

Information sheet: THE BUSINESS CASE APPROACH PRINCIPLES



This information sheet is supplementary to the online modules, *BCA essentials* and *The BCA principles in action*. Make sure you have completed these modules and have a basic understanding of the BCA.

The Business Case Approach (BCA) enables collaboration between stakeholders to develop clear, concise and evidence-based investment proposals. The principles and behaviours support the BCA to allow a broad range of strategic options to be explored and clearly articulated. Use this information sheet as a reference when reading, writing or reviewing business cases (BCs) to ensure you are applying the principles correctly.

Principles and behaviours

The BCA principles are applied dynamically given the circumstances within which a BC is being developed.

Every BC is different, and calls for application of the principles in different ways.

..... Principles Behaviours



Investing for benefits



Clarity of intent



Fit-for-purpose effort



Gathering information through informed discussions with the appropriate stakeholders



Building the case for investment progressively

Principles and behaviours (cont.)



After you complete each phase of the BCA, test the strength of the BC against the acceptance criteria for that phase. Remember, acceptance criteria for a phase might be met through existing documentation.



Investing for benefits

Investments are made to obtain organisational benefits. An investment should:

- contribute to the organisation's strategic outcomes
- represent value for money
- deliver benefits for customers.



Clarity of intent

The intention driving an investment must be clear. Simple concepts and plain language will provide a clear understanding of the problems and benefits.



Fit-for-purpose effort

The level of effort required to develop a BC must be proportionate to the complexity and risk of the problem and the proposed investment.



Gathering information through informed discussions with the appropriate stakeholders

Successful investment management relies on gathering knowledge through informed discussion between the people who have the most knowledge of a subject.



Building the case for investment progressively

The BCA relies on a structured, sequential approach to decision-making, checking each phase as you go. All investments must follow the same line of enquiry.

These behaviours support the principles:



What is the problem and are the consequences significant?



What benefits need to be delivered?



What is the preferred strategic response?



What is the preferred solution?