EndState

WHY BUSINESS CASES ALWAYS SAY "YES!"

Newsletter Date: 23rd February 2009

An EndState article by Ian Crawford

If your proposition, scope, business case and timings are right you will maximize your chances of success.

At EndState we employ a number of mantras to illustrate to clients the causes of project failure. One of these mantras is "projects don't fail in the end, they fail in the beginning." In this article we examine one of the fundamentals of project initiation & a root cause of failure - the business case.

Broadly speaking, a project is deemed to have succeeded if it delivers the business outcomes it said it would, for the price it stipulated, generating the benefits expected by the sponsor and the wider stakeholder community.

The business outcomes should be clearly stated within the business case before the project kicks-off. These should be constantly re-evaluated as the project shapes up, is initiated and throughout its delivery lifecycle. Failure to do this results in many projects losing focus or drifting off track.

However, EndState has observed a phenomenon where many projects manage to build up a head of steam or actually start to deliver (at significant cost) before any business case is submitted or signed off. In our experience this can lead to failure (quickly or slowly) or to a position that when someone asks hard questions, the answers simply do not exist.

It seems like common sense to have a business case before you undertake major change, so why do many organisations fail to put this basic discipline in place:

- Pressure for results leads to an "act 1st, think later" culture
- Sponsors with no experience of projects lead the change
- The 'discovery' phase can elongate & overlap with early delivery phases - but with no case
- A thorough business case may result in a "No!" to the project

Even where there is a business case, it is invariably written from the perspective of making the initiative happen and often in isolation from other events. Often it paints the initiative in the best possible light, espousing the critical nature of the project to the success of the business and highlighting the financial benefits which are anticipated. The resulting case will always attempt to convince the reader to say "Yes!" to the proposition and the financial case.

Therefore, as you insist upon the production of a business case, you must also insist that it presents a balanced view. Ensure you independently challenge each case to achieve this.

So, what do we find when we evaluate projects where the business case is weak or does not exist?

Key Observations:

- The Business Case is a key indicator of success
- Avoid the pressure to act first & think later
- A Business Case should articulate your intentions
- Business Cases are not always just financials
- Independently challenge your Business Case
- You must continually revisit your Business Case

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- We help our clients reduce their hidden costs of recruitment
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- Our After-Care service for clients & candidates alike helps build long-term relationships
- We align our brand values with your vision, enabling you to attract & retain talent

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- Lack of ownership & accountability amongst key staff & lack of buy-in from key stakeholders
- Inability to prioritise the project against others or against wider business initiatives
- Cost overruns without control & little view of when the investment becomes too expensive
- A failure to really understand the benefits or buy into them
- Pressures on business resources who struggle to cope with multiple initiatives & the day job
- Operational risks (e.g. SOX controls, financial controls,) ignored

All of these indicators point towards a failing initiative and they all stem from a poor project initiation phase. The business case is a fundamental which needs challenge to ensure its robustness, but as you can see from the list above there are many other aspects which require the same degree of scrutiny and rigour.

It often feels like you cannot cancel a major programme or put the brakes on to 'take stock' and establish a firm basis upon which to proceed, even when you are nervous about a poor business case or absence of one altogether. Do not be afraid to do so - sometimes it's the most valuable contribution you can make.

The EndState Launch Toolkit is a proprietary suite of techniques which we used to evaluate project initiation & progress. It considers the key characteristics of successful projects we have studied & applies them to the project in hand.

We use this Toolkit to help our clients ensure that a robust business case is presented, considering & articulating all the key aspects, i.e. not just the financial measures but the associated risks, and non-financial business outcomes.

A distinct advantage of the EndState Launch Toolkit is that the disciplines it assesses apply throughout the lifecycle of a project. Consequently, we are often called in by clients to Healthcheck their major Programmes and Projects. We also use the same toolkit to evaluate clients' entire Portfolio of Projects.

During these assessments we help clients to re-establish the connections between activities and the business case. Then, frequently re-visiting the business case is fundamental for the success of each programme or project. The EndState Launch Toolkit provides the framework that empowers you to optimise the business outcomes you seek from a Portfolio, Programme or and individual Project.

Conclusion: Clearly, the lack of an agreed proposition and business case should be seen as a major challenge – and the business response should not be to blindly accept the situation and pour more money and resource into something to which, as an organisation, you have not fully committed.

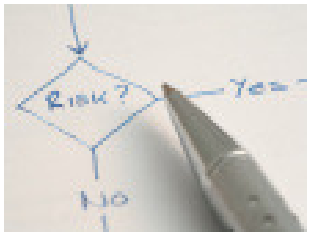
EndState maintain that the business case should always say "Yes!", but for the right reasons and only after independent challenge.

The EndState Launch Toolkit will help you initiate for success, monitor to keep things on track or help you repair the damage on a failing Portfolio, Programme or Project.

Find out more about EndState at **www.endstate.uk.com**.

Make your case with the help of the EndState Launch Toolkit.

"IT IS A SIGN OF STRENGTH TO CANCEL A PROJECT, NOT A SIGN OF WEAKNESS. YOU ARE SAVING YOUR COMPANY FROM COMPOUNDING AN ERROR."



A business case is about acceptable business risks as well as financials

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