



Making the Business Case

Delivery:	Traditional classroom
Course No:	PMN-310
Duration:	2 days
Credits:	14 PDUs/contact hours or 14 CPDs

Prerequisites:	None
Course Level:	Intermediate/advanced

About this course

The business case (also called a cost benefit analysis or feasibility study) is a key document, the very basis of many projects and investments. It should provide clear evidence that a project is worthwhile, that the benefits described are achievable and that the associated costs can be contained.

This intensive course provides line attendees with knowledge of the entire process involved in justifying a project by means of a business case. It is intended to bridge the gap between the bare-bones technical justification of a project and the expectations of the business users and executives who will approve it.

Who should attend?

Making the Business Case is designed for executives, line managers, project managers, team leaders and business analysts who need some understanding of the business case process used to justify a project. It provides insight into the business justification process used in most industries, and hands on experience with financial, technical and strategic analysis techniques.

Learning outcomes

Participants will learn how to:

- Determine the needs and expectations of management for the business proposal
- Structure, plan and develop a project business case
- Develop alternatives for analysis
- Determine appropriate financial and non quantitative factors in justifying a project
- Identify the relevant costs and benefits in each alternative to be assessed
- Choose the appropriate methods of analysis
- Document and present a business case
- Use the supplied templates and flowcharts to improve existing processes

Learning approach

The Course Director will use a variety of interactive methods during the course, including:

- Group brainstorming and discussions

- Team exercises and presentations
- Case study problem-solving
- Suggested evening assignments and readings

Short breaks will be provided for lunch and refreshments.

Course materials provided

Each attendee will receive:

- Complete set of presentation slides
- Comprehensive reference work book
- Detailed case study booklet with team problem solving exercises
- Suggested solutions to case study exercises
- Set of templates including electronic copies of spreadsheets and report formats
- A certificate of attendance confirming PDUs (contact hours) earned

Course outline

Topic 1 Introduction

- Course objectives, contents of workbook and, templates.
- What is a business case? When is it required? When should it be reviewed/ revised?
- Overview of business case process, roles of business and technical teams
- Role of stakeholders

Topic 2 Identifying the options

- Alignment of initiatives with strategic directions
- Organisational selection criteria, defining the problem or opportunity – seeking out the documentation
- Identifying the options, making a framework for structuring the investment decision. Screening the options.
- Templates: Alternative solutions report; project screening matrix.

Topic 3 Building Cost Scenarios

- Defining the various costs that will influence the investment decision
- Direct upfront costs, ongoing costs
- Indirect or hidden costs - initial losses in productivity, support, corporate overheads
- Business/client direct and indirect costs
- Template: budget spreadsheet

Topic 4 Defining and Analysing the Benefits

- Defining how to identify both quantitative and qualitative benefits
- Comparative advantages – cost reduction and productivity gains
- Level-of-service advantages
- Quantifying benefits – tangible and intangible, conditional benefits
- Examples of benefits and measures.
- Template: Benefit analysis tool

Topic 5 Risk

- Overview of the risk management process
- Sources of risk in projects, assessing the risks (identifying, evaluating, prioritising and developing a response plan).
- How to deal with risk in a project or investment. Product, development environment and project risks. Other obstacles.

Topic 6 Option Analysis

- Understanding the organisation's goals and priorities
- Selecting the investment criteria
- Cost effectiveness, avoided costs, labour cost savings, applying the non-quantifiable factors
- Nature of cost-benefit evaluations, discounted cash flow explained, examples
- Choosing the best option
- Template: discounted cash flow spreadsheet.

Topic 7 Documenting and "selling" the Business Case

- Putting the case together
- Overview of Business case table of contents and structure
- Identifying the audience, finding a champion and communicating the results
- Template: table of contents

Topic 8 Ongoing reviews and evaluations

- Making sure that the decision to invest remains valid
- Structuring the project to include reviews
- When to review, who to involve
- Determining "lessons learned" at the end of the process

Topic 9 Wrap up

- Applying techniques in practice
- Other sources of information and other templates.

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