

STRATEGIC CASE OVERVIEW

The strategic case is the basic DNA which shape the programmes and projects

THE STRATEGIC CASE is the second step in NZ Transport Agency's Business Case Approach (BCA), which is founded on some overarching principles:

- **Quality analysis** - Our work should be evidence based, thoughtful and focused.
- **Fit for purpose effort** - We should right size our effort to the risks and uncertainties. One size should no longer fit all.
- **No surprises** - Building up the investment story gradually and identifying the risks and uncertainties allows issues to be addressed earlier in the process when it is more cost effective to deal with them.
- **Aligned to our management processes** - The BCA works with the methodologies, approaches and processes we have in place and is complementary to those.

WHAT IS THE AIM OF A STRATEGIC CASE

The main purpose of the strategic case is to confirm that all key stakeholders are aligned and behind the need to address a problem, and consensus has begun to be formed on what a good outcome looks like BEFORE investment has been made in investigating solutions. This is to ensure that we only invest time and money investigating robust investment proposals that are well aligned to our overarching strategic direction.

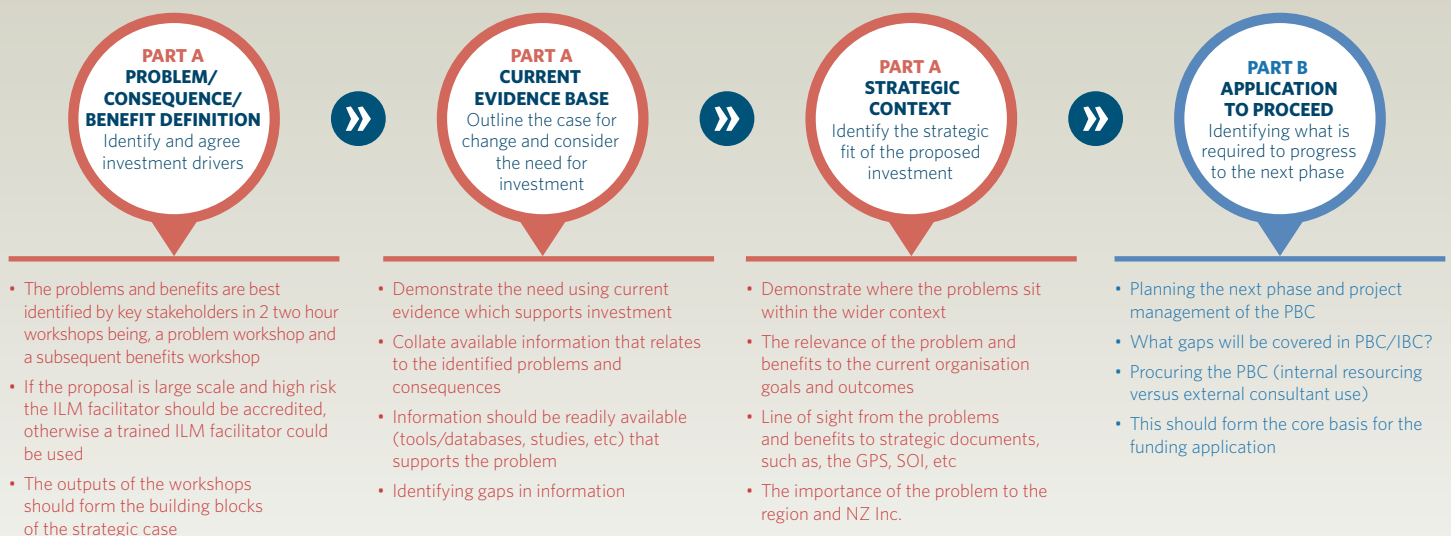
The strategic case demonstrates the case for change and the need to potentially invest further. It also shows what benefits could be gained from any potential investment. The agreed way forward by the stakeholders will demonstrate to politicians, customers and other stakeholders why we are going in a particular direction.

Strategic cases can provide the basis for avoiding further wasted analytical effort (a 'fast fail' test) where consensus is not reached or where there is alignment on the insignificance of an issue.

WHAT IS EXPECTED

- Prior to commencing work on the development of the strategic case, the point of entry document should be completed to confirm the most effective starting point.
- The strategic case is the central spine to the overall business planning process and is not just a gate to access funding, then discarded.
- Demonstrate a clear and aligned view of what the problem(s) are, the impact were they not addressed and the significance of the issue with regard to stakeholder's strategic goals and direction - 'case for change'.
- This phase should not involve extensive data collection or new work. An organisation should be able to prepare this without recourse to an external supplier except where an accredited ILM facilitator is used.
- The evidence base provides a means of assessing the robustness risk of the problems and benefits from current information and stakeholder knowledge. It does not need to be complete but should acknowledge the gaps and identify areas of focus should the business case progress.
- Size and effort will vary from proposal to proposal depending on its nature and complexity however, they should be short.
- Avoid regurgitating information available elsewhere unless it helps to provide a coherent story.
- Part B is our fundamental project planning document and a critical element of handover and funding. All parties to the next phase should be signed up to the approach.

THE STRATEGIC CASE REPORT



KEY QUESTIONS CONSIDERED ARE

The following sample questions should be used for testing the strategic case:

GENERAL

1. Could a layperson read and easily comprehend the story of this investment to the point where they could have some opinion on it?
2. Is the strategic case concise and free from 'clutter'?

DEFINING THE PROBLEM

3. Is it clear what the problem is that needs to be addressed?
4. Is there evidence to confirm the cause and effect of the problem?
5. Does the problem need to be addressed at this time?
6. Is the problem specific to this investment (or should a broader perspective be taken)?

DEFINING THE BENEFITS

7. Are the benefits of high value to the organisation (furthering its objectives)?
8. Have the benefits that will result from fixing the problem been adequately defined?
9. Will the KPIs that have been specified provide reasonable evidence that the benefits have been delivered?
10. Is there a logical connection between the effect of the problem and the benefits, and their KPIs?

WHO NEEDS TO BE INVOLVED

Stakeholders who have high influence and / or are highly impacted by the proposal and are able to provide the best evidence.

A facilitator to guide workshops.

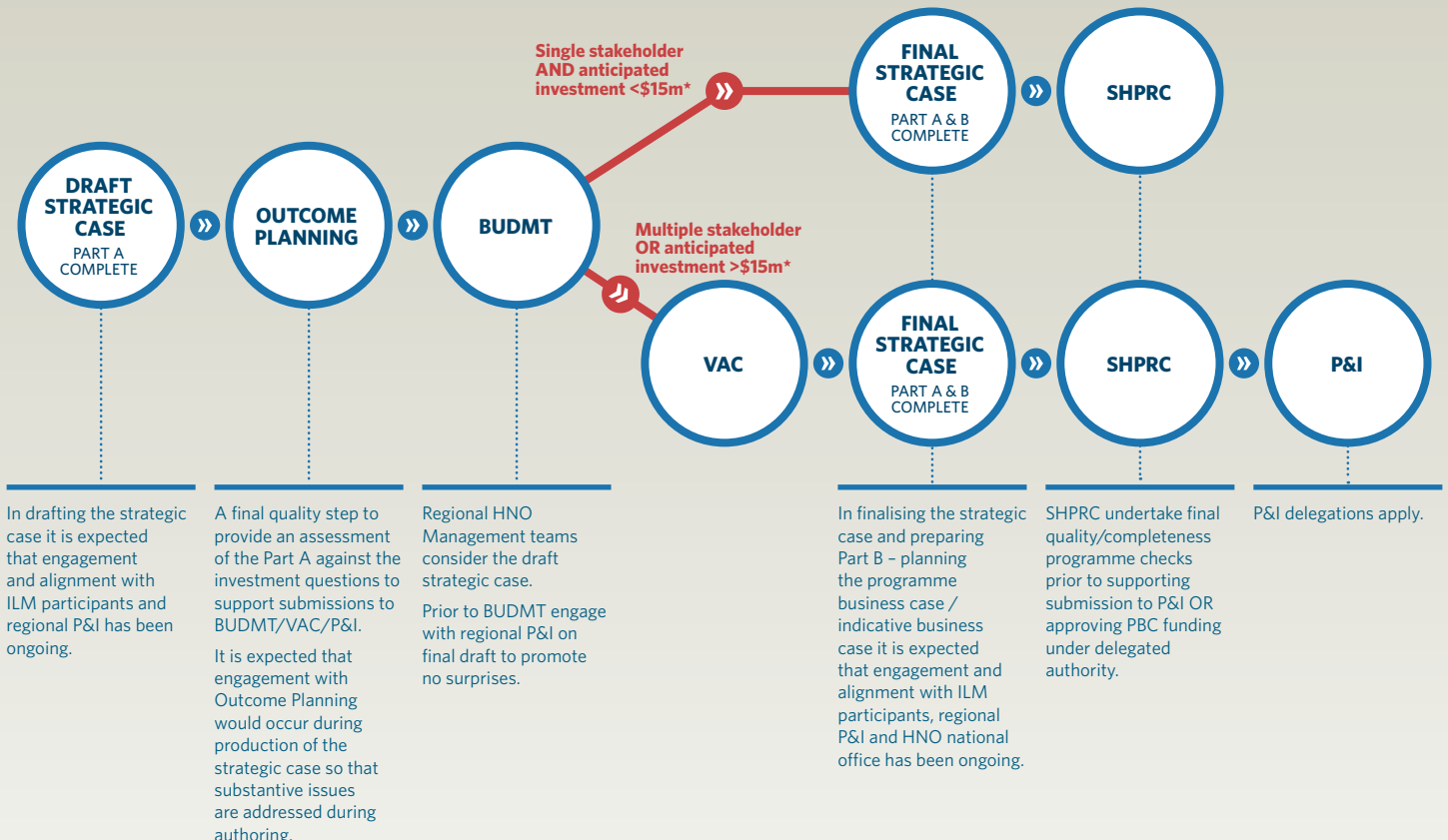
WHERE DO I GET SUPPORT

REGION	REGIONAL HNO	REGIONAL P&I	NATIONAL HNO
Auckland / Northland	Mieszko Iwaskow	Denise Hennigan	Keryn Zimmerman
Waikato	Anuradha Fitzwalter	Myles Andrews	Keryn Zimmerman
Bay of Plenty	Mark Haseley	Rosalie Orr	Keryn Zimmerman
Central	Selwyn Blackmore	Philip Eyles	Tony Brennan
Christchurch	Mike Blyleven	John Richards	Tony Brennan
Dunedin	Tony Sizemore	Ian McCabe	Tony Brennan

Advice should be sought from your Regional/National HNO contact or P&I Planning and Investment Manager in the first instance.

- Best practice for business cases (on OnRamp)
- NZTA Highways Information Portal (HIP) (<http://hip.nzta.govt.nz/>)
- NZTA Planning and Investment Knowledge Base (<https://www.pikb.co.nz/>)
- outcomeplanning@nzta.govt.nz

CLOSING OUT THE STRATEGIC CASE HNO



* This will be reviewed over time