

Building your Business Case for Change Management

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Agenda:

What is a
business case?

4 pieces
of the definition
and how they
connect to CM

Value for change
management

4 challenges
to CM that the
business case
addresses

Section-by-section
breakdown

8 sections
of the business case
translated for
change management

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3

Definition:

A business case
captures the
reasoning
for initiating a
project or task
to convince a
decision maker
to take action.

✓ Often a formal document



✓ Sometimes a short, verbal
argument or presentation



It tells your story...

Sections of a Business Case

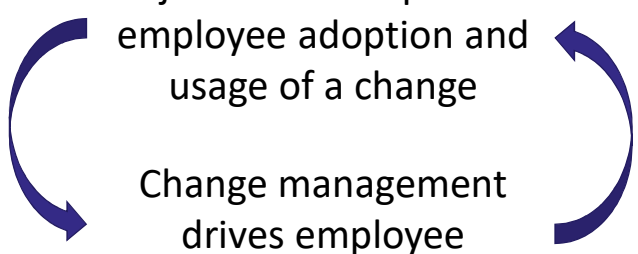

Executive Summary
Situational Assessment
and Problem Statement
Project Description
Solution Description
Cost-Benefit Analysis
Implementation Timeline
Critical Assumptions
and Risk Assessment
Conclusions and
Recommendations


* From the Prosci [Business Case Toolkit](#)

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4

<p>Definition:</p> <p>A business case</p> <p>captures the reasoning</p> <p>for initiating a project or task</p> <p>to convince a decision maker</p> <p>to take action.</p>	<p style="text-align: center; color: #4b4b9b;">What is the reasoning for applying change management?</p> <div style="text-align: center;"><p>Project results depend on employee adoption and usage of a change</p><p>Change management drives employee adoption and usage</p></div>
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<p>Definition:</p> <p>A business case</p> <p>captures the reasoning</p> <p>for initiating a project or task</p> <p>to convince a decision maker</p> <p>to take action.</p>	<p style="text-align: center; font-size: 1.2em;">Solve if u r genius !</p> <div style="text-align: center;"><p>1 perfectly designed solution</p><p>x 1 perfectly managed project</p><p>x 1 on-budget delivery</p><p>x 1 on-time delivery</p><p>x 0 employee adoption and usage</p><hr style="width: 80%; margin: 0 auto;"/><p>= ? results and outcomes</p><p style="font-size: 1.2em;">100% who try this... fail</p></div>
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Definition:

A business case

captures the reasoning

for initiating a project or task

to convince a decision maker

to take action.

An organizational move to a future state

Current → Transition → Future

Ultimately requires individuals to move from their own current to their own future

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Definition:

A business case


captures the reasoning


for initiating a project or task


to convince a decision maker


to take action.

Swiss Cheese Future State

 = Lower ROI/Return

 = Less Benefit Realization

 = Unachieved Improvement

 = Not What We Expected/Hoped For

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Definition:

A business case captures the reasoning **for initiating a project or task** to convince a decision maker to take action.

What is the “project or task” you are initiating?

```
graph TD; A[To a project/initiative] --> B[Apply change management]; B --> C[Results and outcomes through adoption and usage]; B --> D[Use a structured approach]; B --> E[With dedicated resources]; B --> F[Integrated into project plan];
```

The diagram illustrates the process of applying change management. It starts with a grey box labeled 'To a project/initiative' with a downward arrow pointing to a large dark blue box labeled 'Apply change management'. From this central box, a large downward arrow points to a dark grey box labeled 'Results and outcomes through adoption and usage'. To the right of the central box, three arrows point outwards to the text: 'Use a structured approach', 'With dedicated resources', and 'Integrated into project plan'.

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9

Definition:

A business case captures the reasoning **for initiating a project or task** to convince a **decision maker** to take action.

Who are you trying to convince?

Senior leaders	Project leaders
Executive teams	Project teams

```
graph LR; A[Buy-in] --> B[Mindshare]; B --> C[Approach]; C --> D[Resources];
```

The diagram shows a sequence of four steps in a process flow: 'Buy-in', 'Mindshare', 'Approach', and 'Resources'. Each step is in a dark blue rounded rectangle, and they are connected by a large, light blue arrow pointing from left to right.

✓ BONUS: How do you convince them?
By solving their problem.

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Definition: A business case captures the reasoning for initiating a project or task to convince a decision maker to take action.	What is the action you need them to take? <ol style="list-style-type: none">1. Commitment to apply change management on <i>[your project/initiative]</i>2. With dedicated resources3. With dedicated budget4. Integrate into project plan5. Sponsor the effort
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Agenda:		
What is a business case?	Value for change management	Section-by-section breakdown
4 pieces of the definition and how they connect to CM	4 challenges to CM that the business case addresses	8 sections of the business case translated for change management
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Why Is the Business Case Valuable?

What does it really mean to apply change management on a project?

I don't see the value of change management

Change management seems soft and fuzzy

Change management looks different than what I'm accustomed to

Using the **business case**
to address major challenges
and objections to
change management

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Why Is the Business Case Valuable?

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Project Description section includes:

- Description
- Scope
- Objectives

Solution Description section includes:

- Work streams
- Milestones
- Deliverables

Executive Summary

Situational Assessment and Problem Statement

Project Description

Solution Description

Cost-Benefit Analysis

Implementation Timeline

Critical Assumptions and Risk Assessment

Conclusions and Recommendations

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14

Why Is the Business Case Valuable?

What does it really mean to apply change management on a project?

I don't see the value of change management

Change management seems soft and fuzzy

Change management looks different than what I'm accustomed to

Situational Assessment and Problem Statement:

-Direct connection between results and outcomes and the people side of change

-Dependencies for benefit realization and value creation

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Situational Assessment and Problem Statement

Project Description

Solution Description

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15

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A business case itself is not “soft and fuzzy” = misperception addressed head-on

Builds credibility with a formal and structured presentation of the rationale and approach

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Why Is the Business Case Valuable?

What does it really mean to
apply change management
on a project?

I don't see the value of
change management

Change management
seems soft and fuzzy

Change management looks
different than what I'm
accustomed to

The business case itself is familiar

So are elements like:

Description	Milestones
Scope	Timelines
Objectives	Cost-Benefit Analysis
Work streams	Risks

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17

Why Is the Business Case Valuable?

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on a project?

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change management

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seems soft and fuzzy

Change management looks
different than what I'm
accustomed to

If you talk to a man
in a language he
understands, that
goes to his head.
If you talk to him
in his language,
that goes to his heart.

Nelson Mandela



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Executive Summary

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Situational Assessment
and Problem Statement

Project Description

Solution Description

Cost-Benefit Analysis

Implementation Timeline

Critical Assumptions
and Risk Assessment

Conclusions and
Recommendations

What and Why:

Presentation of
vital information



Succinct, clear
and concise



Tip: Write it last

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Situational Assessment and Problem Statement

Executive Summary

**Situational Assessment
and Problem Statement**

Project Description

Solution Description

Cost-Benefit Analysis

Implementation Timeline

Critical Assumptions
and Risk Assessment

Conclusions and
Recommendations

What and Why:

Directly connect the results, outcomes, value and benefit realization created by the project or the initiative to the people side of change

1. Identify the organizational benefits and project objectives
2. Identify individuals/groups affected by the project
3. Show the dependency on adoption and usage

Tip: Be specific

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Situational Assessment and Problem Statement

Executive Summary

**Situational Assessment
and Problem Statement**

Project Description

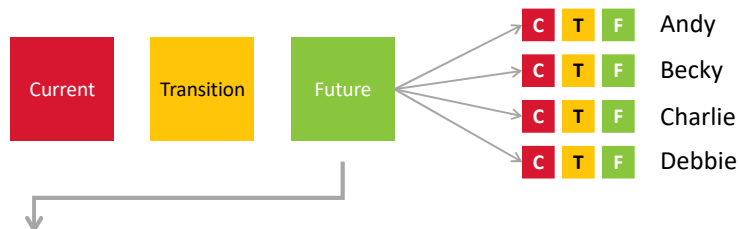
Solution Description

Cost-Benefit Analysis

Implementation Timeline

Critical Assumptions
and Risk Assessment

Conclusions and
Recommendations



Future state expectation:	Required individual changes:
- Results	- New behaviors, processes, tools, etc.
- Outcomes	- New behaviors, processes, tools, etc.
- Value	- New behaviors, processes, tools, etc.
- Benefit Realization	- New behaviors, processes, tools, etc.

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Project Description

Executive Summary

Situational Assessment
and Problem Statement

Project Description

Solution Description

Cost-Benefit Analysis

Implementation Timeline

Critical Assumptions
and Risk Assessment

Conclusions and
Recommendations

What and Why:

High level

- Overview
- Scope
- Objectives

Tip: Clearly define what you will be doing

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Project Description

Overview | Scope | Objectives

Executive Summary

Situational Assessment
and Problem Statement

Project Description

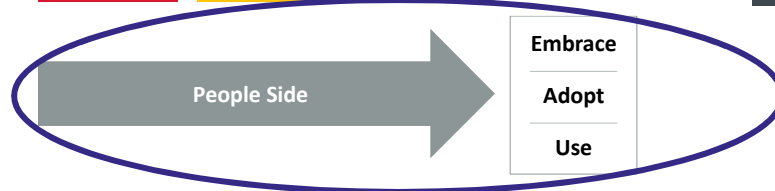
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Cost-Benefit Analysis

Implementation Timeline

Critical Assumptions
and Risk Assessment

Conclusions and
Recommendations



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Project Description

[Overview](#) | [Scope](#) | [Objectives](#)

[Executive Summary](#)
[Situational Assessment and Problem Statement](#)
[Project Description](#)
[Solution Description](#)
[Cost-Benefit Analysis](#)
[Implementation Timeline](#)
[Critical Assumptions and Risk Assessment](#)
[Conclusions and Recommendations](#)

Change Management Scope:

In the scope of change management:

- Identifying and defining the **individual changes**
- Creating a change management **strategy**
- Developing customized, scaled, targeted, best practice based **plans** (communication, sponsorship, coaching, training, resistance management)
- Creating **adoption and usage metrics**

Out of scope:

- Defining the change at hand
- Creating the technical solution

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Project Description

[Overview](#) | [Scope](#) | [Objectives](#)

[Executive Summary](#)
[Situational Assessment and Problem Statement](#)
[Project Description](#)
[Solution Description](#)
[Cost-Benefit Analysis](#)
[Implementation Timeline](#)
[Critical Assumptions and Risk Assessment](#)
[Conclusions and Recommendations](#)

Change Management Objectives:

- Improve employee **adoption and usage** of the solution to drive **project results and outcomes**
- Create a **customized and scaled approach** that aligns with the project lifecycle and milestones
- Create **deliverables** (strategy and five plans) that support individual attainment of the key **milestones** of successful transition (ADKAR®)

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Solution Description

Executive Summary

Situational Assessment
and Problem Statement

Project Description

Solution Description

Cost-Benefit Analysis

Implementation Timeline

Critical Assumptions
and Risk Assessment

Conclusions and
Recommendations

What and Why:

Summarize your solution

- Work Streams
- Milestones
- Deliverables
- Roles in CM

Tip: Use language and frameworks that are familiar

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Solution Description

Work Streams | Milestones | Deliverables | Roles

Executive Summary

Situational Assessment
and Problem Statement

Project Description

Solution Description

Cost-Benefit Analysis

Implementation Timeline

Critical Assumptions
and Risk Assessment

Conclusions and
Recommendations

Inputs:

Defined change

Technical solution

Individual Change Management Work Stream

Milestones needed for a single person to
make a change successfully (ADKAR)

Organizational Change Management Work Stream

Deliverables (strategy and plans) that
support individual transitions

Outputs:

Individual
Adoption
Usage

Project
Results
Outcomes
Benefits
Value

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Solution Description

Executive Summary

Situational Assessment and Problem Statement

Project Description

Solution Description

Cost-Benefit Analysis

Implementation Timeline

Critical Assumptions and Risk Assessment

Conclusions and Recommendations

Work Streams | Milestones | Deliverables | Roles

Prosci ADKAR Model

Milestone of successful individual transitions
Key: Milestones defined by outcomes, not by activities

Prosci ADKAR Map: Timeline
ADKAR Your Change Effort to Capture People-Dependent ROI

Project/Initiative: _____

ADKAR Milestone Date Targets

Group	A	D	K	A	R
Example Group	1/5	2/20	3/25	4/30	7/29
Example Group	1/5	2/20	3/25	4/30	7/29
Example Group	10/25	11/21	12/20	1/5	6/15
Example Group	12/20	1/20	2/16	3/2	8/10
Example Group	12/12	1/12	3/20	4/23	7/15

Project Phases: Initiate, Plan, Design/Develop, Deploy, Sustain

Timeline (months, weeks, quarters): Oct, Nov, Dec, Jan, Feb, March, April, May, June, July, Aug, Sept

Go Live

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Solution Description

Executive Summary

Situational Assessment and Problem Statement

Project Description

Solution Description

Cost-Benefit Analysis

Implementation Timeline

Critical Assumptions and Risk Assessment

Conclusions and Recommendations

Work Streams | Milestones | Deliverables | Roles

Prosci 3-Phase Process

Phase 1: Preparing for Change

- Change management strategy
- Readiness assessments

Phase 2: Managing Change

- Communications plan
- Sponsor roadmap
- Coaching plan
- Training plan
- Resistance mgmt plan
- Integration into overall project plan

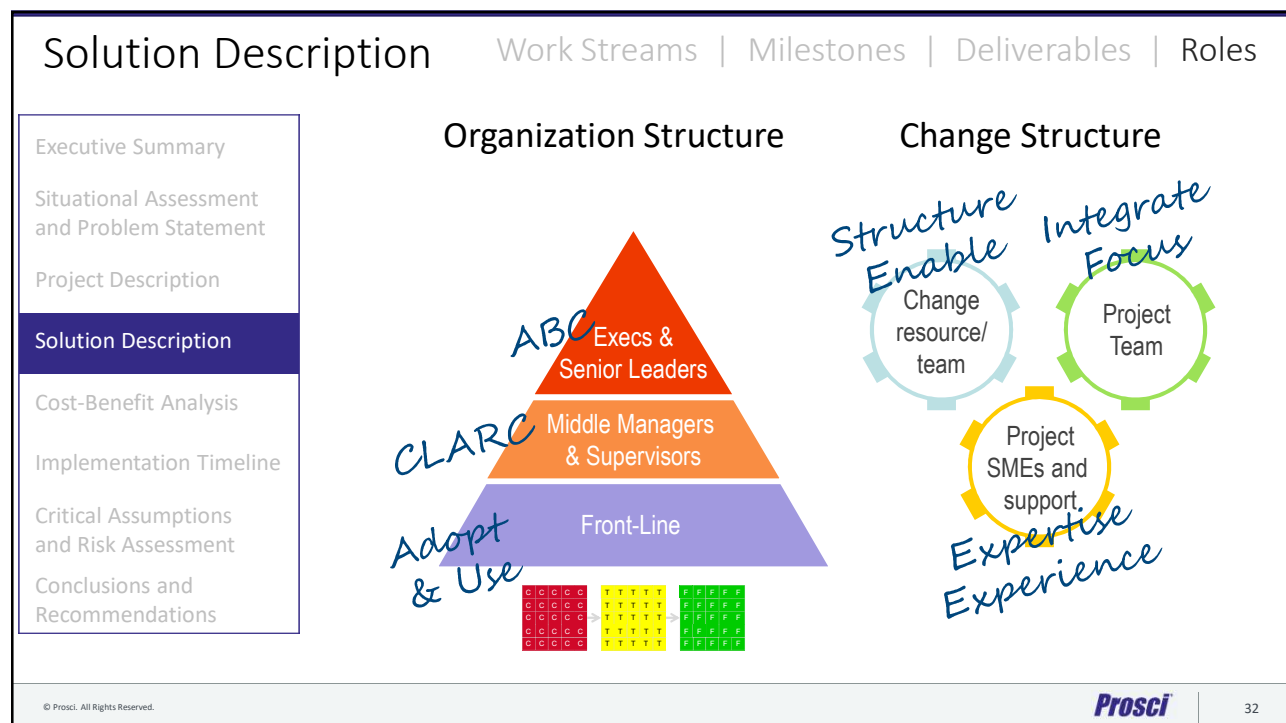
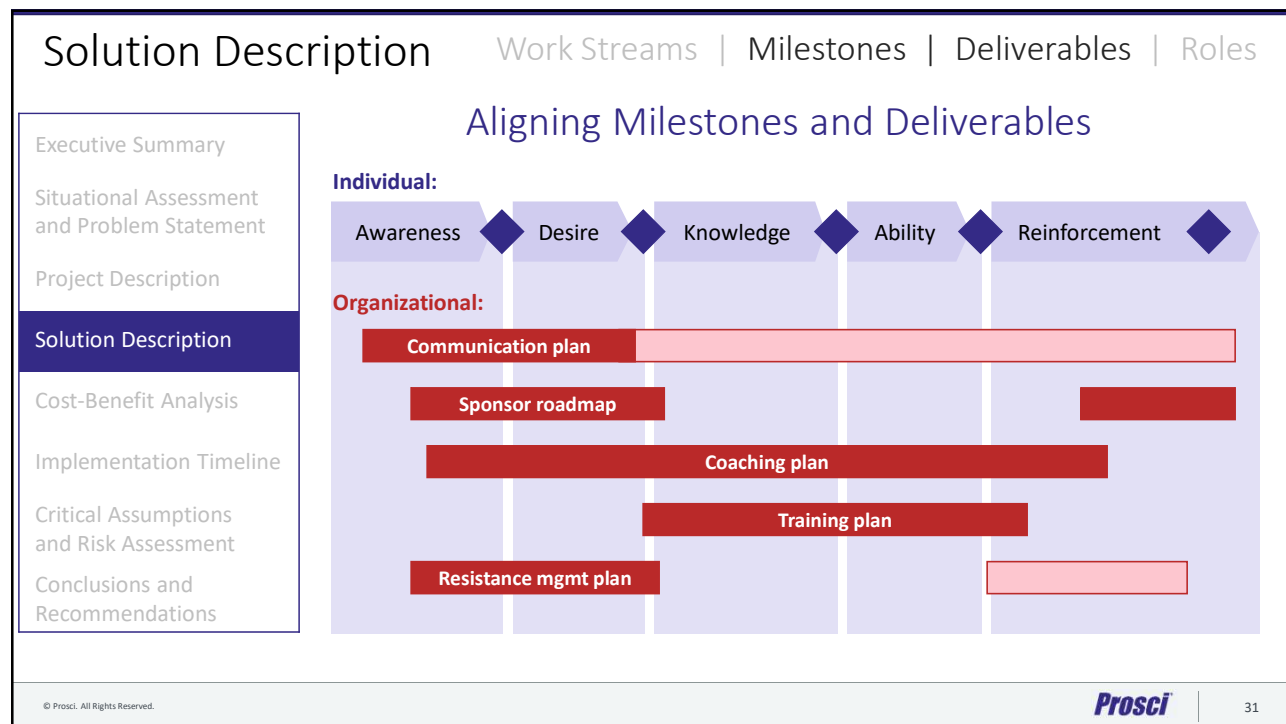
Phase 3: Reinforcing Change

- Adoption and usage measurement
- Sustainment
- Lessons learned

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Cost-Benefit Analysis

Executive Summary

Situational Assessment
and Problem Statement

Project Description

Solution Description

Cost-Benefit Analysis

Implementation Timeline

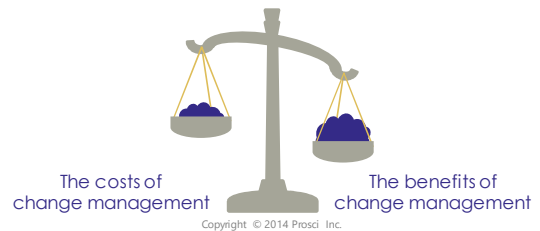
Critical Assumptions
and Risk Assessment

Conclusions and
Recommendations

What and Why:

Benefits > Costs

Make the decision easy
by focusing on delivering
results and outcomes



Tip: Show the relative balance

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Cost-Benefit Analysis

Costs | Benefits

Executive Summary

Situational Assessment
and Problem Statement

Project Description

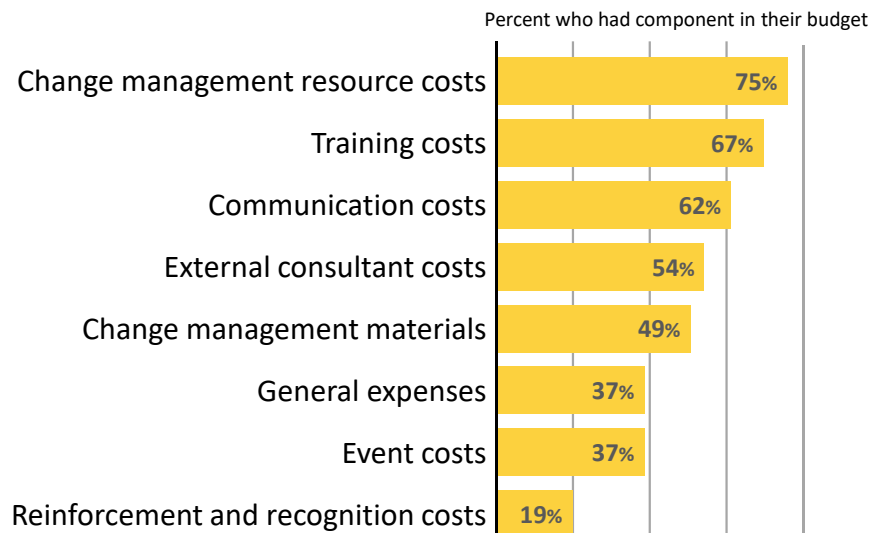
Solution Description

Cost-Benefit Analysis

Implementation Timeline

Critical Assumptions
and Risk Assessment

Conclusions and
Recommendations



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34

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Cost-Benefit Analysis

[Executive Summary](#)
[Situational Assessment and Problem Statement](#)
[Project Description](#)
[Solution Description](#)
[Cost-Benefit Analysis](#)
[Implementation Timeline](#)
[Critical Assumptions and Risk Assessment](#)
[Conclusions and Recommendations](#)

	Costs	Benefits
Scope, scale and complexity		
Objectives and importance		
Timeline and urgency		
Resource availability		
Resource capability		
Budget availability		
Past experiences		

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Cost-Benefit Analysis

[Executive Summary](#)
[Situational Assessment and Problem Statement](#)
[Project Description](#)
[Solution Description](#)
[Cost-Benefit Analysis](#)
[Implementation Timeline](#)
[Critical Assumptions and Risk Assessment](#)
[Conclusions and Recommendations](#)

	Costs	Benefits
CMROI		X% of expected project benefits are directly tied to employees adopting and using the change; change management's value is delivering that portion of benefits.
SUP		The expected project benefits depend on how quickly (speed of adoption), how many (ultimate utilization) and how effectively (proficiency) employees do their jobs the new way.
Costs/Risks		The expected project benefits are diminished by avoidable costs (inefficiencies) and mitigatable risks resulting from ignoring the people side of change.
Probability		The expected project benefits are more likely to be achieved, on time and on budget, with effective change management according to industry data.
Language		All of the above... results, benefits, objectives, success, ROI

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Implementation Timeline

Executive Summary

Situational Assessment
and Problem Statement

Project Description

Solution Description

Cost-Benefit Analysis

Implementation Timeline

Critical Assumptions
and Risk Assessment

Conclusions and
Recommendations

What and Why:

Map to project milestones

Add credibility and urgency

Concrete action steps

Tip: Align with project timeline

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Implementation Timeline

Executive Summary

Situational Assessment
and Problem Statement

Project Description

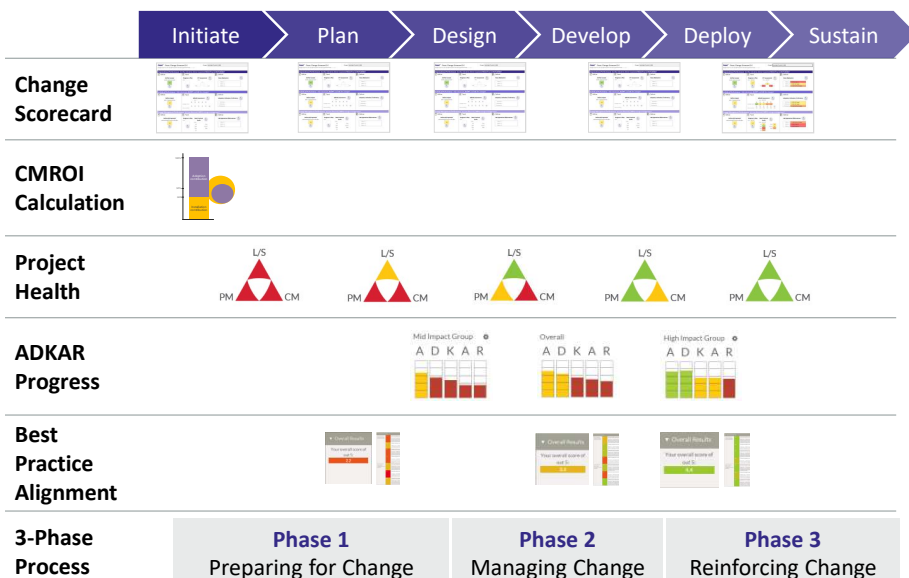
Solution Description

Cost-Benefit Analysis

Implementation Timeline

Critical Assumptions
and Risk Assessment

Conclusions and
Recommendations



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38

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Critical Assumptions and Risk Assessment

Executive Summary

Situational Assessment
and Problem Statement

Project Description

Solution Description

Cost-Benefit Analysis

Implementation Timeline

**Critical Assumptions
and Risk Assessment**

Conclusions and
Recommendations

What and Why:

SWOT Analysis

Dependencies

Considerations

Tip: Be specific

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39

Critical Assumptions and Risk Assessment

Executive Summary

Situational Assessment
and Problem Statement

Project Description

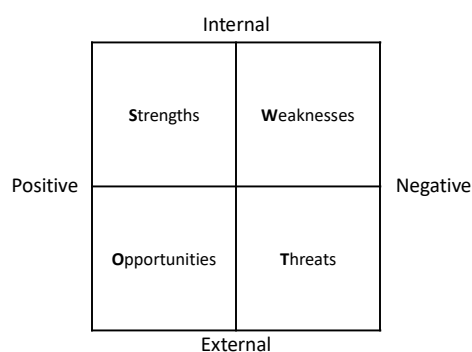
Solution Description

Cost-Benefit Analysis

Implementation Timeline

**Critical Assumptions
and Risk Assessment**

Conclusions and
Recommendations



Dependencies

- 1.
- 2.
- 3.

Considerations:

- Complexity and risk associated with people side of change
- Resource availability for change management
- Technical-side of change (effectiveness, timeliness, etc.)
- Sponsorship engagement
- Manager/supervisor engagement
- History and legacy of change
- Culture and values
- Change capacity
- Change saturation

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Conclusions and Recommendations

Executive Summary

Situational Assessment
and Problem Statement

Project Description

Solution Description

Cost-Benefit Analysis

Implementation Timeline

Critical Assumptions
and Risk Assessment

Conclusions and
Recommendations

What and Why:

Crystal clear

Authorization

Resources

Budget

Show confidence

Tip: Ask for what you need

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41

Agenda Wrap Up:

What is a business case?

4 pieces of the definition
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A business case
captures the reasoning
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Value for change management

4 challenges to CM that the
business case addresses

What does it really mean to
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8 sections of the business case
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Situational Assessment and
Problem Statement
Project Description
Solution Description
Cost-Benefit Analysis
Implementation Timeline
Critical Assumptions and
Risk Assessment
Conclusions and Recommendations

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42

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The screenshot displays the Prosci Portal interface. The top navigation bar includes links for 'Build Profile Info', 'Manage Tool License(s)', 'Logout', and 'Help'. The main header features the 'Prosci PORTAL' logo and the tagline 'Access. Apply. Achieve.'. Below this, a banner promotes unlimited access to cloud tools and resources with an 'All Access Portal' subscription. The 'My Resources' section is divided into 'Upstream (Selling CM)' and 'Midstream (Doing CM)'. A yellow banner labeled 'Available for Purchase' highlights several tools, with the 'Business Case for Change Management Template' circled in blue. A blue arrow points from this template to a detailed 'Resource Detail Page' on the right. This page provides information about the template, including its date (01/21/2014), a description of its benefits, and a list of what users will receive: a one-page instruction guide, a learning guide, a business case template with instructions, samples, and tips, and a blank template for customization. It also mentions that the package is in an easy-to-download format and includes PDF documents and Microsoft Word templates. A 'Downloads' section on the right lists additional resources like the 'Business Case Learning Guide' and 'Business Case Instructions'. The footer of the portal shows the Prosci logo and the page number 43.

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Delivering organizational results by
catalyzing individual transitions

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solutions@prosci.com

Build individual change competencies
Apply change management on initiatives
Embed organizational change capability