This Business Case Template must be completed on all projects that are expected to cost in excess of 50,000 dollars or if a public campaign will be initiated to raise funds for the project.



**Business Case Template**

**[Project Name]**

## Introduction

This document is your template for producing a business case. A business case is typically a presentation or a proposal to an authority by an organization seeking funding, approval, or both for an activity, initiative, or project.

### Using this Template

To create a business case from this template, simply do the following:

**Delete this page.**

Replace the title on the cover page with “Business Case:”, the name of your project, and the organization information.

Replace the [bracketed text] in the document header with your project name and delete the brackets.

Save your document with a file name of your choice.

Complete the entire template. *Each section contains brief instructions, shown in italics, which can be once your document is finalized.*

## Authority Signatures

*This section contains the signatures of key accountable stakeholders, indicating:*

*that they fully endorse the presentation or proposal as it appears in the business case*

*that they are accountable for ensuring the project will have appropriate skilled resources and all costs including any additional resources needed have been considered within the proposal*

*that the projected can be delivered on a timely basis ( on time /on budget)*

*and that all supporting organizations who may be impacted by the project have been consulted and are aware of this project proposal*

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*Full name* Date

*Project Manager*

*Position,*

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*Full name* Date

*Budget Manager*

*Position*

*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

*Full name* Date

*Executive ELT Sponsor*

*Supporting Signatures*

*This section contains the signatures of key supporting stakeholders indicating they are aware of the project and have reviewed appropriate details applicable to their area agreeing that appropriate consideration has been made regarding impacts to their function(s)*

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*Full name* Date

*Financial Officer (Budget Services)*

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*Full name* Date

*Facilities*

*Position*

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*Full name* Date

*IT*

*Position*

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*Full name* Date

*Human Resources*

*Position*

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*Full name* Date

*Purchasing*

*Position*

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Date

## 

|  |
| --- |
| Phase 1 Checklist: *The following questions are answered:*   * *Where are we now? – by describing the current business environment* * *Where do we want to be? – by describing the business objectives* * *What is the business need? – by describing the problem or opportunity facing the organization and the associated proposed investment* * *What has triggered the need for change? – by describing the drivers for change* * *What are we trying to achieve? – by describing the business’ desired outcomes* * *What is the strategic fit? – by describing how the proposed investment maps to the college frameworks, to its goals, priorities, outcomes, and policies, as well as to those of the government* * ***Do you have the resources required?*** |

## Phase 1: The Strategic Context

### 1 Business Needs and Desired Outcomes

*Complete the following sections to identify the need (problem or opportunity) facing the sponsoring organization and the desired business outcomes. This section is simply the heading; all written justification follows in the subsections.*

#### 1.1 Strategic Environment

* 1.1.1 Organizational Overview

*To build a strong rationale for a proposed investment, the current environment needs to be described. The organizational overview of the department, agency, or entity should include:*

*Mission of your school*

*Strategic vision, goals, and service objectives*

*Current activities and services, including key stakeholders and clients*

*Organizational structure (high level)*

*Existing budget and total staff (part time full time and partial load)*

*Present student census*

*Courses being offered - include an annual timetable*

* 1.1.2 Business Need

*This subsection contains a clear articulation of the business need in the form of a well-structured statement that addresses the problem or opportunity. This statement should be no more than one or two sentences.*

* 1.1.3 Drivers for Change

*Identify the drivers that have triggered this proposal. Both internal and external drivers of change should be identified and clearly linked to the business need.*

*Typical drivers for change could be:*

* Efficiency and Innovation : Increase efficiency, effectiveness, or quality of a program
  + through the student experience (student satisfaction,
  + through student outcomes (improved learning results),
  + through partnerships and partner relations;
* Productivity improvement through improved space utilization as it relates to sq. ft. per student.
* Revenue enhancement: Potential to increase profits for the college through increased capacity for enrolment growth;
* Cost Avoidance: Improved staffing utilization as assessed by optimizing staff to student ratios without compromising the student outcomes and the student experience;
* Competitiveness: Increase Fleming’s footing in the Regional and Ontario marketplace or ensure that market share is not deteriorated by losing students to competing colleges;
* Policy: Change in a program’s priority or mandate;
* Demographics: Change in the demand for a program;
* Resources: Change in technology or resources;
* Politics: Capitalizing on Government initiatives that are backed by Government funding;
* Society: Ethical issues, effects of population change, media coverage;
* Technology: Innovation potential, or technological upgrades and solutions; and
* Environment: Ecological or global factors.
* 1.1.4 Business Outcomes

*Describe the business outcomes (high level). A business outcome is the expected result or benefit that the organization is striving to achieve at the end of implementation.*

#### 

#### 1.2 Strategic Fit

*To make a robust case for change, the business case should demonstrate how the proposed investment fits within the organization’s broader strategic context and contributes toward its goals and objectives. This subsection maps the proposal to the organizational framework. See Appendix B – Self-Assessment of Strategic Fit.*

#### 1.3 Scope

#### 1.3.1 Assumptions

*List and describe all the assumptions including resourcing requirements associated with the ability to address the key requirements—and the potential impact of those assumptions if they are not addressed.*

* 1.3.2 Constraints

*List and describe the specific constraints that place limits or conditions on the investment. They can come from external or internal factors.*

* 1.3.3 Boundaries

*Identify what is to be included within the scope of the investment and explicitly state what is excluded from the investment.*

* 1.3.4 Stakeholder Analysis

*Describe the stakeholder environment by considering the types of stakeholders, their specific roles, and their contributions to the realization of the investment.*

## Phase 2: Analysis and Recommendation

### 2 Preliminary Options Analysis

*Complete the following sections to screen a comprehensive list of options and narrow the field of alternatives down to a reasonable number of viable options.*

#### 2.1 Evaluation Criteria

*Appendix B – Self Assessment of Strategic Fit will be used for screening and analysis of the options and will ultimately determine an overall recommendation. The evaluation criteria within Appendix B will be used to assess the viability of each business case submission. Business cases should be written knowing that this criteria will be used to assess all competing projects.*

#### 2.2 List the Possible

*Identify, describe, and explore every possible option that can address the business need.(see table below) The list should demonstrate due diligence in exploring options. Diagrams should be included as addenda if that will assist the reader in understanding the contemplated investment.*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Options** | **Description** | **Benefits/ Advantages** | **Risks** | **Cost to implement change** | **ROI** |
|  | *Provide a brief description of the proposed changes.* | *Provide a list of the benefits that will be achieved by adopting this option* | *Provide a list of the risks that potentially could happen if this option is not adopted. This section should also list any potential risks that could happen if this option is implemented.* | *Provide a complete costing of the one time and on going costs that will result in implementing this change. Fleming Finance to assist with the development of the cost. A signature is required by finance prior to submission of the proposal.* | *Determine the payback period of the investments that were made to implement the change. Fleming Finance to assist with the development of the ROI. A signature is required by finance prior to submission of the proposal.* |
| **Status Quo** |  |  |  |  |  |
| **Option 1** |  |  |  |  |  |
| **Option 2** |  |  |  |  |  |

### 3 Justification and Recommendation

#### 3.1 The Preferred Option

* 3.1.1 Recommendation

*Present the recommendation in a straightforward manner, clearly stating why the organization will benefit by focussing its investment on one particular option.*

* 3.1.2 Deciding Factors

*Identify the deciding factors (financial and strategic) for selecting the preferred option.*

* 3.1.3 Costs

*Provide a brief summary of the preferred option’s costing estimates.*

* 3.1.4 Risks

*Illustrate why the identified risks are acceptable. Narrative may be included to further contextualize the key factors supporting the overall risk assessment, which include impact, probability, outcomes, and so forth.*

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3.1.5 Implementation Plan

*Outline how the project will be implemented. Provide an implementation plan (strategic work plan) to demonstrate that the proposed investment has been appropriately thought through and that the estimates presented are within an acceptable degree of accuracy.*

| **High Level Schedule** | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| *Indicate the major phases or deliverables in the project. Indicate when you expect them to start and finish. Insert a mark “X” in the weeks when you expect the task will run.* | | | | | | | | | | | | |
| **Major Milestones or Deliverables** | **Expected Duration**  *(Insert actual dates for start of weeks e.g. 3/11)* | | | | | | | | | | | |
|  | W1 | W2 | W3 | W4 | W5 | W6 | W7 | W8 | W9 | W10 | W11 | W12 |
| **Milestone or Deliverable 1** |  |  |  |  |  |  |  |  |  |  |  |  |
| **Milestone or Deliverable 2** |  |  |  |  |  |  |  |  |  |  |  |  |
| **Milestone or Deliverable 3** |  |  |  |  |  |  |  |  |  |  |  |  |
| **Milestone or Deliverable 4** |  |  |  |  |  |  |  |  |  |  |  |  |
| **Milestone or Deliverable 5** |  |  |  |  |  |  |  |  |  |  |  |  |

| **Core Team Members** | | | |
| --- | --- | --- | --- |
| *Identify number of resources and skills, knowledge and experience needed to achieve project goals and objectives. List names of core project team members (or titles only if actual individuals have not yet been appointed). Describe key roles and responsibilities of each team member. State the estimated amount of time each team member will spend on the project (duration) and indicate their level of involvement (effort).* | | | |
| **Team Position**  *(Indicate number required)* | **Role On Project**  *(Types of work they will do)* | **Effort**  *(Days)* | **Est. Duration**  *(Weeks)* |
|  |  |  |  |
|  |  |  |  |
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## Phase 4: Management and Capacity

### 4 Managing the Investment

*Complete the following sections to describe, at a strategic level, how the investment will be managed.*

#### 4.1 Outcome Management Strategy

*Describe how the organization will address outcome management, i.e. tracking of outcomes, outcome owner engagement, outcome target metrics and time frames, and outcome reporting process.*

#### 4.2 Risk Management Strategy

*Include a risk management plan that will identify how all of the risks will be managed on the project.*

#### 4.3 Performance Measurement Strategy

*Indicate how the organization will address performance measurement for project implementation and benefits realization.*

## Appendix A – Financial Project Evaluation Model

#### *This model must be developed on the attached standard template with assistance of Budget Services staff and must include the following key elements:*

#### Cost-Benefit Analysis

*Based on the costs established for each option, describe how those costs are weighed against the benefits. Conduct the cost-benefit analysis for each option taking into account costs, benefits, and risks associated with described assumptions.*

#### Sources of funding

*List all secured sources of funding and identify additional potential funds to be used to pay for all or a part of the project.*

#### Costs

*Provide a comprehensive description of the costs (both capital and operating) for each option. Projected costing estimates should be based on total cost of ownership, which includes ongoing costs over the course of the investment’s life cycle.*

#### Net Costs

*Identify net costs of each option by reducing the total costs per option by the total sources of funding. If sources of funding and costs are expected to occur over several future years using present values is recommended. The interest rate used to discount future cash flows should be the College’s current weighted average cost of capital.*

#### Net Present Value

*For each of the alternatives determine the net present value by discounting both the cash inflows and outflows over the life of the project. Determine the net positive or negative position of an option by deducting the net present value of costs from the net present value of cash inflows.*

*A larger positive net present value alternative does not automatically mean the option outweighs another option, do determine the optimal option one must also consider other benefits and risks by conducting further cost-benefit analysis.*

#### Payback period

*Identify the length of time required to recoup funds invested. This calculation has limitations because it does not consider the time value of money.*

*Payback Period = Investment Required / Net Cash Inflows*