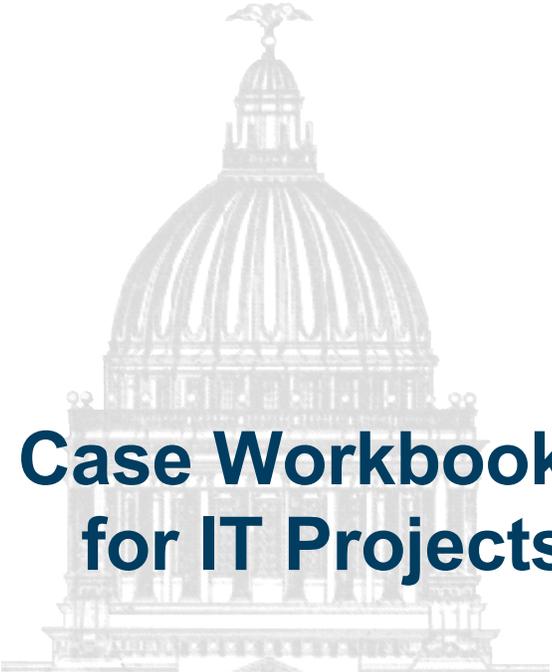




Mississippi Department of Information Technology Services

A faint, light gray background image of the Mississippi State Capitol building, showing its prominent dome and classical architectural details.

Business Case Workbook for IT Projects

August 2020

BACKGROUND

Mississippi Department of Information Technology Services (ITS) Legislation

The authority shall have the following powers, duties, and responsibilities:

(a) The authority shall provide for the development of plans for the efficient acquisition and utilization of computer equipment and services by all agencies of state government and provide for their implementation. In so doing, the authority may use the MDITS staff, at the discretion of the executive director of the authority, or the authority may contract for the services of qualified consulting firms in the field of information technology and utilize the service of such consultants as may be necessary for such purposes....

ITS Board Requirements

For projects with an estimated lifecycle cost above the Director Approval threshold, the procuring agency must receive ITS Board approval of the technology and approach, prior to conducting the procurement.

Documentation to be prepared by the procuring agency for presentation to the Board should include: complete lifecycle costs, direct and indirect; appropriate quantified analyses of anticipated financial return and benefits from the implementation of the technology, such as return on investment and cost/benefit assessment; and narrative describing the rationale for the technology and anticipated benefits from its implementation that are not financial in nature.

Documentation to be prepared by ITS for presentation to the Board should include identification of any equipment, software, staff, or services included in the acquisition that represent a redundant cost to the State, based on ITS enterprise infrastructure, along with the estimated lifecycle cost of such redundancy.

Upon approval of the technology direction by the Board and completion of the relevant procurement process, the procuring agency, in conjunction with ITS, will present the recommendation on award of contract to the ITS Board for approval, along with updates to the original analyses based on actual contract costs and any other additional information available to ITS and the procuring agency.

BUSINESS CASE WORKBOOK INSTRUCTIONS

A business case must be completed on IT projects requiring ITS Board Approval and the project must be approved in the ITS Online Planning System. It is recommended that project managers enter all IT related project into the ITS Online Planning System and use this workbook as a guide in developing project justification and preliminary financial analysis for all IT projects.

An electronic business case template is available in Word format and should be used to complete the required business case. All applicable sections must be completed. The content in this Business Case Workbook provides suggestions for completing each section.

For additional information regarding this workbook and the business case template, or if other IT planning assistance is needed, please contact:

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BUSINESS CASE FOR IT PROJECTS

PROJECT IDENTIFICATION

Agency/Division/Program Area	<i>(Agency/Division/Program Area)</i>
Project Manager	<i>(Project Manager's Name, Title, Email, and Phone Number)</i>
Project Number and Name	<i>(ISS Project Number and Name of Project)</i>

CURRENT SITUATION AND BUSINESS NEED FOR THE PROJECT

Briefly describe the current situation, business need, and/or problem driving the proposed project.

Business need(s) should address one or more of the following:

- ❖ Ensure public health and safety
- ❖ Provide infrastructure needed to support responsible and sustainable economic growth
- ❖ Facilitate the effective and efficient delivery of desired government services
- ❖ Maximize the value and life of existing capital assets by adequately maintaining them
- ❖ Maximize the extent to which other sources of funding are leveraged to increase capital investments
- ❖ Lower operational costs
- ❖ Improve customer service
- ❖ Increase access to data for stakeholders in a specific functional area
- ❖ Improve coordination of services between divisions
- ❖ Increase efficiency in a specific business process
- ❖ Decrease reliance on staff time to perform specific functions

Please indicate if there is a legislative or federal mandate associated with the project.

PROPOSED SOLUTION

This section should include a description of the proposed solution. Describe why the solution is being proposed, the approach or strategy that will be used to deliver the project, and identify high-level milestones and dates.

This section should focus solely on the proposed solution. All other solutions that were considered should be detailed in the *'Alternatives to the Proposed Solution'* section found later in the workbook.

Identify all best practice research completed to support the solution. List those that provided input into the development of this proposal such as IT personnel, vendors, program staff, finance personnel, or others. Include the name, title, company, email address, and phone number for each contributor.

PROJECT GOALS AND OBJECTIVES

Describe the goals and objectives based on the current situation and business need for the project.

CRITICAL SUCCESS FACTORS

Describe the factors or characteristics that are deemed critical to the success of the project, such that in their absence the project will fail.

RISKS

List and briefly describe all known risks associated with the project.

DEPENDENCIES

Describe dependencies on factors external to the project, such as other projects and ongoing production work. Identify other work or projects that must be accomplished for the project to succeed.

COLLABORATION

Describe how you will be collaborating or partnering with other agencies or entities with similar needs to share the benefits, costs, and risks. How do you plan to take advantage of work that others have previously done on similar projects? How will you design and develop the project so that others may take advantage of the work you are doing?

IMPACT IF NO ACTION TAKEN

Detail the implications of NOT doing the project. What would the impact be on the organization, citizens, or others? What benefits would be missed?

TECHNICAL ENVIRONMENT AND HOSTING

Describe the current technical environment including proposed hardware, software, and technical architecture of the project. Will the proposed technical environment follow along the guidelines of the overall architecture of the State?

If the intended location for hosting is other than the State Data Center, please provide justification.

FUNDING

List and describe any sources for project funding. Will grant money be used? Are federal funds available? Will there be a charge-back to the customers?

PROJECT COST / RESOURCE ESTIMATE SUMMARY

Provide a summary of costs and/or a resource estimate for the five-year project lifecycle. Depending on the nature of the project, there are different ways to show the total cost including:

One-time Costs such as:

- ❖ Hardware and software (including third party licenses needed to support the project)
- ❖ Consulting/contractor (for integration/installation, coaching, etc. including travel)
- ❖ State personnel (ITS and/or agency, direct and indirect, including expected rate increases over the outlook period)
- ❖ Application updates and data conversion (if applicable)
- ❖ Technical and user acceptance testing
- ❖ System and user documentation
- ❖ Training

Ongoing Costs such as:

- ❖ Maintenance
- ❖ Consulting/contractor (including projected rate increases over the outlook period)
- ❖ State personnel (direct and indirect, including any rate increases over the outlook period)

Current Request

Description	Amount
Total	

Total Life Cycle Cost (If Applicable)

Date	Description	Amount	Cumulative Total
Current Request			

With approval of this request, the **Total Life Cycle Cost will be \$_____.**

COST BENEFIT ANALYSIS / RETURN ON INVESTMENT

Briefly justify the project cost or investment that must be made to realize the identified business benefits. Document the quantitative analysis, e.g., calculations of anticipated savings, costs avoided, return on investment, etc.

Compare total costs and total quantifiable benefits to determine how long it will take for the project to pay for itself, if applicable. For example, a project that costs \$100,000 and will realize an annual cost savings of \$20,000 will pay for itself in five years. Whenever this type of analysis is performed, the total project cost is used regardless of any offsetting special funds that may be available.

Note: Not all benefits are quantifiable. Qualitative benefits should also be discussed in this section for a valid assessment to be made.

ALTERNATIVES TO THE PROPOSED SOLUTION

Other Options Considered	Reasons for Rejecting Alternative Solution
Option 1 – Describe the alternative solutions. Project solutions often are comprised of multiple components and each component may contain alternatives that were considered.	Explain why the alternative solution was not chosen.
Option 2 – If applicable	

ADDITIONAL COMMENTS