BUILDING A PERSUASIVE BUSINESS CASE

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““It ain’t what you don’t know that gets you into trouble. It’s what you know for sure that just ain’t so”

Mark Twain
WHY AM I DOING THIS?

I cannot change the culture of your organization, but I can help you to influence it!

I can help elevate your PM skill to get noticed!

I can help to establish clear strategy!

Position you for success!

Introduce you to new techniques & approaches!
Let’s start
A Business Case

convinces management that the investment is financially sound, realistic for the organization, aligned with other business strategies, and has a clear course of action Answers the questions:
• What specific changes must occur?
• What are the benefits of making the change?
• What are the costs and risks?
• How do we measure success?
The power of imagination vs. reality

They came because, in fiction, we can create happy endings without allowing reality to intrude. In the real world, we do not have that luxury.

“Business cases are generally viewed only as documents for gaining funding. Once approved they are put away…. Few track the business benefits the project actuality achieved.”

Gartner, Building Brilliant Business Cases

“Business Cases contain untested assumptions masquerading as facts.”

Morton, Government of Canada

"Largely works of fiction based on delusional optimism and “strategic misrepresentation.”

Stephen Jenner quoting Daniel Hahnerman
Nothing is impossible for the person who doesn’t have to do it.
2015 Paradigm Shift

From Project World

- Project Focus
- Projects deliver “automatic” benefits
- IT is accountable for benefits
- ROI is king
- Project business case
- Passive benefits realization
- “Trusting the gods” to deliver benefits

To Project Universe

- Business-outcome focus
- Projects deliver real benefits
- Benefits are a business responsibility
- Broader view on what constitutes a benefit
- Program/project value case
- Active benefits realization
- Managing risk to deliver benefits
Era of Accountability

- What gets measured gets done
- If you don’t measure results, you can’t tell success from failure
- If you can’t see success, you can’t reward it
- If you can’t reward success, you’re probably rewarding failure
- If you can’t see success, you can’t learn from it
- If you can’t recognize failure, you can’t correct it
- If you can demonstrate results, you can win public support

Reinventing Government, Osborne and Gaebler, 1992
Business Value Cases replace conventional business cases

Challenge
Business Value Case Introduced for each program/project

Solution & benefits
Delivering your promises

The trouble with our times is that the future is not what it used to be.
—Paul Valéry, French poet
Business Case is developed for several kinds of reasons:

- To address decision support questions, such as “Should we fund the proposed project?”
- To address business planning questions, such as “How much funding will we need if we approve the project?”
- For management and control questions, such as “How do we maximize returns and minimize risks?”
- For accountability questions, such as “How do we show that we complied with vendor selection requirements?”
- To identify critical success factors (CSFs) and contingencies to achieve business results
brief history
Concept - Business Model Canvas

WHERE DID THIS BOOK COME FROM?

INNOVATING THE MODEL

Alexandre Osterwalder completed a PhD dissertation on the topic of business model innovation with Professor Yves Pigneur at HEC Lausanne, Switzerland. Fast forward 2006. The PhD outlined in the dissertation was applied around the world, for example, a Swiss-based locomotive manufacturer's business model.

The concept was used in a workshop in the Netherlands where Patrick van der Pijl and Digimarc were both present. The idea was to take up the challenge of how one stands in a market where countless strategy and management books are published every year.

http://www.businessmodelgeneration.com
Designed by: Business Model Foundry AG
The makers of Business Model Generation and Strategyze
Benefits

Canvas...

- Integrates planning, implementation, and evaluation.
- Prevents mismatches between activities and effects.
- Leverages the power of partnerships.
- Enhances accountability by keeping stakeholders focused on outcomes.
- Helps set priorities for allocating resources.
- Reveals data needs and provide a framework for interpreting results.
- Defines shared language and shared vision for community change.
Canvas Aided Strategic Project Planning (CASPP)

Strategic Project Management Canvas

- How?
  - Resources
  - Capabilities
  - Cost Risk/Benefits

- What?
  - Activities
  - Deliverables

- Why?
  - Goals
  - Benefits
  - Performance Measures

Fit

Business Case

Problem Definition

Business Case Designer
Define Your Strategic Environment

Description of Your Business Need

Strategic Fit

Define and Justify Your Options

How you are going to manage your investment and realize benefits
Business Case Designer

- Strategic Context
- Business needs & desired Outcome
- Options Analysis & Recommendations
- Managing the Investment

Business case starts with problem analysis

- What is a problem?
- Why is it important to solve this problem?
- Who and How is affected by the problem?
What is a problem?

Assess an Opportunity

- **Who** is currently addressing this problem?
- **How** is the current solution delivered?
- **How effective** is the current solution?
- **What** can be improved?
- Alternative approach?
What is a problem?

Who and How is affected by the problem?
What is a problem?

Why is it important to solve this problem?

Who or How is affected by the problem?
Business Case Designer

Strategic Context

Business needs & desired Outcome

Options Analysis & Recommendations

What is a problem?

Who an How is affected by the problem?

Why is it important to solve this problem?
Business Case Designer

Managing the Investment

Options Analysis & Recommendations

Strategic Context

Business needs & desired Outcome

What is a problem?

Why is it important to solve this problem?

Who and How is affected by the problem?
Why is it important to solve this problem?

What is a problem?
What is a real problem?

Who & How is affected by the problem?

How will the project be managed and How will the business outcomes be realized?

How will the business risks be mitigated and managed? How will performance be measured?

How will we get there? What is the best option?

Where are we now? – Where do we want to be?
What is the business need? What has triggered the need for change? What are we trying to achieve? What is the strategic fit?
How to build a canvas

1. Plot Canvas on a Poster
2. Put Poster on a Wall
3. Build your Business Case or Project Strategy

Happy Canvasing!
LET’S EXERCISE!
My Problem at Home

My two kids want a pet because all their friends have one. I want to make my kids happy but there are several problems:

- I am allergic to most animals that have fur, especially the kind that will often shed.
- Getting a pet will require feeding and taking care of it. This will mean spending money on food and upkeep, including medical bills if the pet gets sick or hurts itself.
- I am busy with work and would like to avoid having to spend the time to take care of the pet, since I know that the kids will not be able to take care of it on their own. They will start by saying they will do this, but I know they will eventually give up.
- I want everyone in my family to be happy!
Analyze the problem

Please Help!
10 Min.

- Who is currently addressing this problem?
- How is the current solution delivered?
- How effective is the current solution?
- What can be improved?
- Alternative approach?
Taking Care of a Pet

Bathing

Feeding

Exercise

Traveling

Training

• **Food and water** – How would you feel if you didn’t have enough to eat or drink? Make sure that your pet has enough food and fresh clean water to stay at a healthy weight and energy level.

• **Shelter** – How would you feel if you lived in the yard away from your family? Make sure that your pet lives indoors with the rest of the family.

• **Exercise** – Your pet needs exercise to stay at a healthy weight, to stay active and healthy. Make sure that you walk your dog every day, and take time to play with all of your pets.

• **Grooming and the Veterinarian** – Can your pet take itself to the doctor or keep itself as clean as it needs to be? Your pets need to go to the vet at least once a year.

• **Training** – Dogs of any age benefit from obedience training (and you can even teach cats, rabbits, rats, and other animals neat tricks at home) and will be happier members of the family with it.
Let’s define my options

Managing the Investment

Options Analysis & Recommendations

Family Fit

Strategic Context
Business needs & desired outcome

Why is it important to solve this problem?

What is a problem?

Who and How is affected by the problem?
What are the Options? (Alternatives)

The alternatives section should demonstrate you did your homework. You looked at three (always three!) possible solutions and you picked the best one.

Alternatives should follow the mutually exclusive and collectively exhaustive (MECE) principle.

Always list the solution that you came up with third, as it will then be top of mind when you present your implementation plan.
Option #1, 2, 3: Name of Option

Analyze 3 Options

**Pros**

- Key issue this option solves?

**Cons**

- What key issues it doesn’t solve?
- What gaps the company has in its ability to execute on this option?
## Option Selection

10 min

<table>
<thead>
<tr>
<th>Swimming and Bathing</th>
<th>Feeding</th>
<th>Exercise</th>
<th>Traveling</th>
<th>Training</th>
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</thead>
<tbody>
<tr>
<td>Option #1:</td>
<td>✔️</td>
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<td>Option #2:</td>
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<tr>
<td>Option #3:</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
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</table>
Recommendation

Option #3, addressed most of the key issues and solves the problem.
Taking care of pet rock:

• **Swimming and bathing** - Never take your pet rock swimming. They are known to be poor swimmers and will sink to the bottom.

• **Feeding** – No one knows what pet rocks like to eat, but they seem to thrive without food. It is not necessary to feed your pet rock.

• **Exercise** – Pet rocks can be quite lazy. They do enjoy being tossed in the air sometimes, but should never be thrown at anything.

• **Traveling** – Pet rocks enjoy going on vacations. They prefer traveling in pockets.

• **Training** – Pet rocks are easy to train. They can quickly learn to “sit”, “stay”, and “play dead”. However, they are also very stubborn and will not come when called.
Communications plan.

High level timeline to implement the plan.

Risks to your plan and also plans to mitigate those risks.

The implementation section should cover:
Do not Forget Risk Mitigation

List the challenges that would prevent the company from successfully executing your proposed solution.

List risk mitigation strategies for every challenge.

Don’t skip obvious risks if you don’t have a way to mitigate the risk.

Think of a way you could mitigate every risk, even if that means the

Don’t list superfluous risks—just ones that matter.
What is the “Big Picture”?
What is the problem you are trying to solve?
What value do you deliver to the customer?
What is the strategic fit to your company?
What are the benefits to your company?

recap challenges we discussed
**Your Questions (now let’s be serious)**

<table>
<thead>
<tr>
<th>Question</th>
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</thead>
<tbody>
<tr>
<td>• Best practices</td>
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<tr>
<td>• Do you see any difference between selling a project business case to C-level and selling it to middle management? (particularly for consulting services projects)</td>
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<tr>
<td>• Having an entrepreneurial background, I am wondering how different the project business case is from a startup business case</td>
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<td>• How to address various stakeholders with your persuasion</td>
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<tr>
<td>• Is it possible to present a business case on the use of a software application?</td>
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<tr>
<td>• Sample templates for development</td>
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<tr>
<td>• Thoughts/suggestions on how to &quot;tailor&quot; your Business case for the DoD Acquisition environment?</td>
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<tr>
<td>• What do you think is the single most important component to include in a project business case?</td>
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<tr>
<td>• What question/answer of any Project business case is likely the reason why a project is approved/not approved?</td>
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<tr>
<td>• What's the minimum to make something a business case!</td>
</tr>
</tbody>
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Roadmap for Success

- **Building a Business Case**
  - October 1, 2

- **Strategic Project Management**
  - October 23

- **Performance Management**
  - November 20

- **Advanced Techniques for Project Managers**
  - December 11

**What are Key Performance Indicators?**
- What they are:
  - Measures that align an organization's goals and objectives
  - Provide feedback on the progress of an initiative
  - Helps prioritize project focus

- What they are not:
  - Non-quantitative measures
  - "Top-activities" or metrics that are not germane
  - Tracking project outcomes
Before we go home

Use Canvas for Strategic Project Planning

Position yourself for success (Roadmap provided)

Build a Business Case with a Business case Designer

Keep in touch
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Thank You!

www.sharedynamics.com

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