

Strategic Outline Business Case

Project:

Slivers of Time Working

Business Case Development in Partnership with:

City of London
London Borough of Hounslow
Slivers of Time

Date: May 2010

Author: Paul Conneely | paul@servicetransformation.org

Organisation: Service Transformation Ltd

Strategic Outline Business Case

Contents

Project Definition	Section 1
Stakeholder Identification	Section 2
Benefits and Burdens Analysis	Section 3
Effectiveness and Achievability Analysis	Section 4
Options Comparisons Results	Section 5

This is a model strategic outline business case for the project. It does not contain any financial or economic analysis - but rather presents a summary of the project and a qualitative comparison against sensible alternative options. This qualitative comparison was produced by a cross-section of stakeholders working in collaboration to provide a combined assessment of the relative benefits of the project. This is thus their case study, presented "as is", and neither these stakeholders nor the publisher give any warranty regarding the suitability of the project to third parties choosing to implement the project within their local area.

Project Definition

Project Summary

1. Project Name	Slivers of Time Working.
2. Target Group/ Community	People who are economically inactive such as benefit recipients, or those who cannot commit to a full time role on a long term basis such as carers, students, lone parents or those who are seeking to return to work and / or seeking to develop skills and confidence.
3. Approximate Size of Target Group	13700000 Nationally.
4. Policy/ Strategic Foundation	Engage the economically inactive. Reduce numbers on incapacity benefits. Meet the challenge of current and future financial and legal constraints (EU Agency Working Directive). Support active third age strategy. Enable recently retired to continue to participate.
5. Key Problem the Project Solves	The barriers to work which restrict opportunity to the economically inactive, and the current inefficiencies of employing people due to: <ul style="list-style-type: none">- administration costs,- structural rigidities, and difficulties matching labour with resourcing needs and meeting short-term needs.
6. The Problem with the Status-Quo	There are 13.7 million people economically inactive who could benefit from accessing the work market. This includes local residents who cannot find opportunities to work though they are willing and able. This results in: <ul style="list-style-type: none">- untapped potential, and missed contribution to the local economy- social exclusion, and cost burdens across public services (including benefits).- market inefficiencies and costs for employers accessing the labour force, which will become an increasing challenge given current financial constraints.- inaccessible and inflexible labour supply which fails to match the demands of service delivery (seasonal, weekly, daily, peaks and troughs).....
7. Key Indicators of Success and Critical Success Factors	Indicator 1: Enhanced VFM and "use of resources" for employers Indicator 2: Reduction in the numbers of economically inactive Indicator 3: Improved workforce planning, performance and cost monitoring

Project Summary continued...

	<p>Indicator 4: Upskilling the local workforce, and increase their working hours .</p> <p>Indicator 5: Reduction in numbers of local people on benefit such as IB and JSA.</p>
8. Brief Overview of Project	<p>Create a flexible and responsive online marketplace to match buyers and sellers of work, which:</p> <ul style="list-style-type: none"> - enables the local authority (and other local employers from the public and private sector) to meet their precise need for work hours and - enable the economically inactive to sell their available hours.
9. Three Main Alternative Options	<p>Alternative Option 1: Do Nothing.</p> <p>Alternative Option 2: Work with existing agencies to encourage them to be more flexible.</p> <p>Alternative Option 3: Outreach programme - person-centred service to support entry to work.</p>

The project and specific solution being proposed will generate something new, a product or service, that...

10. is unlike alternatives because...	<p>The direct booking system empowers employees to set their terms of work with employers, and gives employers greater choice of employee (and reduces the time taken to recruit). The solution works with both sides provided an end-to-end service. It removes the stigma from job-seeking, is agency neutral and cost transparent, and provides flexibility access to the workforce Automated system reduces the burden on all three actors - the employee, the employer and the agency. Offers both employers and employees greater flexibility and choice over work hours (through real-time updates and bookings via SMS). Allows employees to monitor hours worked and income earned to preserve their benefits. Reduced administration overhead lowers the agency mark-up thereby saving the employer money. Offers a means to manage and reduce costs in a way that is sustainable, particularly in light of AWD. System supports measurement and monitoring through reporting number of users, hours worked, hourly rates.</p>
11. and has the following evidence for its potential effectiveness.	<p>Accenture Report 2005, Oxford Economic Report - if 5 per cent of 13.7 million economically inactives found six hours work per week the Government would be 400 million better off through generating income (national insurance etc) and reducing benefits. Successful marketplaces are up and running.</p>
12. What is the basis for the choice of Alternative Options above?	<p>Selected alternatives based on views of a cross-section of stakeholders.</p>

Stakeholder Identification

This page presents a table of key stakeholders that have been identified and who have a stake and/or a role to play in the successful outcomes of any of the solutions.



Ref	Stakeholder Category	Stakeholder Type	Specific Stakeholder Title or Name
1	Excluded Group	Other	Economically inactive
2	Family Friends and Carer	Family	Family
3	Deprived Community	Other	Community
4	Local Authority	Other	Service Managers
5	Service Delivery Organisation	Private Sector Delivery Organisation	Agencies
6	Local Partnership	Other	Local Employers
7	Political	Leader of Council	Leaders
8	Economy and Society	Local Economy	Local Economy
9	Service Delivery Organisation	Private Sector Delivery Organisation	Incumbent supplier

Benefits and Burdens Analysis

This page presents a table of benefits and burdens for each of the options identified. Each benefit is presented in Green and each burden in Red.

They have been mapped against the relevant stakeholder that is impacted and scored. This approach is a form of 'Multi-Criteria' analysis that is recommended in the HMT Green Book.

Ref	Stakeholder	Short Description of Benefit or Burden	Benefit or Burden?	Weight	Scores for Benefits/Burdens Relative To Other Options			
					Slivers of Time Working	Do nothing	Work with existing agencies to encourage them to be more flexible	Outreach programme person-centred service to support entry to work
1	Economically inactive	More household income	Benefit	M	4	0	2	4
2	Economically inactive	Skills and confidence	Benefit	M	4	0	1	5
3	Economically inactive	Stigma	Benefit	M	5	2	2	1
4	Economically inactive	Choice, control and flexibility	Benefit	M	5	0	2	1
5	Economically inactive	Costs to the individual	Burden	M	0	-2	-1	-3
6	Economically inactive	Uncertainty of income	Burden	M	-2	-4	-1	0
7	Economically inactive	Learning how to use the system	Burden	M	-3	0	-1	-1
8	Family	Positive role models	Benefit	M	5	0	2	4
9	Family	Risk of losing benefits	Burden	M	-1	-4	-2	-3
10	Service Managers	Flexible access to workforce	Benefit	M	5	0	3	0
11	Service Managers	Monitoring prices and reducing costs	Benefit	M	5	2	2	0
12	Service Managers	Responsive access to workforce	Benefit	M	5	0	2	0
13	Service Managers	Booking done efficiently	Benefit	M	5	0	1	0
14	Service Managers	Induction and training candidates	Burden	M	-3	0	-3	-4
15	Service Managers	Maintaining skills and continuity	Burden	M	-3	0	-2	0
16	Agencies	New business streams	Benefit	M	5	0	2	0
17	Agencies	Removing administration	Benefit	M	5	0	0	0
18	Agencies	Cannibalising prospective revenue	Benefit	M	-1	0	-1	0
19	Leaders	Demonstrating action	Benefit	M	5	0	2	3
20	Leaders	Providing opportunities for local residents	Benefit	M	4	0	2	2
21	Local Economy	Providing opportunities for	Benefit	M	4	0	2	2
22	Local Economy	Financial benefits i.e. £400 million	Benefit	M	5	0	2	3
23	Incumbent Supplier	Accommodating and working together with new providers	Burden	M	-3	0	0	0

Benefits and Burdens Analysis

This page presents a table of benefits and burdens for each of the options identified. Each benefit is presented in Green and each burden in Blue.

They have been mapped against the relevant stakeholder that is impacted and scored. This approach is a form of 'Multi-Criteria' analysis that is recommended in the HMT Green Book.

Ref	Stakeholder	Short Description of Benefit or Burden	Benefit or Burden?	Weight	Scores for Benefits/Burdens Relative To Other Options			
					Score of benefit (low 1 to 5 high) 0 = none. Score of burden (low 1 to 5 high) 0 = none.	Slivers of Time Working	Do nothing	Work with existing agencies to encourage them to be more flexible
24					0	0	0	0
25					0	0	0	0
26					0	0	0	0
27					0	0	0	0
28					0	0	0	0
29					0	0	0	0
30					0	0	-0	0
Total Benefit					21.3	12	81	75
Benefit Percentage					94.7	5.3	36.0	33.3
Total Burden					-49	-30	-33	-33
Burden Percentage					40.0	25.0	27.5	27.5

Effectiveness Analysis

This table compares the relative effectiveness of each of the options. Effectiveness is measured by 3-5 key indicators. The scores have been weighted to produce an Effectiveness % Score. This approach is a form of 'Multi-Criteria' analysis that is recommended in the HMT Green Book.

Options					
Score Effectiveness of project against indicator (low 1 to 5 high) 0 = none					
Indicator	Weight	Slivers of Time Working	Do Nothing	Work with existing agencies to encourage them to be more flexible	Outreach programme person-centred service to support entry to work
Enhanced VFM and "use of resources" for employers	3	5	0	3	0
Reduction in the numbers of economically inactive	3	4	0	2	4
Improved workforce planning, performance and cost monitoring	3	5	0	2	0
Upskilling the local workforce, and increase their working hours	3	4	0	1	4
Reduction in numbers of local people on benefit such as IB and JSA	3	3	0	1	5
Weighted Score		63	0	27	39
Effectiveness %		84	0	36	52

Achievability Analysis

This table compares the relative achievability of each of the options against the proposed solution. Achievability is measured by 10 common criteria that are essential to the successful implementation of projects. These criteria have been weighted to produce an overall Achievability Score.

Options					
Criterion	Weight	Slivers of Time Working	Do Nothing	Work with existing agencies to encourage them to be more flexible	Outreach programme person-centred service to support entry to work
Appetite for change	5	4			
Committed leadership	5	4			
Strategic & policy fit	3	5	3	3	4
People to deliver project	3	4	5	1	2
Money available	3	3	4	4	1
Feasible process change	3	4	5	1	5
Enough time	3	2	5	1	3
Fit with current ICT	3	5	5	5	5
Products & services available	3	5	5	1	5
Receptive stakeholder	3	3	5	1	4
Weighted Score		133	121	91	127
Effectiveness %		78.2	71.2	53.5	74.7

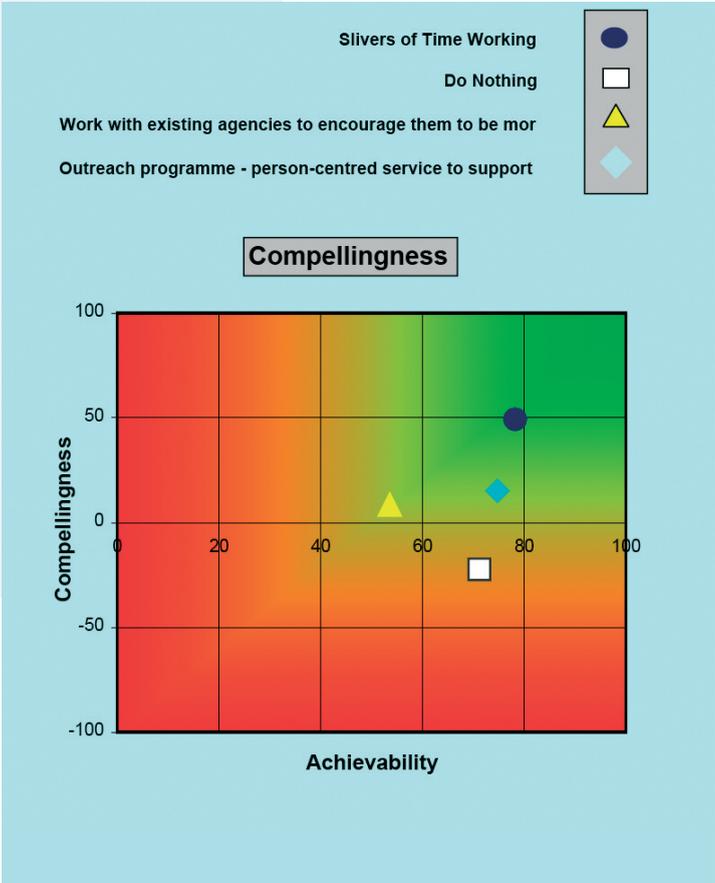
Options Comparison Summary

This page provides a summary of the options analysis. The chart plots the relative 'compellingness' of each of the options. Impact is plotted on the vertical axis. Options that have negative or low positive impact are those for which burdens generally outweigh benefits and score low on relative effectiveness against key indicators. Options which score highly are those in which benefits and effectiveness outweigh burdens. Options which score highly on achievability are those which have the lowest barriers to project success, or key enablers in place.

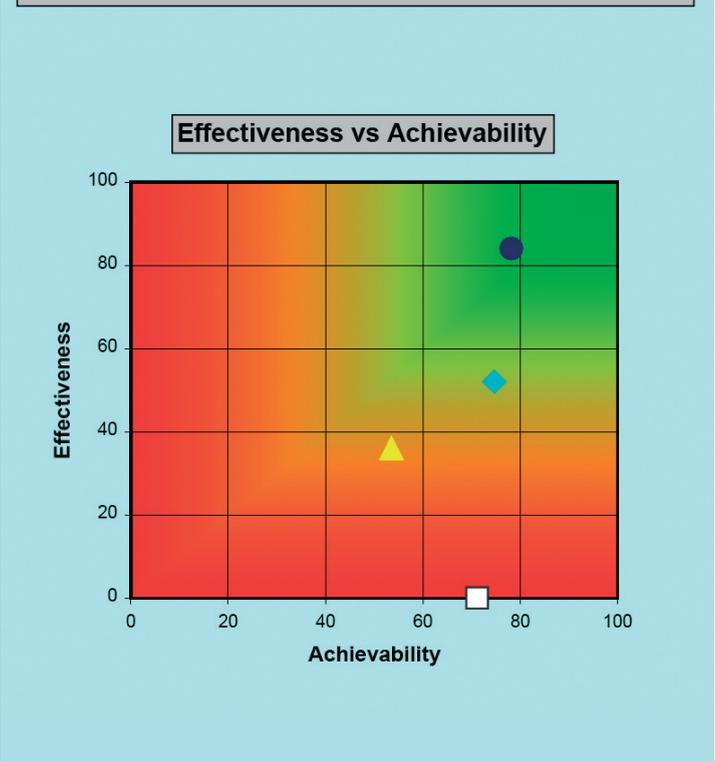
Summary of Analysis

Project Option	Benefit	Burden	Effectiveness	Achievability	Compellingness
Slivers of Time Working	95	-40	82	78	49
Do Nothing	5	-25	0	71	-22
Work with existing agencies to encourage them to be more flexible	36	-28	32	54	9
Outreach programme - person-centred service to support entry to work	33	-28	16	75	15

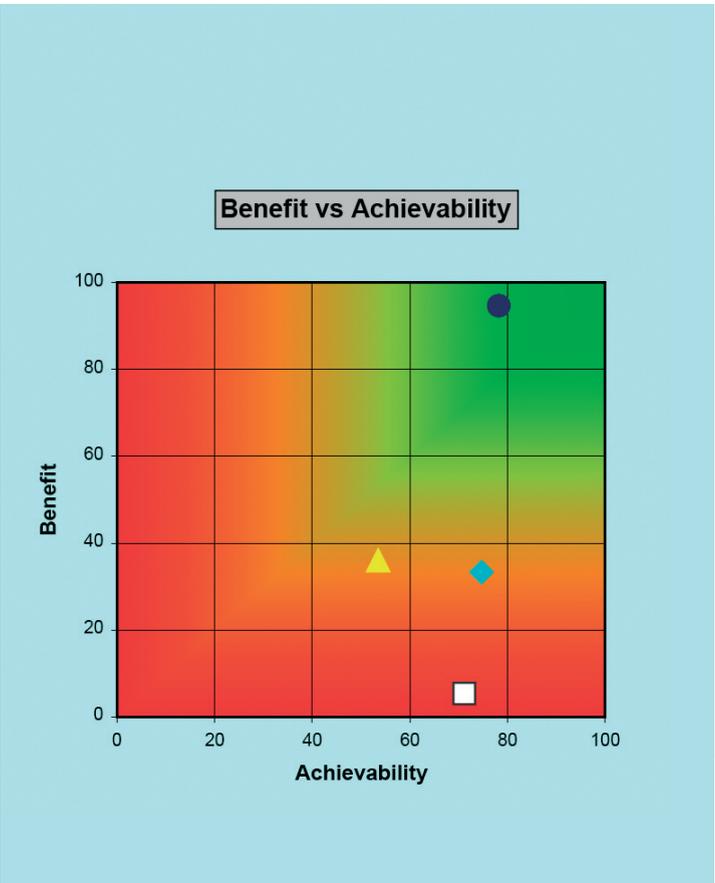
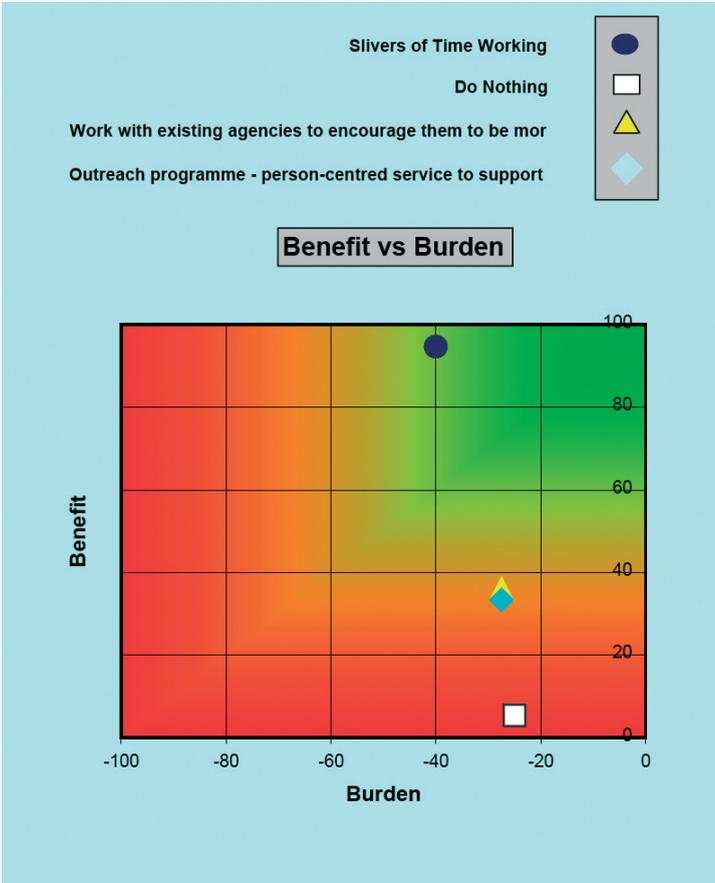
Project Analysis Dashboard 1



Compellingness has been calculated as the average Impact (Average of Benefit and Effectiveness) from which the burden score is subtracted. Compellingness is a score between +100 and -100.



Project Analysis Dashboard 2



Opportunities for improvement

- a) Weaknesses in Red - areas where the preferred option scores poorly relative to other options and you should consider strengthening the project.
- b) Strengths in Green - areas where the preferred option scores highly relative to other options.
- c) Opportunities in Yellow - areas where none of the options score particularly well, or areas of high importance where there might be high payoff in strengthening the preferred option.

opportunities	Strengths/Weaknesses	
0	6	Enhanced VFM and "use of resources" for employers
3	0	Reduction in the numbers of economically inactive
0	9	Improved workforce planning, performance and cost monitoring
3	0	Upskilling the local workforce, and increase their working hours
0	-6	Reduction in numbers of local people on benefit such as IB and JSA
5	0	Appetite for change
5	0	Committed leadership
0	3	Strategic & policy fit
0	-3	People to deliver project
3	-3	Money available
0	-3	Feasible process change
0	-9	Enough time
0	0	Fit with current ICT
0	0	Products & services available
0	-6	Receptive stakeholders

Contact us

esd-toolkit

Local Government Improvement and Development

Layden House, 76-86 Turnmill Street, London EC1M 5LG

Tel: 020 7296 6572

www.esd-toolkit.org.uk

The full document is available on www.esd-toolkit.org.uk



© City of London 2010.

