

## CASE STUDY

# JUSTIFYING CAPITAL INVESTMENTS

Now more than ever it's a given: organizations need to extract the most value from each dollar spent on their business – on capital investments, on human capital, on operations. Tshibanda & Associates, LLC specializes in partnering with organizations to achieve optimal operational efficiency and maximize the investments made in systems and people.

We have a **proven track record** of applying our expertise and tools to deliver successful outcomes and long-lasting, measurable results to clients across many industry sectors.

We bring a **partnering mentality** to each engagement, and are committed to your success. Every project begins with a thorough understanding of your business and your unique needs.

At Tshibanda & Associates, we use a number of different methodologies to collect information about your organization, gain insight, and formulate and implement recommendations for your business. We involve both the process owners and senior leadership to promote knowledge transfer, ownership of results, and dedication to the implementation of recommendations. The following case study illustrates our approach and the value we deliver to our clients.



“We documented and prioritized over 1,300 business and technical requirements.”

### The Problem:

A major organization wanted to replace a set of legacy systems that supported human resources, payroll, benefits and finance functions. The legacy systems were inadequate in many ways. They did not support nor facilitate the client’s strategic direction. There were significant limitations in features and functionality, and excessive manual processing was needed to extract, analyze and report on financial and HR data. Tshibanda & Associates was engaged to develop a business case for implementing an ERP system that would enable improved business practices and automation of financial, human resources and payroll functions.

### Our Approach:

In our experience, a project’s success depends on good planning and on collaboration with *all* stakeholders to deliver a solution. Our first step was to identify the individuals and groups that had a vested interest in the outcome of the project and assemble a project team. These included the executive sponsor as well as the department sponsors that would be directly impacted. We worked with them to clarify all the business needs and with that input proposed an approach that consisted of four distinct phases: defining key requirements; developing and issuing an RFP; evaluating vendor proposals; and developing the business case and recommendations. We then held a formal project kickoff to introduce the Tshibanda team to key project team members and management, to finalize our approach, and to communicate the objectives and schedule to the project team.

During the first phase of the project we reviewed all available documentation from relevant internal and external sources. We conducted over 40 hours of interviews with stakeholders to define detailed business and automation needs. Finally,



we reviewed current processes and flows of information. This rigorous data gathering allowed us to develop a detailed understanding of what was most important to the client, and to identify significant gaps between the current technology and the organization's longer-term needs. At the end of this phase, we had documented and prioritized over 1,300 business and technical requirements in 11 separate categories.

For the next phase of the project, we prepared and issued a comprehensive RFP that asked vendors to provide general information as well as specific responses on the prioritized requirements. We also made sure that the RFP clearly identified the expectations of the client and current environments.

We then began the rigorous process of evaluating the vendors' proposals. This included scoring the responses using a detailed evaluation model and conducting follow-up review sessions with vendors to clarify responses. Our assessment considered the vendor's functional and technical fit as well as references and pricing.

In the final phase of the project we prepared a detailed business case that incorporated assumptions around the costs of the legacy systems, and the costs and benefits of implementing a new system. We also included expected benefits that could not be readily quantified; in our experience, these provide clients with valuable input during the decision-making process. In the end, we were able to show not only that a new ERP system could be financially justified, but that it was the right business decision.

“We identified over \$4 million in annual benefits for the client.”

### **The Results:**

Tshibanda & Associates delivered a definitive business case that gave the executive sponsors a strong tool for justifying the project. We identified over \$4 million in annual benefits for the client if a new system were implemented. We helped the client prepare for implementation by including an implementation strategy, a total cost of ownership budget, and a preliminary implementation schedule.

### **About Tshibanda & Associates, LLC:**

Tshibanda & Associates, LLC is a Kansas City based consulting firm that offers a unique alternative to our clients: the same level of service, expertise, experience, standards and quality provided by world class consulting firms from a local and more responsive company. The company was founded in 2001, and is MBE- and DBE- certified. To find out more about our services, or to discuss ways that we can help you extract the most value from your business, contact Oscar Tshibanda, managing partner, at (816) 916-7171, [oscar@tshibanda.com](mailto:oscar@tshibanda.com).

