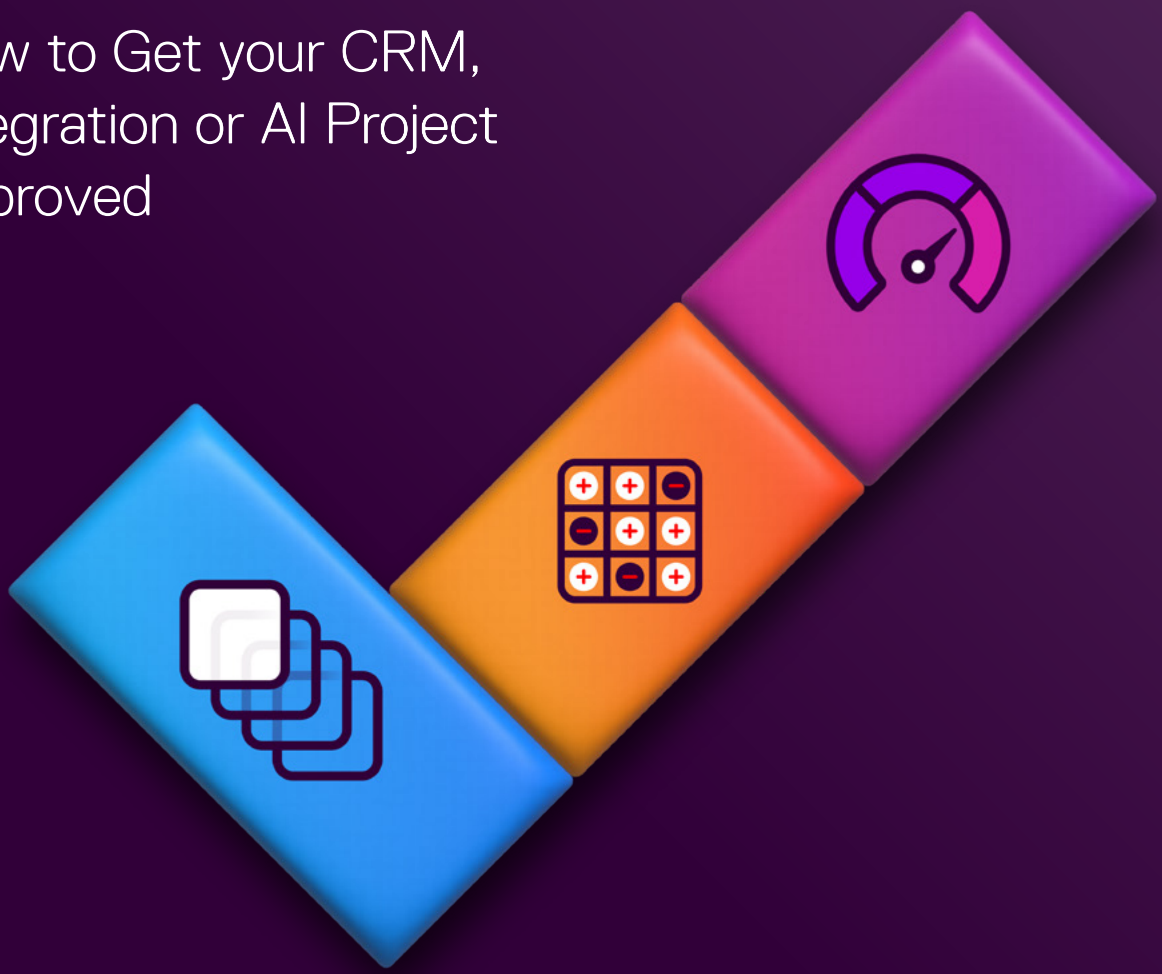
The Business Case for Automation

How to Get your CRM, Integration or AI Project Approved



LAVABOX™

Building Block 1

The 4 Lenses of Value

Make the Business Case Resonate with a Diverse Mix of Stakeholders

Building Block 2

Critical Success Factor Matrix

Evaluate Implementation Partners based on Their Ability to Deliver Value

Building Block 3

Benefits Monitoring Framework

Track and Report Back on ROI and Benefits Post Deployment

Why We've Written This Guide

This guide assumes that the CRM, Integration or AI initiative you are now considering is actually worth pursuing. You've identified a project to meet a key strategic objective, aligned your stakeholders and defined your requirements. Then you've evaluated multiple technology platforms and implementation partners. With proposals in hand, you are ready to make your recommendation to your Board, Executive or Evaluation Team.

This guide is here to help you at this critical stage of the process.

A Note on the Term "Automation"

In this guide, we use the term "Automation" to describe the process of digitising, automating and integrating business processes and systems. Although the business case methodology we recommend can be applied to any customer-centric technology project, the use cases we focus on relate to CRM, Integration and AI platforms.

Your Challenge: Getting Your Automation Project Approved

Have you noticed that securing approval for your technology projects isn't as easy as it used to be?

Despite rapid advancements in CRM, Integration and AI platforms, organisations are cautious about making significant digital investments in the current climate.

When the economy is humming, technology is viewed as an enabler of growth and productivity. A nod towards a strategic goal and a brief discussion with the CFO might be all the scrutiny a project receives.

However, ill-considered technology investments in prosperous periods can lead to projects with ambiguous returns. And when the economy takes a downturn, those ambiguous returns can prompt tough questions like, "Why are we spending $150,000 on software subscriptions for a system that isn't live?" or "Why aren't our teams using the platform we developed?" or "What is the ROI for this initiative?"

This lack of focus on defined business benefits and ROI has understandably led to a degree of scepticism in the C Suite. This could not come at a worse time. In an environment of rising costs and low productivity, businesses are being asked to do more with less. Not to pursue growth at all costs, but to pursue growth and save costs. Automation plays an important role in making this happen.

A well-executed automation project can deliver exceptional business value; both in direct financial benefits, as well as indirect benefits linked to employee and customer experience. Further, CRM and Integration platforms serve as a foundation for customer-centric innovation. They can help speed up development cycles, increase digital agility and unify data to support business intelligence and AI use cases.

It's likely you're reading this because you believe the project you're sponsoring is of critical strategic importance to your organisation. Regardless of its potential and promise, if that value isn't well-communicated to your executive team, it isn't likely to receive the necessary support and resources to bring it to fruition.

Your Solution:
Build a Rock Solid Business Case

This guide is designed to help you clearly communicate the value of your recommended solution to your internal stakeholders. You'll learn how to increase the odds that your project gets the green light by focusing on 3 Building Blocks:

Building Block 1
The 4 Lenses of Value

Make the Business Case Resonate With a Diverse Mix of Stakeholders

Through a working example, you'll learn how to make the business case for investment in your automation project through 4 Lenses: Financial, Employee, Customer and Innovation.

Building Block 2
Critical Success Factor Matrix

Evaluate Implementation Partners Based on Their Ability to Deliver Value

Your project will only achieve its potential ROI if the solution is effectively designed, implemented, used and improved. Most organisations don't possess the myriad of capabilities to deliver complex automation projects. Typically, they bring in specialised expertise from an experienced technology consulting partner.

We'll provide you with a methodology to evaluate potential partners against 7 Critical Success Factors:

1. Business Context
2. Solution Quality
3. Proven Expertise
4. Delivery Methodologies
5. Engagement Structure
6. Cultural Fit
7. Added Value Services

Building Block 3

Benefits Monitoring Framework

Track and Report Back on ROI and Benefits Post-Deployment

For your stakeholders to believe your anticipated ROI and business benefits are credible, you need to demonstrate how they will be monitored and reviewed post-deployment. We'll show you how to use a simple Benefits Monitoring Framework to track the impact of your solution post-deployment.

About the Author

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LavaBox
Managing Director

Justin is the Managing Director of LavaBox, a technology consultancy that helps aspirational organisations to design, digitise, automate and integrate their customer-facing functions using the power of the Salesforce CRM platform. LavaBox's work enables clients to deliver industry-leading customer experiences and productivity.

Justin's journey in business began early. As a 21 year old, he founded, scaled and exited his first company, 123 Online with his good friend and LavaBox Co-founder, John McLean.

In 2015, Justin and John founded LavaBox to help growth companies, mid sized businesses and nonprofits to compete, innovate and thrive in the digital age. At the time of writing, LavaBox has a team of circa 20 Salesforce Architects, Consultants, Developers and Marketers based in Aotearoa New Zealand.

When Justin's not running LavaBox, he's running after his two young kids in the fields of Cornwall Park, near his home in Tāmaki Makaurau Auckland.

Building Block 1
The 4 Lenses of Value

Make the Business Case Resonate With a Diverse Mix of Stakeholders

We all see the world through our own lens. Each of us brings our own knowledge, experiences, concerns and biases. The stakeholder group deciding the fate of your project is no different.

They likely come from different business functions, and have different priorities, goals and levels of technical understanding. Your CEO cares about the project's ability to deliver on the organisation's strategy. Your CIO cares about its effect on the existing enterprise architecture. Your CMO cares about its impact on the customer experience. Your CRO cares about its impact on the top line. Your CFO cares about its impact on the bottom line. And on it goes.

To make the business case resonate with your diverse stakeholder group, you need to make the case for investment through 4 lenses. When combined, these 4 lenses make the solution's benefits easily understood, while naturally addressing the concerns and priorities of each individual stakeholder.

The 4 Lenses are:

1. Financial

How will this solution increase revenue or reduce costs?

2. Employee

How will this solution improve our employee experience?

3. Customer

How will this solution enhance our customer experience?

4. Innovation

How will this solution accelerate our pace of innovation?

Working Example

To illustrate how to make the business case from these 4 lenses, we're going to use a working example:

Meet ABC Wealth

ABC Wealth is a wealth management firm in the financial services industry. They help high net worth clients grow their wealth through investment advisory and management services. They've just won the country's Advisor of the Year award and their client base is growing at a rapid clip as a result.

The Problem

As they bring on more customers, the cost to serve them is growing at the same rate. If they don't implement change quickly, they'll have to grow their Client Service headcount to keep pace.

The Goal

Their Executive has created a new strategy to reduce their cost to serve. One of the goals they've set is to reduce customer onboarding time by 40%. There is plenty of room for improvement.

The Solution

Current State

When a customer needs to be onboarded, it's all managed over email.

Customers complete onboarding documents as **PDFs** and send them to the Client Services team's **Shared Inbox**.

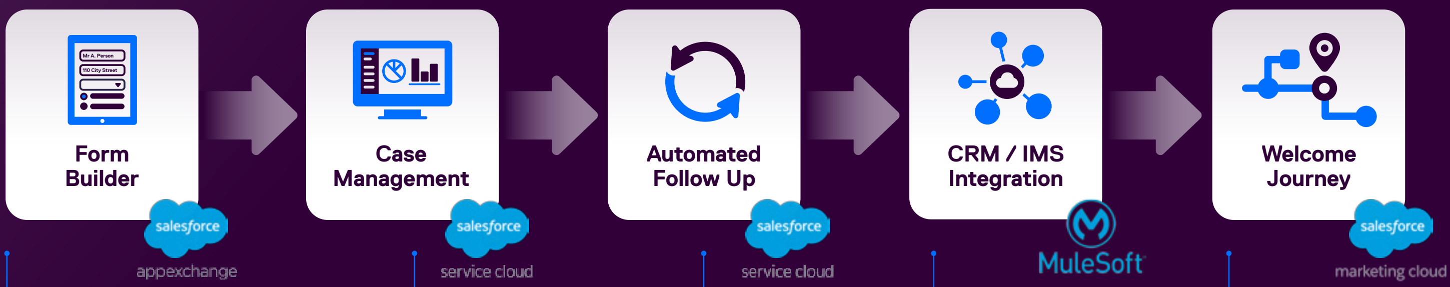
The Team **Manually Follows Up** clients to request incomplete or additional information.

When the client is ready to be activated, the team **Rekeys** information from PDF documents into their Investment Management System (IMS).

Finally, they send a **Physical Welcome Pack** out to the customer.

The Solution

Future State



ABC Wealth has engaged LavaBox's expertise and Salesforce's technology to help speed this process up.

The proposed solution begins with replacing unstructured PDF documents with a **Form Builder**.

The Shared Inbox will be replaced by Service Cloud for **Case Management**.

Manual calls and emails will be replaced with **Automated Follow Up**, triggering time-based, personalised communications.

Re-keying information into the legacy IMS will now be taken care of by Mulesoft's Anypoint platform, with a **CRM / IMS Integration**.

They'll also be saving a small rainforest, with their physical Welcome Pack now being digitised as part of a new **Welcome Journey** with Marketing Cloud.

This new solution sounds great in theory. But in this environment, they're going to need a rock solid business case to get this over the line with their board. Let's take a look at how they frame the business case through the 4 Lenses of Value: Financial, Employee, Customer and Innovation.

Financial Lens

How will this solution increase revenue and/or reduce costs?

Let's look at how ABC Wealth views the future state solution through the Financial Lens, using the Credible ROI Model.

The Credible ROI Model

Software vendors frequently employ ROI models to bolster their sales process. However, these models can sometimes face scepticism from evaluation teams, primarily for two reasons.

First, customers often neglect to conduct a comprehensive analysis that determines baselines, evaluates current state processes, and pinpoints where the proposed solution would deliver its benefits.

Second, many software vendor ROI models lean heavily on success metrics from customer surveys. Claims like "customers typically see a 10-20% uplift in lead conversion with our product" can ring hollow. Without a clear rationale of how the product will achieve this increase for a specific customer scenario, these assertions can lack genuine impact.

The Credible ROI Model is designed to address these concerns.

How to Build Your Credible ROI Model

1. **Define the Goals**
   What quantifiable metric/s are you trying to improve?

2. **Establish the Baseline**
   What's actually happening now?

3. **Estimate and Rationalise Benefits**
   What do you expect will happen? Why do you expect it will happen?

4. **Calculate Costs**
   How much are you proposing to invest in software and services?

5. **Calculate ROI**
   How much additional revenue or reduced costs are you expecting to deliver relative to the investment over time?

Calculating the Solution's ROI

Let's see how ABC Wealth puts the Credible ROI Model into practice in a simplified spreadsheet:

1 Goal	Cost Per Unit	Volume	2 Baseline	Current Cost	Target	Future Cost	3 Est. Benefit
Reduce Customer Onboarding Time by 40%	$50	5,000	10	$2,500,000	6	$1,500,000	$1,000,000

Return On Investment				
Year	**Total Costs**	**Total Benefit**	**Net Benefit**	**ROI**
Year 1	$250,000	$660,000	$410,000	164%
Year 2	$150,000	$1,000,000	$850,000	567%

1 Define the Goal

ABC Wealth has set an ambitious goal to reduce customer onboarding time by 40%. This goal supports their broader strategic objective to reduce cost to serve.

2 Establish the Baseline

To do this, they've confirmed:

> **Cost Per Unit:** $50 per hour - based on the average salary of the Client Services Team

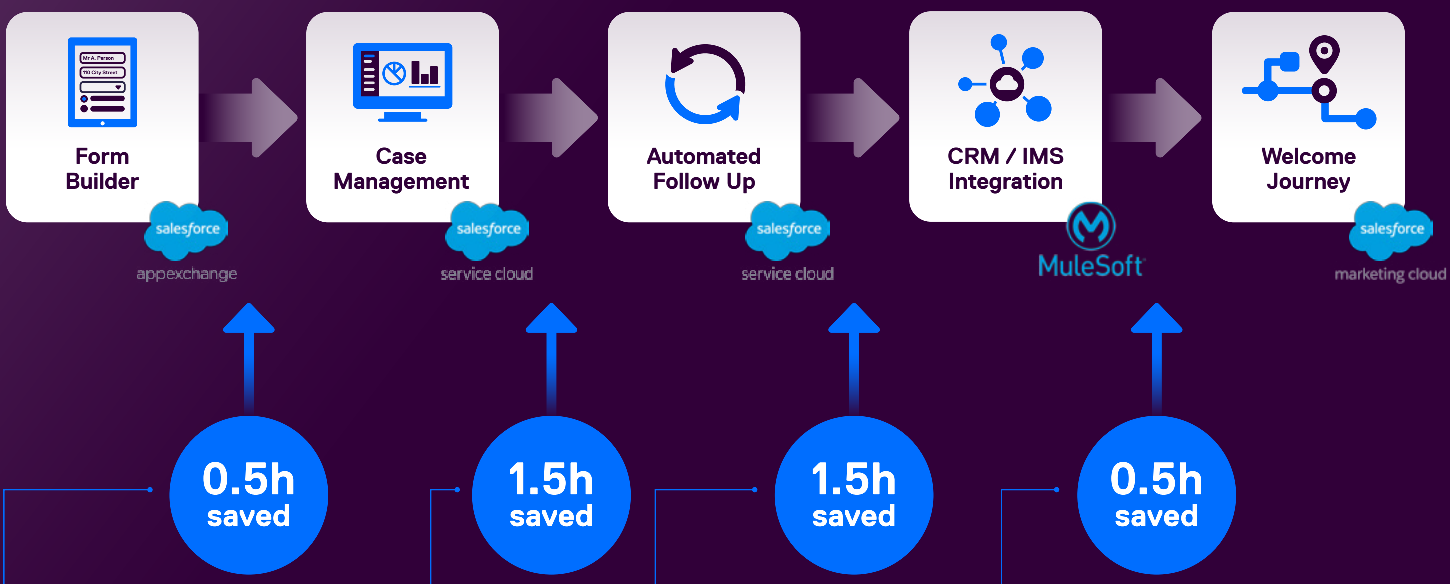
> **Volume:** 5,000 - the number of customers they expect to onboard over the next 12 months

> **Baseline:** 10 hours - they've reviewed historical data and observed their Client Services Team working to the current process, and have calculated that it takes them 10 hours to onboard each customer in total

> **Current Cost:** To onboard 5,000 customers x 10 hours per customer x $50 per hour, it will cost the business $2.5m in salary expenses at their current clip.

3 Estimate and Rationalise Benefits

What do they think will happen, and why do they think it will happen? Let's take a look at the future state solution to do this:



Now instead of customers emailing unstructured PDFs, they'll complete digital forms that send data straight into their CRM for 0.5h saved per customer.

The Shared Service Inbox will be replaced by their Case Management System, with automated follow up to collect outstanding information for 1.5h saved per customer.

Their CRM and Investment Management System Integration is expected to save 1.5 hours of rekeying information to set up a new customer.

The Welcome Pack will now be digitised and sent as part of a new Welcome Journey, with an estimated 0.5h saved by not having to print, assemble and post.

They believe this will deliver a 40% reduction in customer onboarding time, from 10 hours in the Baseline down to 6 in the Target. This will provide an Estimated Future Cost of $1.5m, with an Estimated Benefit of $1m annually.

Calculating the Solution's ROI (continued)

Goal	Cost Per Unit	Volume	Baseline	Current Cost	Target	Future Cost	Est. Benefit
Reduce Customer Onboarding Time by 40%	$50	5,000	10	$2,500,000	6	$1,500,000	$1,000,000

Return On Investment	4			5
Year	Total Costs	Total Benefit	Net Benefit	ROI
Year 1	$250,000	$660,000	$410,000	164%
Year 2	$150,000	$1,000,000	$850,000	567%

4 Calculate Costs

In year 1, the proposed solution will cost $100k in software licences and $150k of implementation services, for a Total Cost of $250k. In the second year, the licences remain at $100k, with a more modest continuous improvement budget of $50k, for a Total Cost of $150k.

5 Calculate ROI

The implementation is expected to take 3 months, with 1 month of change management and iteration, so benefits will only be delivered for 8 months of the first year. This means they're expecting a Year 1 Return of $660k versus the full $1m. From their $250k costs, this gives a 164% year 1 ROI. With a full year of benefits and reduced services costs, the Year 2 ROI becomes much more interesting at 567%.

Best Practices

When producing your Credible ROI Model:

Improve what matters most	Ensure your goals are aligned to your business strategy, and have enough volume of revenue generated or time saved associated with them.
Get an accurate baseline	Find out what's actually happening now. Sit with employees to watch how they work. See how long tasks take them. Understand their pain points. Map the current process so there's clarity on the sequence of steps you're trying to improve. Most importantly, gather the data to establish baseline metrics. If you're working across multiple systems or spreadsheets, the historical data will likely be there, but it may need to be consolidated. This work is well-worth the effort. Remember, if you don't have a baseline, you cannot measure improvement.
Use conservative estimates	When estimating benefits related to KPI improvements, use conservative assumptions. Similarly, when estimating costs, remember that technology projects are notorious for scope creep resulting in budget overruns. Assume your project will come in 10-30% above your initial estimate and factor this in. Being conservative helps avoid a debate with your stakeholders around the validity of your assumptions.
Tightly link benefits to the solution	Ensure you've created a logical connection between the benefits you're expecting, and the solution's capabilities. If stakeholders can't easily connect the dots, you're sure to encounter scepticism.
Allow time for benefits to ramp	Benefits only begin to be realised once the solution is implemented and being used by the organisation. It's also likely that the solution will deliver further-benefits once it's optimised, or when further road map enhancements are released. Factor these into your projections. It's typical to see a more modest Year 1 ROI, before the returns hit their stride in Year 2.

Employee Lens

How will this solution improve our employee experience?

Automation isn't just about increasing productivity for the company's benefit. It's about creating more satisfying, valuable experiences for your people. Let's look at how ABC Wealth views the solution's benefits through the Employee Lens.

Accuracy

The Form Builder has in-build data validation, ensuring information is captured correctly at the front end of the process. This provides the team with assurance that the information they're working with is true and complete.

Clarity and cadence

Case Management supports the team with a single customer view and automated prioritisation. This takes away questions like "what do I need to focus on next?" This helps the team stay productive and in rhythm.

Accountability

Good people like to know if they're performing. As employees work to their new process, data is collected to measure performance against KPIs.

Ownership

When a process isn't digitised, it can't easily be improved. But when it's built on a flexible, cloud-based platform, it can be analysed and optimised. The new solution enables the team to have a say in the way the work gets done.

Removes low value work

Without needing to chase clients for documents or to print and send welcome packs, the team will be able to focus on more valuable client interactions.

Enables flexibility

Given the legacy IMS system was on premise, work could only be done in the office. Now, with IMS data integrated with their cloud-based CRM, the team can enjoy flexible working options.

Best Practices

Although it may be challenging to quantify your project's direct impact on employee experience, the indirect benefits can still be clearly articulated in a way that resonates with your stakeholders.

When communicating the solution's benefits from the Employee Lens:

Amplify the voice of employees

Understand the challenges your people face with current systems and how they're impacted. Employee perspectives, especially when presented as direct quotes in your stakeholder presentations, can offer compelling, real-world evidence of the need for change.

Create a baseline for TSAT (Technology Satisfaction)

Before kicking off your project, conduct a comprehensive survey to gauge employee satisfaction with existing digital tools. This initial assessment will serve as a baseline. Post-implementation, periodic surveys can help quantify improvements, highlighting the tangible impact of your initiative.

Communicate your change management plan

One of the greatest underlying stakeholder concerns is that new digital tools won't be embraced by employees. Ensure your presentation articulates how you'll prepare for change. This should include how you'll engage key users throughout the design and development lifecycle, deliver training and enablement, and seek user feedback to drive continuous improvement.

Address risks and ethical considerations head-on

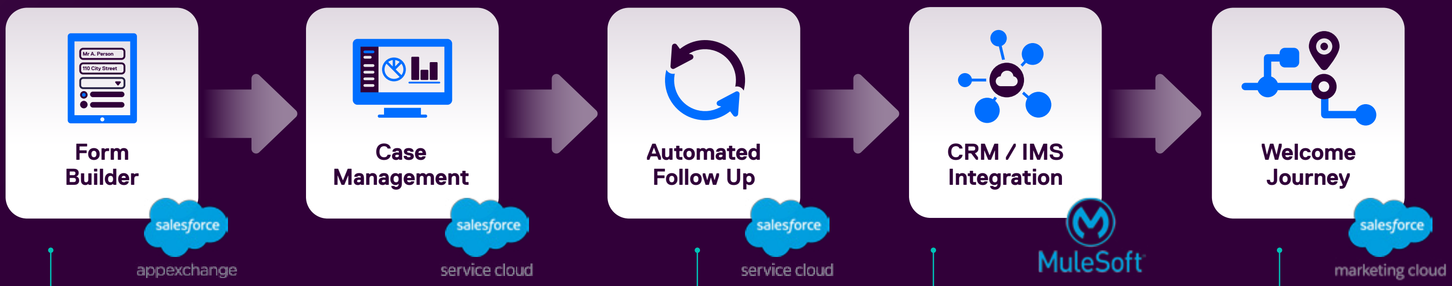
While automation presents significant benefits, it also can pose risks and ethical challenges. If your automation project brings the perceived or actual risk of job displacement, adopt a human-centric approach. Assess the potential impact on the workforce and actively involve those affected. Solutions may include creating transition plans, reskilling programs, job redesign, or even assisting affected employees in finding new employment opportunities.

Customer Lens

How will this solution improve our customer experience?

It's easy to forget that there is a customer on the other end of all of these systems and processes. They're experiencing the downstream consequences of their effectiveness, for better or worse.

Let's look at how the future state solution improves the ABC Wealth customer experience:



Smoother application process

Unlike static PDFs, the Form Builder enhances the user's experience. It auto-fills known details, dynamically updates based on prior responses, and ensures required fields are completed correctly the first time around, streamlining the application journey.

Quality conversations

When a client needs to speak to one of the team, the representative has all of the relevant information on hand. From their investment goals, to fund performance, it's all there.

Helpful prompts

If information is still needed before a client can be activated, the system automatically follows them up at the right time with clear instructions on what they need to do next.

Faster activation

With accurate data captured and fed between systems, the end result is a faster activation. It takes both the business and the client less time to complete the process.

Personalised experiences

The new Welcome Journey delivers a sequence of personalised touch points that are tailored to the client's financial goals and investment strategy.

Best Practices

Similarly to employee experience, customer experience benefits are indirect. However, the ability to respond quickly to enquiries, support teams with a single customer view, and deliver personalised digital experiences can flow through to achieving key strategic objectives.

To help your stakeholders connect the dots, create a table that links customer experience benefits to their corresponding KPIs and strategic objectives. Here are a few examples from the ABC Wealth scenario:

Benefit	Related KPIs	Related Strategic Objective
> Smoother Application Process	> Application Abandonment Rate > Time to Activation > Average Customers Onboarded Per Rep	> Increase New Customer Acquisition
> Quality Conversations	> Customer Satisfaction (CSAT) Score	> Reduce Customer Churn
> Personalised Experiences	> Net Promoter Score (NPS) > Customer Lifetime Value (CLV)	> Strengthen Brand Loyalty and Reputation

Innovation Lens

How will this solution accelerate our digital agility?

ABC Wealth's solution will contribute to a strong operational backbone of digital processes, integrated systems and well-governed data. This will enable them to increase their digital agility - the ability to rapidly leverage new digital technologies to improve processes, enhance experiences and bring new offerings to market.

Let's look at a few innovation examples to see what ABC Wealth could build on top of this foundation:

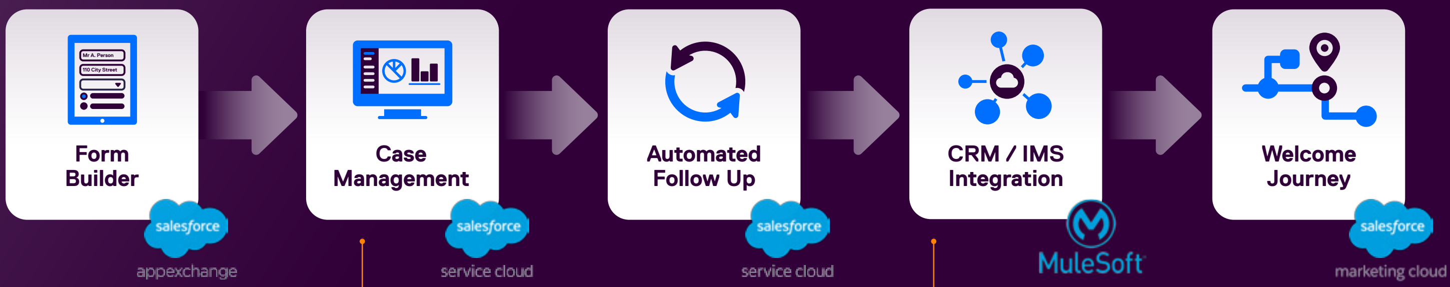
Investor portals or mobile apps

The CRM platform will become the master record for customer data. This rich data can now be surfaced in an investor portal or mobile app, enabling clients to track fund performance and progress towards their financial goals.

Generative AI for customer service

AI models like Salesforce's Einstein GPT can be trained on historical service cases and knowledge base articles. This enables ABC Wealth to deploy chatbots and dynamic knowledge bases to help clients resolve straightforward service issues. For more complex cases, Generative AI can act as a copilot for the Client Services team. A user's prompt is grounded in the relevant CRM data, such as a client's financial or fund information before calling external Large Language Models (e.g. OpenAI, Anthropic). This delivers a highly-contextual response for the rep to curate before responding, saving significant time while improving the overall quality of the response.

Innovation Lens (continued)



Predictive AI for retention and advisor recommendations

CRM machine learning models such as Salesforce's Einstein Prediction Builder can analyse, learn and act upon historical CRM data.

For example, the model may discover that when a client has both a low satisfaction score and negative investment returns, there is an elevated increased risk of churn. When these conditions are met, Client Services can be informed so they can proactively address issues, improving retention rates. Additionally, machine learning AI models can analyse client attributes such investment goals and appetite for risk to provide customised investment advice. This enables ABC Wealth's advisors to efficiently provide tailored recommendations to clients.

Reusable components

ABC Wealth's investment in Mulesoft's Anypoint Platform for their IMS integration will speed up development cycles for future integrations by reusing development components like APIs, templates and connectors.

Data governance

Mulsoft's Anypoint Platform ensures ABC Wealth's data remains accurate, consistent and secure across multiple systems. By synchronising updates and enforcing quality checks and security protocols, the integrity of client data is maintained.

Lifecycle personalisation

The Welcome Journey can be the first of many, laying the foundations for ABC Wealth to personalise their marketing communications and touch points across the customer lifecycle. Whether the objective is to offer a new fund to a particular client profile, or deliver personalised fund performance updates, they have the data points and marketing technology they need to communicate with precision.

Best Practices

The Innovation Lens is less about the current project's ROI. It's more about how this project will enable the organisation to compete and thrive into the future. A strong operational backbone of automated processes, integrated systems and well-governed data makes innovation possible.

When communicating the business case from the Innovation Lens:

Show stakeholders what's possible through a visionary roadmap

If the project involves an investment in a new technology platform, position it as a foundational element to deliver on an overarching vision and strategy. Highlight potential future phases that could build upon this foundation, illustrating the platform's cumulative impact on innovation and competitiveness.

A word of caution: if you're seeking approval for a more tactical project designed to deliver targeted quick wins, trying to elevate the conversation to a higher strategic level may be counterproductive. Do what's appropriate given the nature of your initiative.

Highlight the importance of AI readiness

At the time of writing, we are on the cusp of an AI revolution. Although ChatGPT has become the fastest app in human history to reach 100m users, enterprise adoption of AI is still in its early stages. This is less about the capability of the technology, and more about the readiness of organisations to embrace it.

Many organisations are yet to implement the necessary ethical, data governance, privacy and security frameworks. These frameworks are crucial in bridging the trust gap that can otherwise impede widespread AI adoption. Investing in these areas is like preparing to surf a colossal wave. Without them, your organisation risks a wipeout when the AI wave fully hits. With them, you are set to ride the wave successfully, backed by clean, unified data, digitised processes, and alignment between your organisation's values and AI strategy. If your project is contributing to AI readiness, make sure this is highlighted to your stakeholders.

Emphasise both immediate benefits and future-ready foundations

Ensure your stakeholders understand that while immediate gains will be realised, significant value also lies in the project's ability to set the organisation up for future success. The project is an investment in creating a strong operational backbone, which will enable rapid adoption of new technologies as they emerge, keeping the organisation competitive in the long term.

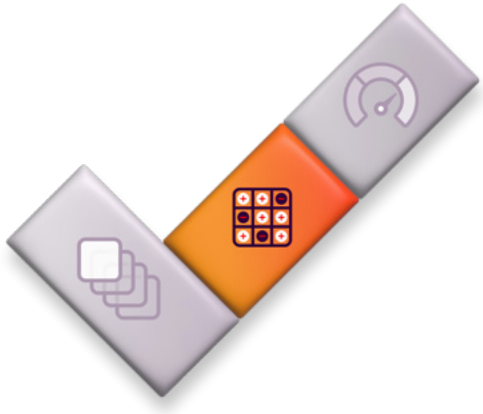
In Summary

Often only the Financial Lens is considered when making the business case for an automation project. But all 4 lenses matter: Financial, User, Customer and Innovation. Making the case through the 4 Lenses will help you communicate the holistic value of your solution to a diverse stakeholder team.

When presenting the business case, remember that not everyone is as close to the evaluation as you are. Clearly articulating the current state solution and its challenges, versus the future state solution and its benefits is the key. Keep it high level, but be prepared to go deeper when your assumptions are challenged or more targeted concerns are raised.

If you've used the Credible ROI model and are seeing a strong financial return, and there are also indirect benefits related to employee retention, improved CSAT or faster development cycles, you've got a winning business case on your hands.

Building Block 2
Critical Success Factor Matrix



How to Evaluate Implementation Partners Based on Their Ability to Deliver Value

Imagine: You're presenting your solution to the board through the 4 Lenses. It's going well. They understand the solution's value. They believe your ROI projections are credible. Then you get a curve ball thrown at you from your CFO: "Why should we use the implementation partner you've recommended? Their quote is significantly higher. Can't we get a better ROI if we use a less expensive option?"

How would you answer this? Many project sponsors struggle to communicate the value of their recommended implementation partner. This is often because their stakeholder group has not engaged with the partner directly. The expertise the partner has demonstrated in the sales cycle through discovery workshops, proof of concepts or design blueprints is difficult to package for Exec, Board or Steerco consumption.

This can result in the Project Sponsor waiving the white flag and going with a cheaper option to appease their stakeholders. In our experience, this usually does not end well.

As we've highlighted, the solution will only deliver it's anticipated business value if it is effectively scoped, designed, built, released and continuously improved. It also requires effective project and change management. Your chosen partner will likely play a key role in these areas, ultimately impacting your project's ability to successfully deliver the intended benefits and ROI.

This section will help you to make a confident partner recommendation that holds up under stakeholder scrutiny.

The 7 Critical Success Factors

In our experience, when clients are assessing potential consulting partners, they often lack defined evaluation criteria. This can make any kind of even-handed evaluation challenging to undertake. It also can appear to stakeholders that the process lacked rigour.

At LavaBox, we often provide prospective clients with our Critical Success Factor Matrix, and encourage them to evaluate us and any other partners they're considering against the same criteria. Typically, clients respond with "Thank you! I was trying to figure out how to make something like this myself."

The factors themselves and their suggested weightings are based on our experience. We believe they are relatively universal in their applicability when evaluating partners to deliver complex technology projects. Of course, you are welcome to use these as-is, or adjust them to support the specifics of your evaluation.

Confidence Rating Scale

Critical Success Factors (CSFs) are scored based on the degree of confidence you have in the partner's ability to excel in each CSF area. This confidence may be gained through high-quality discovery conversations, workshops, design blueprints, delivery frameworks, proof of concepts, demos, proposals, presentations, case studies, references, certifications or thought leadership content.

8 - 10: High Confidence

We have a high level of confidence in the partner's ability to excel in this area. They have demonstrated a high level of expertise in this particular category, and we are confident that they can effectively deliver the desired outcomes in this area.

4 - 7: Medium Confidence

We have a moderate level of confidence in the partner's ability to excel in this area. While there are some positive aspects, we still have certain concerns. We acknowledge their expertise and experience, but have reservations about their ability to deliver the desired outcomes in this area.

1 - 3: Low Confidence

We have little to no confidence in the partner's ability to excel in this area. We have significant concerns and doubts about their expertise, experience, or capability in this particular aspect. We do not believe they can effectively deliver the desired outcomes in this area.

Critical Success Factor	Weighting	Partner A	Partner B
Business Context - The partner demonstrates a clear understanding of our organisation's: > Vision and Strategic Objectives > Industry and Business Model > Challenges, Opportunities and Priorities > Current State Business Processes and Technology Platforms	20%	10	3
Solution Quality - The proposed solution meets our business objectives, with appropriate: > To-Be Business Processes and/or Customer Journeys > Platform Features and Functionality > Application and Integration Architecture > Configuration and Custom Development	20%	10	3
Proven Expertise - The partner has delivered similar projects in the past to a high standard, which we have validated with: > Customer References > Consultant Certifications > Comparable Named Clients	15%	10	3
Delivery Methodologies - The proposed delivery methodologies are clearly defined and suitable for our organisation, including: > Project Roles & Responsibilities > Implementation Process > Release Management > Change Management and User Adoption > Continuous Improvement	15%	10	3
Engagement Structure - The proposal clearly defines the: > Scope of the Engagement > Assumptions, Risks or Exclusions (if appropriate) > Engagement Model/s, Estimates and Rate Card	10%	10	3
Cultural Fit - We have engaged with members of the partner's sales, leadership and delivery teams, and are confident that they: > Align with Our Values > Will Be Enjoyable to Work With > Are Committed to Our Project	10%	10	3
Added Value - The partner brings unique value to the relationship, for example: > Best Practice Frameworks, Methodologies and Templates > Strategic Account Direction > Programme Governance > Complimentary Services That Can Support Our Future Road Map	10%	10	3
Critical Success Factor Score	**100%**	**100%**	**30%**

Risk-Adjusting Your ROI Based on the CSF Score

This evaluation will give each partner a CSF score. This score describes the confidence you have in your partner's ability to support the realisation of the intended benefits and ROI. Essentially, a high degree of confidence correlates to a low level of perceived risk, and vice versa.

CFOs commonly utilise Net Present Value (NPV) calculations to assess the financial viability of a project, incorporating project-specific risks into the discount rate. In a similar vein, we would recommend that you discount your ROI projections by the CSF scores to factor in project risk. Let's use a simplified example:

You've evaluated two implementation partners. All factors of the project are the same, except for two variables:

> Partner A has estimated services of $100k, versus $150k for Partner B

> Partner A has a CSF Score of 50%, versus 90% for Partner B

Return On Investment

Year 1 ROI	Partner A	Partner B
Costs (Services)	$100,000	$150,000
Costs (Software)	$50,000	$50,000
Total Benefit	$300,000	$300,000
Forecast ROI	200%	150%
CSF Score	50%	90%
Discounted ROI	100%	135%

Now, armed with your Critical Success Factor Matrix, here's how you might respond when you get that curve ball from your CFO:

"We've evaluated our potential implementation partners against these 7 weighted Critical Success Factors. From our evaluation, we've found that Partner A has estimated services costs of $100,000, but only has a 50% CSF score due to [outline why you're less confident in their ability to deliver the project's benefits and ROI].

Partner B has a higher estimate at $150,000, but they have a critical CSF of 90% due to [outline why you're highly confident in their ability to deliver the project's benefits and ROI].

Although the forecast ROI initially seems more appealing with Partner A at 200%, this is discounted by 50% based on the CSF score. This results in a Discounted ROI of 100%.

Given the increased implementation costs, Partner B has a more modest forecast ROI of 150%. However, given their 90% CSF score, we have a high degree of confidence in their ability to deliver this ROI back to our organisation. Partner B's 90% CSF score results in a 10% discount with a forecast ROI of 135%, versus Partner A's 100%.

Given this, we are confident that Partner B presents a better return on our investment when adjusted for risk."

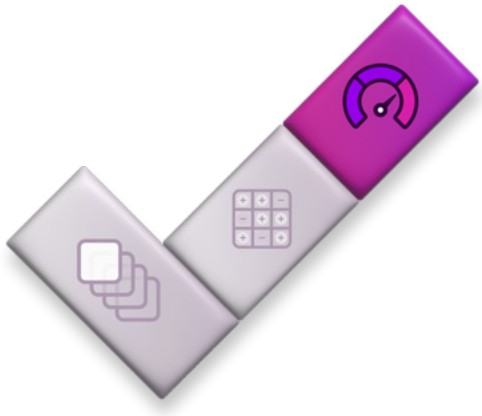
In Summary

Through this process, you are demonstrating to your stakeholders that you have:

1. Conducted a thorough and even-handed evaluation based on clear criteria
2. Acknowledged that the ROI needs to be discounted to factor in project risk (your CFO will appreciate this)
3. Demonstrated that the optimum ROI is achieved with the ideal combination of services costs and Critical Success Factor (CSF) score.

By building upon the 4 Lenses of Business Value with the Critical Success Factors Matrix, you are adding an additional layer of rigour to your business case. Your stakeholders should have increased confidence that your project is set up for success.

Building Block 3
Benefits Monitoring Framework



How to Track and Report Back on ROI and Benefits Post-Deployment

The previous two building blocks focused on identifying and articulating the benefits and ROI of your automation project to your stakeholders. The question then follows, how do you report back on these benefits over time? Taking your stakeholders through your approach to benefits monitoring further-demonstrates your commitment to delivering value.

The final building block will guide you through setting up a simple Benefits Monitoring Framework, ensuring transparency, accountability and an ongoing focus on results.

Example: How ABC Wealth Monitors Benefits Post Deployment

ROI and benefits are often front-and-centre during the evaluation, but they can easily recede into the background once the project goes live. The root cause: monitoring a project's impact post deployment is not always as straightforward as it seems. Let's return to the ABC Wealth example to see why.

Remember, ABC Wealth had a goal to reduce customer onboarding time by 40%. How will they actually know if they've achieved this? On the face of it, this seems straightforward, but there are a few complicating factors to consider.

First, it's unlikely the team is using time tracking software, given they're not a professional services function charging clients by the hour. This means they are unable to track time against each client's onboarding tasks and report back.

Second, the team has responsibilities additional to customer onboarding. They are also managing ad hoc support cases, acting as intermediaries between clients and advisors, and proactively reaching out to clients to introduce them to other services.

The solution is to translate the original goal into a more measurable KPI, while calling out the related assumptions.

Goal

Reduce Customer Onboarding Time by 40%

Assumption

The Client Services Team spends 40% of their time (60 hours per month) onboarding customers

KPI

10 Customers Onboarded, per rep/month (60 hours onboarding time per month / 6 hours target onboarding time per customer = 10 customers onboarded)

Let's see how this can be brought to life in a Benefits Monitoring Table:

1 Goal	2 KPI	3 Baseline	4 Target	5 Results - Q1	6 Progress	7 Owner	8 Review Frequency	9 Report Location	10 Assumptions	11 Notes / Action Items
Reduce Customer Onboarding Time by 40%	Customers onboarded, per rep/ month	6	10	9	90%	Service Manager	Quarterly	CRM Dashboard Link	40% of team time spent onboarding customers	Implement iteration cycles to fine-tune process

1. **Goal:** The overarching objective that the KPI is meant to achieve
2. **KPI:** The Key Performance Indicator being tracked to assess progress towards the goal
3. **Baseline:** The starting point before the automation solution was implemented
4. **Target:** The desired outcome post-implementation
5. **Results:** The actual results achieved in the relevant time period
6. **Progress:** Results versus target, expressed as a percentage or status (e.g. on track)
7. **Owner:** The individual responsible for monitoring and achieving the KPI
8. **Review Frequency:** How often the KPI is reviewed with the stakeholder group
9. **Report Location:** link to the associated report
10. **Assumptions:** Any assumptions made in generating the KPI
11. **Notes / Action Items:** Space for additional notes, observations and required actions

Best Practices

When reporting back to your stakeholders on the realisation of the project's benefits over time, ensure you use:

1. Consistent reviews

Stick to the established review frequency, creating a reliable cadence for progress updates. This consistency builds trust and keeps stakeholders engaged and informed.

2. Transparency and accountability

It's not about looking good, it's about delivering value. If you're not getting the expected results, acknowledge this openly with your stakeholders. Communicate the challenges you're facing, ask for guidance and strive for continuous improvement.

By defining your approach to benefits monitoring in your business case, then staying true to your commitment to delivering value post implementation, you are increasing the odds that your stakeholders will continue to support your programme over time.

In Conclusion

This guide is about more than just helping you get your project across the line internally. It's about setting your project up for success.

This environment of increased scrutiny calls on organisations to be more rigorous and disciplined in the way they approach their technology investments. Building a compelling business case using the 3 Building Blocks takes effort, but if you believe in your project, it's well worth it.

Through the process, you'll find that you're not only creating a business case. You're doing the critical strategic planning necessary for a successful project. You're engaging with business leaders and end users to understand their challenges, opportunities and priorities. You're evaluating multiple technology platforms and partners to inform your approach to solution and delivery. You're analysing current state processes and existing data to establish baselines. You're translating what you've learned into thoughtful recommendations. Finally, you're making your business case resonate with the stakeholders whose support will be critical to your project's approval and success.

By focusing on a project that will meet a key strategic objective, and staying laser-focused on benefits and ROI, your initiative will deliver better value. This will foster trust and confidence with your stakeholders, paving the way for this project's success, and the next.

All the best,

Justin Lanigan
LavaBox Managing Director

LinkedIn

If you'd like to talk to LavaBox about an upcoming CRM, Integration or AI project, we'd welcome the opportunity to explore ways we can partner with you.

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