

# Business Case: Recreation and Wellness Intranet Project

Prepared by: Tony Prince, Project Manager

May 15, 2024

## Problem Statement

As a leading global healthcare services provider, MYH faces significant challenges related to employee health management. Recent assessments indicate that the company's healthcare premiums are substantially higher than the industry average, primarily due to preventable health issues among employees.

## Business Objectives

MYH introduces the Recreation and Wellness Intranet Project, with an allocated budget of \$200,000 and a completion timeline of six months. The objectives are to:

1. Reduce healthcare costs by improving employee health.
2. Enhance employee productivity and morale through structured wellness programs.
3. Offer a tailored intranet solution to promote health management.

## Critical Assumptions and Constraints

The application is designed to offer substantial value by addressing the critical issues of rising healthcare costs and deteriorating employee health within MYH's workforce. The success of the project depends on active employee participation, expected to lead to significant behavioral changes towards better health. This project is constrained by a fixed budget of \$200,000 and a strict six-month timeline. The successful implementation also depends on the IT and development team's capabilities, overcoming potential resistance to change among employees, and ensuring seamless integration with existing systems. Legal and regulatory constraints may also impact the project's scope and execution.

## Analysis of Options and Recommendation

- **Option 1: Do Nothing**

- Pros: Minimal disruption and costs in the short term.
- Cons: Missed opportunity to address rising healthcare costs and worsening employee health.

- **Option 2: Purchase an Existing Application**

- Pros: Quicker implementation with potential access to tested features.
- Cons: Initial costs for licensing, possible misalignment with specific needs, and limited customization.

- **Option 3: Design and Implement the Application**

- Pros: Fully customizable to meet MYH's unique requirements, complete control over features, functionality, and user experience.
- Cons: Longer development timeline and substantial initial investment.

**Recommendation:**

After thorough discussions with management, *Option 3: Design and Implement the Application* is the preferred choice. Despite the initial investment, the benefits of a tailored solution that aligns with MYH's strategic goals and seamlessly integrates with existing systems outweigh the disadvantages.

## Preliminary Project Requirements

- Develop a user-friendly intranet application featuring program registration, participation tracking, and incentive management.
- Offer a range of recreational programs and health-management classes within the application.
- Ensure robust data security and privacy compliance.

## Estimated Budget and Financial Evaluation

**Budget for the Project:** \$200,000.

**Estimated Savings:** Over four years, projected savings amount to at least \$30 per full-time employee per year.

## **Schedule Estimate**

The project is expected to be completed within six months, adhering to the set timeline and project milestones.

## **Potential Risks**

1. Low employee engagement may lead to minimal health improvements.
2. Technical challenges could delay application development.
3. Incentives may not sufficiently motivate employees.

## **Exhibits**

1. Calculation of Potential Savings: The potential savings of \$30 per employee per year over four years, highlighting the project's economic advantage.
2. Return on Investment (ROI): Post-project completion, the ROI will be calculated, comparing the actual savings against the investment.

## **Summary**

The Recreation and Wellness Intranet Project is strategically designed to improve employee health and reduce healthcare costs, aligning with MYH's long-term goals. This comprehensive initiative is expected to generate significant savings and enhance employee wellbeing through targeted wellness programs and innovative health management solutions.