

A Winning Project Proposal Blueprint for IT Professionals

THE ANSWERS YOU NEED TO BUILD
YOUR BUSINESS CASE



For many IT professionals, when it comes to leading a new project initiative, it's not a matter of ascertaining what the technology issues are. They already know the issues. They live and breathe the issues every day.

It's a matter of taking the next step to clearly convey the issues to key influencers and decision-makers. To get them to understand the pain points and outline how these issues impact the business as a whole. A convincing business case needs to be made that these issues are critical, that outdated, obsolete technology needs to be replaced, and that a new solution needs to be implemented.

Perfecting the business case is often the hardest step for IT professionals to take. But it's often the step that either garners stakeholder buy-in or project freeze-out.

As Forbes stated, "Approval for the costs or resources is the only thing standing in your way, but you are competing with other departments and other managers for the same resources, so your business case had better be strong or you will come up short."¹

This strategy guide will help you pinpoint the most important steps to consider when it comes time to make your business case and present your project proposal.

¹ Forbes | <http://www.forbes.com/sites/allbusiness/2014/08/09/5-important-steps-to-getting-your-business-case-approved/>

1.

Identify the Principal Stakeholders

"ASK THEM IF THEY WILL SUPPORT THE BUSINESS CASE WHEN IT IS PRESENTED."

- Forbes

It's easy to go into any planning stage for a project proposal and only appeal to the decision-makers controlling the purse strings. In many cases, that would be the individuals or groups who put together and approve the budget.

However, if you're only worried about making your case to the budget director or the CFO, for example, your approach is too narrow in scope.

You have to account for all of the internal persons or areas of the business that will be impacted by this project – including end users, developers, and managers, to name a few interested parties. Make sure to clearly forecast the benefits and disadvantages equally.

Remember, these internal stakeholders are also your biggest advocates and champions for the project. They may even play a critical role in influencing the decision-makers. It's crucial that you not only account for their needs and concerns, but you also include them in the project proposal process to get their initial buy-in.

Don't forget about the interests of your external stakeholders either. If the IT project (like a system upgrade) can improve customer satisfaction, lead to even more business opportunities, and is being supported by external members, you need to convey those points clearly.

2.

Put Yourself in the Decision-Maker's Shoes

"IF YOU WANT APPROVAL FOR A NEW PROJECT - PURCHASING NEW EQUIPMENT OR COMPUTER SYSTEMS, APPLYING FOR A PATENT, BUILDING A NEW STORE - CHANCES ARE YOU NEED YOUR COMPANY'S FINANCE DEPARTMENT ON BOARD. TO GET THE GREEN LIGHT, IT HELPS TO UNDERSTAND HOW FINANCE PEOPLE THINK."

- Harvard Business Review

What exactly are decision-makers looking for when they approve different projects? How often do they approve IT projects in a given calendar year? What were some of the key components of other projects proposals and business cases that won their approval in the past? Are decisions made on an individual basis or is a committee approach taken?

These questions are just the tip of the iceberg. A big part of effectively selling a CFO, VP of Operations, or other decision-maker on the value of a project is to think like they do. Try to anticipate the objections they could have. Lean on other people in the company, particularly their closest colleagues, to determine the key drivers they look for when making their decisions.

For instance, a CFO is likely to look for a detailed ROI projection or a low-cost investment entry point for any IT project that is greenlit. Those are just a few of the starting points, but every CFO has a different evaluation process.

A VP of Operations, on the other hand, could be looking at how the IT investment will affect people, processes, and existing systems.

You have to tailor your pitch to strike the right chord.

3. Take a Numbers - Driven Approach

"KNOW THE COMPANY'S KEY BUSINESS METRICS AND HOW IT CONTRIBUTES TO THEM. IF YOUR COMPANY IS IN MANUFACTURING, FOR EXAMPLE, YOU SHOULD KNOW THE SALES GOALS AND PERFORMANCE, AVERAGE PRODUCTION RATES, COST PER UNIT, LABOR RATES, AND OTHER KEY MEASURES."

- CIO.com

For IT professionals, this part of the project proposal is the moment of truth. They need to have their numbers ready and accurate – especially from a financial standpoint – or they won't get very far with their proposal.

Even if the numbers may look good from the IT perspective, finance professionals aren't going to just accept the figures at face value. They will scrutinize the calculations to make sure they haven't been enhanced to justify the investment.

According to a former CIO who spoke with the Harvard Business Review, "From our point of view...most people use ROI analysis as a way to justify something they really want to do anyway. If you understand this, you will understand why experienced financial people are skeptical about proposals submitted by others. After all, you have to prepare an analysis that can stand up to their scrutiny."²

In preparing your proposal, make sure to loop finance into the process as you crunch the net profit value (NPV) and other essential metrics that drive a project proposal. They can help you make sense of the numbers and determine if they will, in reality, stand a chance against a finance decision-maker's evaluation battery.

Additionally, don't just compare the direct cost efficiencies between the technologies. Think about how any investment will have widespread impact on the business performance as a whole. There can be other number gains – time saved, manpower saved – that could add up to tremendous value for the organization.

² Harvard Business Review | <https://hbr.org/2015/03/when-it-pays-to-think-like-a-finance-manager>

4. Clearly Explain How Risk Will Be Managed

"IT PROJECTS TEND TO BE EXPENSIVE, OFTEN RISKIER OR HARDER TO MANAGE THAN INITIALLY EXPECTED. THE RETURN, IN MANY CASES, CAN BE DIFFICULT TO MEASURE IN THE NEAR TERM."

- CIO.com³

No matter how you slice and dice the numbers and make them look attractive from an ROI standpoint, you will be asked about the risk versus return. And you better have a solid risk management plan as part of your proposal, or the risks will be viewed as not being worth any potential rewards.

Although technology investments have been on the rise across the globe, and budgets have increased to accommodate IT spending, there are always legitimate risk factors involved with any project lifecycle.

The Standish Group reported that 53% of IT projects overrun their budget and timeline, while 31% are cancelled altogether.⁴

It's your job to identify the risk factors that could arise not only at the onset of the project, but also during and after implementation. You'll also need to confront the risk involved in making a

change between technologies. Risk isn't just tied to technology failure. Risk can also be associated with user errors, training challenges, and future maintenance challenges.

Risk is going to be present in any project. Decision-makers understand this, too. The worst thing you can do is to ignore the risk factors for fear of rejection. If you can properly identify and present the risks, then introduce your plan to control these risks, you will confirm to decision-makers that you are considering all issues – the good, the bad, and even the ugly – that could unfold at any project level.

³ CIO.com | <http://www.cio.com/article/2847700/careers-staffing/how-to-get-along-with-the-cfo.html?nsdr=true>

⁴ The Standish Group | <http://www.cio.com/article/2847700/careers-staffing/how-to-get-along-with-the-cfo.html?nsdr=true>

Now that you know some of the most essential steps for making a convincing project proposal, where do you go from here? Even if you wanted to start working on your business case immediately, you first need to prioritize your goals, then take an efficient and organized approach for putting these steps into action.

That's where we can help. You don't have to go on this path alone. Our expertise in project planning will save precious time and resources that could be invested in a faulty proposal that is ultimately rejected. We'll be able to outline proposals other organizations have put together to help you get the okay from decision-makers.

TELL US WHAT PROJECT YOU'RE
LOOKING TO GAIN BUDGET APPROVAL
FOR, AND WE'LL HAVE OUR TEAM
REACH OUT TO YOU SO YOU CAN
START BUILDING YOUR CASE.

