

BUSINESS CASE TRAINING

SOUND TRANSIT

SEATTLE, WASHINGTON

AUGUST 5, 2019

Throughout the program year, training and support will be provided to assist you in the development of your Business Case and complementary Business Pitch. There will also be informal opportunities for coaching and advice.

Eno **MAX**

Designed by transit agencies for transit agencies

TODAY

- **Timeline**
- **Where Are You?**
- **Resources**
- **Evaluating Options**
- **Business Pitch Simulation Preview**
- *Business Case*
- *Executive Summary*
- *Giving and Receiving Feedback*

GUIDELINES FOR A SUCCESSFUL BUSINESS CASE

BUSINESS CASE TIMELINE

Enrollment Stage

Student identifies **Problem or Opportunity**
 Submit **Project Statement Description** via online enrollment Form
 Refine Project Description online using the **Max Business Project Form**

1st Class Visit

Eno delivers a **Welcome Session** including an overview of Business Project process
 Eno delivers **Guidelines to a Successful Business Case** Workshop
 Host Agency schedules **Business Project Information Exchange (BPIE)** meeting for each visiting student
 Eno Facilitator provides **Business Coaching** to Host Agency students

2nd Class Visit

BPIE #2
Business Coaching (Host Agency)
 Eno Staff checks in on progress and responds to questions during a **Progress and FAQ**
 Eno Staff delivers a **Public Speaking Workshop**

3rd Class Visit

BPIE #3
Business Coaching (Host Agency)
 Eno Staff checks in on progress and responds to questions during a **Progress and FAQ**
 Eno staff delivers **Defining and Evaluating Options Workshop**

4th Class Visit

BPIE #4
Business Coaching (Host Agency)
 Eno Staff delivers **Business Pitch Simulation Briefing**
 Eno Staff delivers **Giving Feedback Tips**
 Eno staff facilitates **Business Pitch Simulation Session**

Post EnoMAX

Graduates make **Business Pitch** to Executive Team

RESOURCES

- **Business Case Presentation**
- **Guidelines to a Successful Business Case**
- **Business Project Worksheets**
- **This Presentation**
- *Your Facilitators*
- *Your Agency Cohort Members*
- *Other Agencies Cohort Members*
- *MAX Alumni*
- *1:1 Coaching*



DEFINING AND EVALUATING OPTIONS



EVALUATION OF OPTIONS

Evaluation of Options

This is the largest part of the document answering most of the what, why and how questions

1. List all Options
2. Define/Describe each option
3. Evaluate/Compare Options
4. Rank Options and Make Final Recommendation
 - Summarize analysis
 - Explain reasons (evidence) for choice

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| Business Project Worksheet (Annotated) |
|--|
| Business Problem/Opportunity Statement 1-2 paragraphs summarizing your Business Project |
| Situation Analysis <ul style="list-style-type: none"><input type="checkbox"/> Background and History<input type="checkbox"/> Perception of Current State<input type="checkbox"/> Projections if current state continues<input type="checkbox"/> Work that may have already been done<input type="checkbox"/> Financial, operational impacts |
| Research Plan <ul style="list-style-type: none"><input type="checkbox"/> Information needed from home property<input type="checkbox"/> Key questions of Speakers/Matches<input type="checkbox"/> What to look for on Tours/Site Visits<input type="checkbox"/> Written information or data needed |
| Evaluation of Options The what, why and how questions of the project <ul style="list-style-type: none"><input type="checkbox"/> List all Options (including NO ACTION)<input type="checkbox"/> Identify Critical assumptions<input type="checkbox"/> Required resources<input type="checkbox"/> Required resources<input type="checkbox"/> Organizational capability<input type="checkbox"/> Key interdependencies<ul style="list-style-type: none"><input type="checkbox"/> Completion of other projects<input type="checkbox"/> Availability of key personnel<input type="checkbox"/> Risks associated with failure of interdependencies<input type="checkbox"/> Identifies areas impacted<ul style="list-style-type: none"><input type="checkbox"/> Own department<input type="checkbox"/> Other internal departments<input type="checkbox"/> External entities<input type="checkbox"/> Key decision criteria<ul style="list-style-type: none"><input type="checkbox"/> Benefits<input type="checkbox"/> Costs<input type="checkbox"/> Operational<input type="checkbox"/> Customer impacts |
| Recommended Path Forward <ul style="list-style-type: none"><input type="checkbox"/> Summarize preferred recommendation<input type="checkbox"/> Reasoning supporting recommendation<input type="checkbox"/> Identify next steps<ul style="list-style-type: none"><input type="checkbox"/> Who is responsible for project implementation?<input type="checkbox"/> Major schedule milestones |

EVALUATION OF OPTIONS

Define/Describe each Option

When defining your options, be clear and complete. You may include the following in your descriptions;

- Required resources
- Organizational capability
- Key interdependencies
 - completion of other projects, availability of key personnel, risks associated with failure of interdependencies
- Identify areas impacted
 - own department, other internal departments, external entities

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DEFINING AND EVALUATING OPTIONS

EVALUATE/COMPARE OPTIONS

Evaluate/Compare Options

- **Identify Critical Assumptions**
- Identify Decision Criteria you will use to evaluate and compare options. Decision Criteria can include measures that are both;
 - Qualitative
 - Quantitative

Other Considerations

- Risk(s)
 - Of implementation
 - Of no action
- Constraints/Limitations

Examples of Critical Assumptions

- Personnel have skills and abilities to learn new technology
- Equipment is available for hands on training and practice
- Customers are willing to use new service?

DEFINING AND EVALUATING OPTIONS

DECISION CRITERIA

Developing Decision Criteria

Each Business Case requires decision criteria specific to the problem being solved. Some criteria you may consider are Financial, Operational, Customer Impact, and Benefits. Here are examples from each category;

■ Financial Analysis

- Costs/benefits for each option including no-action
- Consider every associated cost
- Ensure affordability
- Project ROI
- Identify predicted budget and cash flow implications
- Degree of confidence

■ Operational Analysis

- Industry/Regulatory Standards
- Consistency with existing infrastructure/equipment
- Personnel

■ Customer Impact Analysis

- Ease of use
- Familiarity
- Cost to use
- Impact to current system

■ Benefits

- External Public Relations
- Long Term

DEFINING AND EVALUATING OPTIONS

Evaluating Options

Choose relevant decision criteria and evaluate each option against the criteria. Then compare and rank the options leading to a recommended path forward. Don't forget to consider the following;

- Risk
 - Assessing Risk
 - Mitigating Risk
- Critical assumptions
 - No Go Criteria
- Constraints/Limitations

| Decision Criteria | Option 1 | Option 2 | Option 3 |
|-------------------|----------|----------|----------|
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DEFINING AND EVALUATING OPTIONS

Evaluating Options

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| Decision Criteria | Option 1 | Option 2 | Option 3 |
|-------------------|--------------------|-------------------|-------------------|
| Equipment | 2100 | 700 Oldest | Retain Current |
| Equipment Support | 3 yrs w/ option | Vendor Instlld | Staff |
| Risk of Failure | Low | Med | High |
| Budget | No | Yes | NA |
| Life Cycle | 5 yrs | 1-2 old, | |
| Learning Curve | 90 Days | 90 Days | NA |
| Meets Standards | Yes | Yes/No | No |
| Deferred \$ Est | NA | | |
| Downtime Cost | | | |

DEFINING AND EVALUATING OPTIONS

Tools for Evaluating Options

- Many standard tools for evaluating options
- Your agency has preferred tools for evaluating options
- Select process **consistent with magnitude of project**
- Select process you are comfortable using and explaining

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DEFINING AND EVALUATING OPTIONS

FINAL RECOMMENDATION

Recommended Path Forward

The final step in the evaluation process is ranking the options and selecting a recommended path forward. The highest ranked option is not always the recommended option. Consider Critical Assumptions, Risk, Constraints and Limitations when making your final decision.

- Summarize your preferred recommendation
- Reasoning supporting the recommendation
- Identify next steps
 - Who is responsible for project implementation
 - Major schedule milestones
 - Possible staging



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BUSINESS PITCH SIMULATION PREVIEW



BUSINESS PITCH

The Business Pitch is an opportunity for you to explain your business case, its benefits, overall costs and preferred recommendations

It can take many forms, including;

1. “Elevator Pitch” – a 5-7 minute quick synopsis of your project and reasons for implementing your preferred recommendation
2. Executive Briefing – short structured meeting with Executive(s), may or may not include handouts or visual presentation
3. Visual presentation – slide presentation
4. Executive Summary – section of Business Case that is shared with Executive(s) with or without a verbal presentation

- During your 4th visit, you will be provided with Guidelines for a Business Pitch, which includes elements of 1, 2, and 4.
- You will subsequently deliver this Business Pitch at a simulated CEO meeting

BUSINESS PITCH

What to include in a Business Pitch

- Share the key points of the business case
- Summarize all options considered
- Summarize decision criteria used to select final recommendation
- Present the final recommendation
 - Summarize analysis
 - Identify potential risk and how to minimize

Delivering a Successful Business Pitch

- Prepare for your presentation
- Practice your presentation
- Make notes
 - Bullet Points
- Anticipate Questions

BUSINESS CASE PITCH

ENOMAX SIMULATION

Delivering the Pitch

This simulation is an opportunity to practice the Business Pitch prior to delivering it to your Agency CEO and/or Executive Team.

- Each student will deliver a 5 minute oral presentation of their business project.
- Deliver your pitch as though the mock CEO is your agency's CEO. Assume those participating in the exercise have local knowledge of your system and function within the organization.

Receiving Feedback

- After you are done speaking, the CEO will ask questions about the pitch "in character."
- The other students are invited to offer constructive feedback about the project or the presenter's delivery. The CEO may also offer feedback "out of character."



BUSINESS PITCH SIMULATION MOCK CEO'S





Robert Puentes
President and CEO
Eno Center for Transportation

- **Robert Puentes** is President and CEO of the Eno Center for. Prior to Eno, he was a senior fellow at the Brookings Institution's Metropolitan Policy Program. He is currently a non-resident senior fellow with Brookings. Prior, Robert was the director of infrastructure programs at the Intelligent Transportation Society of America.
- Robert is a frequent speaker to a variety of groups and has testified before Congressional committees. He holds a master's degree from the University of Virginia and was an affiliated professor with Georgetown University's Public Policy Institute.
- Robert serves on boards including the Shared-Use Mobility Center, UCLA's Institute of Transportation Studies, and Young Professionals in Transportation. Recent appointments include the Federal Advisory Committee on Transportation Equity, New York State's 2100 Infrastructure Commission; the Advisory Council of the West Coast Infrastructure Exchange, the Metropolitan Transportation Authority's Transportation Reinvention Commission; and the District of Columbia's Streetcar Financing and Governance Task Force.



Mary E. Peters
Principal, Mary Peters Consulting
Eno Board of Directors Member

- **Mary E. Peters** served as U.S. Secretary of Transportation from 2006 – 2009. She oversaw all US aviation, surface and maritime policy and programs and negotiated transportation agreements with foreign governments. Ms. Peters was responsible for over 60,000 employees and a \$70.3 billion annual budget.
- Prior to serving as U.S. Secretary of Transportation, Ms. Peters was a Senior Vice President and National Director for Transportation Policy and Consulting for HDR, Inc., a major engineering company.
- In 2001, Ms. Peters was appointed by President George W. Bush to serve as the Federal Highway Administrator for the U.S. Department of Transportation, a role she served in from 2001 – 2005.
- Ms. Peters served as the Arizona Department of Transportation (ADOT) Director prior to becoming Federal Highway Administrator.
- Among her awards, she was recognized as the Most Influential Person in Arizona Transportation by the Arizona Business Journal and as the 2004 National Woman of the Year Award from the Women’s Transportation Seminar.

PUTTING IT ALL TOGETHER

- **Research and Analysis – Business Project Worksheet**

The Business Project Worksheet provides structure and direction for your Research and Analysis

Come up with many recommendations

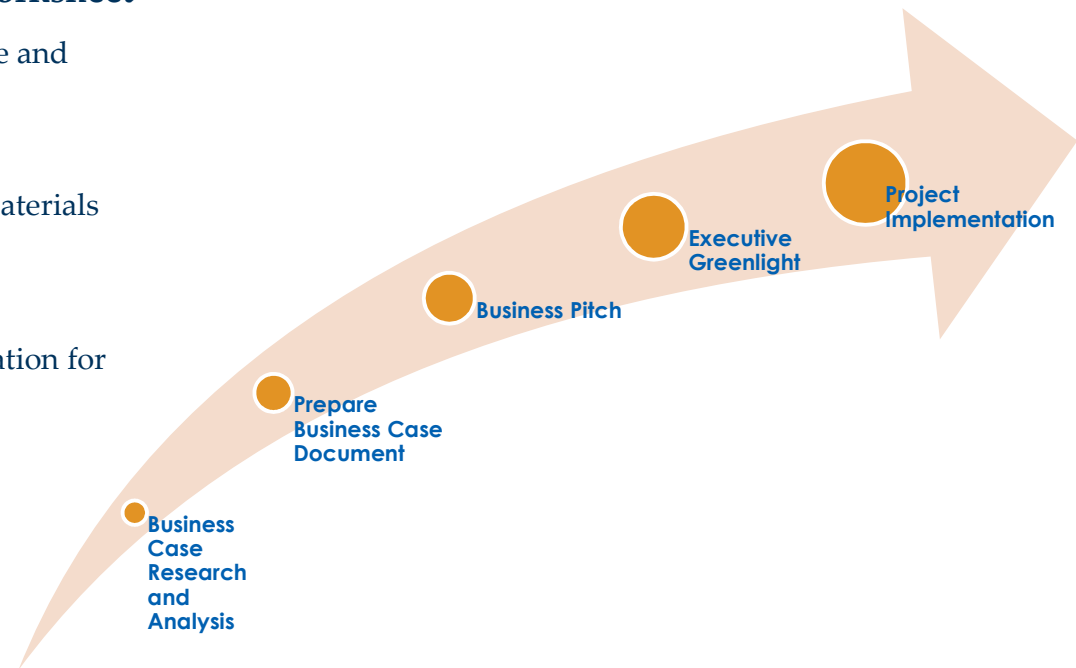
Provides the foundation for your Business Case materials

- **Prepare Business Case Document**

Uses the Business Project Worksheet as the foundation for developing your argument proving that your recommendation is viable

- **Business Pitch**

Presentation to decision makers





BUSINESS CASE



Business Case

Written or verbal presentation that is intended to educate a decision maker and convince them to take some kind of action.

BUSINESS CASE

STRUCTURE AND ELEMENTS

Producing A Business Case Document

- **Remove the Research Plan**

Do include who you talked to and where you collected data in the *Evaluation of Options* and *Recommended Path Forward* sections

- **Add Implementation Plan Section**

Include the basic timeline, resources required, and costs of implementation

- **Add Executive Summary**

Typically written after the remainder of document is finished, sometimes is the only section an Executive reads, includes essential points in the same order as the full document

| Business Project Worksheet |
|--|
| Business Problem/Opportunity Statement |
| Situation Analysis |
| Research Plan |
| Evaluation of Options |
| Recommended Path Forward |

| Business Case for Project Name |
|--|
| Executive Summary |
| Business Problem/Opportunity Statement |
| Situation Analysis |
| Evaluation of Options |
| Recommended Path Forward |
| Implementation Plan |

Proposed project scope influences size and detail of document

BUSINESS CASE

KEY POINTS

Business Case Description

- the document should be brief and convey only essentials
- make it interesting, clear and concise
- eliminate conjecture and minimize jargon
- demonstrate the value and benefits the project brings to the business
- describe your vision of the future
- ensure consistent style and readability
- do not repeat information the audience is already familiar with

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| Business Case for <u>Project Name</u> |
|--|
| Executive Summary |
| Business Problem/Opportunity Statement |
| Situation Analysis |
| Evaluation of Options |
| Recommended Path Forward |
| Implementation Plan |



EXECUTIVE SUMMARY



Executive Summary

A section of a Business Case that is shared with Executive(s) with or without a verbal presentation, typically written after the full document is completed.

EXECUTIVE SUMMARY

Executive Summary

Typically written after the remainder of document is finished, the Executive Summary sometimes is the only section an Executive reads. Includes essential points in the same order as the full document:

- Business Problem/Opportunity Statement
- Situation Analysis
- Evaluation of Options
- Recommended Path Forward
- Implementation Plan

1. Purpose

To compel the executives to read more by creating interest in learning more about the project and the recommendation.

2. Length

Generally 1-4 pages. Note that 1-2 pages can be printed on one sheet of paper.

EXECUTIVE SUMMARY

4. Structure

- 1) Concise language
- 2) Consider using bullet points
- 3) Summarize each section in the same order as the full business case document
- 4) Focus on recommended path forward including why and why now
- 5) Why now should create a sense of urgency to act now

5. Language

- 1) Match your language to that of the intended audience
- 2) Remember their language is how they hear best
- 3) Language should resonate with audience
- 4) Be prepared to change language for different audiences
- 5) Use personal pronouns such as “we” and “our”



GIVING FEEDBACK



GIVING AND RECEIVING FEEDBACK

Giving Feedback

Most of the feedback offered during the MAX program will be peer based and real-time. Here are three types of short feedback for use during the MAX program.

1. Appreciative

Is a positive reinforcement that encourages repetition of effective behavior.

- Describes the specific behavior.
- Explains why the behavior is valued.

2. Constructive

Is a reinforcement that attempts to discourage repetition of a behavior by providing a more effective and productive alternative behavior.

- Explains a behavior that is more effective.
- Explains why the proposed behavior is valued.

3. Balanced

Feedback that offers both strengths and opportunities to the recipient in one short statement.

- Describes one strength and one opportunity.
- Both should be offered by the feedback presenter as the most impactful points observed.
- Should use one of the following formats or equivalent
 - “What I thought you did well was...”
 - “What I thought you could improve was...”
 - “What was effective was...”
 - “What I thought would make it even more effective was...”

GIVING AND RECEIVING FEEDBACK

Receiving Feedback

The people offering you feedback during MAX care about your success. Therefore, feedback should be viewed as a gift. Here are points to consider, especially when you receive feedback in group environments:

- Ask short questions for clarity if needed
- Do not argue with the feedback offered or offer explanations as rebuttal
- A simple thank you is appreciated and all that is necessary