

# Get Ready Pack



**Are you finding it hard to compete for funding?  
Do you want your environmental projects to get a fair hearing and the best possible chance of implementation?**

This factsheet will help you

## Influence and win over your executive

### Why is it so difficult to get funding?

Environmental, HSE managers and operations managers have always found it hard to compete for funding because:

- Historically their environmental projects were in a 'discretionary' category and not essential for sustaining or growing the business
- Environmental projects tend to be smaller in scale than other projects being dealt with by your executive and decision makers, diminishing their perceived importance
- Environmental projects are often technical (or even unique in your business' experience), which increases their perceived riskiness

### Know your target audience

Different decisions may be made at different levels, and it is not always just senior managers who need to be convinced:

- Do you know who will decide on your proposed project?
- Would they normally have much bigger issues to think about?
- What are their motivations and own objectives?
- How do you need to present information to them?
- Are they likely to have a detailed understanding of your area of work?
- Can you engage their interest early on?
- What are they looking for?
  - Cost reduction / good financial return?
  - Improved environmental performance?
  - Enhanced corporate reputation?
  - Worthwhile additional benefits?

### DO YOU KNOW WHO MIGHT CHALLENGE YOUR ASSUMPTIONS?

- ➔ Put forward a case accommodating them

### CAN YOU FIND AN ALLY IN THE FORM OF A SENIOR MANAGEMENT SPONSOR?

- ➔ Consult with them early and involve them in the proposal development

### Getting started

Before you get started, ask yourself:

**DOES THIS PROJECT** need addressing now?

**ARE YOU GOING TO** retain the building/process/equipment impacted by the proposal?

**WOULD THE WORKFORCE** accept the project?

- Evaluate the project cost
- Estimate the project life
- Know the residual life of affected assets
- Evaluate the requirements (operational, resources, costs) of all options



- Calculate all savings (ongoing and maintenance, licensing, usage or disposal costs)
- Work out a project timetable
- Calculate rate of return or payback period for proposed option
- If needed, obtain forward estimates for energy and water use or waste disposal prices
- Carry out risk analyses - What factors are subject to significant uncertainty?
- Consult other interested parties (staff, contractors...)
- Find any available precedents, case studies or technology references
- Identify any non-financial benefits
- Identify potential sources of funding

## Prepare your business case

In preparing your business case you may need to:

- Consider initially making a proposal for a pilot project
- Start with a concise and clear summary – Not everybody will read the details of your proposal
- Define the problem that you are trying to solve
- Put your solution forward in simple terms
- Present the most reliable data and evidence you can obtain that your solution will work
- State any assumptions
- Explain any possible disruption to production
- Make it concrete, add photographs or plans for those unfamiliar with the site you are taking about, or provide a mock up poster or sample piece of equipment – it is far easier to sell something physical than an abstract concept

**IS YOUR PROPOSAL JUSTIFIABLE** on financial grounds alone?

**CAN IT HELP FULFIL AN OBJECTIVE** that the organisation has previously set? i.e. in its environmental policy

## Checklist

Have you:

- Considered all options? Including not proceeding with the project?
- Identified and addressed all potential risks? (operational, financial, technical, market, regulatory, reputational, potential changes in your business' circumstances)
- Used the appropriate financial appraisal method and carried out an analysis of the costs and benefits?
- Proposed a single clear recommendation?
- Defined a timeframe for implementation?

Can you:

- Avoid using technical jargon or ambiguous terms?
- Present the business case in person?
- Find past business case proposals that have successfully secured internal funding?

## Further Tips

Try to follow these simple principles:

- Evaluate proposals diligently and never promote something you are unsure of
- Never make exaggerated claims
- Try to leave yourself headroom to deliver more than you promised
- When you get approval for something, implement it without delay and do everything you can to ensure its success
- Make sure people know what you have achieved, and keep it all on record
- Keep up with the news. You want to be seen as the person in the organisation that knows about complex environmental issues and policies

## Remember

- It is risky to rely on a supplier's estimate of project costs. Always investigate claims and find out what assumptions have been made
- You may need 'buy-in' from colleagues or the broader workforce, don't overlook them
- Talk to your financial controller. They understand the budget allocation and timing and can advise on acceptable payback periods, rates of return or potential tax impacts

## Further information

Contact Ai Group's Energy and Sustainable Business Help Desk on **1300 733 752** or **sustainablebusiness@aigroup.asn.au**.