Developing a Business Case
Expert Solutions to Everyday Challenges

Harvard Business Review Press
Boston, Massachusetts
Contents

Mentor’s Message: The Advantages of a Solid Business Case xi

Developing a Business Case: The Basics

What Is a Business Case? 3
   A preview of key facts about business cases.
   Business case versus business plan  4
   When you should create a business case  5
   A complex document  6
   Seven steps to a business case  6

Step 1: Define the Opportunity  9
   Tips for articulating the opportunity you want to pursue.
   Identifying a problem or opportunity 10
   Developing an opportunity statement 12
   Identifying your business objectives 14
   Prioritizing your objectives 14
   Assigning metrics to your objectives 15
Step 2: Identify the Alternatives  17
Ideas for making sure you have many options to choose from.
Generating a list of options  18
Gathering input  19
Narrowing your choices  23

Step 3: Gather Data and Estimate Time Frame  25
Suggestions for obtaining crucial information about your opportunity.
Identifying the information you need  26
Collecting the data  27
Setting a time frame  29
Documenting your estimates and assumptions  30

Step 4: Analyze the Alternatives  33
Recommendations for comparing all your alternatives.
Evaluating alternatives against your metrics  34
Understanding common financial metrics  35
Creating a framework for comparing alternatives  35

Step 5: Make a Choice and Assess the Risk  45
Advice for selecting a course of action and weighing its pros and cons.
Selecting the best solution  46
Weighing the risks  49
Deciding how to mitigate the risks  50
Determining whether to modify your recommended course of action  51

Step 6: Craft a Plan for Implementing Your Idea  57

Tips for ensuring that your proposed alternative can be put into action.

Understanding the purpose of an implementation plan  58
Listing your milestones  59
Communicating with decision makers  60
Identifying resources you’ll need  61
Clarifying responsibilities  61
Indicating expected payoff  62
Tracking your results  63

Step 7: Communicate Your Case  65

Techniques for presenting your case to decision makers.

Understanding your audience  66
Using visuals to present your case  67

Tips and Tools

Tools for Developing a Business Case  73

Worksheets for identifying alternatives, tracking implementation of your idea, ensuring that you’ve taken all the right steps for creating a business case, and documenting an actual business case.
Test Yourself  87

A helpful review of concepts presented in this guide. Take it before and after you’ve read the guide, to see how much you’ve learned.

Answers to test questions  90

To Learn More  95

Further titles of articles and books if you want to go more deeply into the topic.

Sources for Developing a Business Case  101

Notes  103

For you to use as ideas come to mind.