

MAKING A BUSINESS CASE – Key Elements

The business case provides a comprehensive view of a change project, and makes a financial justification for why the change should move forward. The logic of the business case is that whenever resources such as money or effort are consumed, they should be in support of the business.

Business cases can range from comprehensive and highly structured, to informal and brief. An organization will often have its own template for a business case, and in that instance you should use that format.

Listed below are the common, key elements of a business case.

- **Executive Summary**
Two- or three-sentence statement of the change that is being proposed.
- **Context / Situation Summary**
A description of why the change project is being proposed (the problem), its organizational strategic alignment, what the change will achieve, and why it is important.
- **Change Program Overview**
A detailed description of the proposed change, including:
 - » Changes to the organization (people, culture, training, etc.)
 - » Changes to processes
 - » Changes to systems
- **Financial Analysis**
First detail the costs for the change project. Delineate between *non-recurring/set-up* costs (e.g., recruitment, initial training, etc.), and *ongoing* costs (e.g. salaries and benefits). Then delineate the expected savings from implementing the change project.
- **Non-Financial Impact**
Quantify the likely impact of the change based on organizational strategic goals or key performance targets. What non-financial value will the change project bring to the organization?
- **Risk Analysis**
Discuss whether there are any risks associated with implementing the change program and how they will be managed.
- **Conclusions and Recommendations**
Two to three sentences concisely summarizing the issues, costs, and benefits of the change project.