

Create a business case

Business Analysis

Analysis Skills : 3

The business case is a convincing argument for approval (and thus the green light to proceed). In English, it is called a Business Case. It can be a document or even a presentation. It all depends on the audience for which it is intended.

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Introduction

One of the first **"deliverables"** that will need to be defended to justify a project and obtain funding is the opportunity analysis. The **"Business Case"** will assess an opportunity or problem at the operational level, detailing it, in order to get approval from the sponsor.

The **"Business Case"** is placed in the business analysis. Here are the first actions to launch a project.

- We start by analyzing the business by researching the Internet, customers, partners, etc.
- We identify the main problem or opportunity to be seized. (Define the **"Root Cause"**).
- We prepare a **"Business Case"**.
- We obtain financing.

> The **"Business Case"** is not to be confused with the **"Business Plan"**, which is a document that analyzes a company-level opportunity over the long term.

Unpacking the business case

A **"Business Case"**highlights an opportunity and a recommendation to invest to take advantage of it. Below are some points to consider when creating it.

- This is a document that you only submit once to try to convince the sponsor. You will not be able to go back and refine this one.
- The goal is to put together a compelling case (document or presentation), gather recommendations to be credible so that an audience can buy into it.
- Try to demonstrate that the proposed solution is effective, viable, and functional.
- Suppose a feasibility study.
- If there are multiple projects, prioritize them and explain why to undertake the solution in a certain order.

Playing with the crowd

To argue for a project, you need to know your audience. Some pointers to keep in mind are :

- The knowledge level of the audience. Are we dealing with experts in a specific field or more like financiers who are going to have to have the process explained to them.
- Knowing who is making the decisions.
- Be passionate about the product or issue you are advocating for. If the decision makers feel that you yourself believe in what you are saying, the game is half won.
- Be able to compare the product with a similar topic. It will then be easy to point out the advantages and perhaps the disadvantages.
- Find a killer argument to make them want it.

If the audience is technical or very thorough, then it will be necessary to increase the level of detail.

Structure of a Business Case

A Business case should contain at least the following three points

- Introduce, define the product or opportunity with keywords.
- Highlight the most important keyword and justify it.
- Assist with examples, attached documentation, videos, animated GIFs.

Overview

A good opportunity analysis always looks somewhat the same.

- Summarize the problem or opportunity in a few lines. This is the first thing to be read. It should be highlighted so that it is clear to everyone.
- Describe the current state and why it needs to be changed.
- Explain the main reasons for the change.
- Add financial info if it supports and is to the advantage of the opportunity.
- Add a conclusion, a personal recommendation and justify it.

Justifying a recommendation while staying SMART

It's not easy to justify a personal recommendation. There will always be someone to tell you that it is a personal assumption. You will then have to defend yourself by applying the technique known as**SMART**.

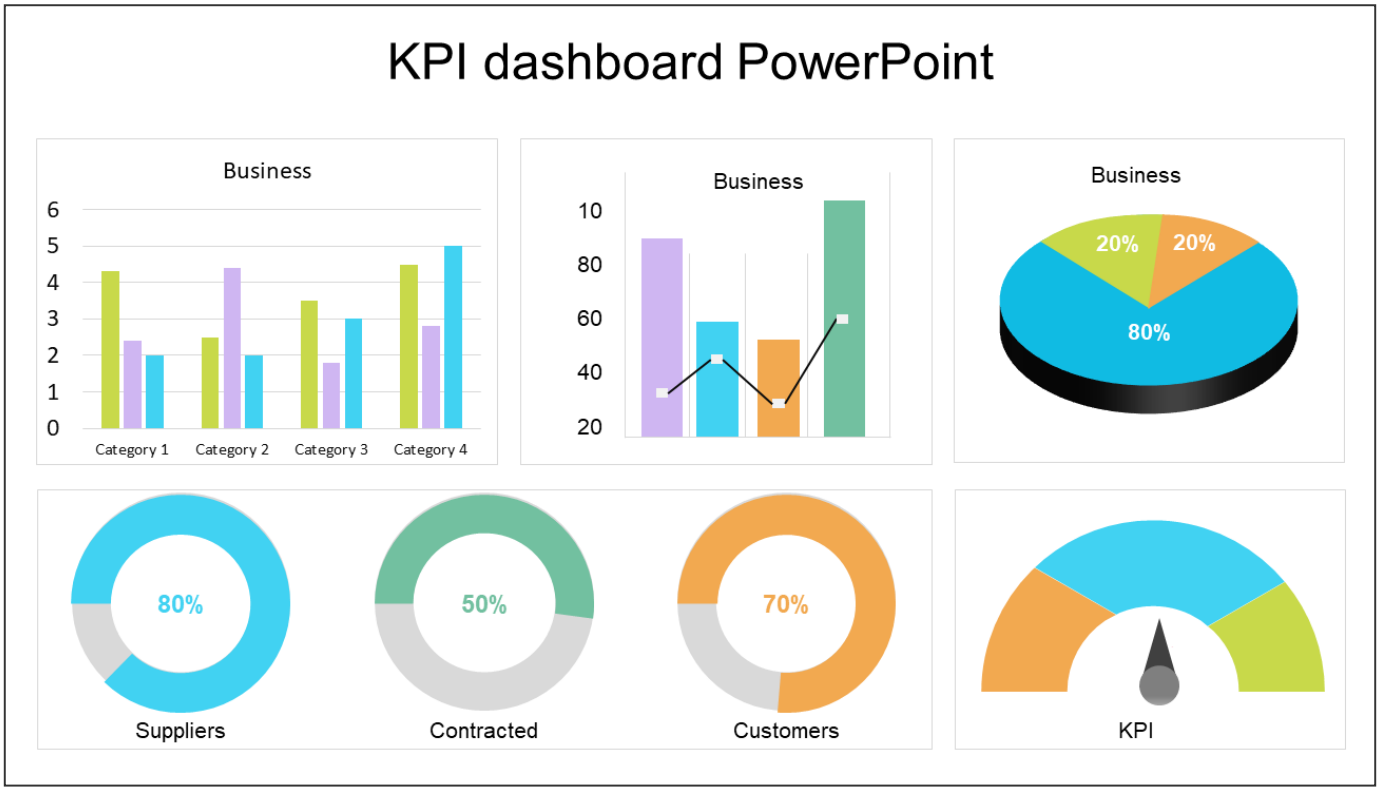
SMART is an acronym that stands for Specific, Measurable, Attainable, Relevant, Time-bound.

- **S = Specific**. The goal must be clear and unambiguous.
- **M = Measurable**. The goal to be achieved must be measurable.
- **A = Achievable**. Is the objective realistic.
- **R = Relevant**. Is the objective really necessary and in line with the needs of the business ?
- **T = Time-bound**. Can the objective be achieved within an acceptable time limit ?

The KPI to prove we're not making it up

To make measurements on purpose, there is a whole arsenal of techniques, but the best one is to

compare numbers from different documents and highlight the main arguments with representative graphics. This is called a KPI for **"key performance indicators"**.



The key performance indicators (KPI)

Other interesting techniques to keep in mind

- Add alternatives can also be a good point of comparison, thus affirming your recommendation.
- Add a financial comparison of costs between the current process and the future state can be very effective, but be careful to have it confirmed by a collaborator who has this kind of detailed information.
- Provide references.
- Note assumptions, but be careful not to cut corners. Stay SMART.
- Account for risk.

Conclusion

The business case is an important deliverable. It's going to serve to validate everything you've analyzed so far. It's also going to serve as a presentation aid to get approval on the future of the project. So don't hesitate to put it in shape. Get to know your interlocutors, especially the decision makers. Add video, images, color, statistics. Bring the most undecided under your banner. Good luck !