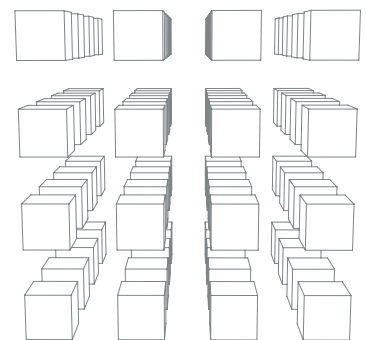


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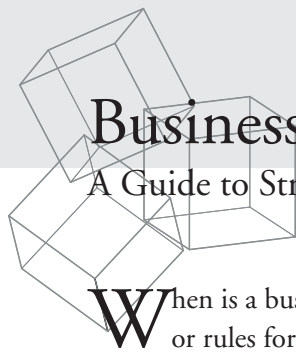
BUSINESS CASE ESSENTIALS: A Guide to Structure and Content

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Business Case Essentials

A Guide to Structure and Content

by Marty J. Schmidt, MBA, PhD

When is a business case complete? What makes it compelling and credible? Are there standards or rules for business case structure and content? If you are asking questions like these, you are not alone. The current business environment is rapidly losing tolerance for management error and, at the same time, demanding accountability for decisions and plans. As a result, everyone is talking about the “business case” these days. Nevertheless, surprisingly few people in business really know what that means.

A business case is similar in some ways to a legal case presented in court. The trial attorney and the business case developer both have a lot of freedom to structure arguments, select and ignore evidence, and package the formal presentation. Whether or not the result is effective depends on their ability to tell a convincing story with compelling logic and facts. This can usually be done in many different ways. There is no single “right” outline, format, or content list.

Looking beyond superficialities, however, it is clear that good cases have many elements and characteristics in common. Good business cases, for instance, always present (in one way or another) rules for deciding which data belong in the case and which do not. They stipulate, that is, the boundaries of the analysis. Readers need this information in order to know confidently that the case reflects all costs and benefits that are relevant and only those that are relevant. When fundamental information of that sort is missing or unclear, intelligent readers sense the lack instinctively and credibility suffers.

We cannot prescribe a single outline or template for all cases, but we can identify “building blocks” of this kind that are essential to building a logical structure and supporting it with evidence that will stand up to critical scrutiny, serve as a useful guide to management, and predict what actually happens.

Essential building blocks appear in five general categories:

- A. Introduction and Overview
- B. Assumptions and Methods
- C. Business Impacts
- D. Sensitivity and Risk Analysis
- E. Conclusions and Recommendations

This list represents a very natural order for presenting the elements of your reasoning, evidence, and analysis, and it is hard to imagine a successful business case that does not include at least one “building block” from each category. Within categories, however, some elements are essential in some kinds of cases but not others (the disclaimer, for instance).

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