

BETTER BUSINESS CASES™ APMG CERTIFICATION BACKGROUND INFORMATION

ORIGIN: UK GOVERNMENT TREASURY “FIVE CASE MODEL” FORMAT

The UK Treasury [HM Treasury / Her Majesty’s Treasury] created what is known as the “Five Case Model” format for business cases 20+ years ago (i.e. 1990’s).

It is based on two elements:

- **x5 “cases” or components:**
 - Strategic Case [Strategic Fit to the organisation’s agenda]
 - Economic Case [VFM / Value for Money]
 - Commercial Case [Procurement]
 - Financial Case [Affordability – price and cash flow / Total Cost of Ownership]
 - Management Case [Programme / Project Delivery]
- **A development process for a series of information artefacts / documents which are linked to governance approval points:**
 - Programme Business Case
[the over-arching spending authority covering various individual project level business cases]
 - Project Business Case
 - (1) Strategic Outline Case [UK] / Indicative Business Case [NZ]
 - (2) Outline Business Case [UK] / Detailed Business Case [NZ]
 - (3) Full Business Case [UK] / Implementation Business Case [NZ]

Plus a shorter version for less contentious or cheaper investments
Business Justification Case [UK] /
Single Stage Business Case + Single Stage [Light] Business Case [NZ]

All the artefacts include the same 5 cases outlined above.

NEW ZEALAND GOVERNMENT ADOPTION OF THE FIVE CASE MODEL

The New Zealand Treasury adopted the Five Case Model format around 10 years ago and branded it “Better Business Cases” in New Zealand.

They renamed the information “artefacts” which is the key difference between the UK and NZ Govt’s use of the Five Case Model [see the notes in brackets above regarding the differences]. NZ Treasury also introduced the use of the ILM / Investment Logic Mapping technique. The Five Case Model is used by other countries and is endorsed by the G20 Group, the World Bank and other major government organisations globally.

The initial use in New Zealand was focused on Central Govt programme / project investments, notably in the aftermath of the Christchurch / Canterbury earthquakes and the huge investments and expenses involved in recovery activity. In recent years other public sector organisations such as DHBs / District Health Boards and local Councils, e.g. Auckland Council have adopted the ideas.

The ideas are scalable – whether it is a NZ\$50,000 or NZ\$500 million expenditure item. The ideas can also be used for improving decision making for “BAU” – Business-as-Usual”, i.e. non-project, spending decisions.

CREATION OF APMG’S QUALIFICATIONS AND ASSOCIATED TRAINING PRODUCT

In 2013 HM Treasury and the NZ Treasury joined together and awarded a management contract to the UK Exam organisation “**APMG**” to provide an examination scheme comprising Foundation and Practitioner Level qualifications. The APMG approves organisations like CC Learning as an “ATO” / Authorised Training Organisation, individual trainers like CCL’s Sarah Ross and David Griffiths, and courses such as CCL’s “Better Business Case” course. The NZ Treasury then outsourced all BBC training to the APMG system’s ATOs, the exception being Business Case Reviewer which it retains in-house.

In 2017/18 the Exam Scheme was updated to Version 2; this included a revised set of manuals. The manuals used for the qualifications are the “International Versions” which have largely had the UK fiscal language removed, e.g. UK tax commentary.

When running BBC courses in New Zealand CC Learning makes use of the additional resources available on the NZ Treasury website to provide an understanding of the New Zealand context and to enhance the learning.

However, the NZ Treasury endorsed Exam Scheme via APMG must use the UK HM Treasury “International Five Case Model Manuals”:

- Programme Business Case manual
- Project Business Case manual

There are two qualifications:

- Entry level: Foundation
- Advanced level: Practitioner

One of our trainers, David Griffiths, was one of the first APMG Approved Trainers when the APMG Exam Scheme was launched in 2013 and participated in the HM Treasury / APMG workshop in London at its launch. He is currently a member of the NZ Treasury Review Group that is contributing ideas to the update of the approach used in New Zealand – the focus is evolutionary and with an emphasis on improving guidance and support, there are no fundamental changes planned by NZ Treasury for the 2019 Refresh.

CC LEARNING'S COURSE AND WORKSHOP OPTIONS TO CONSIDER

There are several options for developing an organisation's capabilities;

- ½ day workshop: senior management briefing
- 2 day workshop: Foundation level, this can include the exam if required or only focus on content without the exam
- 5 day workshop: Foundation & Practitioner levels
- 1 – 2 day implementation workshop, this assumes prior training in the Five Case Model / BBC content

A final point: participants often get very engaged with the content of BBC and start discussing and debating about how their organisation(s) approach:

- Programme Management
- Project Management
- Benefits Management
- Value Management
- Governance [Portfolio level decision making about investment choices and Project / Programme Board practices and the role of Sponsors]

Depending upon how well your organisation performs in these areas at present it is worth thinking about what "good looks like" for a successful BBC workshop. It can stimulate the desire of participants to progress in other areas as well.

For further information or to discuss options, please contact us. Our trainers are also available to support you with an informal Subject Matter Expert contribution to any conversations you are having about clarifying your development objectives.