



# BUSINESS CASE ANALYSIS

## Background

Financial measures have many names. The most widely accepted measurement of valuing projects and implementations today is Return on Investment, or commonly referred to as ROI. This is a single measure with a specific formula for calculation. However, other measures like NPV, Payback period and IRR are also strong financial measures that provide additional insights into the relative benefits of an investment and should not be confused with ROI.

The point is that there are significant differences between these measures and by understanding the uses of these measures, and why they should be considered collectively, a more powerful business case can be written to support your investment decision.

## Our offering

We help you developing a business case, comparing multiple alternatives for a specific investment consideration. Examples include the introduction of a new technology, the exploration of various sourcing options and the adoption of new practices/processes. By specifying benefits and costs over a span of years (1-5) for all alternatives, the different various benchmarks are calculated automatically and graphically displayed:

- **Net Cash Flow.** This is the (yearly) balance remaining after deducting cash outflows from cash inflows.
- **Cumulative Cash Flow.** This is the cumulative balance remaining after deducting cash outflows from cash inflows over a certain period of time.
- **Net Present Value** with year-end discounting and mid-year discounting. For both cases, a low and high interest level can be specified.
- **Return on Investment** from full cash flow and incremental cash flow. This will be done for 3, 4 and 5 years.
- **Payback Period** from net cash flow and discounted cash flow. Interest rate can be set.
- **Internal Rate of Return and Modified Internal Rate of Return** from net incremental cash flow.

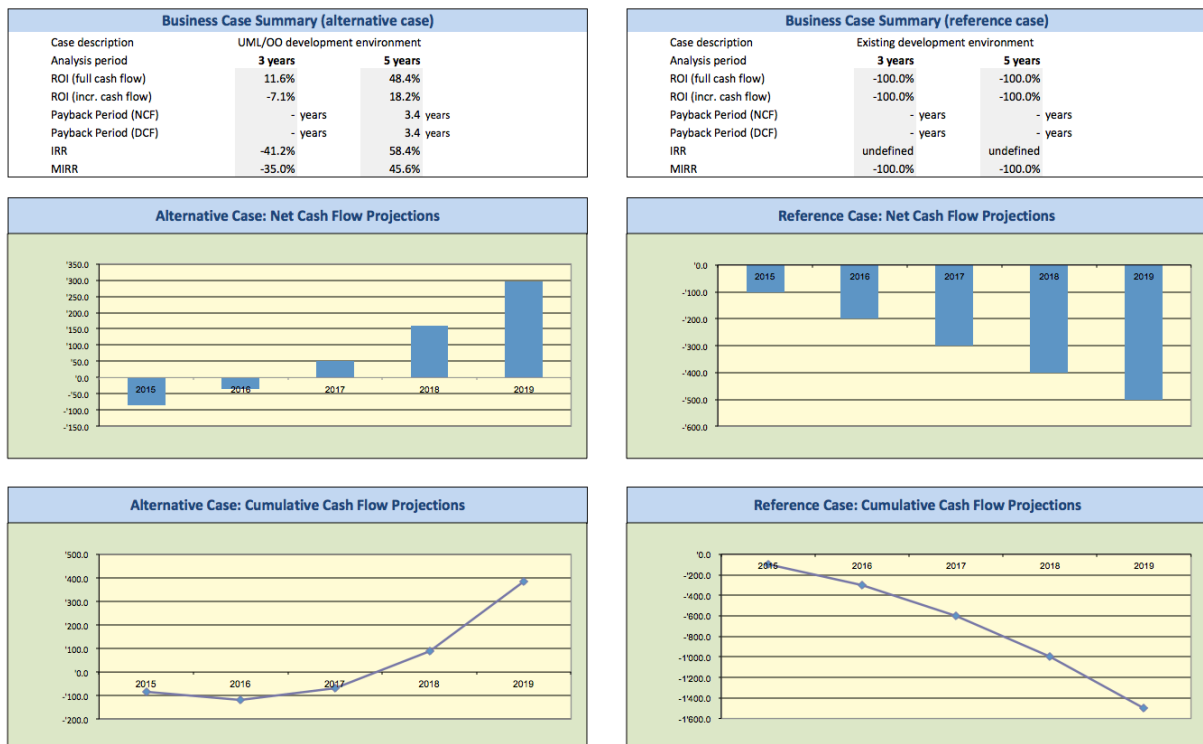
This allows you deciding instantly which alternative is most attractive. Your decisions will be fact-based and informed, no longer based on intuition solely.

## For further information

Please contact us at T: +41 33 733 4682 or E: [info@se-cure.ch](mailto:info@se-cure.ch).



Typical phases for “Business Case Analysis”.



Snapshot showing example of net cash flow projections for two investment alternatives.