

Steps in Developing a Business Case Analysis

| Step | Activity | Description |
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| 1 | Clearly articulate the issue/concern and present a hypothesis on potential solutions. | It is important that you clearly state the problem and the possible solution. You will need to convince hospital administration that any additional costs of the intervention you are proposing will be offset by the cost savings created by the intervention. |
| 2 | Meet with key administrators. | There are three important reasons to meet with key administrators (for example, chief operating officer, chief nursing officer, vice president of quality, chief medical officer) and other key individuals who oversee the infection prevention and control function: <ol style="list-style-type: none"> 1. To ensure that there is agreement that the issue you are addressing is a concern for your organization and would be supported by leadership 2. To gain their insights in identifying other key individuals (such as financial staff) or departments that may be affected by your proposal and whose needs should be incorporated into the business case analysis 3. To obtain help in identifying critical costs and factors that should be part of the analysis |
| 3 | Determine the annual cost. | Highlight the costs associated with your recommendation. This information may be available in budgets at your own organization, or you may be able to obtain information from the literature or surveys online. Note that infection-associated mortality is not considered. |
| 4 | Determine what costs can be avoided through a reduced CLABSI rate. | Review the literature and determine the costs that could be avoided if the CLABSI rate could be reduced. |
| 5 | Determine the costs associated with CLABSI at your organization. | In a business case analysis, the emphasis should be on attributable cost, which is the difference in costs between two identical hospital stays except for the occurrence of the complication under study. This data may be readily available in your organization, or, if not, can be found by reviewing the literature on CLABSI costs. |
| 6 | Calculate the financial impact. | From the estimated cost savings or additional profits, subtract the costs of the up-front outlay. |
| 7 | Include the additional financial or health benefits. | Because many infection prevention interventions have multiple benefits, one should also include any additional benefits for key administrators and stakeholders to consider. |
| 8 | Make the case for your business case. | Effective communication of the findings and recommendations from the analytical aspect of the business case to all critical stakeholders in the organization is essential. Communicating this information individually will provide an opportunity for each stakeholder to ask questions and discuss implementation plans and for you to evaluate the level of support for the initiative. When your findings are presented formally at a committee meeting, stakeholders are more likely to provide the support needed in the discussions prior to approval of the proposal. Enlist the help of medical and nursing administration to present your business case both in writing and verbally to the appropriate individuals, groups, or committees. |
| 9 | Prospectively collect cost and outcome data when the new program or process is in place. | To maintain consensus support and the momentum generated by the new efforts to reduce CLABSI rates, it is important to show continued improvement through the collection of outcome data and costs. Work with financial administrators to establish a way to track costs and outcomes. |

Source: Adapted from Perencevich EN, Stone PW, Wright SB, Carmeli Y, Fisman DN, Cosgrove SE; Society for Healthcare Epidemiology of America. Raising standards while watching the bottom line: Making a business case for infection control. *Infect Control Hosp Epidemiol.* 2007 Oct;28(10):1121–1133; Stone PW, Smith JA, Frick K. Finance for nurse managers: Return on investment. *American Nurse Today.* 2010 Mar;5(3):30–32.