

Resource Management Systems, Inc.

Training Services Group

How to Design & Implement an IT BC Process That Works, Part 1, Cliff Earl, RMS

**GOVERNMENT IT FINANCIAL
MANAGEMENT CONFERENCE AGENDA**



Conference Presentation – Wednesday, June 27, 2007
**How to Design & Implement an IT
Business Case Process that Works**
Keep It Simple & Other Lessons Learned

Co-Presented by: **Cliff Earl** Resource Management Systems, Inc.
Dave Miller State of Nevada, DoIT

Presentation Available Online at: www.RMS.net

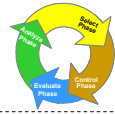
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RMS How to Design & Implement an IT BC Process that Works
BC Best Practices & Lessons Learned

What are the Business Case Practices & Lessons Learned?
1. Process 2. Data 3. Product 4. People

IT Investment Decision Making is a Dynamic, Ongoing Process
Not a One-time Event

Project **AND** Asset
Life-Cycle  Business Case Supports Decisions
at **Every** Investment Phase

ANALYZE → **SELECT** → **CONTROL** → **EVALUATE**


What do we have & need? *Which projects to approve?* *Will expectations be met?* *Expectations met?*

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"Governance" Role

Common Thread in IT Decision Making & Management Frameworks

Balanced Scorecard Six Sigma Prince2
PMBOK  CMM
Portfolio Management ITIMA
Vendor Management Performance Management

Business Case Not a One-Time, Single-Use Deliverable!

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Many Important & Complex Processes in Government
Lesson Learned
Begin with the Budgeting Process

Internal Budget Planning Preliminary Budget Adopted Budget

Capital Expense
Revenue Intergovernmental

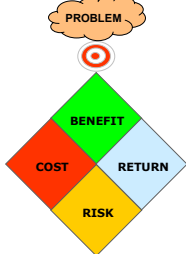
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What are the Business Case Practices & Lessons Learned?
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Lesson Learned
Include Only Investment Decision-Relevant Facts



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Many Facts In Common

SELECT PHASE DECISION (GO/NO-GO) SUPPORT

	CBA & ROI Incorporated Within BC		
	Business Case	Cost-Benefit Analysis	Financial ROI Analysis
Problem to Solve			
Business Objective			
Options			
Criteria			
Alternatives			
Benefits			
Costs			
Risks			
ROI			
Judgment Which			
Judgment Whether			
Recommendation			

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How to Design & Implement an IT BC Process that Works

What are the Business Case Practices & Lessons Learned?

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Lesson Learned
Concise, Clear, Credible, Compelling

Pillars of a Persuasive Case

Concise So they read it.
Clear So they understand it.

Credible So they believe it.
Compelling So they are persuaded to say "Yes"!

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How to Design & Implement an IT BC Process that Works

Business Problem to Solve
Why are we doing this? Who has the problem? How big is it?

Business Need and Objective
What business performance must change to solve the problem?

Plausible Options
What actions would a prudent person consider to resolve the problem?

Choices
What alternatives were considered as candidates? Which were "viable"?

Pros & Cons (Viable Alternatives & Status Quo)
What are the benefits, costs, & risks of each?

Financial Return On Investment
What's the financial ROI?

Comparative Analysis, Conclusion & Recommendation
What are the key facts (evidence)? What's the inescapable conclusion? Given the evidence, what is the recommendation?

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Practices

- Engage all key participants in Case process (and product) design early.
- Pilot test, secure feedback, refine and then fully deploy.

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Align With Current "Maturity Level" (People & Process) – Plan for Enhancement

Understand that this is a significant change management initiative.

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Business Case & Cost-Benefit Analysis

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The IT Investment Planning & Management Specialists

View the Full Presentation Online

- Available Beginning July 2, 2007 at www.RMS.net
- Both of Cliff Earl's ITFMA Conference Presentations
 - How to Design & Implement a Business Case Process That Works* (Co-Presented with Dave Miller, State of Nevada DoT)
 - Make the Business Case Do the Cost-Benefit Analysis*

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