Insert Logo of Company Here

BUSINESS CASE

FOR

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| Preparation Date | Document # | Revision # | Approved by | Prepared by |
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# Executive Summary

## Executive Summary Purpose

#### The company is currently running 26-year-old software on every employee’s machine, it is severely slowing our business down and losing our customers to competitors. This is an issue that we cannot hide from our customers as we an openly broadcasting for them to help us do our own job. The issue is Microsoft Office 97, which is not compatible with newer versions of Office, so we have to ask our customers to downgrade their Office files so we can open them; this issue affects all our employees at an individual level as they cannot get the latest Office features to help them perform their job more efficiently, and by adding unnecessary delays as they must wait until our own customers give us a format that we can open. By continuing to use Office 97 we are reducing employee overall output, losing customers, and actively working against our own business strategy by slowing down our entire business process, so when a part of our business strategy is to “utilize the latest technology to its fullest extent for business” running a vital application to our business on a near three-decade old version is unacceptable.

## Solution Overview

We are suggesting that the company choose a subscription-based Microsoft Office solution. Not only will this solution resolve the issue of asking our customers to convert their files for us, but it will provide our employees with new and updated features that will reduce time spent on individual projects. Also, by using the subscription model we are preventing a situation such as this from ever happening again, and we will always be either at, or ahead of the standard.

## Stakeholder Analysis

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Name | Role in Org. | Level of Impact/Influence  High or Low | Attitude about Project  For or Against | Communication Preference  RACI |
| Chris P. Bacon | CIO | High/High | For | R |
| Ben O’Dryl | VP of Engineering | High/Low | For | A |
| Helena Hanbasket | VP of Finance | High/High | Against | I |
| Moe Emportent | Operations Director | High/High | For | A |
| Val Halla | Marketing Analyst | High/Low | For | C |

## Assumptions

* The company has the budget to purchase either a perpetual software license or a subscription license plan for the new Microsoft Office.
* The new Microsoft Office can work with Windows 7, Windows 8.1, and Windows 10 operating systems and will be able to upgrade older operating systems later.
* Hiring a server maintainer may be necessary depending on the chosen solution for upgrading, and it may increase customer support, desktop support, and training costs for rollout with a 50% burdened rate on labor per hour for each position.
* The Board of Directors must agree on the decision to upgrade by the end of the month and start rolling out the new software within two months, with the first department chosen for the rollout in five months.
* The engineering department cannot be upgraded from August through December due to increased production schedules.
* The technical writers provided by the engineering department can only assist with the migration half-time as they have regular duties to complete.
* The special non-recurring tax audit will start in six months and will be a month-long effort. Finance also has two regular audits every year in March and November, which must be coordinated with.
* The new software should be compatible with mobile devices, allowing employees to work remotely or on the go when necessary.
* The new software should be able to integrate with other tools and applications used by the organization, such as project management tools or HR systems.
* The vendor providing the new software should offer comprehensive technical support, including software updates, bug fixes, and customer service.
* The new software should have robust security measures to protect sensitive data, such as customer information, financial data, and intellectual property.

## Constraints

* The solution should work with Windows 7, Windows 8.1, and Windows 10 operating systems to enable the upgrade of older operating systems later.
* The solution should not exceed the total budget of $4 million or take more than four years to complete unless completely justified.
* The solution must be approved by the Board of Directors by the end of the month, and the rollout of the new software should begin within two months, with the first department chosen for the rollout in five months.
* The solution should not interfere with Engineering's development schedule during the production schedule increase from August through December.
* The solution must work with the current formulas in Excel and support the creation and posting of financial reports in SharePoint and Power BI.
* If the solution is approved, the cost of the upgrade will require increased server maintainer, customer support, desktop support, and training costs with a 50% burdened rate on labor per hour for each position.

## Requirements

Functional Requirements:

* The system shall be compatible with Windows 7, Windows 8.1, and Windows 10 operating systems.
* The system shall allow for concurrent logins and users.
* The system shall allow for collaboration with customers and suppliers through the internet.
* The system shall provide the ability to read and edit documents, spreadsheets, and Visio files.
* The system shall be faster than the current version of Microsoft Office 97.
* The system shall include Microsoft Project Online with SharePoint for scheduling and task management.
* The system shall generate reports using MS Power BI based on the data.
* The system shall ensure data migration occurs seamlessly.
* The system shall support the continued use of Excel in the manner currently used.

Non-Functional Requirements:

* The system shall be easy to use and have an intuitive user interface.
* The system shall be secure and provide role-based access control.
* The system shall be reliable and minimize downtime.
* The system shall have a minimum storage capacity of 1 terabyte.
* The system shall comply with industry standards for data protection and privacy.
* The system shall be compatible with commonly used web browsers.
* The system shall be able to be faster and less expensive than competitors.
* The system shall have dedicated SharePoint and Email servers for the Operations department.
* The system shall be able to be upgraded to a new software at a later date.

## Alternative Analysis

|  |  |
| --- | --- |
| **No Project (Status Quo)** | **Reasons for Not Selecting Alternative** |
| Keep the current system | The current system is well past its period of use, when the company began asking customers to help us do our job, that’s when it became truly unacceptable to justify the continued use. |
| **Alternative Option** | **Reasons for Not Selecting Alternative** |
| Perpetual License | By using an in-house solution, we are burdening ourselves with a higher yearly cost to run Office as opposed to using the subscription model which is run by Microsoft. |
| **Chosen Solution** |  |
| Subscription License |  |

# Project Recommendation

## Schedule/Milestones

1. See attached Project file

## Risks

Risk score is Frequency multiplied (Do NOT touch this table; Entries are in the next table)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Frequency | Numeric | Description |  | Severity | Numeric | Description |
| Frequent | 5 | Happens most of the time |  | Catastrophic | 5 | Failure of project |
| Probable | 4 | Will probably happen |  | Critical | 4 | Potential for severe delay |
| Occasional | 3 | May happen in some form |  | Moderate | 3 | Potential for moderate delay |
| Remote | 2 | Possible but unlikely |  | Minor | 2 | Potential for minor delay |
| Improbable | 1 | Very unlikely to happen |  | Negligible | 1 | No significant delay |
|  |  |  |  |  |  |  |

What are the risks that can keep the project from being completed? Risk score= Frequency x Severity

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Risk # | Risk Name | Description | Factors | Effect | Freq | Sev | Risk Score | Trigger | Mitigation | Contingency |
| 1 | Software | Software may not be accessible to employees | Using new systems with potentially unfamiliar UX design. | May cause delays in training time | 3 | 2 | 6 | Software is unfamiliar to employees | Hire IT technical support personnel. | Additional training time for employees per department |
| 2 | Compatibility | Software may not be compatible with new systems. | New systems interacting with old data | Data could get corrupted or simply not work with the system. In addition, security could lock functionality on the new devices | 3 | 4 | 12 | Software may not interact seamlessly with new equipment. | Backing up data and inventorying old systems. | Temporary reversion back to old systems until problem is resolved. |
| 3 | Data Transfer | Data transferred could not be fully moved to new systems. | Old data interacting with the new equipment | Data could be lost in transfer to new systems. | 3 | 3 | 9 | Data being lost in the transfer. | Backing up old data on company servers to prevent loss. | Utilizing data backups and captured system images to prevent loss. |
| 4 | Security | Security protocols may hinder data access for authorized personnel | Security protocols not being updated for the new systems. | Inadequate permissions or misuse could lead to the lockdown of new systems. | 3 | 4 | 12 | Unauthorized access, whether intentional or unintentional, locks the new system down. | Hire technical security personnel. | Rescind administrative access to all employees outside of the IT department and reimplement security protocols from scratch. |
| 5 | Budget | We may not meet our ROI goals/our budget may be slashed | New systems | May lead to the abandonment or partial implementation of the project | 1 | 3 | 3 | Delays adding up, budget slashes, etc | Keep in constant communication with CIO | Continue to implement project to best of ability. |

# Justification

## Benefits

By implementing Office Online in place of In-house service the costs of conducting business are greatly reduced. The low-cost server licenses and reduced labor help expand business intelligence. By saving costs on server maintenance and hardware & software licenses Office online produces cumulative benefits of $4.6 million. That’s an outstanding 76% benefit compared to utilizing an In-house platform. Along with the financial benefits of switching, our employees time will be better spent working on actual projects rather than having to wait for customers to convert and send the proper file format allowing to execute files at ease with no backlog, leading to greater client service and business advancement. With online integration through SharePoint and new editions of Office then we will be better equipped to collaborate with our current customer base and expect to attract new customers furthering our competitive advantage and adding adequate upgrade in power management, helping to strengthen our business intelligence. While executing project Office online, the total cost of ownership results in $2,529,317 while producing an internal rate of return of 23.7% or $447,000 by year 3 and an astonishing 164.8% in year 4 or $4,168,683. Meanwhile the rate of return is ought to be seen until year 4 for In-house service, with only 64% of cumulative benefit or $2,615,000 and a total cost of ownership of $4,083,216.

## Impact

If we decide to go with the subscription there will be some employee changes, we will need to hire a project manager to oversee the project. Desktop support for any technical issues that would arise, SharePoint developer as some departments require the use of SharePoint to collaborate with customers and to share files over the internet, software trainer to train our employees in using the new Microsoft office and finally customer support to handle any issues/ questions the customer may have.

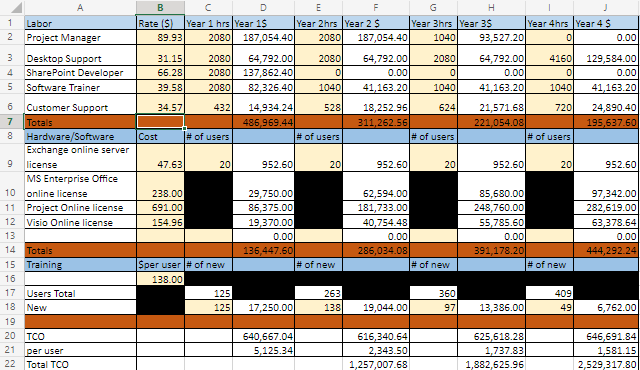
## Personnel Requirements

|  |  |
| --- | --- |
| Type of Personnel | Burdened Labor Cost = hourly cost plus 50% |
| Project Manager | $ 89.93 |
| SharePoint Developer | $ 66.28 |
| Software Trainer | $ 39.58 |
| Desktop Support | $ 31.15 |
| Customer Support | $ 34.57 |

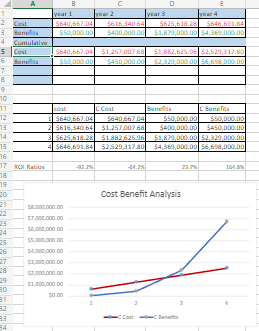
# Cost Benefit Analysis

## TCO

Provide a total cost of ownership



Provide a Return on Investment (ROI) on expenditures required to complete project vs predicted income generated from completing project.

1. 

# Conclusion & Recommendation

In conclusion the situation with our software package when it comes to our Microsoft Office suite is untenable at the current status quo. Running this twenty-six-year-old software has led to inefficiency, data-loss, and reflects poorly on the rest of the company, especially when our competitors are running the latest versions. To fix this, we propose an upgrade of systems running Microsoft 97 to the latest version of Microsoft 365 using the subscription model. This project will be implemented in the time period of four years, with a return-on-investment at 164.8% at the end of the project. This of course comes with a variety of risks, including potential issues for compatibility and data transfer, but the benefits, such as increased work efficiency and the ability to connect with our customers like never before, trump the risks and will close the gap of competitive advantage, keeping our business strategy at peer-level and increasing our profitability.

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<https://learn.microsoft.com/en-us/deployoffice/endofsupport/plan-upgrade-older-versions-office>

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