British Computer Society
The Chartered Institute for IT

Consultancy Specialist Group

Webinar

Strategic Engagement of IT and Business: IT Business Cases

by Dr Alan Warr
22nd October 2020

Strategic Engagement of IT & Business:

IT Business Cases

BCS Consultancy Specialist Group Event 22nd October 2020

Dr Alan Warr

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Our purpose

To promote and advance the education and practice of computing for the benefit of the public

About the presentation

Agenda

1. **Introduction & positioning**

2. **Engagement of Business & IT**

3. **Challenges of IT Business Cases**

4. **IT Business Case Process**

5. **Improving IT Business Cases**

6. **Developing Capabilities in IT Business Cases**

7. **Pointers to Further Support**

Dr Alan Warr BA MBA MSc PhD MBCS CITP FIC FCMI

IT Management Consultant
PA; BT; Kings Fund; Capita; KPMG; Metanoia

Chair of BCS Consultancy Specialist Group
Formerly Vice Chair of Council of IBC

Researcher in Organisational Transformation
Doctorate LBS, Post-Doc @ Wave Lab at Uni of Aegean

Former Lecturer in IT/Digital Strategy
Cranfield, Bournemouth, Henley, UWL

Metanoia
Augmented reality

Alan's experiences in strategic engagement

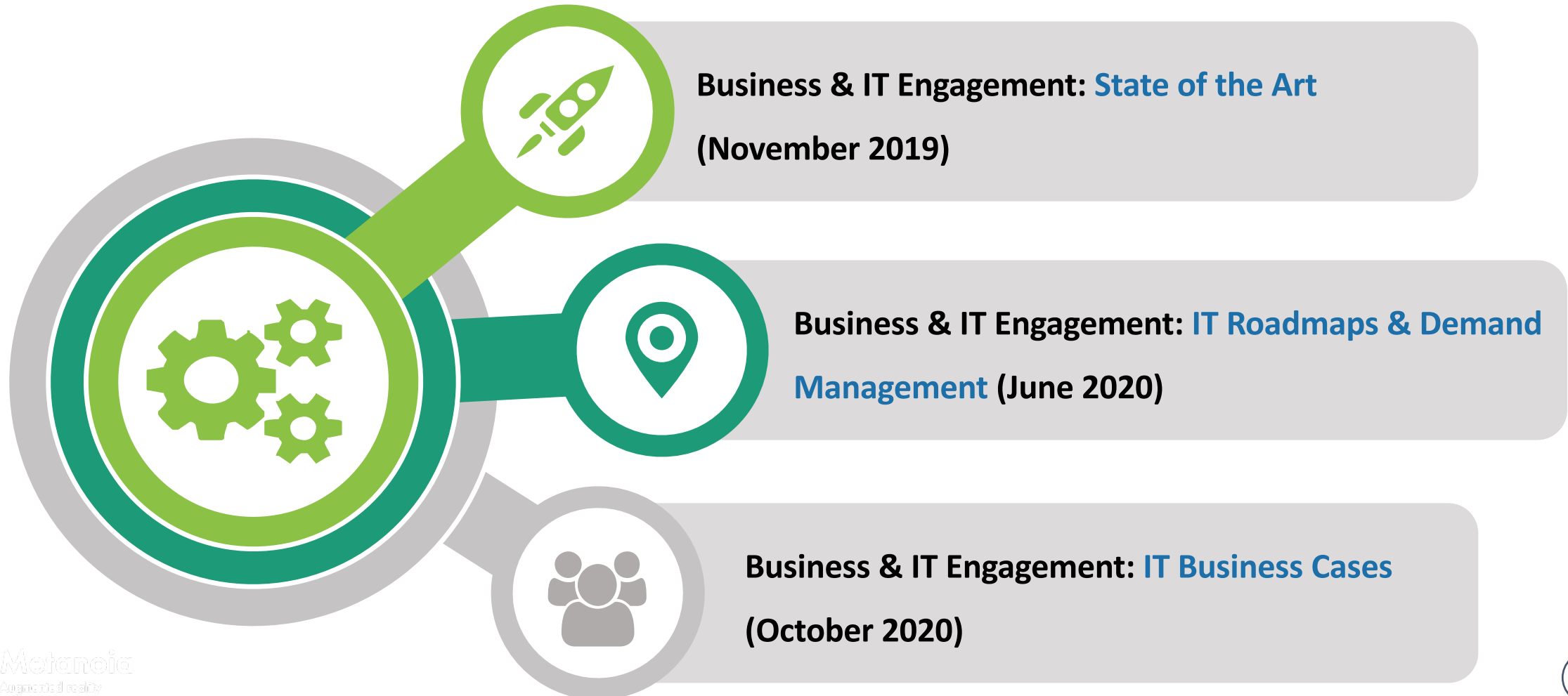|		
PA Consulting & BT Consulting	IT strategy & CIO advisory consultant
Bupa Group IS Division	Head of IT Business Consulting
States of Jersey Government IT	Interim Head of IT Business Support
Guys & St Thomas NHS Hospital	Interim Business Relationship Manager
Royal Brompton & Harefield Hospital	Interim Senior Business Relationship Manager
KPMG UK Digital & IT Divisions	(Interim) IT Business Relationship Manager

Third of a series on IT & business engagement

Available on the BCS Groups YouTube Channel

Business & IT Engagement: State of the Art (November 2019)

Business & IT Engagement: IT Roadmaps & Demand Management (June 2020)

Business & IT Engagement: IT Business Cases (October 2020)

Positioning the "IT Business Case" topic

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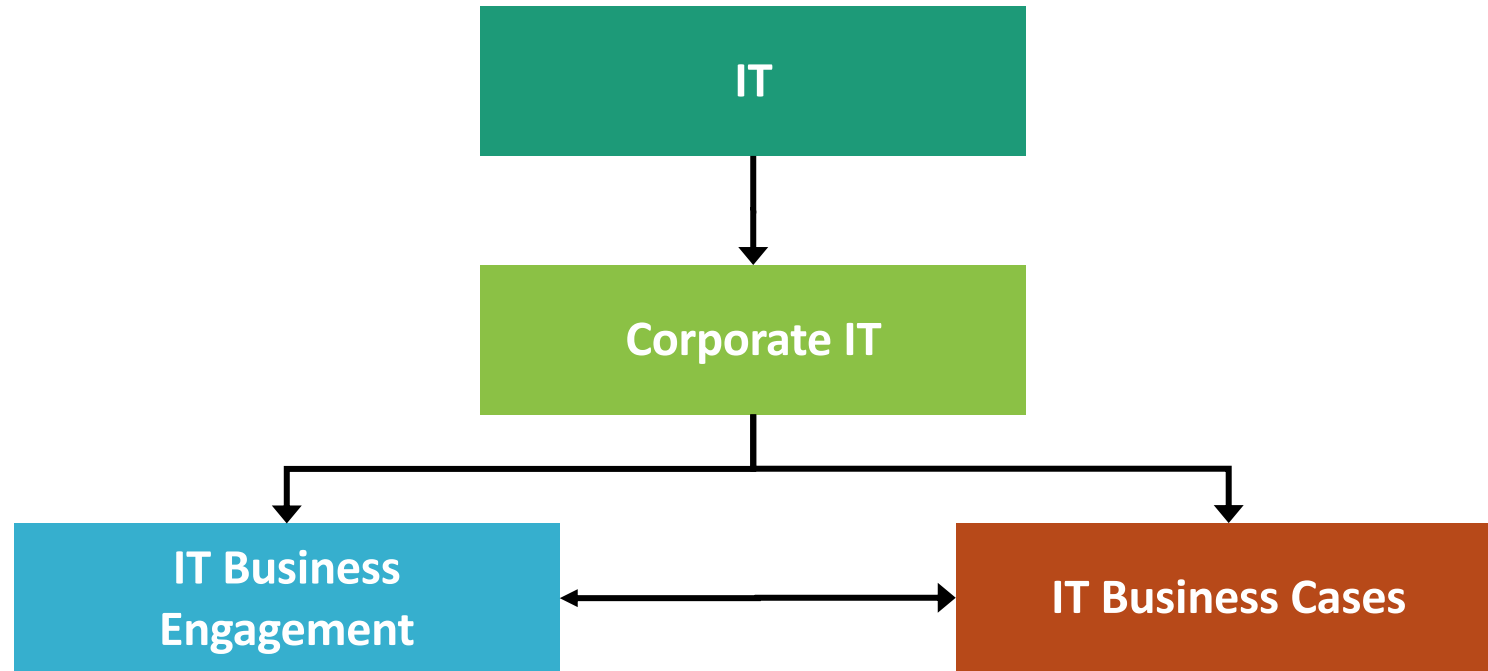
Level: Post-experience   Body of Knowledge: Good but not applied well   CPD Aim: Increasing success rates

Relevant to roles: CIO, IT SMT, IT BRM, IT BA, IT PMO, IT Consultants plus business CxOs & transformation professionals

Issues in organisations: Large, complex with internal IT providers; public and private sectors, high & low tech.

Overview of strategic engagement of IT & business

Strategic engagement at the dawn of IT

Turing to Denniston: *You will never understand the importance of what I am creating here.*

Yet the IT v Business Gap Remains Massive

	IT's current role	Role IT should play
Supplier (IT is treated and managed by business as a supplier of technology services)	49%	8%
Consultant (IT provides input on plans for business, as part of regular discussions on supporting business objectives through technology)	22%	16%
Partner (IT actively collaborates with business to shape overall strategy, which proactively leverages technology)	27%	76%

Respondents who answered "don't know" are not shown, so figure may not sum to 100%.

McKinsey, "Partnering to shape the future–IT's new imperative" May 2016 | Survey

Global survey of business side and IT side respondents in over 700 organisations.

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With Considerable Lost Value

Areas where IT Organisations are Very or Completely Effective	Likelihood where IT is a "Partner" versus other relationship types
Implementing bottom-up innovation ideas	3.43x
Creating a healthy and effective IT culture	3.27x
Measuring IT's performance on multiple dimensions	2.64x
Bringing ideas for new IT solutions to business	2.6x
Partnering with business to develop new capabilities supported by technology	2.5x
Proactively engaging with business leaders on new ideas or enhancement to existing systems	2.5x
Introducing new technologies faster and/or more effectively than competitors	2.29x
Working with business leaders to improve existing systems when asked	2.15x
Delivering new projects or enhancements on time and within budget	2.13x
Digitising business processes	2.06x

Common Engagement Activities (3)

Common Engagement Activities (2)

Common Engagement Activities (1)

Partnering
- Mapping stakeholders, their issues & agendas
- Plan & lead on improving IT/business relationships
- Regular partnering meetings with key stakeholders
- Relationship improvement planning with business & IT
- Internal consultancy to build trusted advisor status
- Educate IT providers on business imperatives

Ambassador
- Escalation pathway for the business on IT problems
- Oversight of service desk incidents & problem mgt
- Brokering service level agreements & SLA reporting
- Reporting business satisfaction with IT provision
- Serve as BRM on project & other governance boards

Strategist
- Supporting business developing their IT road maps
- Ensure alignment of IT strategies with business needs
- IT demand management onto projects ingestion

Challenges of IT Business Cases

IT business cases at the dawn of IT

Denniston: *Why are you building a machine?*
Turing: *The machine will allow us to break every message and win the war*

The first commercial IT application had a business case – LEO (Lyons Electronic Office)

The paper to the board covered the main components of a business case:

- Described the opportunity
- Outlined six options
- Estimated costs
- Calculated benefits

However,

- Costs turned out to be very optimistic
- Benefits were savings in administrators and there is no evidence any redundancies took place
- Risks were not explored
- LEO was a technical success, but Lyons lost money on the project
- It could be argued others reaped huge benefits

What is an IT business case?

*"A **business case** provides justification for undertaking a project, programme or portfolio. It evaluates the benefit, cost and risk of alternative options and provides a rationale for the preferred solution."*

From APM Body of Knowledge 7th edition
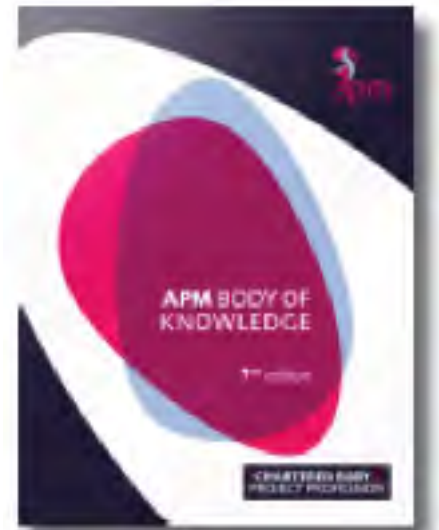
What is an IT business case?

"Business cases are generally viewed only as documents for gaining funding. Once approved they are put away…few track the business benefits the projects actually achieve"

Gartner

What is an IT business cases?

"the planned, systematic, deliberate misstatement of costs and benefits to get projects approved."

Professor Bent Flyvbjerg
Chair of Major Programme Management at Said Business School

What is an IT business case?

"from our research….the majority of organizations believe their approach to developing business cases for IT investments is far from satisfactory……..

However our research also found that the quality and comprehensiveness of business cases has a significant affect on the success of IT investments."

Professors John Ward, Elizabeth Daniel & Joe Peppard, Cranfield School of Management in Building Better Business Cases for IT Investments, California Management Review, 2007.

What is an IT business case?

"...those organizations that are **more successful** *in realizing value from their IT investments understand that the business case is not only a way of obtaining funding, it also has other purposes:* **showing how the benefits depend on business changes as well as technology, gaining commitment to achieving the benefits and enabling the success of the investment to be judged objectively***.*

In the **less successful** *organizations the business case often has the* **singular purpose of obtaining funding***, leading to either not identifying all the benefits that the investment could deliver or to overstating the benefits."*

What is a business case?

*"While most organizations today demand a robust business case justifying investments in information technology (IT), our research, which includes a survey of over 100 organizations, indicates that few organizations are satisfied with their ability produce such a case. In particular, they are concerned about identifying and quantifying the expected benefits. Surprisingly, **many organizations don't demand rigorous evidence to support their investment** – which is perhaps why in many cases benefits are overstated in order to gain approval."*

Public sector potential for improvement

Leaders must reinforce the importance of proportionate business cases

Ian Greggor, Director of Estates & Facilities, Berkshire Healthcare NHS Foundation Trust & formerly with NHS Improvement

" [Re: business case] It's normally viewed as this barrier by people. It slows everything down and costs a fortune – and if you go into it thinking like that, it's exactly what it will be. It will be a pain and it will cost you a fortune."

"Yet if you actually use the business case process, it is really the best way of challenging yourself to find the best way of answering the problem you've set yourself. You will find that's the most efficient way to do it; it comes out with the best answer."

"If we can change how people view these processes, I personally think we'll get some much better answers and I think it will make that process really work for people, whereas at the moment they're just seeing it as a ball and chain."

McKinsey are finding digital business is no different

Digital is not a special case after all – except perhaps when irrationality dominates valuations?

"In a 2018 survey of 1,733 managers, about eight in ten said their organizations were pursuing digital initiatives. But only 14 percent of the managers said they had realized significant performance improvements from these efforts, and only 3 percent said they had successfully sustained any changes."

"Our advice to these business leaders? Don't get tripped up by digital labels. Follow the same principles that apply to all investment decisions. That is, evaluate digital projects and strategies based on the cash flows they are expected to gen-erate, making sure to factor in "do nothing" or base-case scenarios as well as the overarching objectives of the digital project or strategy being proposed."

"While that approach sounds simple, getting it right requires some thoughtful strategic analysis."

Reference: Why 'digital' is no different when it comes to valuation, McKinsey, October 20, 2020.

The IT Business Cases Process

Components of a business case

Summary	Opportunity	Options	Benefits	Costs
Summary for stakeholders who do not need the detail	The problem or opportunity, the "as-is" and the "to-be" and the "delta"	Other options considered including the "null" option.	Tangible and intangible benefits and any options opened up	Tangible and intangible costs including change costs

Risks	Sensitivity	Plan	Approvals	References
Major risks identified, assessed and mitigated in context of capabilities	Exploration of what causes the case to be undermined or invalidated	Outline of implementation & change mgt & benefits implementation	What is being asked for and governance bodies or roles that needs to authorise. Next steps	Activities, processes, consultations and evidence utilised to ensure a robust case

Financial case often has disproportionate influence

And ROI is usually the key metric

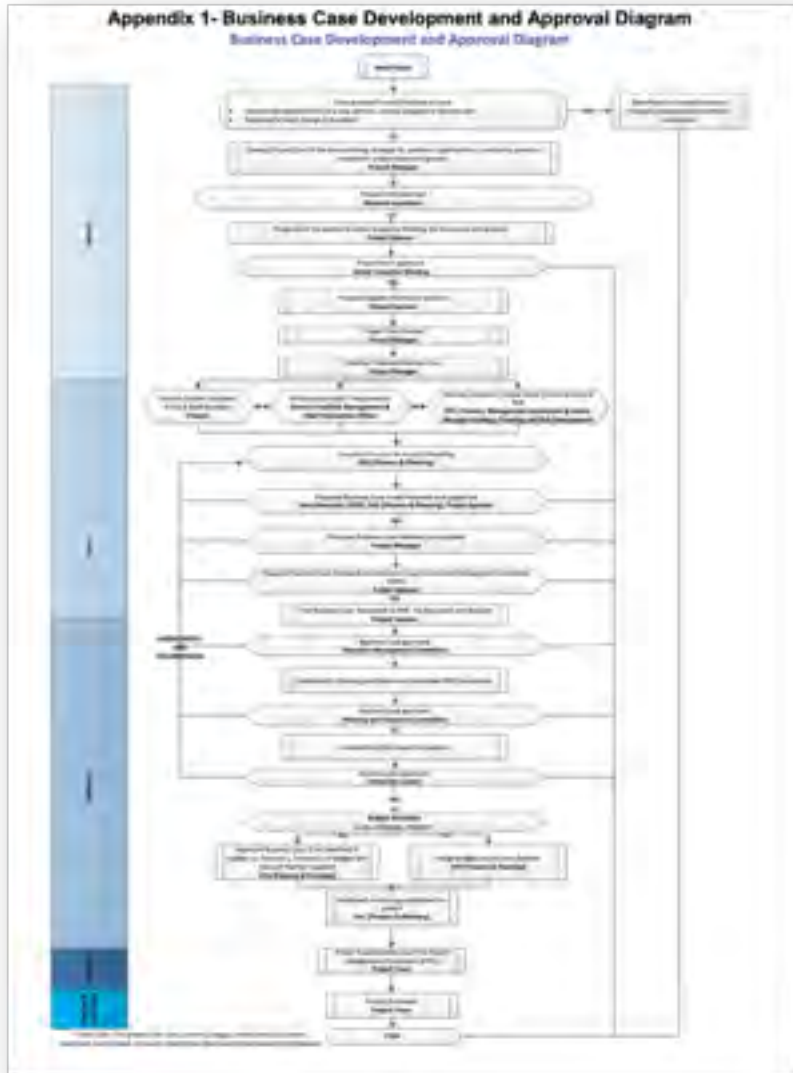|	
Cash flow	Depicting how cash is forecast to flow in and out of the project
Payback	How long the project takes to pay back its investment
ROI	The benefit of a project expressed as a percentage of the cost
NPV	Presents the net cash flow in present day value taking account of inflation and normal returns
IRR	The expected growth rate that the project will deliver for the investment

The finance business partner or finance function can help with the calculations and modelling.

The key is understanding the opportunity well enough to forecast how benefits & costs will flow.

The business case process varies

So it is important to establish early what the local business case process & governance requires and be compliant

Appendix 1- Business Case Development and Approval Diagram
Business Case Development and Approval Diagram

Roles for IT Engagement

Ambassador

Promoting the IT business case process

Guide

Finding the way through BC process & stakeholders

Analyst

Providing analyses for benefits, cost and risks

Advisor / Architect

Being the "voice of reason" on IT and business dimensions

Protector

Ensuring that the case has involved protecting forums

Maturity will influence how IT can support BC process

AD HOC	ORDER TAKER	SERVICE PROVIDER	TRUSTED ADVISOR	STRATEGIC PARTNER	DIGITAL CONVERGENCE
LEVEL 01	LEVEL 02	LEVEL 03	LEVEL 04	LEVEL 05	FUTURE?

Low Business-side maturity *High*

Low Technology provider maturity *High*
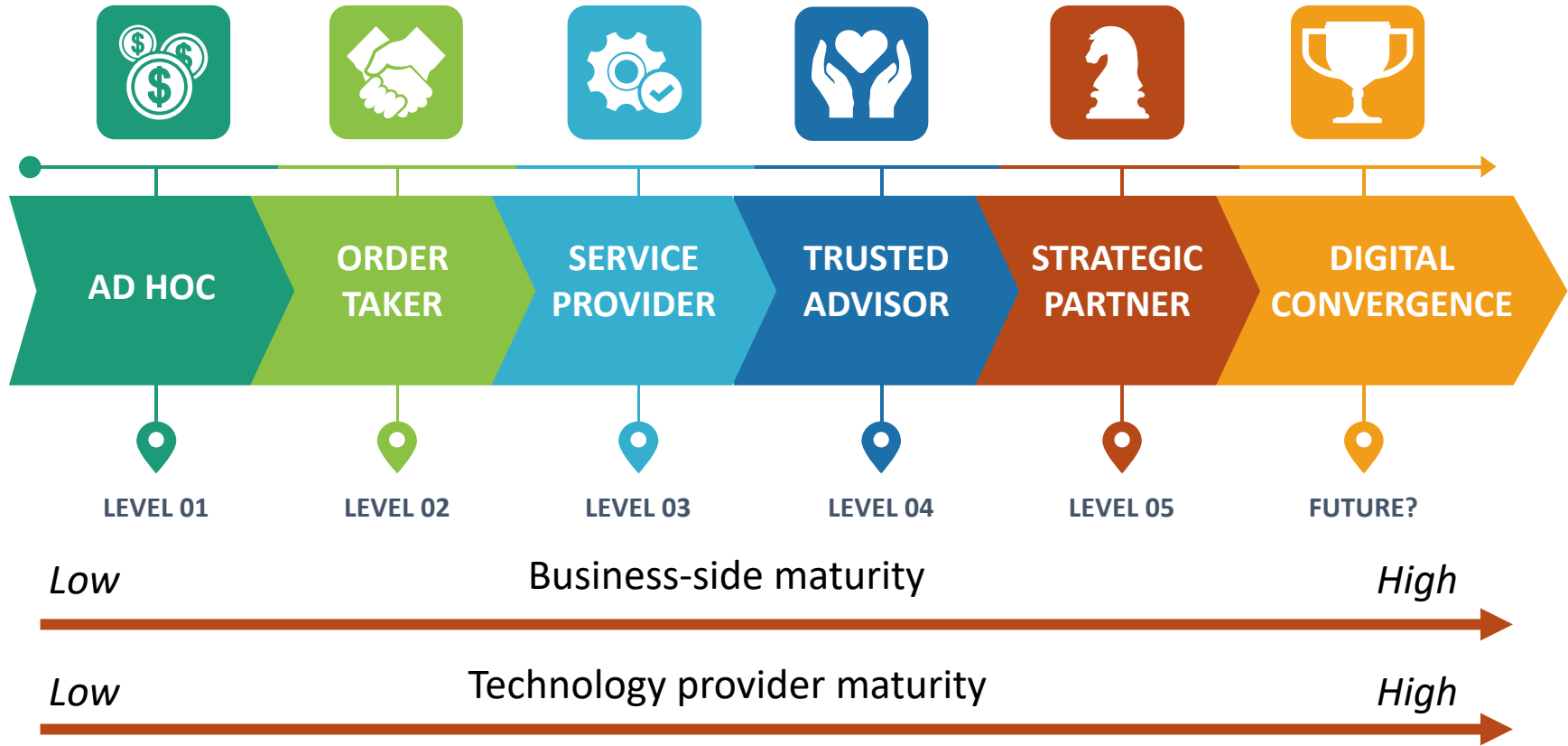
Involved to accept IT supply & support obligations and provide IT department costs → **Advisor on IT, processes, governance and what will make the project successful** → **Partnering to co-create an optimised business case for a solution co-architected for success**

Why do IT business cases fail?

Authorship 01

Cost rigour 02

Risk mgt 03

Reviews 04

Benefits rigour 05

Not lived 06

Failure to designate the business as the business case author

Not having a meaningful business case review and acceptance process

Lack of rigor in the analysis of the costs of the project.

Lack of rigor in the analysis of the benefits of the project

Failure to adequately account for risk in the business case

Failure to keep the business case alive across the project life cycle

Source: Key Points of Failure for IT Project Business Cases, Iijima, Timothy. The Journal of Corporate Accounting & Finance; Hoboken Vol. 23, Iss. 5, (Jul/Aug 2012): 41-47.

Cases: Business case optimism contributes to IT failure

Organisation Type	Optimism Bias	Outcomes	Insight
NHS National Programme for IT (NPfIT) – Largest civilian IT programme in history at £12.5bn	Seemed to do everything right. Consulted 6000 clinicians. 500-page "output based specification" hard-wired costs.	Core hospital IS replacement ran into problems of unforeseen complexity in all three IT providers.	Even methods like OBS for large IT programmes are still insufficient to lower risks. Better to factor in risk and manage expectations.
Global Insurance Co – classic core systems replacement to replace dated technologies	Consolidating 90 applications into one was to use a new technology framework. Global IT vendor claims framework will handle it.	Framework did handle it after considerable problems and development. Project ran 3x over on cost and timing.	Even with the problems the investment powered the firm to new heights, but appetite for bold strategic IT moves extinguished.
Hospital Pharmacy Dispensing and Inventory Management Application	National funding for pharmacy automation gained with justification being savings in staff time and better inventory control.	National level insisted on post-project reporting of benefits and staff FTE were the same and no savings in drug budgets evidenced.	Cash releasing savings are sometimes taken as other benefits. This should be anticipated and cash realisation plans tracked.

Cases: Business case process avoids IT failure

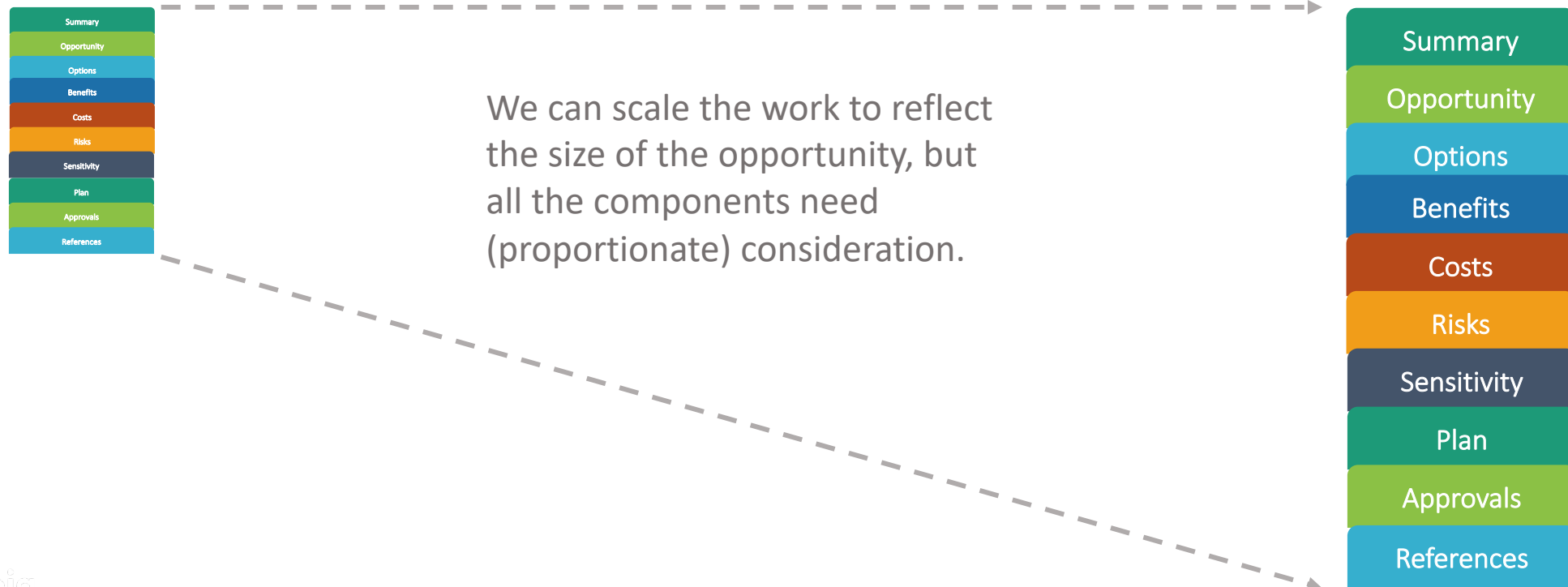| Organisation Type	Business Case Process	Outcomes	Insight
NHS National Programme for IT (NPfIT) – Largest civilian IT programme in history at £12.5bn	The business case was detailed and was tracked by external scrutiny from the Audit Commission & parliament	As new data showed which parts of the programme had non-viable BCs, those parts were reconfigured.	BCs for several important parts worked well. The core hospital IS progressively failed but that did not go unaddressed
Business development – new digital product exploiting data sciences	Small business unit identifies opportunity for a new product. They have ignored some information protection issues as unlikely to arise	BRM challenges business case as reputational risk to larger business is not included in BC. Protecting functions engaged.	Protecting functions assist the small business unit to upgrade their business case. New product is not pursued as business case is weaker
Healthcare – equipment supplier sells cardiologists on new imaging system costing just £50k to get them up and running	BRM guides the clinical directorate towards wider engagement to validate the vendors proposals. Architects, procurement, security, infrastructure engage.	Ongoing costs and integration and infrastructure and change reveal true cost is 15x vendors claims	Hospital is running massive deficit and both IT and cardiologists reject the proposal as no business case at the time

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Improving IT Business Cases

Opportunities

The excuse of bureaucracy

Business cases are seen by some as bureaucratic and stifling innovation and agility.

Small IT initiative

Large IT project

| Summary |
| Opportunity |
| Options |
| Benefits |
| Costs |
| Risks |
| Sensitivity |
| Plan |
| Approvals |
| References |

We can scale the work to reflect the size of the opportunity, but all the components need (proportionate) consideration.

| Summary |
| Opportunity |
| Options |
| Benefits |
| Costs |
| Risks |
| Sensitivity |
| Plan |
| Approvals |
| References |

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The myth of "creating"

It is an empirical process of discovery and structuring. Its not a creative or performance art. Cases should be "evidence-based".

Case: Outsourcing BC	Case: Business Intelligence BC	Insight
Head of IT Services with small support desk that is underperforming wants to outsource service.	City Council faces austerity measures amounting to 15% cuts. Deep concerns that core services at risk.	Too often people "game" the business case, "creatively" finding benefits and lower costs and underplaying risks.
Can't find the savings from the support desk so finds other roles in another function to cut out for the BC.	Across council functions, CIO faces a call for an urgent investment in a BI platform to identify productivity gains.	**To counter human nature, those sponsoring IT business cases need to know that they will be scrutinised (by critical friends).**
Creative but falls when external consultant points out that the two roles could be cut anyway!	Creative but appetite wanes when FD says he will not invest in new BI tools unless people can be clear about the productivity gains and he will remove these from their forward budgets.	**There is a business case for an opportunity that should be discovered and validated rather than created or made up.**

The loss with "one size fits all"

Templated approaches risk the tailoring needed for the business case to reflect the nature of the opportunity.

High

Value to future business

Innovation	Strategic
Genuinely new opportunities	Needed for the delivery of strategy
Mandatory	Operational
Must do these for compliance or external mandated reasons	Needed to keep operating well but not strategic

Low — High

Value to current business

01 INNOVATION
Business case needs to reflect risk and uncertainty and future nature of value. Experiments and POCs are good here .

02 STRATEGIC
Business case needs to reflect the importance and need to act quickly and at scale. Aggressive deployment at speed.

03 OPERATIONAL
Business case should be able to reduce risk through knowing the business well. Optimised deployments with careful changes.

04 MANDATORY
Business case should reflect the lower value available and keep investment for other opportunities. Lower cost and imperfect options are OK.

Reference: Professor John Ward, "Strategic Grid"

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Alternative approach for major projects

Progressively build the case gaining buy-in along the way & simply qualify out if you need to

IDEA

Aspirational business case

STRATEGIC OUTLINE CASE (SOC)

Provides an early opportunity for key stakeholders to influence the direction of the proposal
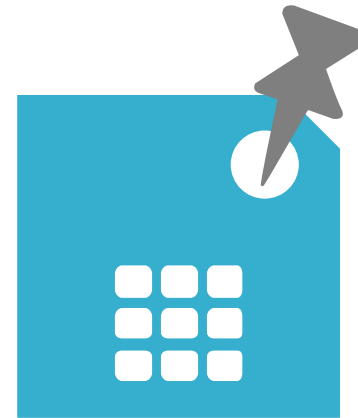
OUTLINE BUSINESS CASE (OBC)

Requires a much more comprehensive analysis.

FULL BUSINESS CASE (FBC)

Support a decision to commit funding and provides a basis for project management.

The error of "omniscience"

It is dangerous to rely on one person developing the business case alone. Protecting functions should be involved early.
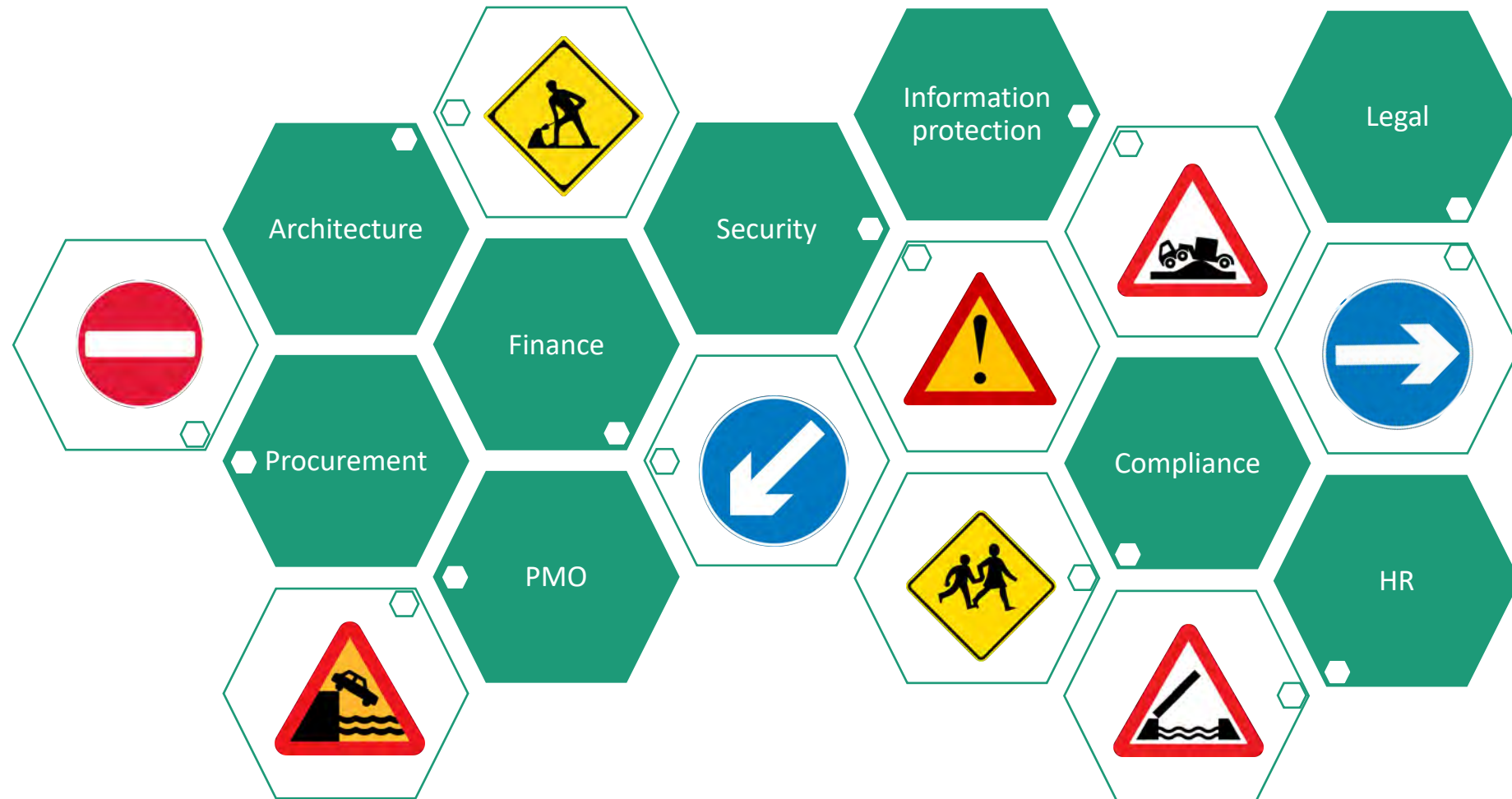
The charge that they are difficult to use

Business cases are seen by some as complex and template-based and hard to convey the opportunity well?

KISS – Keep it Simple

Simple prose, jargon-lite, short sentences, bullets, tables, graphics.
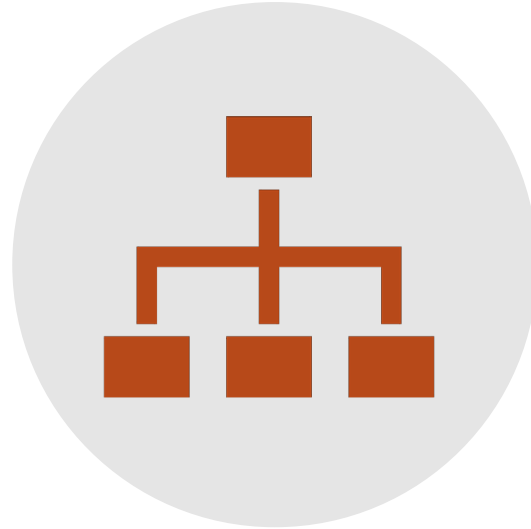
Top Down Thinking

Decompose complex topics.

Section-headings that describe the content

1st sentence of paragraph summarises the rest of para

Personality Types

Write for whole audience:

▪ Visionaries

▪ Conductors

▪ Harmonisers

▪ Guardians

Ethical Selling

Needs to be compelling and aspirational and meet a clear need.

A business case is often best told as a "story".

The defense against the "dark arts"

Some business cases can be mired in internal politics and that is a particular problem for IT business cases.

Case: "Bill has agreed this!"	Case: Fund "us" & cut "them"	Insight
Professional services culture featuring Partner power. Managing partners are known by their first names.	In 2010, telehealth in the primary care sector could be justified by avoiding "blue lights" admissions to hospitals.	Power and politics lie behind many business cases, which runs counter to an engineering culture.
Continuous stream of IT demand backed by justification that a senior partner or partner wants this.	Impossible to get funds redeployed around the healthcare economy making telehealth a cost increase.	**It is usually difficult to express politics in a formal document like a business case, and this allows it to thrive "in the shadows".**
Senior managers set the tone and if they don't walk the talk on IT business cases others will try to game the system too. Lower IT ROIs result.	Politics within an organisation or within an ecosystem can make a valuable business case simply politically unimplementable.	**The business case needs to reflect the real outcomes given the politics, even if it can only be discussed in closed sessions.**

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Improving IT Business Cases

Costs & Benefits

Cases: Deficiencies in forecasting costs

Organisation Type	Cost Issue	Drivers	Insight
Acquisition of new business in global company – new staff promised powerful laptops	The acquired company's services relied on extremely powerful laptops to "work anywhere" within secure environments	The cost of the laptops was not a problem, but the IT division could not support and maintain security regime	Easy to overlook costs. New staff had to have two laptops – one for working in new company, and old laptops for their services
IT applications provider is acquired by global tech firm who discontinues some product developments	One customer had gone through complex procurement that contracted for new product developments	The acquiring company wanted to align its acquisition and ignored the potential for litigation	Although the customer was 2% of the size of the global tech company it sued for all the costs of re-procurement and lost cost savings
Global Insurance Co – classic core systems replacement to replace dated technologies	Consolidating 90 applications into one was to use a new technology framework. Global IT vendor claims framework will handle it.	Framework did handle it after considerable problems and development. Project ran 3x over on cost and timing.	It is difficult to forecast costs in IT because of the newness of many technologies. The reference data is not available.

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Let's be honest, us IT folks are hopeless optimists

85% of IT projects cost more than anticipated or need to be constrained to come in on budget.

[Note that 9 out of 10 non-IT mega projects experience cost overruns too]

Research ALL the costs

Some types of costs are frequently overlooked such as integration and change. ALL costs must be identified, or business case is overstated.

CIO to CIO discussions

Other organisations have already done what we are proposing. The inside story is easier to get in private CIO to CIO discussions. Costs, benefits and unexpected issues?

Model the likely cost overrun

Model what happens if costs overrun by 2x or 3x as is likely. At what point does the business case "evaporate"? If sensitivity is high make it known.

Beware the IT sales processes

Sales processes are often based on "hook and expand" approaches. The business case needs to unearth all the likely costs using frank questioning.

Beware of reference sites

Beware IT vendor reference cases which are early adopter who may be loss leaders for the vendor to create market. Be very wary of vendors own use of their own technologies.

Monitor & stop if needed

Architect into the high-level project plan exit routes if costs escalate and make sure all players know that this is the plan. Ideally, architect a "quick wins" phase to generate early cash.

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Cases: Deficiencies in establishing benefits

Organisation Type	Benefits Issue	Drivers	Insight
Hospital Pharmacy Dispensing and Inventory Management Application	National funding for pharmacy automation gained with justification being savings in staff time and better inventory control.	National level insisted on post-project reporting of benefits and staff FTE were the same and no savings in drug budgets evidenced.	Cash releasing savings are sometimes taken as other benefits. This should be anticipated and cash realisation plans tracked.
Hospital EHR & BI implementation – Nationally funded but board wanted proven benefits	CIO & CFO finding it hard to determine evidence for benefits. Most benefits are parts of a role or part of a cost. Will they arise?	Business case consultants research outcomes in USA hospital who had done this in large numbers and translated.	Compelling evidence of the scale of benefits was derived based on experience in pioneering organisations. Board accepted case.
National research network upgrade – huge investment needed in period of austerity (2009). Unlikely to be approved unless case is overwhelming.	Costs were easily determined and could be built into contracts. But benefits were from maintaining the research base of the UK to remain competitive.	200 UK research leaders were engaged. A Delphi research technique aggregated and triangulated viewpoints into a "wisdom of crowds" analysis.	Although evidence of what the evidence would deliver (or avoid losing) was hard the aggregation of expert views allowed the Minister to approve the investment.

And benefits are easier to claim than realise

Project teams exhaust themselves in implementing the IT solution and often need an additional effort to deliver the benefits

Research ALL the benefits

Different types of IT initiatives will generate different types of benefits. Not all will be cash-based. E.g. Innovation generates "options" & learning.

Cash releasing is ideal

Clarity is needed on whether the benefits are "cash releasing", "cash realisable" or "non-cash" benefits. Only the first will impact financial ROI!

Model lower benefits realisation

Model what happens if benefits are lower by 2x or 3x as is likely. At what point does the business case "evaporate"? If sensitivity is high make it known to business.

Use industry research

Firms like Gartner and Forrester are researching and measuring new IT deployments. The reports are useful but one-on-one discussions with specialist analysts is better.

Beware of IT industry marketing

The IT industry claims for the benefits of their technologies need caution. They are not independent observers. But they are well placed to advise as they can see technologies being used.

Monitor & add benefits project

Architect into project, benefits monitoring & reporting, so everyone knows this is being measured. Architect into the high-level project plan a HL benefits realisation plan.

Multiple claiming of benefits is common

It is important to review each project's benefits across the project portfolio
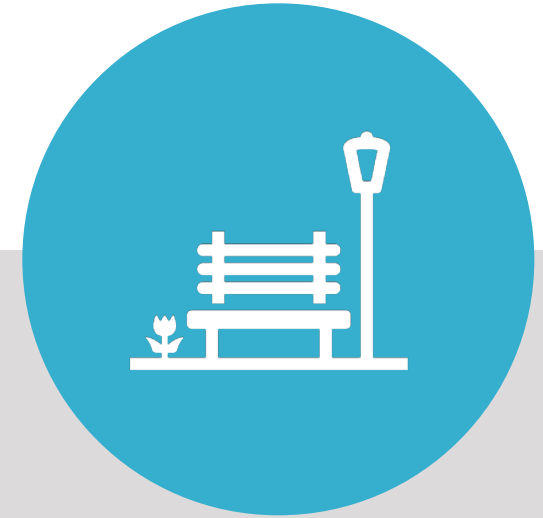
Different projects but same benefits

e.g. You can only win a new customer once or eliminate a specific cost once?

Innovation POCs in many divisions

e.g. If UK and Japan divisions are all doing a POC to benefit the firm only one can claim that benefit?
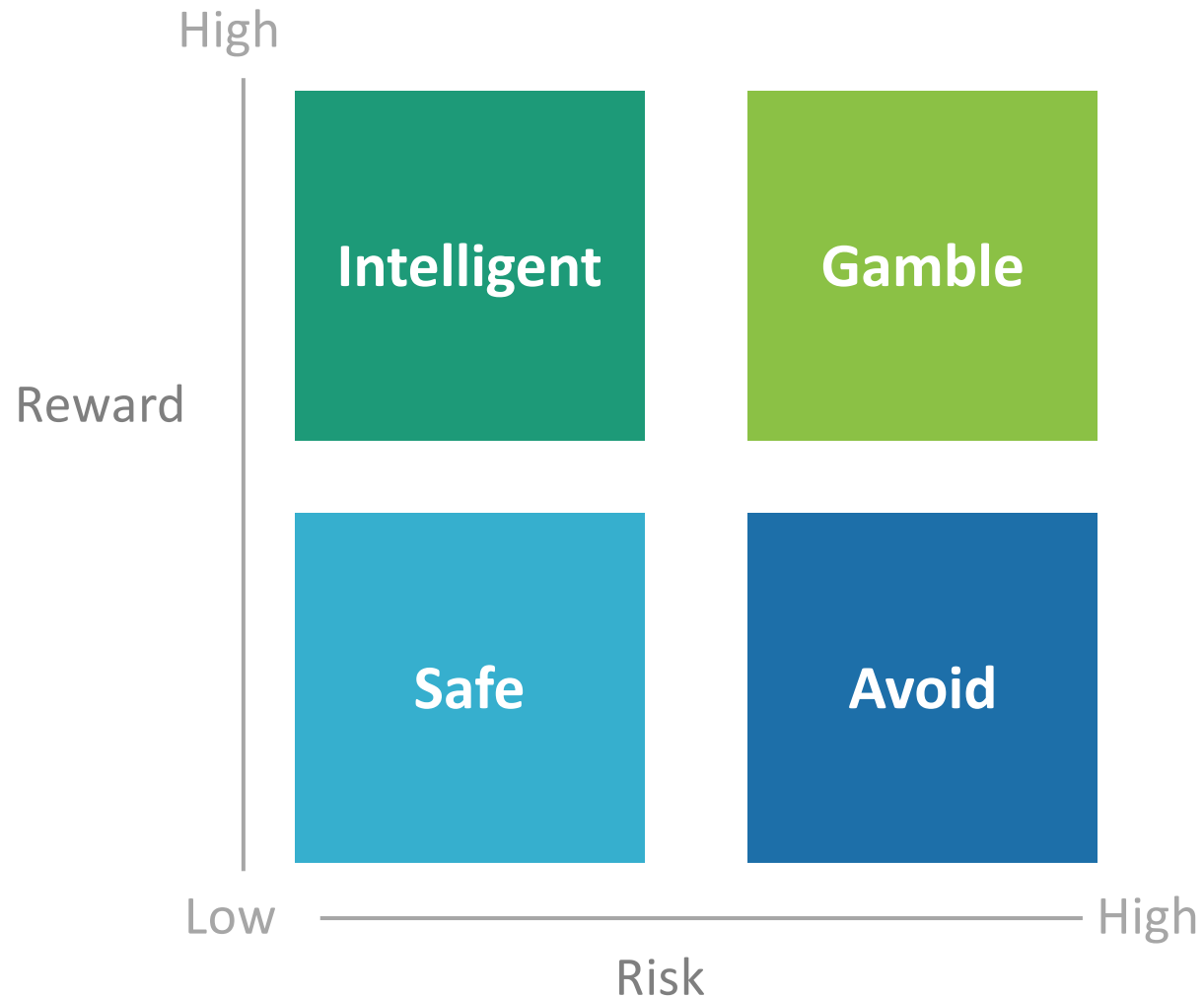
Tragedy of the commons

e.g. If several initiatives leverage common infrastructure when will its performance deteriorate?

Improving IT Business Cases

Risks

Risk is rarely just eliminated by a mitigation table

If we are boldly going where others have never gone before then we should know why?

High

Reward

Intelligent	**Gamble**
Safe	**Avoid**

Low — High

Risk

Cases: Deficiencies in assessing risks

Organisation Type	Cost Issue	Outcomes	Insight
FTSE 100 investing in small software company expected to go through huge growth	FTSE very keen on the acquisition. Corporate IT strategy consultant engaged to review the potential of this acquisition.	Both the owners and the FTSE had assigned huge PE ratios to the valuation. Risk of big tech companies entering their space is high.	Voice of reason prevailed and the valuation was scaled back and acquisition was never agreed with founders.
Overseas hospital with obsolete VOIP telephone server.	VOIP server replacement was rejected by a finance committee that had no technologists on it. It was working so no replacement?	Technical risk was underplayed. VOIP server failed plunging hospital into emergency conditions with clinical risks registered.	CIO resubmitted under protest to Finance Minister and got approvals. Those who made original decision took no accountability.
Central government procurement of radical new national recruitment system	Sales pitch – functionality and price – relied heavily on integrating radical new technologies and traditional RDBMS technologies.	The solutions architect in the sales team took the assurances of technology providers too easily. They proved impossible to integrate as needed.	The project experienced huge overruns in cost and time and eventually was scaled back to be able to deliver at all.

For IT projects, risks will not have been experienced

But others may well have pioneered for us, but can we stand on their experienced shoulders?

Research ALL the risks

It is common to not dive deep enough and leave knowable risks unsurfaced. And there may be unknown risks – to the organisation and to everyone.

"Show-stoppers"

Some risks will just stop the project if they materialise. These need to be identified and evaluated.

Model risks materialising

Model what happens if risk are higher or mitigation does not contain them, as is likely. At what point does the business case "evaporate"?

Use industry research

Firms like Gartner and Forrester are researching and measuring new IT deployments. Their reports are useful but one-on-one discussions with specialist analysts is even better.

Beware of IT industry marketing

The IT industry approach to IT risk of their technologies need caution. They are not independent observers. They do not experience IT risk in the same way as their clients.

Protecting functions essential

Architect into project, risk monitoring & reporting, so everyone knows this is being measured. Protecting functions should be involved in risk management.

Developing Organisation Capabilities in IT Business Cases

Business Case for the Transformation Portfolio

The High Level IT Business Cases can be used further to optimise the business case for the IT programme

ID No	Division	Opportunity	Benefits	Costs	Risks	Plan
ID No	Division	Opportunity	Benefits	Costs	Risks	Plan
ID No	Division	Opportunity	Benefits	Costs	Risks	Plan
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Division ? Totals	Divisional Portfolio	$\sum$ Benefits	$\sum$ Costs	$\sum$ Risks	$\sum$ Plans

Overall Totals	Enterprise Portfolio	$\sum$ Benefits	$\sum$ Costs	$\sum$ Risks	$\sum$ Plans

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Cases: Facilitating business case capabilities

Organisation Type	Capabilities Issue	Approach	Outcome
Global Insurance	CIO & CEO recognised that it was too difficult for divisions to build cases for innovation.	**Internal consulting team** formed which supported divisional Directors with research, analysis, facilitation and BC writing.	Successful in absolute terms but only a small team. Team needed senior "air cover" which built resentment. Lasted 3 years.
Local Government	Difficult relationship between corporate IT and service departments. IT only engaged when unavoidable and so poor business cases.	All corporate IT staff with engagement roles **trained in business relationship management** (incl. business case facilitation).	Across the board improvements in engagement processes towards locally tailored best practices.
NHS Region	Very low adoption of telehealthcare within primary care (GPs & community nursing) in 2009. PCTs unable to create TH business cases, lacking expertise.	Regional Transformation Director trained a **team of 15 telehealthcare business case support managers**. Commissioned guides & methods & process for BCs.	Initial successes upended when new health minister re-organizes NHS and replaces all PCTs with CCGs. New team cannot maintain funding & disperses.

Pointers to Further Support

Service Now Demand Management – Business Case Capture

Recommended texts

THANK YOU!

ADDITIONAL MATERIALS

Common Engagement Activities (1)

Partnering

- **Mapping stakeholders**, their issues & agendas
- Plan & lead on improving **IT/business relationships**
- Regular **partnering meetings** with key stakeholders
- **Relationship improvement planning** with business & IT
- Internal **consultancy** to build **trusted advisor** status
- **Educate IT providers on business** imperatives

Ambassador

- **Escalation pathway** for the business on IT problems
- Oversight of **service desk incidents & problem mgt**
- Brokering **service level agreements** & SLA reporting
- Reporting **business satisfaction with IT** provision
- Serve as BRM on **project & other governance boards**

Strategist

- Supporting business developing their **IT road maps**
- Ensure **alignment of IT strategies** with business needs
- IT **demand management** onto projects ingestion

Common Engagement Activities (2)

Translator

- Ensuring business understands **service catalogue**
- Explaining IT **provider processes** to business
- Insisting business comply with **standards & policies**
- Promoting **business understanding** of IT architectures
- Influencing on deployment of **new IT capabilities**
- Reframing **frustrations** as opportunities for provider
- Bring business perspective to **IT Senior Mgt Team**

Analyst

- High level **business analysis & business cases**
- **BA / PM** for small projects & service improvements
- Help manage business **process change**
- Facilitating **project charter & sponsorship**
- Applying **value management** to IT initiatives
- Inputting information to **portfolio management**
- Involvement in **budgeting & funding** processes

Common Engagement Activities (3)

Marketer

- Understanding the **maturity of the business** areas
- Understanding the **maturity of the IT areas**
- Influence to **use IT provider** services & capabilities
- Deliver **communications programme** for IT provider
- Create **promotional events** to showcase IT
- Ensure effectiveness of **intranet content** for IT
- Influence changes to the IT **operating model**

Innovator

- Explain new tech and **catalyze innovations**
- Orchestration of **ideation & demand shaping**
- PM for **smaller POCs** & other experiments
- **Spreading innovations** around business
- **Publicizing** IT innovations to build capabilities
- Pursuing **recognition & awards** for successes