

Business case template

Purpose

The Business Case is used to obtain management commitment and approval for investment in business change, through rationale for the investment. The Business Case provides a framework for planning and management of the business change. The ongoing viability of the project will be monitored against the Business Case.

Fitness for purpose checklist

- Is the business need clearly stated?
- Have the benefits been clearly identified?
- Are the reasons for and benefits of the project consistent with the organisation's strategy?
- Is it clear what will define a successful outcome?
- Is it clear what the preferred option is?
- Is it clear why this is the preferred option?
- Where there is an external procurement is it clear what the sourcing option is?
- Is it clear why this is the preferred sourcing option?
- Is it clear how the necessary funding will be put in place?
- Is it clear how the benefits will be realised?
- Are the risks faced by the project explicitly stated?
- Are the plans for addressing those risks explicitly stated?

Suggested content

The Business Case should contain information covering five key aspects:

Strategic fit

- Description of the business need and its contribution to the organisation's business strategy
- Objectives
- Why it is needed now
- Key benefits to be realised
- Critical success factors and how they will be measured.

Options appraisal

- High level cost/benefit analysis of (ideally) at least three options for meeting the business need
- Include analysis of 'soft' benefits that cannot be quantified in financial terms
- Identify preferred option and any trade-offs.

Commercial aspects

- Proposed sourcing option with rationale for its selection
- Key features of proposed commercial arrangements (e.g. contract terms, contract length, payment mechanisms and performance incentives)
- The procurement approach/strategy with supporting rationale.

Affordability

- Statement of available funding and 'ballpark' estimates of projected whole-life cost of project
- Including departmental costs (where applicable).

Achievability

- High level plan for achieving the desired outcome, with key milestones and major dependencies (e.g. interface with other projects)
- Outline contingency plans e.g. addressing failure to deliver service on time
- Major risks identified and outline plan for addressing them
- Provider's plans for the same, as applicable, skills and experience required.