# **Daily occurrence book business case: How to get investment**

Paper daily occurrence books are a thing of the past. You know this. However, you also know to invest in an alternative needs a business case.

Below is a super powerful digital daily occurrence book business case. Within the [brackets] you find a comment on the content for each section of the business case.

This is a digital daily occurrence book business case but use the same format for any business case.

## **Exec summary**

[No more than a few lines describing the option chosen and its benefits]

We currently ask our employees at site to use paper books to log day-to-day activity. These books are called daily occurrence books and they are used at 40 sites.

We propose replacing these paper books with a digital alternative produced by SIRV. We recommend SIRV because their digital occurrence book will enhance our reputation and reduce environmental and financial costs. Moreover, the product is innovative (recognized in awards), reliable (99.99% uptime) and safe (used by many peers in the industry.)

## **Reasons to switch to a digital daily occurrence book**

[Three current problems / challenges / pains caused by the current way of doing things].

Three reasons the move to SIRV’s digital daily occurrence book is necessary:

1. **Access**

The only way to view a paper book is to visit site or ask a local user to send an image of the book. Also, once the book has been used it is placed in storage, making it inaccessible. Therefore, viewing an occurrence book is time consuming.

In the event an entry is incorrectly catalogued it can take one person days to search through archived books.

1. **Legibility**

Because many users handwriting is poor, entries are often illegible. This means:

1. It is not fit to pass on to the client and reflects badly on the company.
2. It is inadmissible as evidence in court proceedings.
3. **Paper cost**

Paper books have an environmental and financial cost.

Transporting paper books to site and then placing them in storage for five years is costly and time consuming. Also, carbon copy books use carbon sheets which are harmful for the environment. Therefore, paper books do not comply with the company’s environmental policy.

## **Business options**

[List the current options.]

Three options reviewed:

1. Do nothing: Continue to have the same problems as outlined above. This puts us at a competitive disadvantage.
2. Invest in the SIRV digital daily occurrence book: This gives us a competitive advantage.
3. Self-deliver. Assign responsibility for the solution to our IT team.

## **Benefits**

[Explain and quantify the three benefits of the change.]

### 1. Competitive benefit

Many competitors continue to use paper books. In comparison, the SIRV digital daily occurrence book is innovative and environmentally friendly. Therefore, if a prospective client wants to distinguish between suppliers, a digital occurrence book may be sufficient grounds for contract award.

We estimate the profit made from new business wins range in value from £10,000 to £100,000 per annum. The digital occurrence book will be responsible for one contract award per annum. Therefore, we prudently value the introduction of the digital occurrence book as generating £10,000 profit per year.

### 2. Benefit of replacing paper

We assume one paper book is used every month.

**Purchase cost**

Cost of a paper book is £2.

£2 per calendar month x 12 months = £24 per annum

**Distribution cost**

Average journey time to distribute and collect books by a supervisor is 1 hour. The hourly supervisor pay rate is £15 per hour. One book is delivered and returned per month. Therefore, the cost of distribution and collection is: £15 per month.

£15 per month x 12 = £180 per annum

However, the supervisor will perform other tasks beside book distribution. Therefore, assume only 10% of their time is spent on this activity. Distribution cost is £18 per annum

Total purchase and distribution cost of a paper occurrence book is: £18 + £24 = £42 per annum.

### 3. Benefit to our reputation

Paper occurrence books can lead to reputational harm and the loss of business. Because paper occurrence books are:

* Lost
* Illegible

Therefore, damage is done to the company’s reputation.

As a result, we estimate one contract will be lost every five years. Therefore, a prudent estimate for business loss is: £10,000 every five years or £2,000 per annum.

In summary, our digital Daily occurrence book business case financial benefit is as follows:

Competitive benefit: £10,000 per annum

Benefit of replacing paper: 40 sites x £42 per annum = £1,680 per annum

Benefit to our reputation: £2,000 per annum

Therefore, if we deploy the digital occurrence book to 40 sites, the total benefit is: **£13,680** per annum.

## **Expected dis-benefits**

[Any possible negative outcomes from the business change.]

The expected disbenefit of introducing the SIRV digital occurrence book is a reliance on the internet. Because not all sites can access the internet we expect some sites to continue to use paper occurrence books. However, these sites are remote and represent less than 5% of all our sites.

If hardware is required to access the digital occurrence book we estimate this will cost £100. This is the cost of purchasing a used Chromebook or tablet.

These devices will use free local Wi-Fi on site.

## **Timescale**

[How quickly is the solution deployed.]

This digital daily occurrence book business case commits to the following timelines:

1. Because the product is Software as a Service there is no installation time.
2. Training takes less than two hours.
3. Full adoption of the occurrence book is expected within one month of installation.

One month after the installation of SIRV we expect paper books to no longer be used.

## **Cost**

Deployed to 40 sites, one SIRV digital occurrence book will only cost £8 per calendar month. Therefore, the total cost is £320 per month or £3,840 per annum.

## **Major risks**

[List the major risks of the change]

* Loss of service owing to internet outage.
* Loss of data owing to the failure of SIRV.

These risks are mitigated by:

* Loss of service owing to internet outage: The SIRV mobile app does not need internet access to post entries. Because the mobile app works offline.
* Loss of data owing to the failure of SIRV: SIRV is backed-up off site every 24 hours. In addition, at any time we can press a button and download the occurrence books into excel.

## **Investment appraisal**

[List the financial cost and benefit over the next three years. The net benefit is the benefit less the costs].

### **Financial cost**

Assuming we deploy the SIRV digital occurrence book to 40 sites. Therefore, 40 sites x £8 per site per is £320 per month or **£3,840** per annum.

### **Financial Benefit**

* Annual savings of no book and distribution cost is 40 sites x £42 = **£1,680** per annum
* We assume we win one new site per annum owing to the digital occurrence book then additional is **£10,000** per annum
* We assume we avoid losing one contract every five years, the saving is **£2,000** per annum.

Therefore, the financial benefit is (£1,680 + £10,000 + £2,000) **£13,680** per annum.

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| --- | --- | --- | --- | --- |
| **Item** | **Year 1**  | **Year 2** | **Year 3** | **3 Year Total** |
| Cost | £3,840 | £3,840 | £3,840 | **£11,520** |
| Benefit | £13,680 | £13,680 | £13,680 | **£41,040** |
| Net benefit | **£9,840** | **£9,840** | **£9,840** | **£29,520** |

## **Conclusion**

This daily occurrence book business case recommends purchasing the SIRV digital daily occurrence book.

From www.getsirv.com