



# BUSINESS CASE

KONKURRENCEKRAFT GENNEM SUPPLY CHAIN INNOVATION

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## **Purpose**

A business case is designed to help decision-makers to choose between several possible alternatives. It is a detailed description of the project including background, purpose, benefits, cost and resources. The business case describes each alternative with its advantages and disadvantages, including return on investment, and provides an argumentation for the preferred option.

## **Participant(s)**

Project owner and project manager.

## **Application**

This tool has to be used every time a supply chain innovation project is initiated. A business case should be regarded as a living document, in which the conditions constantly change as internal and external factors changes.

## Method

A business case should include the following elements:

### 1. Background and objectives

- Why?
- Present situation/performance
- What opportunities exist?
- Purpose
- Project goals
- Success criteria

### 2. Project plan

### 3. Project organization

- Project participants and their time allocation, roles and responsibilities
- Steering committee
- Reference group

### 4. Stakeholder analysis

- Who, why and how should they be handled?

### 5. Risk

- Type, probability, what should be done?

### 6. Project economy

- Detailed budget
- Analysis of payback time
- Gains obtained by completing of the project



A business case should have a change log, in which extended objectives, changes in the allocation of resources or budget are updated. It is also recommended that the changes agreed by the project owner and project manager are written in the change log. Thus, it is a "living" document that should be version controlled.



## **Benefits**

The advantage of this tool is that through a detailed description it provides the project owner and project manager with an overview over the project and ensures that resources come to the best possible use.

## **Output**

The tool provides an overview and description of the ongoing supply chain innovation project. It provides input to the allocation of resources in the company's supply chain.