SELLING SUSTAINABILITY

STEPS FOR CREATING A COMPELLING BUSINESS CASE FOR CHANGE

WHY DON’T THEY GET IT?

To be a great ‘sales person’, it’s crucial to understand the problem your audience is facing... and help solve it. Yet too often when it comes to sustainability, we make assumptions that our concern for the environment and recognition of the many rewards of sustainability are shared by all around us. Most often, that’s not the case.

As change agents, we need to help organisations understand and achieve the benefits that are available to them by implementing sustainability initiatives. This means we need to change our language to suit our audience.

A business case is a communication tool to help influence change. It sets out a logical proposal that supports decision makers to take or approve an action that is of benefit to the organisation.

This tip sheet outlines the main steps that make up a business case (and can be written or not).

THE BUSINESS CASE STEPS

1. SUMMARISE
What are you proposing and what can the organisation gain from this?

2. IDENTIFY THE ‘PAIN’
Outline how current practice is a problem (or pain) to the organisation

3. PROVIDE OPTIONS
Offer 2-4 possible options that all work towards easing the problem and creating new opportunities for the organisation

4. ANALYSE
From a simple ‘pros’ and ‘cons’ list to an in-depth cost benefit analysis, it’s important to breakdown the various options so all factors can be considered

5. RECOMMENDATION
Based on your analysis, offer your preferred option and briefly outline why

6. A PLAN OF ACTION
Your action plan might be implementation or it could be further research, but it’s vital to show the next steps required to proceed

***BEFORE YOU START***

Before you invest your time in developing a business case, make sure you have asked yourself two questions...

1. Will my proposal be feasible, both financially and in alignment with where my organisation is at?

2. Who is my audience and what do they care about? How does this guide what I put in my proposal?
SELLING SUSTAINABILITY (IN DETAIL)

1. SUMMARY
An overview of everything contained in the business case, which shows the reader there is value in them continuing to read.
» A brief overview of why the business case was initiated and methods used to research and decide on the recommended option/s.
» What the case is proposing
» What the organisation could gain, in terms of what these decision makers care about.

2. CURRENT PROBLEM
Do the work to help decision makers understand why current practice is a ‘pain’ to the organisation, in terms of issues they know and care about.

3. SOLUTION OPTIONS
Show a range of options, and the pros and cons of these options in turn. Three is a good number, five is too many. Never present just one predetermined idea.

4. COST BENEFIT ANALYSIS
AND OTHER ASSESSMENTS
Show the benefits and positive impacts of an investment, but also the negative impacts for the business and stakeholder groups.

A cost benefit analysis is the most common form of assessment to compare these positives and negatives. But other assessments are also valuable, such as risk assessment (using your organisation’s matrix for risk) or showing how each solution option aligns with considerations such as the business strategy, vision or current priorities. You can also show fit with legislative requirements, OH&S and environment/sustainability policies, competitor comparisons, or staff, customer or shareholder priorities.

The financial case is a key part of this section. When presenting costs, ensure that you include ongoing as well as short term direct costs in your calculations. It’s also best practice to factor in (where possible) the costs stemming from indirect effects such as reputational risk, competitive advantage, OH&S risk, staff attrition, productivity, and price certainty.

Show the reader how costs vs. savings pan out over time by calculating a payback period for each option. This can be done using the simple formula:

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\text{Payback Period (in years)} = \frac{\text{Initial Investment (\$)}}{\text{Net annual savings (\$ per year)}}
\]

5. RECOMMENDATIONS
State what the preferred option is and explain why it’s preferred, referring to the findings in the previous sections. You should also identify what could happen if this suggestion or project is not adopted.

6. PROJECT OUTLINE
Describe the next steps for the proposal. If implementation is the next step, indicate this. If more research is necessary, explain why.

If you are seeking implementation, provide some ideas on how this should proceed. Include:
» What is needed for implementation – budget, staffing, equipment, other resources, grants, further approval, formal consultation with involved stakeholders etc.

Also include an Appendix or Appendices at the end of your business case, including supporting information such as detailed tables of cost benefit analyses, calculations, charts and reference materials.

BEFORE PRESENTING YOUR BUSINESS CASE
» Triple check your numbers!
» Get input and feedback from others – a ‘critical friend’ will only strengthen your case
» Present your case in a compelling way to the right people, at the right time.

Further Reading:
Energy Efficiency Exchange: www.eex.gov.au
Sustainability Advantage: www.sustainabilityadvantage.com

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staff training -
student interns -
coaching and support -
in-house training design -

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