

“STATE YOUR CASE”

Developing a sound business case

Pacific Water and Wastewater
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How can I be more convincing?



- Have you ever had the 'best idea' but no-one else seems interested?
- Do you have a project that really worthwhile to you, but sponsors can't be found?
- Have you ended up saying to yourself – but I was sure I had done the paperwork right?



The objective of Better Business Cases

Have you considered using a Business Case?

- ✓ Understand communities need
- ✓ Clarity and logical structure for Funders
- ✓ Enable better informed decisions on public investments
- ✓ Focus on delivering the intended benefits
- ✓ Process for managing the risks and costs



The objective of Better Business Cases

- ✓ A framework for bringing it all together



<https://www.projectsmart.co.uk/the-meat-of-a-business-case.php>



Better Business Cases



Types Of Business Case

1. Strategic Assessment
2. Programme Business Case
3. Project Indicative Business Case
4. Project Detailed Business Case
5. Project Implementation Business Case - Confirm supplier offering best value, detailed commercials, confirm affordability. detailed management and delivery arrangements (approve contracts).
6. The Project Single Stage Business Case covers all three above.

Better Business Cases

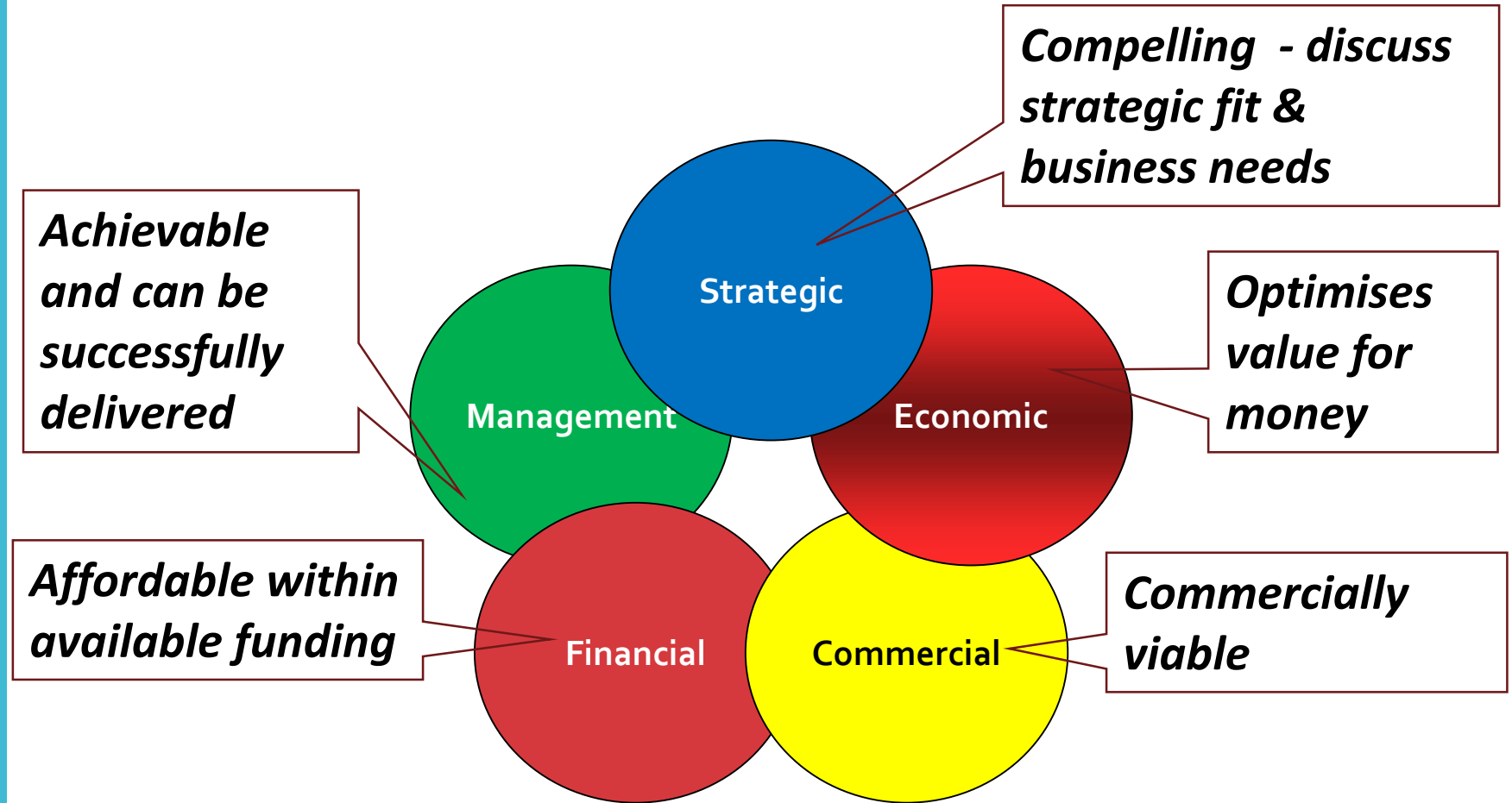
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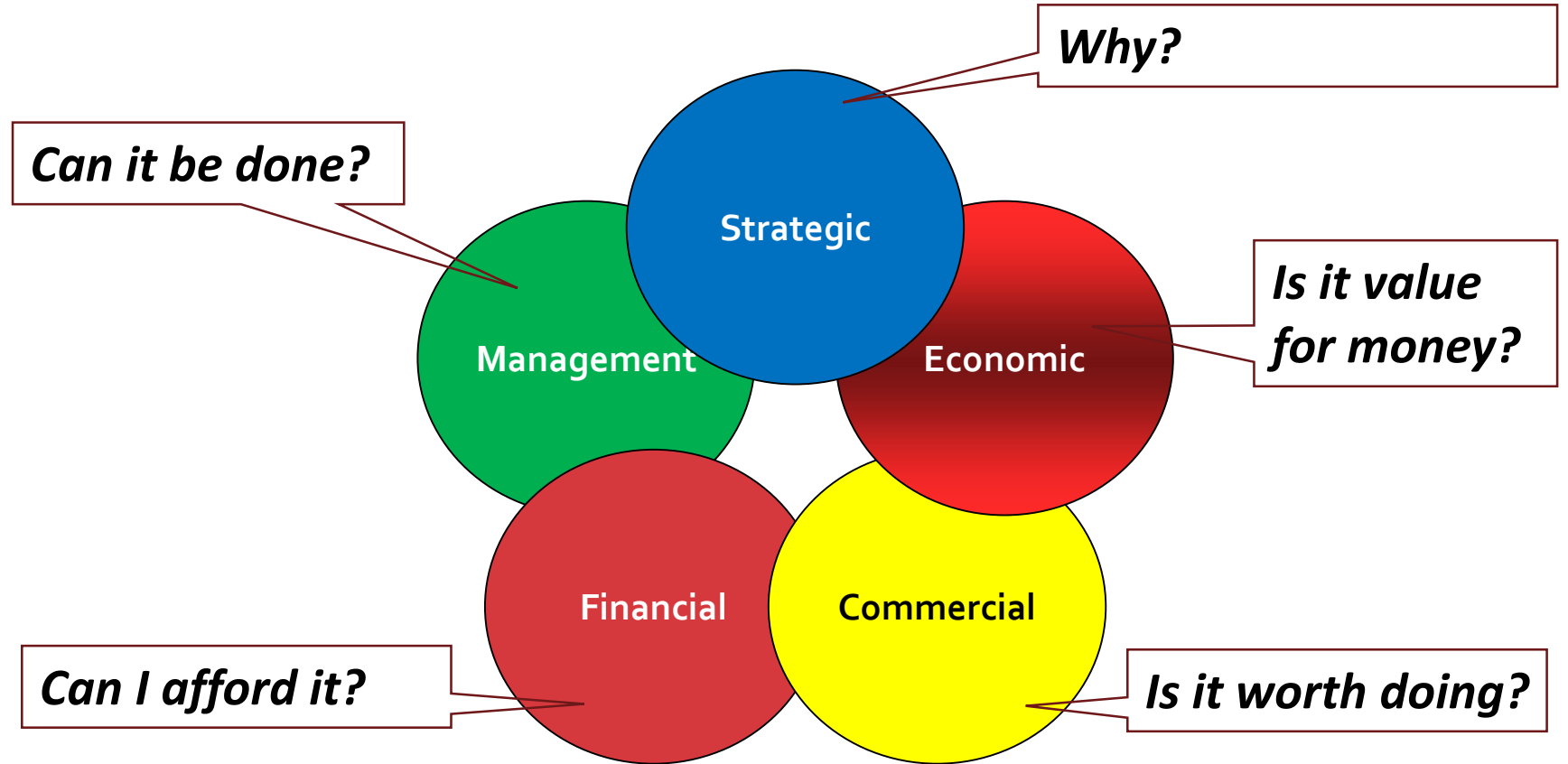
The 5 Case Model

The 5 key elements of good cases



The 5 Case Model

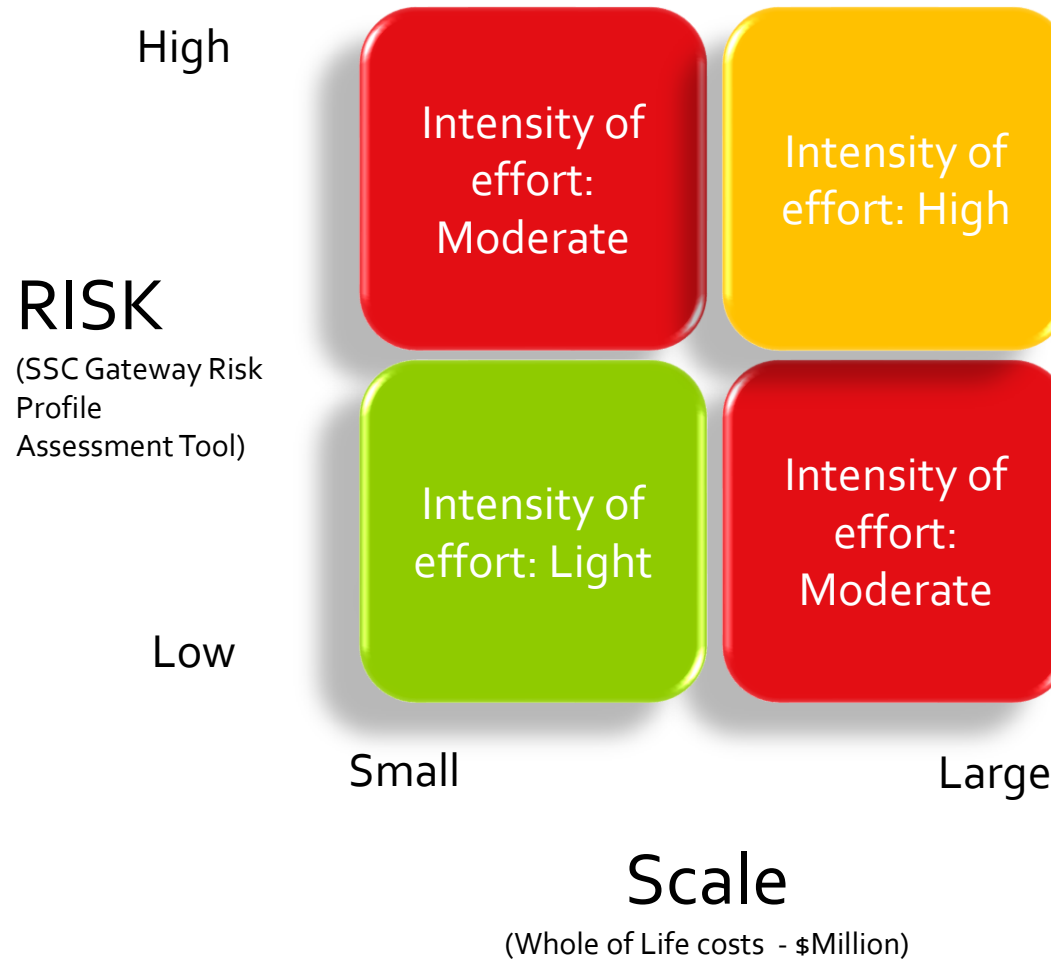
In other words – try to answer these questions



How much effort should I put in?



How much effort should I put in?



ILM – Investment Logic Mapping

The case for change:
What is the problem?

What are the
benefits in doing
something?

What are the options
for action?



What's in an ILM?

More than just a map...



DEPARTMENT NAME

Investment Name: Townsville Congestion Project

Subtitle: Inter-Regional Corridor: Townsville to Megaville

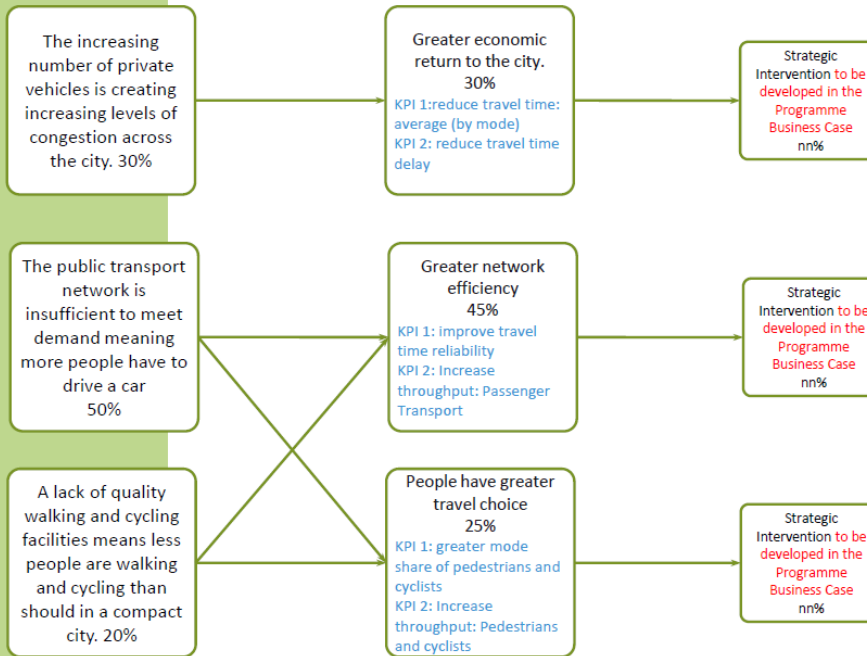
INVESTMENT LOGIC MAP

Program

PROBLEM

BENEFIT

STRATEGIC RESPONSE



Problem(s):
problem and consequence

Benefit(s):
Clear,
measurable

Strategic response:
determined in
programme
business case

Outputs:

- ✓ An ILM Map
- ✓ Identified Benefits & KPI's
- ✓ Monitoring requirements
- ✓ A common understanding

Defining the problem(s)



The problem(s):

- Are the reason that action needs to be considered at this time. Use **negative** terms.
- Each problem statement should capture the essence of what is **broken** and the **consequence**.
- Must be supported by evidence that the problem exists and that there is a correlation between 'what's broken' and the 'consequence'.
- Is compelling and **something we care about**.

"wherever it rains hard the water supply is too dirty to drink"



The benefits

The response:

- What is **achieved** from the change
- The value that the investment will provide to the organisation or its customers
- Must be supported by some **Key Performance Indicators** (these will measure if the benefits are achieved)
- Should provide an obvious connection to the outcomes but be **relevant** in terms of impact
- They answer the question **what value** is derived from this? and what is the consequence

"people don't get sick from drinking the water"



Action: the response



<http://nolabelme.org/2018/05/29/right-career-path/>

The response:

- What options are there?
- There are **always more than one**
- **The status quo** is always an option (the more unreasonable it seems the more benefits you should have)
- This is **the response** – not the solution or 'different designs for the same thing'

*"We could do the same thing, OR
We could turn the water off when it rains hard, OR
We could treat the water differently when it rains, OR
We could provide bottled water when it rains hard"*

Weighing the options

Remember the Five Cases earlier?

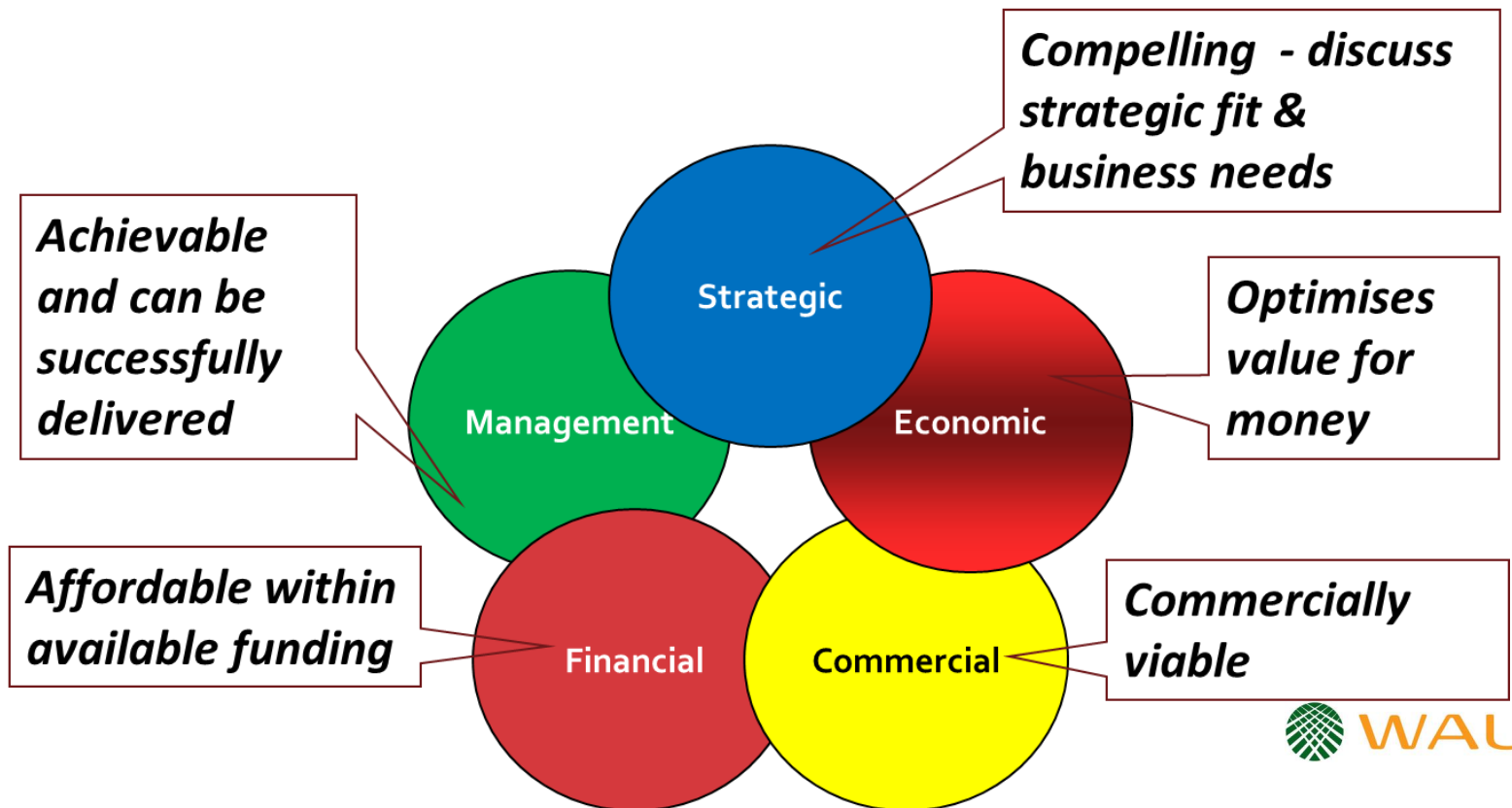
This can be used to test each option

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Better Business Cases – why they help

1. There is sound reason for doing something
2. There are real benefits in doing it
3. Robust management practices reduce financial and service delivery risks
4. Leads to greater confidence in departmental/entity performance.
5. Whole of life is considered
6. Non-asset solutions may be better value for money
7. Sponsors can compare and see where their spend is most effective



Thank you

... to PWWA for the opportunity
... to you for listening
... to the organisations that provide Business Case Training
and resources

Check us out at www.inframanage.com

