

This is a draft of an update for a pillar page that is ranking #1 for its keyword in Google search.

Chapter 0

Schedule Next Update for

01-JUNE-2022

Target Keyword

Business Case for Human Capital Management

Title Tag

The Business Case for Human Capital Management Initiatives

Meta Description

Learn how to create and present a compelling business case for your human capital management improvements.

URL:

<https://resources.pixentia.com/business-case-for-human-capital-management>

URLs to Redirect:

https://resources.pixentia.com/business-case-for-human-capital-management#1_people_processes_and_priorities

<https://blog.pixentia.com/the-business-case-for-human-capital-management-initiatives-part-1-people-processes-and-priorities>

URL to Retire:

<https://blog.pixentia.com/how-to-build-the-business-case-for-human-capital-management-technology>

H1 Tag:

The Business Case for Human Capital Management Initiatives

Body Text



Top-level graphics should be exactly relevant to the topic

Introduction

Much has happened since we first wrote a series of articles on the business case for your next HCM initiative.

The pace of change was already accelerating, but in 2020, it took a giant leap forward.

Changes in the way we work and live created a demand for enabling technology—and human capital tech companies delivered.

Momentum had already been building to replace engagement efforts with a focus on the employee experience.

The pandemic brought it to the top of the agenda.

The CEO Agenda

CEOs worldwide recognize that they need to upskill and re-skill the workforce to meet the present and future challenges.

In PwC's [23rd annual Global CEO Survey](#),

- 74% of CEOs were concerned about the availability of key skills,
- the 38% who are the most advanced in upskilling their people are “most confident about growth over the 12 months,”
- 41% said that upskilling has been “very effective in creating a stronger corporate culture and engaging employees.”

To meet the challenge, they need to deliver on their promises and [show their commitment](#) to their people.

CEOs have [discovered three things](#):

- Human capital has a measurable value that increases when you invest in it.
- When they invest in upskilling their people, they create a more robust corporate culture.
- That investment in people drives business growth.

As HR has led through the pandemic, HCM initiatives to accomplish the agenda are now a high priority. Now is the time to build a more human workplace.

We are creating a new conversation about people and performance by showing the connection between the employee experience and productivity.

This guide is about making that connection.

We show you how you can:

- capitalize on the people, knowledge, and data that already exists in your organization,

The Agenda

- Upskill to adapt to the new economy.
- Create inclusion that drives diversity.
- Invest in whole-person well-being, not just safety and health.
- Enable human ingenuity to drive productivity.

- start with a low-risk, high-impact project to start building your momentum, and
- Build credibility by having *and proving* the financial impact on the business.

What's in This Guide:

Introduction: [The Business Case for Human Capital Initiatives](#)

Chapter 1: [Preparing Yourself and Your Team for HCM Initiatives](#)

Chapter 2: [Building the Business Case for HCM Initiatives](#)

Chapter 3: [Calculating the Costs and Benefits of HCM Initiatives](#)

Chapter 4: [Calculating the ROI and Risks of HCM Initiatives](#)

Chapter 5: [Presenting the Business Case for HCM Initiatives](#)

Chapter 1

Schedule Next Update for

01-JUNE-2022

Target Keyword

Preparing for Human Capital Management Initiatives

Title Tag

Preparing Yourself and Your Team for HCM Initiatives

Meta Description

Learn how building the right team helps you succeed in your HR initiatives.

URL:

<https://resources.pixentialcom/preparing-yourself-and-your-team-for-hcm-initiatives>

URLs to Redirect:

https://resources.pixentia.com/business-case-for-human-capital-management#2_building_the_case

<https://blog.pixentia.com/the-business-case-for-human-capital-management-initiatives-part-2-building-the-case>

H1 Tag:

Preparing Yourself and Your Team for HCM Initiatives

Body Text

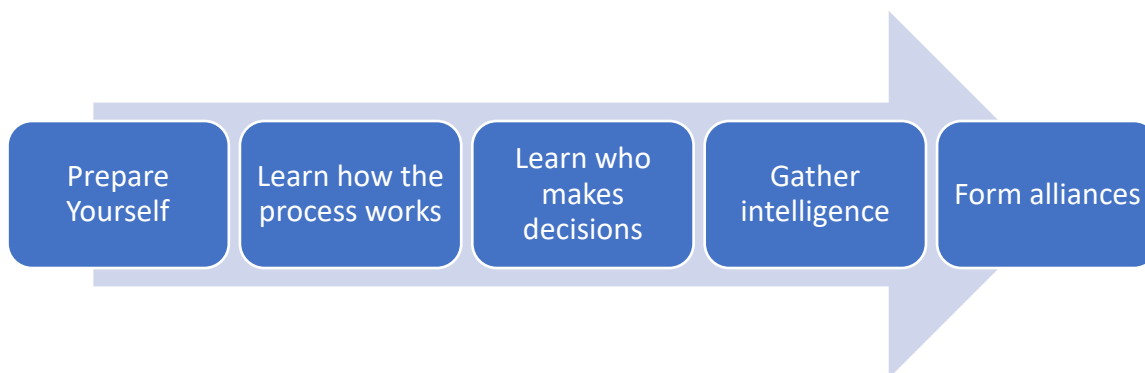
Top-level graphic:
small group of people in a training session

How business managers think about HR is changing. Opportunities for collaboration to drive business results have never been better.

HR is no longer focused only on cost. It is the enabler for delivering value through people.

The opportunity is ripe for HR to collaborate with people in the business to drive productivity and revenue.

Choosing, building, presenting, and implementing the business case will work best if they are a collaborative effort among people experts, operational leaders, finance gurus, and your tech wizards.



Here's how to get started:

1. Prepare Yourself

The first step in developing a sound business case is to learn the language, and the lexicon of business is Finance. If you are new to finance, you have many ways to learn:

- Your organization's financial courses,
- [free online courses from major universities](#), or
- your local business schools.

Suggested Graphic

Finance word cloud

Learn the CFO language and leave HR-speak in your office.

2. Learn How the Process Works

Seek people in your organization who have had success in getting proposals approved.

If your company has a formal review process, learn how it works.

Find out if reviews are on a regular schedule or if they happen when proposals come up.

Learn also whether your company reviews functional portfolios or individual cases.

3. Learn Who Makes Decisions

Learn who makes the final decision and what their priorities are. If you don't get a good idea, review previous projects to see who approved them and why.

The final decision authority may be the CEO, CFO, or a group of executives.

Several groups or levels may review your case before it reaches the final approval stage. You will need to know how to negotiate each level.

- Find out who has influence and build your idea around their priorities.
- Seek an executive sponsor who is willing to champion your plan.

- Talk with leaders about performance and how you can help.

4. Gather Intelligence

Study what drives decisions in the business.

If you can't get the information directly, read financial reports, shareholder communications, and internal communications.

Recent news articles can also help.

If you can, learn what is keeping decision-makers awake at night.

Build your idea on your business strategy. No matter what it does, the organization needs talented people to make it work.

5. Form Alliances

We mentioned that you need an executive sponsor, but there are other allies you need on your team.

Writing a business case proposal isn't easy, especially for "people people" not inclined to love numbers.

That doesn't mean you need to become an accountant. You only need to get Finance on your team.

Nothing gets attention like a business problem with financial impact.

Seek operational leaders who can benefit from your ideas. Talk about how you want to help them get results. They will become your champions.

You may need external help if you don't have in-house talent. Vendors, industry experts, and colleagues may be of assistance.

Don't go it alone, and don't overlook the expertise in other areas of the business.

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Chapter 2

Schedule Next Update for

01-JUNE-2022

Target Keyword

Building the Business Case for HCM Initiatives

Title Tag

Building the Business Case for HCM Initiatives

Meta Description

Get your step-by-step guide for building your business case.

URL

<https://resources.pixentia.com/building-the-business-case-for-hcm-initiatives>

URLs to Redirect:

<https://blog.pixentia.com/the-business-case-for-human-capital-management-initiatives-part-2-building-the-case>

<https://resources.pixentia.com/business-case-for-human-capital-management#2-building-the-case>

H1 Tag:

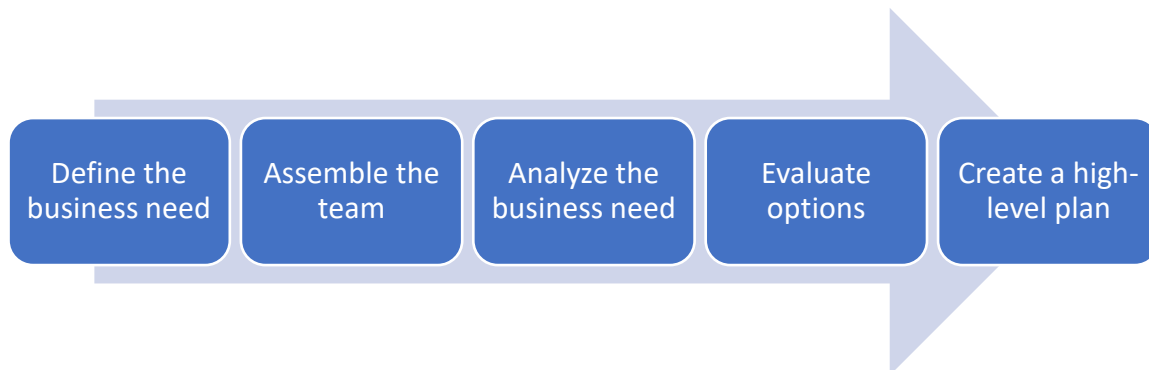
Building the Business Case for HCM Initiatives

Body Text

Top level graphic:

Small group of people in a brain-storming session

[Chapter 1](#) of our guide discussed the need to influence decision-makers and form alliances to plan your HCM initiative. Once you have your team in place, you can start building your case.



We will show you a step-by-step plan for a successful project. The first step is to frame the business need.

1. Define the Business Need

In your conversation with executives, you will uncover problems you can help solve. Here are a few simple examples.

- We are losing people to our competitor.
- Unplanned absences are slowing production.
- We don't know who our high potential employees are.
- People on the sales floor are not cross-selling.

- We can't find qualified technicians.

Define the need and frame it in terms of your business strategy. Identify the related key performance indicators ([KPIs](#)), or Objectives and Key Results ([OKRs](#)), or your business goals. If you want to solve a problem, you will need support from the person accountable for the results.

2. Assemble the Team

Your project team should be a small, efficient team of experts:

Finance: Ask your CFO to designate someone to guide your team in financial strategy, cost/benefit analysis, forecasting, and ROI calculations.

Line of Business: An expert in the corporate entity that owns the KPI. It may be experts in sales, production, research, human resources, logistics, or any other function. It may also include other people affected by your proposal.

Marketing: If the problem and solution affect customers, you will need an expert who knows them and their needs.

Technology. Expertise in this area could include your IT group and external entities, such as vendors or consultants.

Analytics: Include your people analytics team if you have one. If you don't, you may be able to get help from marketing or finance, or you may need an analytics consultant.

This need may also be the opening you need to develop a business case for human capital analytics.

Project Management: A certified project manager will provide expertise in analyzing and presenting your proposed activities and planning your resources.

3. Analyze the Business Need

Tap the expertise on your team to explore why the business need or problem exists. Your

Read more ...
[6 User-Centered Design Principles for HCM Implementation:](#)

organization may use Six Sigma or other disciplines to guide your analysis.

Some of the information you need will be in functions other than HR.

You may need to correlate sales, revenue, production, or logistics data with your people data. Work with the owners of the data to gain access.

If you are dealing with a process, develop a flow diagram to analyze it.

Use [cause-effect diagrams](#) and [interrelationship digraphs](#) to establish relationships and root causes.

Sample Cause and Effect Diagram (Ishikawa)

Document your analysis. You will need to explain how you got to your conclusions.

4. Evaluate Options

Use group brainstorming to generate potential solutions. You have team members from several disciplines, and each will have a different point of view. Bone up on your brainstorming techniques, so you get a free flow of ideas.

Frame proposed solutions as hypotheses: If we *do this*, then *this* will happen.

The best place to start might be your null hypothesis, i.e., *what happens if we do nothing?*

Read more ...

[Human Capital Management Software:
Best-of-Breed or Unified Platform?](#)

You will need to discuss your null hypothesis when you ask for approval. Here's an example:

Null Hypothesis

If we do nothing, unplanned absences will continue to slow production.

To meet our commitments, we will need to over-staff by 11% with additional employees and overtime.

Our production costs will increase by 7%, and net profit will fall by 4%.

- Define it in terms of business results—costs, revenue, market share.
- Use [analytical models](#) to test your hypotheses.
- Evaluate and compare your ideas. For each one, compare cost, revenue, risk, and time.
- Eliminate or modify ideas if they are unworkable, unacceptable, or not in line with the business strategy.
- Work with your executive sponsor to identify [which proposals have the best chance of being approved](#) by your executive team.
- Narrow your list down to the best two or three alternatives and create a high-level plan for each.

1. Create a High-Level Plan

The purpose of the high-level plan is to understand the resources you need and get a rough idea of the costs and benefits. It is the who, what, where, when, and how of your proposal.

The *who* is critical because you will need the buy-in and support of the people involved, especially the people who will do the work or provide funding.

To construct the high-level plan, list the major activities and milestones in chronological order. For each activity, list who will do what, where, when, and how. If you need help, work with your project management expert.

Once you have your rough draft ready, it's time to start crunching numbers.

Read the next chapter to see how to go about it.

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Chapter 3

Schedule Next Update for

01-JUNE-2022

Target Keyword

Calculate the Costs and Benefits of HCM Initiatives

Title Tag

Calculate the Costs and Benefits of HCM Initiatives

Meta Description

Crunching the numbers doesn't have to be painful. Read the step-by-step guide to calculating the costs and benefits.

URL:

<http://resources.pixentia.com/calculate-the-costs-of-hcm-initiatives>

URLs to Redirect:

<https://resources.pixentia.com/business-case-for-human-capital-management#3-calculating-cost>

https://resources.pixentia.com/business-case-for-human-capital-management#4_calculating_benefits

<https://blog.pixentia.com/the-business-case-for-human-capital-management-initiatives-part-3-calculating-costs>

<https://blog.pixentia.com/the-business-case-for-human-capital-management-initiatives-part-4-calculating-the-benefits>

H1 Tag:

Calculate the Costs and Benefits of HCM Initiatives

Body Text

Top level graphic	
List of costs:	List of Benefits:
Licensing	Productivity
People	Employee Experience
Infrastructure	Employee Retention
Training	Workforce Agility
Maintenance	Return on Investment

In [Chapter 1](#) of our series, we discussed the need to form alliances and influence decision-makers.

In [Chapter 2](#), we showed how to clarify the business need, build the right team, and evaluate solutions.

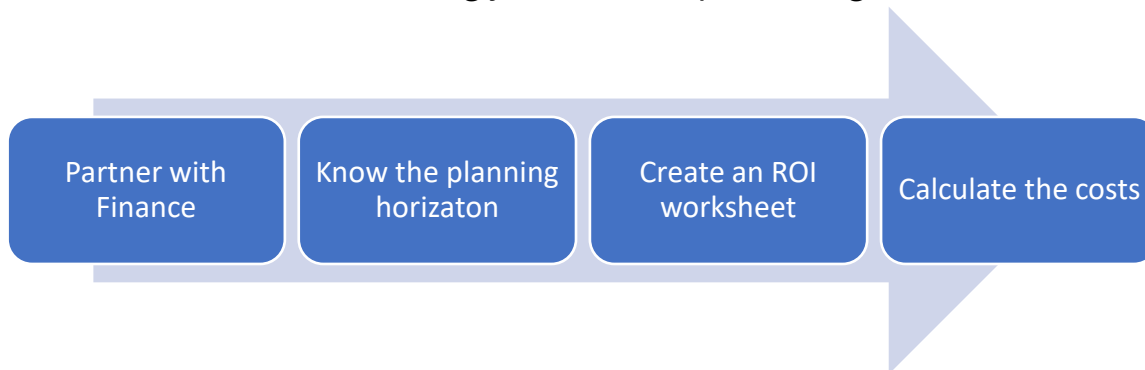
Those steps prepared you for the number-crunching you must do to present a solid business case.

Calculating the Costs

Estimating the costs and benefits of an investment may seem intimidating for non-financial leaders.

If you've followed this guide, you have a team in place and laid the groundwork.

Now, it is a matter of following your Finance partner's guidance.



1. Partner with Finance

Finance will be your best ally. Your Finance team knows the policies, procedures, and methods you need to follow and will advise you on presenting your case.

You will build relationships that will serve you well in the future.

By this time, you should have narrowed your solutions down to the top three.

You will need to estimate costs and benefits for each of them, but how much of that analysis you present to your executive team will depend on their preferences. Your CFO and sponsor can guide you.

Use your company's income statement as the format for your estimates. CXOs are accustomed to reading financial statements. They will expect items to be in a particular order and form.

2. Know the Planning Horizon

You will need to show costs and benefits over a defined planning period. Your company may have a policy for the length of time depending on the type of project you are proposing.

Cloud technology has changed the way we estimate ROI for business software.

Since cloud technology vendors are constantly updating their platforms, the life cycle could be infinite.

Most companies have a standard planning period, but it probably should be longer for a cloud subscription than for hardware and infrastructure.

3. Create an ROI Worksheet

Your Finance partner will advise you on the format and planning period for your ROI worksheet.

The purpose of the ROI worksheet is to capture your costs and benefits in one place. Your worksheet could have dozens or hundreds of individual cost and expense lines.

4. Calculate the Costs

Accountants break down costs into two areas: project costs and operating expenses.

Project Costs

To estimate the total cost of all the expenses necessary to implement the solution, including the capital costs of acquiring assets.

Project costs are usually simple. They can include:

- personnel,
- travel,
- consulting and
- any other expenses not used to purchase an asset or license.

If you buy a software license instead of a fee-for-service model, you may need to amortize the cost. You may need to show the price of an asset in the first year, or you may need to spread it out over a depreciation period.

Download Your eBook:

New for 2021!

- Sample ROI Worksheets
- Risk Analysis Worksheets
- More in-depth info

**Building Your Business Case for Human
Capital Management Initiatives**

Transition costs are the result of temporary disruption. They include events like:

- spikes in support calls,
- one-time training costs, and
- temporary dips in productivity.

Explore the concept with your experts to make sure you capture realistic estimates.

Operating Costs

To calculate the operating cost, you will need to consider:

- maintenance,
- licensing,
- support,
- facilities,
- training, and
- any other ongoing cost.

Consider also costs that different business units may incur, and be sure to discuss them with the business unit before you present your case.

Some initiatives will lower costs. Be sure to include those in your numbers.

If you are automating or improving a process, you may have labor savings to add in the benefits.

Calculating the Benefits

Estimating the benefits of a human capital management initiative is not an exact science. Still, you can do it with the right help.



1. Partner with Line of Business Leaders

Your line of business partners are equally as crucial as Finance. They are the people who know the business impact.

For example, suppose you are [implementing mobile learning](#) to deliver just-in-time training and sales support. You won't know the exact revenue, but you can estimate it.

Work with them to develop best-case, worst-case, and most likely case assumptions. Present all three estimates.

Here are three more examples:

Leadership Training

How well managers support their people affects performance in customer service.

Can the customer service team help you estimate the impact of leadership training?

Can Marketing then forecast changes in consumer behavior?

Learn more ...
[How to Use the Clarification Chain to Measure Intangibles](#)

Onboarding

What will be the financial impact on time to productivity when you implement a new onboarding program?

Mitigating Risk

An improvement like compliance tracking can improve risk exposure. Your risk manager may want to quantify the value and its impact on insurance rates.

If you can't [quantify intangible benefits](#), don't use them in your estimates. You should, however, use them in your presentation pitch.

There will be benefits you can measure after you implement your improvement, but you can estimate them.

If you don't have a [people analytics](#) team, you can get help from Marketing and Finance. They have been using [predictive analytics](#) for a long time and may have the resources to help you predict outcomes.

2. Estimate Productivity Gains

Productivity presents a different challenge.

One of the most common arguments we hear for automation is that it will free up administrative personnel to do more productive work.

That is not a productivity gain – it is a reallocation of resources.

You may need to upgrade your staff because “more productive work” requires a new skill set.

Whenever you introduce new technology, someone must manage it. You may have a productivity loss to add to expenses.

Map and analyze the processes you will touch. Minor changes to a function can often result in big savings.

We caution against taking estimates at face value.

Commissioned salespeople like to underestimate projections so they can beat their targets.

Marketers want approval, so they overestimate their objectives. We recommend asking what would happen if their estimates were 20% higher or 20% lower. If you get an emotional response, the target may be questionable.

Read more ...
[Estimating the Value of Your Human Capital Investment](#)

Make sure your executive partners will stand behind the numbers. Just asking an exec to verify the numbers may get you a better estimate.

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Chapter 4

Schedule Next Update for

01-JUNE-2022

Target Keyword

Calculating ROI and Risk in Human Capital Initiatives

Title Tag

Calculating ROI and Risk in Human Capital Initiatives

Meta Description

Learn how to calculate your investment to show how your services contribute to the value of your human capital.

URL

<https://resources.pixentia.com/calculating-roi-and-risk-in-human-capital-initiatives>

URLs to Redirect

https://resources.pixentia.com/business-case-for-human-capital-management#5_calculating_roi

https://resources.pixentia.com/business-case-for-human-capital-management#6_managing_risks

<https://blog.pixentia.com/the-business-case-for-human-capital-management-initiatives-part-5-calculating-roi>

<https://blog.pixentia.com/the-business-case-for-human-capital-management-initiative-part-6-managing-risk>

H1 Tag:

Calculating ROI and Risk in Human Capital Initiatives

Body Text



In [Chapter 1](#) of our series, we discussed the need to form alliances and influence decision-makers.

In [Chapter 2](#), we showed how to clarify the business need, build the right team, and evaluate solutions.

In [Chapter 3](#), we worked through the process of calculating costs and benefits.

The next step is to calculate the return on investment and the risks inherent in any project.

What is ROI on Human Capital?

The ROI of your human capital is the [“true measure of the productivity of your human resources.”](#) Once you have the data, it’s surprisingly easy to calculate:

$$\text{Revenue} = \text{Total Revenue} - (\text{Cost of Capital} + \text{Depreciation} + \text{Amortization})$$

$$\text{ROI} = \frac{\text{Revenue} - (\text{Total Expenses} - \text{Human Capital Expenses})}{\text{Human Capital Expenses}}$$

Make sure all links are accessible to search engines

ROI Calculation

Which method you use will depend on your business practices and what you are planning to do.

Partner with Finance

If your organization has a format, you may enter information in a template. Your partner in Finance will help you chart the right course. You will also lay the groundwork for your CFO to support your initiative.

ROI Calculation

Your ROI Worksheet is the source document for calculations. Use the worksheet as a working model to capture costs and benefits.

Read about TCO:
[How to Calculate Total Cost of Ownership for a HCM System](#)

Sample ROI Worksheet							
Sample calculation for a talent management platform deployed in the cloud							
18-Month Project:							
Benefits begin in Year 2				<i>Thousands of Dollars (\$1,000)</i>			
Project Investment	Amount	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Capital Costs	-	-	-	-	-	-	-
Project Expense	1,650	1,100	550	-	-	-	-
Total Project Investment	1,650	1,100	550	-	-	-	-
Total Operating Costs	2,600	150	250	550	550	550	550
Total Costs	4,250	1,250	800	550	550	550	550
Total Benefits	5,200	-	300	1,000	1,300	1,300	1,300
Annual Total		\$ (1,250)	\$ (500)	\$ 450	\$ 750	\$ 750	\$ 750
Cumulative Total		\$ (1,250)	\$ (1,750)	\$ (1,300)	\$ (550)	\$ 200	\$ 950

We will now dig into the actual calculation to present to your approvers.

Payback Period Calculation

The payback period answers the question: when will we recoup our investment?

Calculate the cumulative values for each year until you see a positive cash flow.

Your business may require that you calculate the payback period beginning when you launch the project, or it may begin at the end of the project.

In a multi-module project, benefits will begin the first year but will grow over time.

You may need to present a thorough analysis of more than one option. For example, if you are preparing a case for new talent management technology, you may have some approvers who favor best-of-breed solutions while others prefer a unified platform. Regardless of which you choose, the best approach is to present both cases in depth.

Download the eBook

New for 2021!

Sample ROI Worksheets

Templates

More in-depth info

**Building Your Business Case for
Human Capital Management
Initiatives**

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Managing Risks

The ROI you calculate assumes everything will go as planned. What if it doesn't?

What if the project schedule changes?

What if your organization delays funding?

What if you must replace a key team member?

What if...?

Be diligent about uncovering risks. The worst possible event in your project is the one you didn't anticipate. Talk to people to learn as much as you can about what can go wrong. Here are a few suggestions:

- colleagues in your professional associations,
- executive sponsor,
- your technology team (even if it is not a technology initiative),
- facilities,
- engineering, and
- an experienced project manager.

Calculating Risk

Calculating and managing risk is an essential feature of every proposed initiative or project in any business activity.

Impact and Probability

Standard practice is to:

- assign an impact rating to a risk,
- estimate the probability that the event will happen, and
- give a score to each risk.

The following table gives you an idea of how to construct your rating values.

A risk factor with a 100% probability is not a risk – it is a certainty.

Build it into your plan.

Sample Impact Rating			Sample Likelihood Rating		
Description	Financial	Scale	Description	Probability	Scale
Extreme	> \$1,000,000	5	Extreme	> 80%	5
High	< \$1,000,000	4	High	65% to 80%	4
Moderate	< \$100,000	3	Moderate	20% to 65%	3
Low	< \$10,000	2	Low	5% to 20%	2
Minimal	< \$1000	1	Minimal	< 5%	1

Risk Score

After you assign impact and probability scores, multiply them to arrive at a Risk Score.

Some project teams like to assign colors to risk levels to help them see at a glance where they need to focus their mitigation effort.

RISK SCORE		Impact				
		5	4	3	2	1
Likelihood	5	25	20	15	10	5
	4	20	16	12	8	4
	3	15	12	9	6	3
	2	10	8	6	4	2
	1	5	4	3	2	1

Risk Analysis Worksheet

Thoroughly explore the impact and likelihood of each risk.

Create a risk analysis worksheet to help you score it. Plan whether to avoid, transfer, or mitigate the risk. Document the strategy and mitigation plan for each risk.

Risk Analysis Worksheet					
Risk Scenario	Potential Impact	Probability Rating	Impact Rating	Risk Score	Mitigation Plan
Loss of key team member	Could delay or stall the project	2	3	6	Weekly project documentation review
User adoption	Users may resist change	2	5	10	Change management and communication plan.
Legacy data has critical errors	Inability to complete data uploads on time	8	4	20	Data cleanup and integration plan.

Calculating the Impact of Risk

Your ROI worksheet can help your Risk Manager to calculate the potential financial impact of risks.

When you present your risk analysis to your executive team, be straightforward about the potential impact and your limitations. You may find help where you least expect it.

Once you have your costs and benefits in your worksheet, you are ready to begin creating your presentation for approval. Read on to see how to do it well.

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Chapter 5

Schedule Next Update for

01-JUNE-2022

Target Keyword

Presenting the Business Case for HCM Initiatives

Title Tag

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Meta Description

Get your step-by-step guide for creating and presenting a compelling business case for your HCM improvement.

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URLs to Redirect

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https://resources.pixentia.com/business-case-for-human-capital-management#4_calculating_benefits

<https://blog.pixentia.com/the-business-case-for-human-capital-management-initiative-part-7-presenting-the-case>

H1 Tag:

Presenting the Business Case for HCM Initiatives

Body Text

Graphic
HR Exec presenting the business case

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In [Chapter 2](#), we showed how to clarify the business need, build the right team, and evaluate solutions.

In [Chapter 3](#), we worked through the process of calculating costs and benefits.

In [Chapter 4](#), we showed you how to calculate the ROI and risk.

You are now ready to put your presentation pitch together.



1. Develop the Business Case Document

Your organization's business practices will define how you shape and deliver your business case. Large organizations are likely to have a very rigid, prescribed format. Smaller companies may define it loosely or not at all.

Work with your executive sponsor to structure your case. Your sponsor knows what your leaders want to see.

Study other cases -- both approved and rejected proposals. You may learn more from failures than successes.

Business Case Structure

If you don't have a prescribed format, you can use the structure outlined here.

Executive Summary

The executive summary may be the only thing decision-makers read. Tell a brief, compelling story of how you identified a business need and developed a solution.

- Identify the characters in the story.
- Describe the business need and potential impact on the business.
- Describe the solution and how it will solve the business need.
- State the project cost and ROI. Using the payback period ROI method, state how long until the project pays for itself.

Business Need

- Describe the problem or opportunity and link it to the business strategy.
- Convey urgency with data.

Solution

- Describe the solution and why you choose it.
- List alternatives and why you did not choose them.

- State the impact of doing nothing.
- Describe what business process the change affects and how.

Project Plan

- Describe major milestones and deliverables.
- Identify team members, business functions, and external entities and the roles of each.

Impact

- Describe the impact on the company.
- Quantify the benefits.
- Link each benefit to a key performance indicator (KPI) and the strategic plan.

Risks

- Discuss your risk analysis and mitigation plan.
- Include your risk analysis worksheet in the appendices.

Return on Investment

- State the ROI, payback period, or net present value, whichever is appropriate.
- Discuss the factors in ROI calculation and the rationale for estimates.
- Include a summary ROI calculation worksheet.
- Add the detailed ROI spreadsheet as an appendix.

Wrap-up

- Restate the business need.
- State why the solution will work.

- Restate ROI.

Be ruthless in your editing. Remove every unnecessary word, and don't jazz up your language with long, complicated words. Where a simple word will suffice, use it. Make sure each idea flows into the next, moving readers to the final decision.

George Orwell's Six Rules for Better Writing

1. Never use a metaphor, simile, or other figure of speech which you are used to seeing in print.
2. Never use a long word where a short one will do.
3. If it is possible to cut a word out, always cut it out.
4. Never use the passive where you can use the active.
5. Never use a foreign phrase, a scientific word, or a jargon word if you can think of an everyday English equivalent.
6. Break any of these rules sooner than say anything outright barbarous.

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2. Build Your Presentation

Your presentation should be a summary of your business case document. Avoid animations and gimmicks. Your purpose is to make an appeal that will engage your audience's emotions. Instead of trying to entertain, seek to engage with simple, direct language.

- Don't use paragraphs of text. People don't want to read your slides. They want to glance at them to grasp the central ideas.
- Use simple charts and graphs that convey a single message.

- Try to keep phrases and bullet points to six words or less and present no more than four ideas on one slide. Remove articles (a, an, the).
- Avoid clutter. Keep presentations clean and crisp, especially if you present to remote users who might use mobile devices.
- Don't use stock photos unless they are relevant and advance the story. Marketing research has shown they can be a distraction.

3. Get Feedback

Review your case with your sponsor, your Finance partner, and your LoB partners. Use their suggestions to fine-tune your presentation and tighten up weak areas.

4. Know Your Audience

Ask your sponsor to give you information on the personalities in the review committee.

- Study their strategic plans and priorities.
- Understand their concerns and address them in your presentation.
- If you can, learn what their “hot buttons” are, both positive and adverse.

5. Rehearse

Some years ago, we talked with Mike Mooney, the principal trombonist of the New York Philharmonic Orchestra.

One of us asked how he dealt with the pressure of knowing 2,000 people were waiting for him to make a mistake so they could audition for his job.

He said, “I practice so much I can't make a mistake.”

If you present your case in person, practice your delivery in front of a critical live audience. Ask your test audience to question your assumptions, jump ahead or back in the presentation, and interrupt.

- Practice using multimedia technology and prepare for it to go wrong.
- Make eye contact with each person in the room for short intervals.
- Pause for a few seconds before you answer a question, then nod slightly. It signals you heard the question and can respond – and gives you time to think.
- To avoid the newbie shuffle, plant your feet.
- If you move, pick a spot, move to it, then plant your feet again.
- Practice not looking at your presentation screen.

Be like Mike. Practice enough so you won't make a mistake.

6. Present Your Case

When you make your pitch, things will go wrong.

If you present your case to busy people, they may not be a willing, attentive audience.

It could be a group of executives who are reviewing 30 other cases along with yours.

Here are a few things we can share from our experience.

- Understand their impatience. It is not personal. They may be distracted by a business problem.
- Don't give them anything to read until you finish. If you do, they will read the summary, glance at the ROI calculation, then start checking their messages or find an excuse to leave.
- There will be a "gunslinger" waiting to shoot down your proposal at the first opportunity. Do your homework and anticipate the challenge.
- Be flexible. You may have 20 minutes on the agenda, but you could get only five. Or they might hold you for an hour.
- Handle disaster with humor.

- Identify in advance which slides you will use if the team cuts your time. You may have time only for the executive summary and ROI slide or only the summary. If your opening statement is a compelling message and the numbers work, you are on your way to approval.

We hope we have made your journey to approval easier to prepare for and less stressful.

Don't leave empty-handed: download our eBook to get worksheets, templates, and more in-depth information.

[Download the eBook now](#)

What's in This Guide:

Introduction: [The Business Case for Human Capital Initiatives](#)

Chapter 1: [Preparing Yourself and Your Team for HCM Initiatives](#)

Chapter 2: [Building the Business Case for HCM Initiatives](#)

Chapter 3: [Calculating the Costs and Benefits of HCM Initiatives](#)

Chapter 4: [Calculating the ROI and Risks of HCM Initiatives](#)

Chapter 5: [Presenting the Business Case for HCM Initiatives](#)

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Read the complete step-by-step guide ...

The Business Case for Human Capital Management Initiatives

Learn how to

- Put together your crack team of experts
- Solve the right problems
- Calculate costs and benefits
- Calculate ROI and Risk
- Present a winning case and *get approval*

[Read the Guide Now]

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