whitecap

Guide to building a

BUSINESS CASE

for custom software

This document is your template for producing a business case for custom software development. By working through these steps, you will increase the odds of securing buy-in and funding, as well as greatly ensure the likelihood of project success.

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Executive Summary

Your executive summary should offer up a brief, clear and compelling overview of the proposed custom software investment. Explain the problem you are trying to solve, the goals and objectives, strategies, proposed investment and projected ROI. It's best to complete this section last, after filling out the sections below.

Overview

Goals & Objectives

- [ ]
- [ ]
- [ ]

Strategies

Key Area	Strategy

Investment & ROI

1. Identify The Business Need

Before any new technology is adopted, you need to know the current lay of the land, and pinpoint your strengths, weaknesses, opportunities and threats. Start by describing the current environment and the business need, which could be a problem or opportunity – or both! Be sure to answer the following questions.

Where are we now? What software is currently being used throughout the organization? Include any hosting, integrations and licenses.

Where do we want to be? Depict the desired future state.

What is the business need? Outline the problem or opportunity facing the organization.

What has triggered the need for change? List the internal and external drivers for change.

How does this business case fit into your overall company business strategy plan?

2. Define Stakeholders & Roles

Ultimately, people are the drivers of change, so establishing the stakeholders and getting buy-in will be critical to project success. Take the time to identify the key players, speak to them about the project and get them on-board.

Who are the key people involved in this project? What are their roles and responsibilities?

Who will serve as the project lead and main liaison?

How can we ensure alignment with stakeholders' strategic objectives?

What strategies can we employ to gain buy-in from stakeholders?

How will communication and transparency be maintained throughout the project?

3. Establish Requirements

Boost impact and control costs by setting clear software requirements. You don't need to have every aspect locked down, but if you meet with potential custom software vendors with a clear picture of what functionalities are key to success, you will be off to a better start.

What are the essential features and functionalities needed in the initial version of the software?

How do these align with established business needs and objectives?

What are the "must-haves" versus the "nice-to-haves" for the MVP?

What methods will be used to gather and validate requirements?

How might requirements evolve over time as the project progresses?

4. Define Success Metrics

How will you measure success? Develop a concise but comprehensive list of metrics as the foundation of your business case.

What key performance indicators (KPIs) will we use to measure the success of the project? How do they align with organizational goals?

What specific outcomes do we expect from implementing custom software?

How will success be quantified in terms of operational efficiency, customer satisfaction, or revenue growth?

What benchmarks will be used to track progress toward these goals?

How will success metrics be communicated to stakeholders throughout the project lifecycle?

5. Costs, Benefits & ROI

While all eight of these steps are important, your ability to show that the benefits outweigh the costs will be extremely persuasive to project decision-makers. Do research to be able to provide details on these critical components.

What are the estimated costs associated with custom software development?
See: Tips for Planning and Budgeting for Custom Software.

What qualitative and quantitative benefits can be expected from the project?

How will the software investment contribute to organizational productivity and competitiveness?

What methods will be used to quantify the return on investment (ROI) over time? How will ROI be presented to decision-makers?

How does a custom software trump an off-the-shelf SaaS solution?
See: How to Decide Between Off-the-Shelf and Custom Software.

6. Risks & Mitigation Strategies

When it comes to change, there's always some level of inherent risk involved. Acknowledge and address the potential risks associated with implementing custom software. Show decision-makers that you have taken these questions into consideration.

What potential risks are associated with implementing custom software?

What strategies can be employed to mitigate each identified risk?

How will scalability, security, and compliance requirements be addressed?

What are the risks of maintaining the status quo?

How will risk assessment and mitigation be integrated into the project plan?

7. Outline An Action Plan

You need to plan, implement, and monitor the proposed technology in relation to a clear and realistic timeline and budget. Use your responses to the questions below to build your action plan.

What is the proposed timeline and budget for the project? What are the key milestones and deliverables?

How will resources be allocated to support the implementation of custom software?

How will decisions be made and communicated throughout the project lifecycle? Who needs to sign off on each phase?

What change management strategies will be employed to facilitate user adoption?

How will we remain agile if the project plan needs to be adjusted based on feedback and evolving requirements?

8. Plan For The Future

Remember that your custom software project doesn't end after deployment. It's crucial to monitor for continuous improvement like adding features, functionality and bug fixes. Plan for additional development phases as needed.

Does our software need to be monitored 24/7? What level of ongoing support do we need?

How much budget do we need to allocate to ongoing maintenance and support?

How will our hosting, licensing and data storage needs and costs change as we grow?

What phased improvements or feature additions do we want to see?

Pro Tip: A good rule of thumb is to allocate 20-30% of the original development budget towards ongoing yearly maintenance and enhancements. That's on top of any phased improvements or feature additions.

Next Steps

By now you should have a better understanding of your proposed technology change initiative. The next step is for a software development partner to do a deep dive into your project and help put together an implementation plan. Ready to get started? Let's chat.

About Whitecap

Whitecap is a leading custom and platform software solutions provider in Canada. We help organizations of all sizes to reimagine and transform their business through the delivery of high-quality, secure software solutions, meticulously tailored to meet their specific requirements.

Our expertise lies in creating custom software solutions and platform-based applications, designed to address individual business needs. Our software also seamlessly integrates with your existing systems, providing both customization and configuration.

We strive for excellence in our work by employing proven industry leading technologies and best practices in software development with a particular emphasis on security, UI/UX design and accessibility.

Our highly regarded, experienced local team is our greatest asset. Our detailed planning and software development process, combined with our ability to be nimble and flexible, enable us to deliver exceptional value to our customers.

Industry Recognition

Contact

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