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BUILDING A BUSINESS CASE TO HIRE CONTRACT L&D CONSULTANTS

Best practices, tips, and insights for partnering with
outsourced vendors



Today's CLOs are responsible for aligning learning initiatives within an organization's overall strategy and goals. This person must leverage learning as a sustainable benefit to the business.

As budgets begin to tighten, executives are more intent than ever on making smart business decisions. Creating a business case helps a CLO demonstrate how a learning endeavor adds value to the business and ties it to the overall goals of the company.

GETTING STARTED

Research, analysis, and planning are required to generate the support, participation and leadership commitment required to gain contract L&D resources. An effective business case explains how an investment in resources is expected to positively impact the business and how it will help the business achieve its goals.

The guidelines presented here give a template that can be used to draft a business case that provides compelling justification for the use of contract L&D resources.

WHAT IS A BUSINESS CASE?

A business case presents information, analysis of the information, and provides a specific request to the decision maker. It is an internal proposal that asks for a decision to be made that involves a commitment of resources such as time, money, and people. It becomes the vehicle for receiving funding for a potential project to be undertaken by the company.

A business case provides context and content around an idea, problem, or opportunity and equally illustrates the desired objectives and outcomes. The problem and desired outcomes are defined and described in terms of the business.

The business case is the one place where all relevant facts are documented and linked together into a cohesive story. This story tells decision makers about the what, when, where, how and why. The business case helps to organize thoughts, activities and knowledge about the project and identifies inconsistencies or weaknesses that the proposed solution poses. It provides an objective review of ideas and facts, and alternative solutions that were considered.

THE ROLE OF A BUSINESS CASE

A business case is fundamental in validating that the proposed solution substantiates or meets the needs of the business. It is designed to help stakeholders evaluate and prioritize the investment against other initiatives in the business. The goal is to receive approval to move forward with the project. A business case identifies high level business performance metrics and the associated investment cost model.

THE VALUE IN PROVIDING A BUSINESS CASE

The value of a business case is to improve the CLO's ability to communicate the purpose of the project and its importance to accountable business owners. It also aims to gain financial justification for the desired effort.

KEY ELEMENTS

A successful business case identifies a specific solution to a specific problem and aligns the solution as solving the business need. For example, the use of contract L&D resources to assist in the completion of a learning project will help internal groups meet their deadlines, goals and the overall business goals.

THE FORMAT

A compelling business case is tailored specifically to suit the type of project that is to be implemented. The business case should cover all details involved in the story, including the facts and ideas related to the project. Listed below in bullet points are the main concepts to incorporate. The template designed to help you demonstrate how the use of contract L&D resources is the solution to a bigger organizational problem.

- To begin, formulate an OBJECTIVE for your business case. The OBJECTIVE is a clearly defined goal
- DESCRIPTION OF THE BUSINESS PROBLEM—describe the current situation and business problem your project addresses. Be concise and include all details to be considered.

- **PROPOSED SOLUTION**—describe the project including goals, time frame, resources needed and cost. Identify the impact of completing the project.
- **COST AND BENEFIT ANALYSIS**—include the cost of the project along with the benefits and associated estimate return on investment (ROI).
- **IMPLEMENTATION PLAN**—show a timeline with a list of project milestones or tasks.
- **RISKS AND ALTERNATIVES**—break out specific alternatives that were examined, their associated impact, risk, cost, and benefits. Including a list of alternatives helps support the identified solution as being best because the project is evaluated from different angles. It also gives the business case credibility and prevents additional work if you are asked for other options.
- **CONCLUSION AND RECOMMENDATION**—illustrate how the benefits of the solution outweigh the costs and the risks. The conclusion and recommendation tie the elements of the story together and restate how the project is linked to the overall business goals.

Whether you are trying to get a budget approved by your supervisor, or trying to gain support from another department, the guidelines presented here on how to draft an effective business case will help you achieve your goals.