

## PROJECT BUSINESS CASE CHECKLIST

Preparing the business case is an essential pre-requisite to any project. The acceptance of your business case will depend on the depth of your research and how well you present your arguments and justification. Even though you are presenting high-level details you must ensure that:

- Your project contributes to your organization's growth strategy.
- You have thoroughly considered potential risks and how these can be addressed.
- Your financial data is as complete and appropriate as you can make it.
- Your assessment of the resources required is as accurate as possible and based on experience where possible.

**Your business case needs to contain the following eight key sections:**

- Executive Summary
- The Analysis Team
- A Definition of the Problem / Issue
- An Overview of the Project
- Strategic Alignment
- Cost Benefit Analysis
- Alternative Analysis
- Approvals

**NOTE: Whether or not the project manager is involved in the development of the business case is a point of contention. But the arguments for are compelling and often reflected in the smooth running of your project and its ultimate success in attaining its objective.**

By involving a project manager in the process of developing the business case you:

- Gain true personal ownership and commitment to the business case arguments and the project itself of the project manager.
- You benefit from your project manager's experience and expertise in the practical aspects of running a project and present a more realistic business case as a result.
- When Project manager is involved in and accepts the arguments and assumptions made as part of the business case more likely to takes ownership of project & for it to run smoothly

The schedules, milestones and timescales included in your business case will be more attainable and properly address your projects inter-relationships in such items.

## EXECUTIVE SUMMARY

In this opening section you must present how your project deals with a key problem or issue that needs to be addressed in order to achieve an organizations growth strategy.

It is the area where you pull together your main arguments and present you prime justifications for the project. It is for this reason that this is usually the last section to be completed. The main areas you need to include here are:

**Issue or Problem** – outline the issue or problem that your project aims to address and its current impact on the organization. (You should not describe how the problem will be addressed, only what the problem is here).

**Anticipated Outcomes** – here you describe how your organization will benefit with implementation of your project. Present a clear image of how the organization will 'look' on the project's completion and how this meets its strategic requirements.

**Your Recommendations** – outlines your projects approach and how it addresses the issue or problem facing the organization. It also illustrates how the 'desired' results will be attained through the projects execution.

**Project Justification** – is where you present your well researched and reasoned arguments for undertaking the project. You also need to present the alternatives you considered and why you discarded them. Finally, you need to illustrate the likely future implications to the organization if they choose to delay or reject your project.

## THE ANALYSIS TEAM

An essential aspect of your business case is the way you present the team of individuals that are behind the project. Each member of your business case analysis team must have a clear purpose and role in developing your business case and this should extend into the actual project execution.

For each of the roles you would describe what that means for your project and if appropriate illustrate their experience (usually shown in appendices if required). The typical roles you would expect to see with a description specific to your project are:

- Executive Sponsor
- Project Manager
- Technology Support
- Software Support
- Process Improvement
- Customer or End User support

## PROBLEM DEFINITION

This is where you outline what the organization issue or problem is that your team feels need to be addressed. This section should include three key areas.

**Statement of the Problem** – outlines and describes the organizational issue or problem that the project has been designed to address or overcome. Its description will focus on whether it is an issue related to an internal or external process, technology, or product (or service). You DO NOT discuss any potential solutions.

**Impact on the Organization** – you explain how your proposed project alters or modifies your organizations current processes, equipment, hardware, software or roles. For the latter you will need to detail which current roles will be altered or eradicated, and explain what new roles will be created on project completion.

**Technology Migration** - this is where you explain in high-level terms:

- How your project intends to implement the proposed new technology.
- How you will transfer the data from the legacy technology.
- Detail any outstanding technical requirements along with any obstacles that still need to be investigated further and addressed.

## PROJECT OVERVIEW

This section is extremely important as it pulls together all your project specific information under six key headings. You have already in previous sections provided the baseline issue or problem, impacts, and recommendations. So the purpose of this section is ensure any reader quickly and easily understands the significance of your project to the organization.

The six headings are:

**Project Description** – outlines your project's approach to the issue or problem facing the organization. You give a general description of its purpose and how it will be executed.

**Goals & Objectives** – describes which of the goals and objectives your project supports. Then you expand this description to say how the latter will be addressed through the executions of your project.

**Project Performance** – details how the expected project outcomes relate to and improve the organizations products, services, resources or processes.

**Project Assumptions** – you need to describe any of your proposed project's preliminary assumptions. This list will then be expanded as the project plan is developed. Typical assumptions could be that:

- The cost of training within the organization is available.
- Purchases related to the new technology will be fully funded.
- Internal support from other divisions or departments will be given throughout the project.
- Your project is backed and supported at an executive level within the organization.

## PROJECT OVERVIEW CONTINUED

**Project Constraints** – with all projects there will be certain constraints and you need to describe your preliminary list of such constraints for your proposed project. This list will change as a project plan develops and some may even be eradicated, if for example more funding than anticipated is allocated to the project.

**Major Project Milestones** – as part of the business case you need specify what and when your proposed major milestones need to occur for your projects end date to be achieved. Once your project gains approval you would create you baseline schedule.

This would include:

- Project Charter
- Project Plan Review
- Project Kick-off
- Project Phases e.g. 1-6
- Transition
- Closure & Review

## STRATEGIC ALIGNMENT

In this section you must illustrate how your project support the strategic plans of the organization. You will need to show your project adds value to the current strategy to gain the support of the executive.

You draw specific focus to the areas of the strategic plan that your project aims to enhance. You achieve this by providing a high-level overview of the:

- Organization's strategic plan
- Highlight the needs of the plan
- Demonstrate how your project supports the needs and aims of the strategic plan.

## COST BENEFIT ANALYSIS

This section is often considered to be the most influential in terms of gaining acceptance of your project. You need to illustrate how and when your project will incur costs and show savings for the organization. How compelling your ultimate project yield is to the organization will heavily influence your ability to gain approval to proceed.

The most common format used is that of a cost benefit analysis. This is because this type of analysis compares your project costs with the expected savings and benefits, clearly showing the added value the organization can attain from your project.

## **ALTERNATIVES ANALYSIS**

An important aspect of your business case is to demonstrate that you have considered other options. You need to show at least two if not three alternative you have explored. One may even be to keep things as they are. For each alternative you present you need to provide a summary as to why this option was discounted.

The explanations you give for each of your alternatives aids in justifying why your selected option offers the organization the best solution for their strategic growth.

## **APPROVALS**

Your business case needs to gain the approval of your executive board or review committee, before you can develop you project plan and commence the work.

This section is quite simply a sentence explaining that the signatories below have indicated their approval of or rejected the business case. This states that they understand the purpose of the project and agree with the contents of this document.

Once you have been granted the go-ahead for your project you can start to develop your:

- Project charter,
- Project development plan
- And all the other associated documents for your project management.