

Business Case

<Project Name>

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Author:	<Document Author>
Project Sponsor:	<Project Owner (PO)>
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1 PROJECT STARTING REQUEST INFORMATION

Project Title:	<i><Initial project title proposal.></i>		
Project sponsor:	<i><Any person (usually from the business community) can define a project request.></i>	Business Unit:	<i><Business Unit requesting the project.></i>
Date of Request:	<i><Date that the project request form is completed.></i>	Target Delivery Date:	<i><Date that the project delivery is needed.></i>

2 CONTEXT

2.1 Description of the current situation and urgency of a solution

<This section should detail the high-level situation description included in the Initial Project request>

2.2 Situation Impact

2.2.1 Impact on Processes and the Organization

<This section should describe the organizational impact of the described situation. This impact can be detailed by describing:
The impact in the organization's strategy;
The impact on the business processes;
The impact on the IT landscape.>

2.2.2 Impact on Stakeholders and Users

<This section should describe the impact of the current situation from the stakeholders/users perspective. >

- User population
- Which IT systems/platforms are in use today? Future platforms?
- What other IT systems do the users currently use for doing what they have to do? Does your IT system need to integrate with them?>

2.3 Dependencies with other projects

<This section should describe the interrelations and interdependencies of the current situation and therefore relating it to other problems, opportunities or needs. These interrelations and interdependencies can be found "inside" the organization and "outside" of the organization. This analysis is important as it places the current situation in the broader context of the organization and the interrelations with other environments outside the organization (e.g. external stakeholder groups).>

3 EXPECTED OUTCOMES

<This section should explain, from the business point of view, what are the desired outcomes in term of organisation, human resources, assets, reputation, etc. Think of outcomes as the result of the change that the proposed solution will result in the organization. The high-level outcomes identified in the Project Initiation Request should be considered in this section.>

4 POSSIBLE ALTERNATIVES

<This section should describe any known or potentially available alternative solutions to tackle the described situation. From the list of the potential alternatives, one of them should be clearly chosen. The chosen alternative is the one that is the best for this proposed solution and it should be detailed in the next section. Other alternatives may be useful to bear in mind later on for business continuity purposes.

As a minimum, it is expected to analyse 4 alternatives:

- A. Do nothing;
- B. Re-using of an existing solution (IT only);
- C. Development of a corporate solution;
- D. Solution Title.

For each identified alternative, a general description, a SWOT analysis and a qualitative assessment should be provided. The SWOT analysis should provide the major Strengths, Weaknesses, Opportunities and Threats as perceived by the stakeholders considering the organisational impact, the financial impact, the timing impact and the associated risks.>

4.1 Alternative A: Do nothing

General Description

<Describe this alternative.>

SWOT Analysis

Strengths	Weaknesses
Opportunities	Threats

Qualitative Assessment

<Describe how this alternative is viable (or not viable).>

4.2 Alternative B:

<Provide the General Description, SWOT analysis and Quantitative Assessment.>

General Description

<Describe this alternative.>

SWOT Analysis

Strengths	Weaknesses
Opportunities	Threats

Qualitative Assessment

<Describe how this alternative is viable (or not viable).>

4.3 Alternative C:

<Provide the General Description, SWOT analysis and Quantitative Assessment.>

General Description

<Describe this alternative.>

SWOT Analysis

Strengths	Weaknesses
Opportunities	Threats

Qualitative Assessment

<Describe how this alternative is viable (or not viable).>

4.4 Alternative D: <Solution Title>

<The recommended alternative should be clearly presented in this section after all alternatives have been discussed.>

General Description

<Describe this alternative.>

SWOT Analysis

Strengths	Weaknesses
Opportunities	Threats

Qualitative Assessment

<Describe how this alternative is viable (or not viable).>

To conclude based on the above analysis of alternatives, the chosen solution is <name of the alternative>.

5 SOLUTION DESCRIPTION

5.1 Benefits

<This section should identify and describe the main benefits of the proposed solution (the results of the positive change and impact to the current situation). Think of benefits as the measurable improvement resulting from the previously described expected outcomes as they are perceived as an advantage by one or more stakeholders.>

Example:

Project Objective	Adds Value To			Supports	
	Customers	Owners	Employees	Vision	Plan
<ul style="list-style-type: none"> Improve our customer service and beat the competition by reducing the time it takes to process an order from the order desk through shipping from 5 days to 2 days 	<ul style="list-style-type: none"> Improved service levels 	<ul style="list-style-type: none"> Better level of service improves sales 	<ul style="list-style-type: none"> Reduced frustration and fewer customer complaints 	<ul style="list-style-type: none"> Better sales and service levels improve industry leadership position 	<ul style="list-style-type: none"> Supports 20% growth objective
<ul style="list-style-type: none"> Increase our sales by over \$40 million a year by keeping lost sales due to stock shortages to less than 2 per day 	<ul style="list-style-type: none"> Improved service levels 	<ul style="list-style-type: none"> Better level of service improves sales 	<ul style="list-style-type: none"> Reduced frustration and fewer customer complaints 	<ul style="list-style-type: none"> Increased sales makes us more attractive to investors 	<ul style="list-style-type: none"> Supports 20% growth objective and improves cash position
<ul style="list-style-type: none"> Improve our collections by identifying when a customer has a 3-day change in his paying habits 	<ul style="list-style-type: none"> Avoids embarrassing bad debt situations 	<ul style="list-style-type: none"> Improves value of organization 	<ul style="list-style-type: none"> Moves employees closer to owners hip 	<ul style="list-style-type: none"> Better sales and service levels improve industry leadership position 	<ul style="list-style-type: none"> Supports cash flow objective and reduces bad debts

5.2 Success Criteria

<This section should describe the success criteria of the project. Think of success criteria as the criteria based on which the project as a whole can be deemed as a success or a failure.>

<Critical criteria for the project are those which in their absence the project cannot be considered a success. Try to distinguish any product success criteria from the overall project success criteria, in a way that the latter can relate to the project's expected outcomes.>

Example:

- Ability to conduct up to 25 auctions simultaneously on a global basis, providing the company with a 600% increase in market penetration capability
- Ability to route orders for fulfillment within 12 minutes of auction close; a 4- hour improvement over the existing order processing function
- Ability to support order volumes 30 times current levels (from \$3 million to \$300 million) with only a 20% increase in staffing levels (\$3.1 million over the next 3 years)
- Ability to provide sales force with real-time access to product and auction data on a 24 by 7 basis

5.3 Scope

<This section should describe the high-level proposed solution scope. >

5.4 Solution Impact

<This section should describe how the proposed solution will address the identified impact for each of the affected process analysed in section 2.2.1 Impact on Processes and the Organization.>

5.5 Deliverables

<This section should describe the high-level deliverables of the proposed solution, e.g. a new process, an information system, a service, a platform, change management strategy, communication plan, etc.>

5.6 Assumptions

<This section should describe any key assumptions of the proposed solution related to business, technology, resources, organisation environment, scope, expectations, or schedules.>

5.7 Constraints

<This section should describe any key constraints of the proposed solution imposed in areas such as schedule, budget, resources, or products to be used or acquired.>

5.8 Risks

<This section should describe the key risks of the proposed solution that have been initially identified with an associated high-level mitigation strategy if there is such.>

5.9 Financial business case

<This section should demonstrate that the proposed investment increases overall organizational revenues, or leads to substantial cost savings (ideally the efficiency gains and the costs savings should be expressed respectively in FTEs and k€)

The table below (Excel based) calculates the net present value of an investment by using a discount rate and a series of future payments (negative values) and income (positive values).s .

The calculation is based on future cash flows. If your first cash flow occurs at the beginning of the first period, the first value must be added to the NPV result, not included in the values arguments. For more information, see the examples below.

Example:

		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Revenues Forecast						
<Domain 1>	<Task/Activity that generate revenue>	K€ 45	K€ 32	K€ 90	K€ 120	K€ 150
	Revenues subtotal - Domain 1	K€ 45	K€ 32	K€ 90	K€ 120	K€ 150
<Domain 1>	<Task/Activity that generate revenue>	K€ 100	K€ 200	K€ 300	K€ 400	K€ 500
	Revenues subtotal - Domain 1	K€ 100	K€ 200	K€ 300	K€ 400	K€ 500
Total Revenue		K€ 145	K€ 232	K€ 390	K€ 520	K€ 650
Costs Forecast						
<Domain 1>	<Task/Activity that generate costs>	K€ 10	K€ 20	K€ 20	K€ 20	K€ 20
	Costs subtotal - Domain 1	K€ 10	K€ 20	K€ 20	K€ 20	K€ 20
<Domain 2>	<Task/Activity that generate costs>	K€ 50	K€ 100	K€ 200	K€ 300	K€ 400
	Costs subtotal - Domain 2	K€ 50	K€ 100	K€ 200	K€ 300	K€ 400
Total Cost		K€ 60	K€ 120	K€ 220	K€ 320	K€ 420
Profit		K€ 85	K€ 112	K€ 170	K€ 200	K€ 230
→ Net Present Value		K€ 786				

5.10 Milestones

<This section should identify the expected delivery date of the project major milestones that break down the project in smaller management units.>

Example:

Deliverable	Tentative Date
Milestone 1	May 2016
Milestone 2	July 2016
Milestone 3	1st Phase : Nov 2016 2nd Phase : July 2017
Milestone 4	Dec 2018

6 DOCUMENT APPROVAL

<As official document, this document shall be printed and signed by the project sponsors>

	Name	Function	Signature
Verified by			
Approved by			