

Business Idea Of The Month

Developing A Business Case

Define an Opportunity-Assess Risks-Create a Plan-Present Your Case

As a manager, you may often spot opportunities to help your team, department, and even your entire organization meet important business goals. When you identify such an opportunity, you may quickly think of a course of action that you believe would enable you to seize the opportunity. Any you may feel compelled to implement that course of action.

That's understandable-but it's also dangerous. It means you haven't considered a wide enough range of alternatives for capturing the opportunity you've identified. This is where developing a business case come in. A business case is a tool for identifying and comparing multiple alternatives for pursuing an opportunity and then proposing the one course of action that will create the most value.

A well-developed business case can help you present a convincing argument for a particular solution to key stakeholders whose support you would need to implement your proposed solution. Preparing a business case also forces you to take a disciplined approach to generating ideas for how best to capture the opportunity and comparing the strengths and weaknesses of the alternatives. When you take the time and care to build a solid business case, you arrive at a better decision with greater impact. You also stand a far greater chance of winning the support you need to put your choice into action.

There are seven steps you must take to build a business case. Regardless of the format of your business case, you can use the following steps to prepare it.

- Step 1: Define the opportunity. Describe the situation and the business objectives that your proposal will affect.
- Step 2: Identify the alternatives. Brainstorm multiple approaches and then choose three to four to analyze.
- Step 3: Gather data and estimate time frame. Obtain information about each alternative and estimate how long each option will take to implement.
- Step 4: Analyze the alternatives. Analyze how your options will affect the business objectives you've defined.
- Step 5: Make a choice and assess the risk. Make a recommendation based on your analyses, and consider how you will mitigate any risks associated with your recommendation.
- Step 6: Create a plan for implementing your idea. Identify, at a high level, how you will achieve your goals and who will be accountable for each milestone. Spell out when you expect to see benefits.
- Step 7: Communicate your case. Create a document or a presentation, or both, to sell your recommendation to decision makers.