhile or justifiable.



What do we get?

Developing measurable and achievable benefits early on in the project process can save a lot of time and anxiety later on.

If you are new to thinking about benefits, and how to articulate them in a Business Case setting, it is useful to break them down into smaller chunks.

1. Write a list of all the benefits that the project will have.

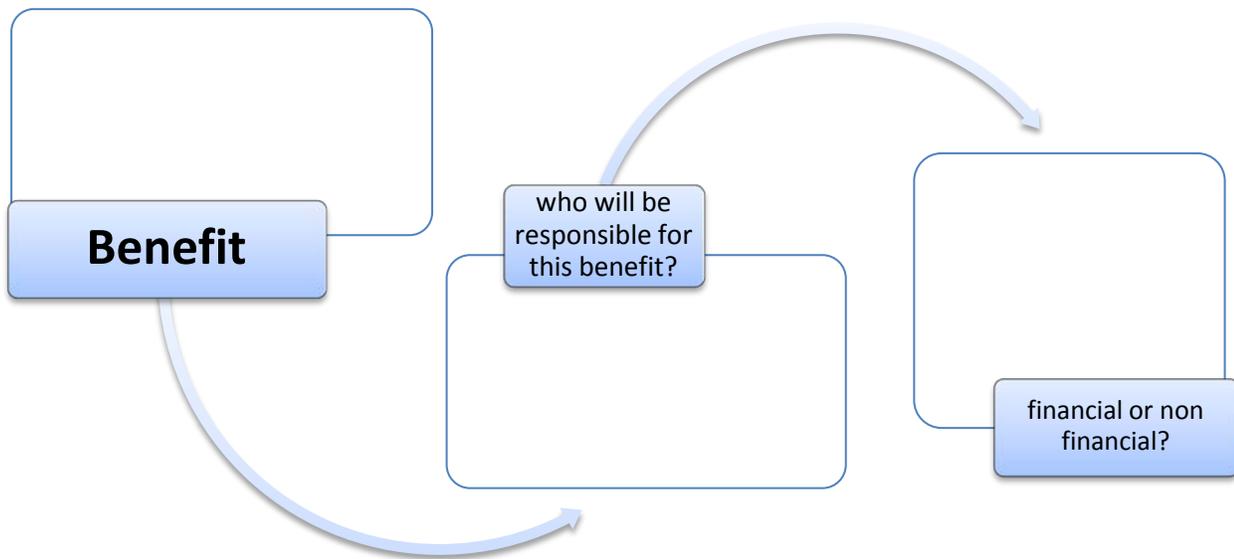
Think about:

- ◆ What changes will the project make to processes?
- ◆ What impact will the project have on systems and infrastructure?
- ◆ What cost or time savings will the project have?

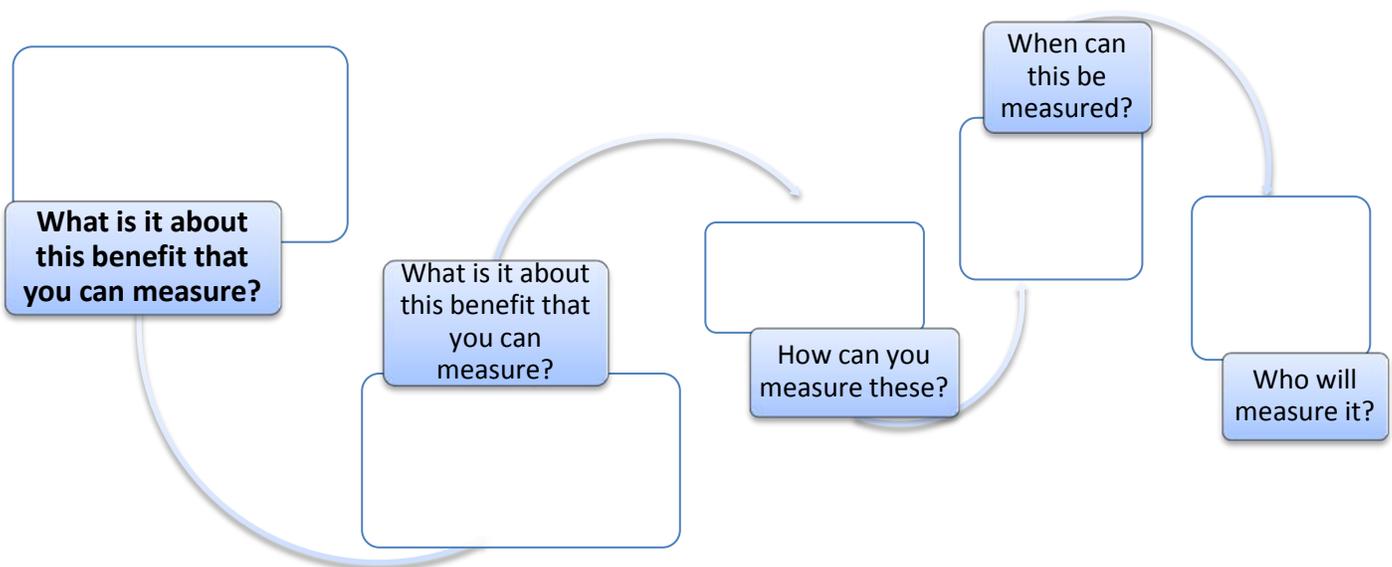
2. We have provided a tool on the following page to help you to identify how the benefits will be measured. For each of these benefits, answer the questions.

Business Case

Stage 1



Stage 2



Business Case

Recognising risks



A risk is a problem or uncertainty that may impact progress in the project.

Risks are potential issues, and it is important that their likelihood of their occurring is recognised and recorded.

A risk could simply be something that turns out differently to how the project team expected or planned for. Risks can be turned into opportunities if they are monitored and managed effectively.



What if...?

1. Look at the mind map below. For each area think about your project and any areas on uncertainty that may be apparent, or any potential problems that you can see.
2. Have a look at the benefits of the project and see how these risks could affect them.



Business Case

3. Once you have a list of risks, number them in the order of impact. Which risks are very likely to happen if not mitigated against, which ones are very unlikely?
4. Each risk needs a contingency plan – how are you going to mitigate against that risk?

The risk response should be:

- ◆ **Proportional to the risk** – unlikely and low impact risks do not need time consuming, large responses.
- ◆ **Offer value for money** - balance the cost of implementing the response against the probability and impact of allowing the risk to occur.
- ◆ **What did others do?** - review the lessons from other projects.



Business Case

Now – complete that Business Case!

You have the reasons for the project, the benefits that it is going to bring, and you have started to identify how you are going to overcome some of the issues that may arise.

The work that you have produced through this toolkit will form the basis of your Business Case.

Project Office top tips

Never stop asking WHY?

Projects never stop evolving and changing – the reasons why the project is being undertaken may also change so it is important to make sure that you are constantly returning to the Business Case, at stage ends or at key milestones, to ask WHY are we doing this; making sure that the benefits and deliverables are still valid.

Link your project with the objectives and goals of your division and the University.

Viable projects need to be of benefit to the organisation to succeed – make sure you can justify how your project is going to help realise these goals.

Make sure you fully understand the impact of the project.

It is important that you know where and how your project will change the organization. The Business Case may state that the project needs to be undertaken to effect change in your area, however, this does not mean that it will not have affect other areas in the process. Recognising this impact early will help with the delivery of the project.

Include others!

Don't do this on your own! Get people together for a brainstorming session – other people will see the project from other perspectives and make sure that your Business Case is well developed.

For more information and advice contact the Project Office: projects@contacts.bham.ac.uk