



Strategic Investment Analysis

Business Case and Instructions for Completing the Business Case

Instructions for Providing Identifying Information:

Fill in the Identifying Information: Name of the Principal Office and Principal Office Project Leader (person responsible for the business case).

Use the Activity Code, the Activity Code definitions and the Activity Code Descriptions provided in source documents created by the Contracts and Purchasing Office.

The Specific Business Function is a short description of the function in the words of the Principal Office.

	Identifying Information
Name(s):	
Project Leader:	
Activity Code:	
Activity Description:	
Activity Definition:	
Specific Business Function:	

Business Function Requirements

Instructions:

Provide a detailed description of the work. Include a description of workflows and work processes.

Describe:

1. The business needs met by the function
2. The relationship of the business function to the Department's Mission and Strategic Plan
3. Any references to the function in the President's budget
4. The impact of not performing this function

In this section it is appropriate to discuss what work is not covered by this function.





Workforce Analysis

Instructions:

For this business function described above and the organization that performs the work, analyze

- a) workforce profiles, showing on-board staff and vacancies by job title and series, retirement eligibility, diversity profiles, supervisory ratios and attrition trends;
- b) results of training needs assessments, and
- c) employee survey data.

Complete the following table to reflect the status of the current workforce. (See OM/HRG for assistance in completing this table.)

Workforce Data	Results
Number of people per job series/activity	
Percent retirement eligibles for management team	
Number/names of activities with retirement eligibility greater than 50%	
Number/names of “key” positions – critical to achievement of mission/critical skills	
Number/names of “key” positions w/ retirement eligibility – critical to achievement of mission/critical skills	
Number/names of successors for “key” positions	
Number of business processes with identified competencies	
Percent of employees trained in competencies	
Number of people (FTE’s) needed to meet diversity targets	
Organization issues emerging from most recent employee survey analysis	
Supervisory ratio	
Organizational layers	

Business Function Projected Changes

Instructions:

Provide a succinct description of the expected changes in the volume or scope of work for the function over the next 3 – 5 years. Identify expected changes in needed skills due to changes in the work and whether current employees have those skills. Include a description of work that is expected to cease, or skills that will no longer be needed.





Business Function Outcomes

Instruction:

Provide a succinct description of the desired outcomes/outputs of this function. Identify the management and program metrics and systems used to evaluate outcomes and outputs. Discuss measures, how they have been used in the past and how they will be used in the future. If there is historical data display it here.

Business Function Impacts

Instructions:

Describe the other PO’s/business areas/external groups (e.g., students, schools, etc.) that are affected by this function and how are they affected. Describe other business processes impacted by this function and how are they impacted. Describe the Department-wide impacts of this function. (Discuss decisions needed from other Principal Offices or at the Department level.)

If metrics are available, use metrics to describe the impacts wherever possible.

Business Function Benefits and Risks

Benefits

Instructions:

Complete the following matrix by supplying for each identified alternative, the expected applicable impact of implementing that alternative on this organization’s performance, business process, and workforce. Discuss the benefits and risks associated with performing the work with Federal employees as compared to the private sector. For each alternative, indicate the likely impacts on performance, the business processes and the workforce. Avoid using the term “inherently governmental.”

Alternative	Performance	Business Process	Workforce
Performing Business Function In-House (without re-engineering)			





Alternative	Performance	Business Process	Workforce
Performing Re-engineered Business Function In-House			
Performing Re-engineered Business Function in the Private Sector			

Risks

Instructions:

Discuss the applicable risks. Indicate likely financial and policy impacts. Indicate how the achievement of Strategic Plan goals might be impacted and any other impacts of each alternative.

Risks	Performing Business Function In-House	Performing Business Function in the Private Sector
Financial		
Policy		
Strategic Plan		
Human Capital		
Other		

Business Function Costs

Instructions:

Describe the current year budget and estimated budget for the out-years associated with business function (e.g., S&E, awards, travel, training, supplies, contracts, IT purchases, etc.) and the cost of conducting the competition, if applicable.

COSTS						
	BY	BY+1	BY+2	BY+3	BY+4	Total
Competition						





COSTS						
	BY	BY+1	BY+2	BY+3	BY+4	Total
Operations						
Salaries						
Related expenses						
Awards						
Travel						
Training						
Supplies						
Contracts						
IT purchases/IT systems						
Other						
Total Costs						
<i>Assumptions</i>						

Business Process Evaluation

Instructions:

Describe in detail why the business process should be re-engineered to perform the work more competitively. Include any “gap analysis” showing why the current business process does not meet the requirements of the desired state. Describe what workflow, de-layering, streamlined approval processes, IT systems support, and/or other areas where changes are needed to make work processes more effective and efficient. Show how these proposed changes address the issues raised by the gap analysis.

Show estimated costs of implementation and cost savings, if any, related to closing the performance gaps and re-engineering the business process. Describe workforce implications, including: a) costs for closing skills gaps through optimal strategies (e.g., training, hiring, and retention) and b) costs for and approaches to redeployment or outplacement, as needed. Describe duties (position descriptions) for the workforce performing the re-engineered process. Identify any needed human resources flexibilities.

Workforce Plans for Addressing Skills Gaps





Instructions:

Use this table to address the following questions:

1. What are the critical skills gaps for performing this function? Address technical, core and leadership competencies. Consider capacities for contract management as needed if certain activities are to be contracted out.
2. Which gaps should be addressed through a) training, b) recruitment/hiring, c) retention, d) outsourcing, or e) other strategies? (Notes: Hiring strategies may include use of term appointments. Retention strategies may include adding complex assignments, providing greater financial rewards, or adding access to work/life programs.)

Critical Skill	Training	Recruitment	Retention	Outsource/Other





Principal Office Recommendation

Instructions:

Based on the above discussion, provide a summary of the principal office’s recommendation on whether this business function should be:

1. performed in-house, as-is
2. re-engineered and performed in house
3. re-engineered and competed, or
4. re-competed (if already outsourced)

Also provide any recommendations that require a change in the organization structure to reflect or support the recommendation.

The senior officer for the principal office must sign the recommendation.

Signed

Date

Recommendation

Instructions:

Based on the above discussion, provide the recommendation that will be made to the EMT by the Strategic Investment office.

The Strategic Investment office director must sign the recommendation.

Signed

Date

