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Crafting a Business Case for IT Survival or New Projects: Part 2/2

In [Part 1/2 of this series](#), I discussed the drivers behind business success and how IT must support and align with these drivers. In fact, if this does not occur, IT becomes a cost overhead whose existence in its present form can not be justified! Taking a business plan approach will give you the business case for ensuring business success. This then translates into IT success.

How do you employ a business plan model to justify an IT project?

It is vital to link the IT investment with increased business value, differentiation, lower costs, market focus, collaboration and innovation as outlined in part 1 of this series. A business plan approach meets this need.

The elements of a business plan with IT linkage include:

1. Purpose: What is the purpose or objective of the plan? What are the overall links between the IT investment and the business objectives? How do the IT objectives support the strategic objectives of the business—there must be alignment? This portion of the plan will be the executive summary.

2. Vision: What does the business want to become in the future and how will IT support this overall goal?

3. Mission: What is the current business and how will IT enhance this overall business mission?

4. Business opportunity and estimated market size: How will IT enable or support the new business opportunity and what value will it return? How big is the market and what amount can be captured from using IT?

5. Business model: What is the specific business model--what products and services does the business offer in return for revenue? How does IT grow this business model? How can IT improve workflow and business process within the model? How does IT improve operations, lower costs, increase productivity and efficiency, enable collaboration and innovation in the operation of the business? How does IT drive the SMART objectives of the business? SMART objectives are:

- **specific:** they are tangible with real number targets
- **measurable:** you must be able to assess whether you are successful
- **achievable:** they must be realistic and not "blue-sky"
- **relevant:** they must make sense for the business you are in and fit your core business model
- **time-bound:** there must be a specific time frame for the objective

What are the contingency plans if you are not improving the SMART objectives?

6. Target markets and delivery models: What are the target markets? How does

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11. allow increased penetration into target markets? what delivery systems are being used for products and services? How does IT support better service and delivery to those markets?

7. Product/service and technology: What specific products and services are keyed on the integrated and unified technology platform? How does IT support the products or services? How does this tie into the business objectives? How does IT improve service management, project delivery, governance and alignment, internal and external relationships? How is IT enabling business change? How is IT improving service level expectations? How is IT providing effective oversight, governance, prioritization, regulatory compliance, privacy, security?

8. Competitive analysis: Who is the competition? What are their strengths and weaknesses? How are they employing technology? How will they improve their market position using technology? How does IT provide your business with a competitive edge over the competition? How does employing IT improve your business agility: growth, entry into new markets, support for new customers, enable new products/services to existing customers, provide differentiation and distinct advantages? How does IT increase the "barriers to entry" for competitors?

9. SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis: What are the internal strengths and weakness of the business? What are the external opportunities and threats to the business? How does IT improve the strengths of the business to take advantage of new opportunities? How will IT overcome weaknesses to make then business strengths and position the company to engage new opportunities as a result? How are external threats reduced or mitigated using IT investments?

10. Marketing strategies: How does IT drive the sales and marketing strategies? How can customer and partnership relationship information achieved through IT investment increase customer retention and revenue? How can the needs of customers be satisfied? Where can essential IT-generated business intelligence create outreach to customers and markets?

11. Human capital strategies: How will IT empower the employees and partner network, support improved collaboration, productivity, and efficiencies? In what ways, can IT improve the satisfaction of employees? Where can IT reduce manual or obstructed processes and resolve the resulting bottlenecks to create efficient business workflow? How can employee time saved by IT be repurposed in supporting the business objectives?

12. Resource analysis: What are the resource requirements for the IT investment before, during, and after implementation? What savings are enabled in the infrastructure?

13. Metrics for IT success: What are the specific measures for IT success and how do they align with the SMART business objectives? How often will you measure for success and what will you do if you are not supporting the objectives effectively? What are the contingencies [backup plans] if there are unexpected disruptive forces?

14. Financial projections: What is the total cost of ownership and how will it be justified in new business opportunities; what is the value of these opportunities? Where and in what ways will the return on investment be realized in achieving business success? What are the times frames for return on investment? What are the pro-forma financial improvements in real terms: increased revenue, lower costs/expenses, increased profitability, ...?

What should you look for when integrating the right technology solutions within the business case?

What is needed is a carefully planned e-business focus leveraging the industry standard operating system platform and office productivity systems: Microsoft Windows Operating Systems, Microsoft Office Suite, Sharepoint, InfoPath, and others. This provides the familiar and user-centric interface in which to build secure, collaborative, business-focused solutions. The majority of businesses and your customers run these environments. Integrating seamlessly and transparently is essential for business success. Moreover staying with a unified and standardized technology environment puts the focus on business and not on the technical intricacies.

Microsoft Dynamics provides real-time numbers yielding real-time business insight employing solutions such as people-focused: financial management, customer relationship management, supply chain management, and business intelligence.

Business integration is further supported using Microsoft BizTalk Server. Microsoft SharePoint Server and Microsoft Exchange Server enable collaboration. Microsoft SQL Server provides a single repository for business data, performing business intelligence analysis, and meeting mandatory compliance, and privacy regulation.

The Microsoft technology ecosystem employs industry standard and integrated technology that is scalable, easy to manage, reliable, and intuitive. Once implemented, the technical support is minimal. The focus is on the user experience and as an extension, enabling business success!

Posted: Tuesday, October 17, 2006 9:52 AM by [cdnitmqr](#)

Filed under: [Stephen Ibaraki](#), [Guest Bloggers](#)

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