

16 QUESTIONS

Investment Decision Checklist

Investment Name	
Organisation Name	
Basis of assessment (documentation referenced)	

PROBLEM	BENEFITS	STRATEGIC RESPONSE	SOLUTION
Is it clear what the problem is that needs to be addressed? (both the cause and effect)	Have the benefits that will result from fixing the problem been adequately defined?	Have a <i>sufficient range</i> of strategic interventions been explored? (demand, productivity & supply)	Consistent with the strategic interventions, have a reasonable <i>range of project options</i> been analysed?
Yes Maybe No ?	Yes Maybe No ?	Yes Maybe No ?	Yes Maybe No ?
Is there evidence to confirm the <i>cause</i> and <i>effect</i> of the problem?	Will the KPIs that have been specified provide <i>reasonable evidence</i> that the benefits have been delivered?	Is it clear what strategic interventions are proposed and the rationale for their selection?	Is the proposed solution specified clearly and fully? (all business changes and any assets)
Yes Maybe No ?	Yes Maybe No ?	Yes Maybe No ?	Yes Maybe No ?
Does the problem need to be addressed <i>at this time</i> ?	Are the KPIs both <i>measurable</i> and <i>totally attributable</i> to this investment?	Are the proposed interventions the most effective response to the problem? (comprehensive and balanced)	Is the proposed solution the <i>best way</i> to respond to the problem and <i>deliver the expected benefits</i> ?
Yes Maybe No ?	Yes Maybe No ?	Yes Maybe No ?	Yes Maybe No ?
Is the problem specific to this investment? (or should a broader perspective be taken)	Are the benefits of high value to the organisation? (furthering its objectives)	Are the proposed interventions <i>feasible</i> ?	Can the solution really be delivered? (costs, risks, timeframes, governance, etc).
Yes Maybe No ?	Yes Maybe No ?	Yes Maybe No ?	Yes Maybe No ?

Conclusion / recommendations:

Person assessing	Name:	Position:	Date:
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How to use this checklist

Step 1: Indicate your understanding of the investment

Using the knowledge you have of the investment, work through the questions answering each by circling the **Yes** **Maybe** **No** **?** (you are unable to answer). This should take no longer than 15 minutes.

Step 2: Do you understand enough to make a judgement?

Your completed questionnaire will probably be a mix of all four possible responses. Analyse your responses to obtain a sense of how closely what you **NEED** to know compares to what you **DO** know of the investment.

Step 3: What is your judgement?

Based on your role and purpose for analysing this investment, make a judgement or draw a conclusion. The box below provides examples of the conclusions an analyst might draw.

Some examples of assessment conclusions

- ➔ The logic for this investment is clear and is supported by evidence. Funding should be considered.
- ➔ Whereas the need for this potential investment has been established, it is not necessary to take action at this time.
- ➔ The investment should not be considered further until:
 - ▶ the *problem* is properly articulated and supported by evidence
 - ▶ more *strategic* / innovative *interventions* are explored
 - ▶ the *benefits* (and KPIs) have been better defined
 - ▶ the *solution* better reflects the interventions
 - ▶ the *solution* can be shown as able to deliver the benefits (KPIs).
- ➔ The need for this investment has not been demonstrated. It should not be considered further.