

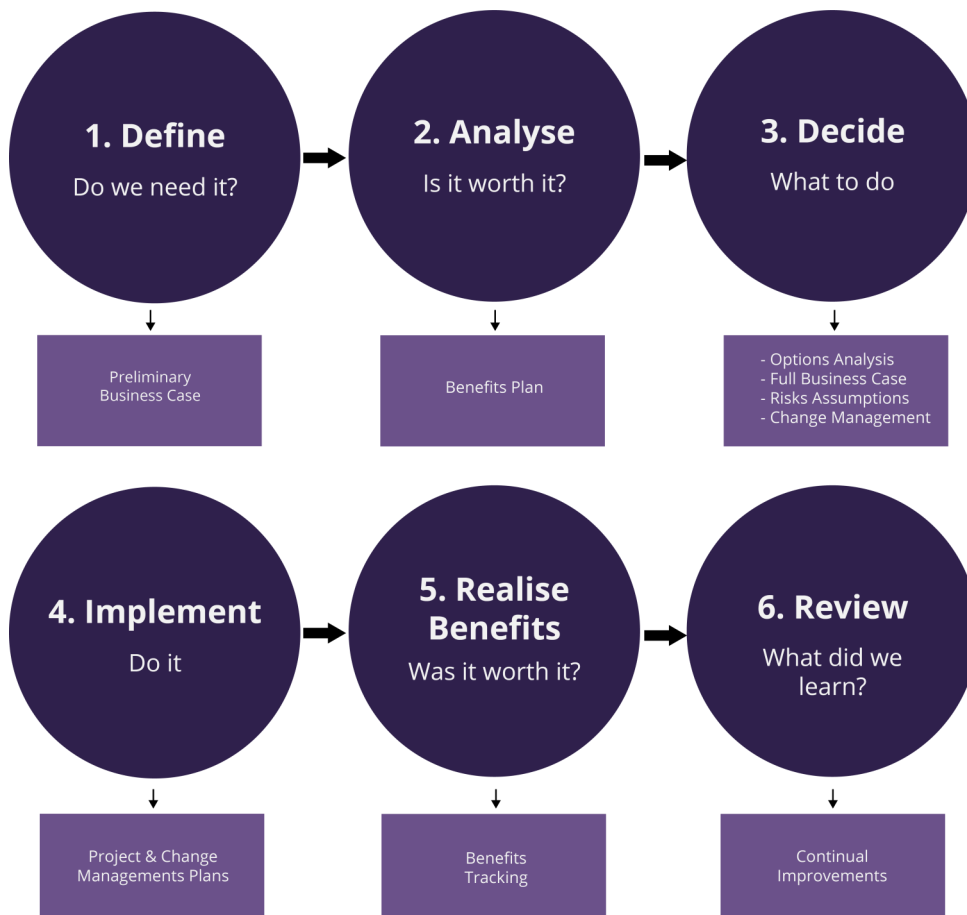
# BUSINESS CASE FRAMEWORK

It is becoming increasingly important for organisations to focus on investments that deliver true business value.

Equal Bytes can help you create and implement successful business cases with our tailored “Business Case Framework”.

Using our framework and guidance takes the guess work and personal opinions out of investment decisions. Our methodical and transparent approach reduces effort and risk and improves the bottom line.

## The Business Case Framework follows these steps



Equal Bytes can take you through each of these stages, tailoring the outcomes to your business needs. We can also assist you with individual steps if your organisation does not require the full process. The following is a rundown of what each step includes and the outcomes.



## 1. Define

### We work with you to:

Define Problems that need addressing

Validate that the problem is real

Specify the benefits that will result from addressing the problem

### Outcomes:

Preliminary Business Case

## 2. Analyse

### We work with you to:

Analyse evidence that supports the problem and/or opportunity

Identify the KPIs and measures and potentially targets and timelines that the investment will need to deliver

Specify how the delivery and benefits will be measured and reported

### Outcomes:

Benefits Management Plan



We use an Investment Logic Map and our Project Prioritiser to identify which response option would best address the identified problem and achieve the expected benefits.

Read more about our Project Prioritiser below.

## 3. Decide

### We work with you to:

Align the benefits, problems and opportunities to determine the best mix

Identify risks and assumptions that need to be considered

### Outcomes:

Options Analysis

Full Business Case

Risks Assumptions

Change Management

## 4. Implement

### We work with you to:

Monitor the project to ensure the benefits will be delivered

Undertake gateway reviews to ensure the project is on track

### Outcomes:

Project & Change Management Plans



## 5. Realise Benefits

### We work with you to:

Implement the benefits realisation plan

Track benefits and make adjustments as required

### Outcomes:

Benefits Tracking

## 6. Review

### We work with you to:

Conduct reviews of the business case and project process

Assist to implement changes immediately – we find that if you wait or just document improvements then changes from learnings are normally not implemented

### Outcomes:

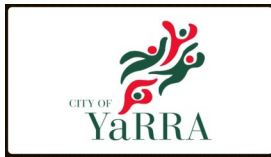
Continual Improvement



Our Business Case Framework has been used for for:



Some of these clients include:



## The Project Prioritiser

The Project Prioritiser, is a spreadsheet based tool that has been developed based on 20 years of experience helping organisations rank and prioritise projects.

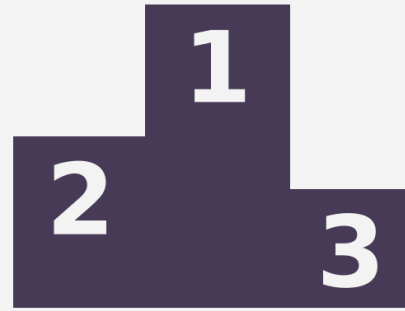
The Project Prioritiser uses simple, common-sense ideas and practices to rank projects based on the benefit—cost ratio.

### What are the benefits of using Project Prioritiser?


Project Prioritiser allows you to rank projects against each other, based on your specific benefits and costs criteria. It ensures that projects which deliver the highest benefits, for least amount of cost, are given the highest ranking.

## Further, Project Prioritiser:

- Enables you to align investments in projects with your organisation's plans.
- Provides an independent way to rank projects rather than relying on people's opinions.
- Assists with and feeds into other essential activities including project management, benefits realisation and change management.
- Enables your organisation to take a methodical approach to scheduling work.
- Assists with project budgeting and scheduling.
- Has an options analysis feature that allows the comparison of different options for an individual project.



Project Ranking															
		+ to expand benefits at													
Initiative/Project	Rank	Ratio	Benefits	Financial Impact	Risk/Regulation/R educed Liabilities	Staff numbers affected	External Customer numbers affected	Strategic Alignment	Costs	Project Duration	Project Costs	Technology Required	Organisation Readiness	Extent of process change	
Improvements to Finance Payments	9	1.57	22	0 = No Financial benefits	2 = Risk/Liability is managed	1 = Team	10 = Defined large group of customers	2 = BAU requirement	14	4 = 6 to 12 months	5 = Under \$100,000	1 = Build on existing technology	2 = Skills required	2 = Minor process changes	
HRIS Upgrade	5	1.93	29	4 = Unmeasured financial benefits < 100k	7 = Regulatory Obligation	6 = Whole of Organisation	0 = None	2 = BAU requirement	15	2 = 3 to 6 months	5 = Under \$100,000	1 = Build on existing technology	2 = Skills required	3 = Several processes changes	
Data consolidation	11	1.27	19	4 = Unmeasured financial benefits < 100k	2 = Risk/Liability is managed	2 = Functional area	0 = None	Bottom Line Alignment	15	4 = 6 to 12 months	5 = Under \$100,000	1 = Build on existing technology	0 = Organisation is ready	3 = Several processes changes	
360 Degree view of the customer	7	1.7	51	4 = Unmeasured financial benefits < 100k	0 = No change	2 = Functional area	20 = All customers	9 = Business Plan and Strategy	30	6 = Multi-Year	10 = Over \$250,000	4 = Exists but new to organisation	5 = Cultural changes required	processes changes	
Establish Project Management Office	13	1.19	25	4 = Unmeasured financial benefits < 100k	5 = Risk/Liability is eliminated	2 = Functional area	0 = None	Organisational Plan Alignment	21	4 = 6 to 12 months	5 = Under \$250,000	0 = No technology involved	4 = Additional resources required	0 = new or significantly changed	
Review of PKIs and Implement Dashboards	15	1.07	16	4 = Unmeasured financial benefits < 100k	2 = Risk/Liability is managed	1 = Team	0 = None	9 = Business Plan and Strategy	15	2 = 3 to 6 months	5 = Under \$250,000	1 = Build on existing technology	5 = Cultural changes required	2 = Minor process changes	
Develop 3D model of assets to support maintenance	12	1.22	39	4 = Unmeasured financial benefits < 100k	5 = Risk/Liability is eliminated	2 = Functional area	3 = Individuals	9 = Business Plan and Strategy	32	6 = Multi-Year	10 = Over \$250,000	6 = Technology is mandated	4 = Additional resources required	0 = new or significantly changed	
Upgrade GIS and improve data quality	10	1.42	17	4 = Unmeasured financial benefits < 100k	0 = No change	1 = Team	0 = None	2 = BAU requirement	12	4 = 6 to 12 months	5 = Under \$100,000	1 = Build on existing technology	0 = Organisation is ready	2 = Minor process changes	
Implement wireless hot spots for commercial premises	3	2.25	18	0 = No Financial benefits > 100k	0 = No change	0 = None	3 = Defined small group of customers	Organisational Plan Alignment	8	2 = 3 to 6 months	3 = Under \$50,000	1 = Build on existing technology	0 = Organisation is ready	2 = Minor process changes	
Develop Strategic Asset Management capability	6	1.73	45	4 = Unmeasured financial benefits > 100k	7 = Regulatory Obligation	2 = Functional area	0 = None	9 = Business Plan and Strategy	26	4 = 6 to 12 months	7 = Under \$250,000	4 = Exists but new to organisation	5 = Cultural changes required	0 = new or significantly changed	
				4 = Unmeasured financial benefits > 100k	6 = Whole of			Bottom Line		10 = Over		4 = Exists but new to organisation	5 = Organisation	0 = Change to Division	

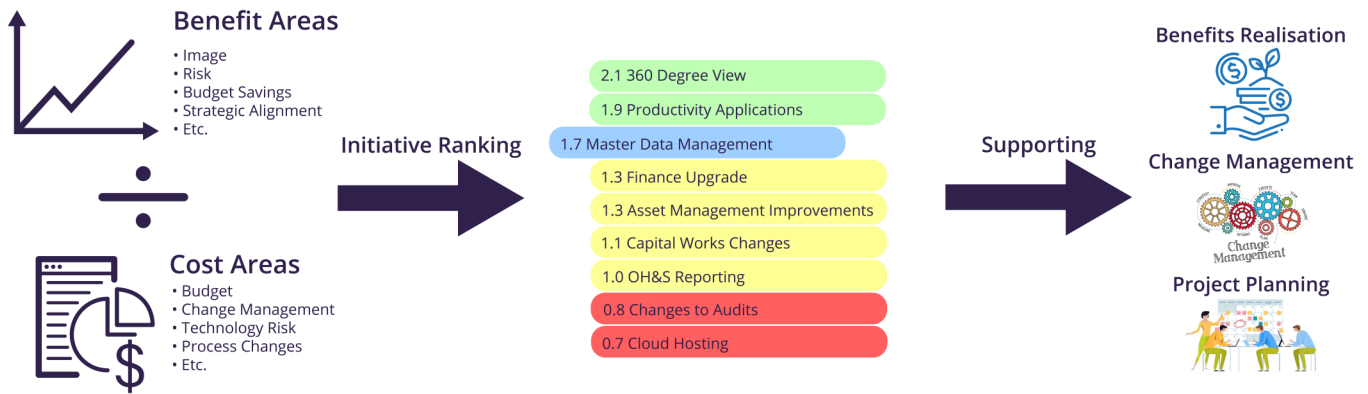


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Project/Initiative	Rank	Ratio
Implement Cyber Security awareness	1	2.75
Improve OH&S outcomes	2	2.63
Implement wireless hot spots for commercial premises	3	2.25
Improve Event Management capability and payment system	4	1.94
HRIS Upgrade	5	1.93
Develop Strategic Asset Management capability	6	1.73
360 Degree view of the customer	7	1.70
Upgrade on-line library functions	8	1.63
Improvements to Finance Payments	9	1.57
Upgrade GIS and improve data quality	10	1.42
Data consolidation	11	1.27
Develop 3D model of assets to support maintenance	12	1.22
Establish Project Management Office	13	1.19
Implement Future Ways of Working recommendations	14	1.17
Review of PKIs and Implement Dashboards	15	1.07
Improve portal usage and adoption	16	0.86

## How does it work?

The initiative and project rankings are based on the ratio of benefits / costs.



The first step is to determine the weighting or bias for the eight standard benefit areas and the five standard cost areas that your business uses. An example of these areas is shown in the table below.

Benefits	Costs
Image – Improvement of your organisation’s brand or image.	Project duration.
Improvement in productivity.	Financial Costs.
Improved or new services.	Technology required.
Financial impact – Reduction in budget or increase in revenue.	Organisation’s readiness to change.
Change in risk – Reduction in risks or liabilities, compliance to legislation etc.	Extent of process changes.
Staff numbers affected.	
Customer numbers affected.	
Alignment to your organisation’s business direction, e.g. strategic plans.	

## Weighting the areas

The weighting of each area is critical to establishing which initiatives or projects your organisation will bias. For example, do you bias projects that deliver benefits to the customer over ones that reduce risk?

An example of weightings is shown in the table below.



Benefit Areas	Max Weight %	Costs	Max Weight %
Image	5	Project duration	10
Improvement productivity	10	Financial Costs	20
Improved or new services	5	Technology required	15
Financial impact	30	Organisation readiness	25
Change in risk	5	Extent of process changes.	30
Staff numbers affected	5		
Customer numbers affected	15		
Alignment business direction	25		
	100		100

In this example, projects that deliver more financial benefits and align with business direction will receive a higher score than other projects – **a positive bias**. Projects that have a lot of process changes will score lower than other projects – a negative bias.

## Scoring Criteria

Next setup the scoring criteria for the weights.



Financial Impact	Score
No Financial benefits	0
Minor unmeasured financial benefits	5
Unmeasured financial benefits	10
Measured financial benefits < c100k	15
Measured major benefits > 100k	30

So a project that has measurable financial benefits of over \$100,000 will receive the maximum score of 30 out of 100.

Extent of process change	Max Weight %
No change	0
Minor process changes	2
Several processes changes	5
New or significantly changed processes	20
Change to Division operating model	30

In the above example projects that require significant changes would receive a higher cost and be ranked lower – a **negative bias**.

The following is an example of a project ranking sheet and the scores.

Project Ranking										58					94		33		49		72
Initiative/Project	Rank	Ratio	Benefits	Financial Impact	Risk/Regulation/Reduced Liabilities	Staff numbers affected	External Customer numbers affected	Strategic Alignment	Costs	Project Duration	Project Costs	Technology Required	Organisation Readiness	Extent of process change							
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HRIS Upgrade	5	1.93	29	4 = Unmeasured financial benefits < minor unmeasured financial benefits	7 = Regulatory Obligation	6 = Whole of Organisation	0 = None	2 = BAU requirement	15	2 = 3 to 6 months	5 = Under \$100,000	4 = Existing technology	2 = Skills required	3 = Several processes changes							
Data consolidation	11	1.27	19	4 = Unmeasured financial benefits < minor unmeasured financial benefits	2 = Risk/Liability is managed	2 = Functional area	0 = None	0 = No requirement	15	4 = 6 to 12 months	5 = Under \$100,000	4 = Existing technology	0 = Organisation is ready	4 = Several processes changes							
360 Degree view of the customer	7	1.7	51	4 = Unmeasured financial benefits < minor unmeasured financial benefits	0 = No change	2 = Functional area	20 = All customers	9 = Business Plan and Strategy	30	6 = Multi-Year	10 = Over \$250,000	4 = Exists but new to organisation	5 = Cultural changes required	5 = Cultural changes required							
Establish Project Management Office	13	1.19	25	4 = Unmeasured financial benefits < minor unmeasured financial benefits	5 = Risk/Liability is eliminated	2 = Functional area	0 = None	0 = Organisational Plan Alignment	21	4 = 6 to 12 months	7 = Under \$250,000	0 = No technology involved	4 = Cultural changes required	2 = Minor process changes							
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Develop 3D model of assets to support maintenance	12	1.22	39	4 = Unmeasured financial benefits < c100k	5 = Risk/Liability is eliminated	2 = Functional area	3 = Individuals	9 = Business Plan and Strategy	32	6 = Multi-Year	10 = Over \$250,000	6 = Technology is mandated	4 = Cultural changes required	0 = New or significantly changed							
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				4 = Unmeasured major benefits >		6 = Whole of		0 = Bottom Line			10 = Over	7 = Existing technology innovation	5 = Organisation	0 = New or significantly changed							

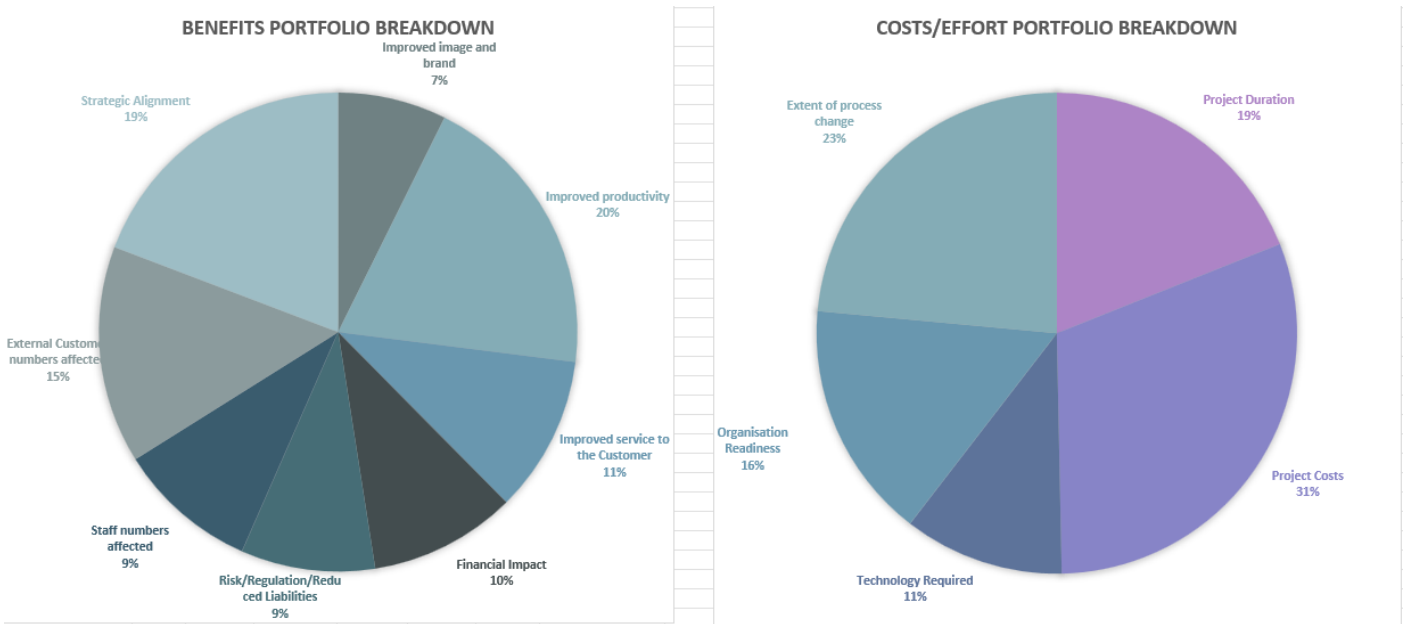




A high-level budget is created using the capital costs, operational costs and on-going costs.

Monthly Capex Costs																	
Initiative/Project	Capex	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23
All		\$ -	\$ -	\$ 10,000	\$ 39,167	\$ 39,167	\$ 58,452	\$ 41,786	\$ 28,036	\$ 65,266	\$ 127,901	\$ 127,901	\$ 127,901	\$ 108,615	\$ 122,678	\$ 122,678	\$ 179,678
Improvements to Finance Payments	\$	10,000	\$ -	\$ -	10,000	10,000	10,000	10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
HRIS Upgrade	\$	19,231	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	19,231	19,231	19,231	19,231	19,231	19,231	19,231	19,231
Data consolidation	\$	18,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
360 Degree view of the customer	\$	48,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	48,000
Establish Project Management Office	\$	12,500	\$ -	\$ -	\$ -	12,500	12,500	12,500	12,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Review of PKIs and Implement Dashboards	\$	19,286	\$ -	\$ -	\$ -	\$ -	\$ -	19,286	19,286	19,286	19,286	19,286	19,286	19,286	19,286	19,286	19,286
Develop 3D model of assets to support mal	\$	25,385	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	25,385	25,385	25,385	25,385	25,385	25,385	25,385	25,385
Upgrade GIS and improve data quality	\$	14,063	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	14,063	14,063	14,063
Implement wireless hot spots for commerci	\$	8,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	8,750	8,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Develop Strategic Asset Management capab	\$	16,667	\$ -	\$ -	\$ -	16,667	16,667	16,667	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Implement Future Ways of Working recom	\$	46,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	46,000	46,000	46,000	46,000	46,000	46,000	46,000
Improve portal usage and adoption	\$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Implement Cyber Security awareness	\$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Upgrade on-line library functions	\$	9,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	9,000

The Prioritiser has many other features that are designed to assist a governance committee to manage their portfolios of initiatives and projects.



## Who uses it?

The Prioritiser is used across private and government organisations. It has been developed with users input to provide a practical and simple way to rank initiatives and projects.



## What's Next?

If you are interested in improving your ability to realise benefits from your investments, please contact Equal Bytes to see if the Business Case Framework is right for your organisation.

After an initial chat, we can understand your needs and give you an estimate of costs and what services will work for you.

## Costs—Project Prioritiser

- The Project Prioritiser is costed at \$995 for a one user licence, with an additional cost of \$195 per user per year.
- Setup, configuration and training – typically this will be between 2 and 10 days charged at consultancy rates.
- Additional maintenance and support, as required.