



## Market Facilitation Mentoring Program

TOPICAL GUIDE:  
**SPEAKING A BUSINESS  
LANGUAGE**



## INTRODUCTION

The purpose of this topical guide is to provide the basic **knowledge and fundamentals of a business case**. By understanding a business case structure, you can better facilitate the case for change within your own teams and external partners using a business language that will be valued and understood by private sector market actors. This will help you to “speak the same language” with lead firms and other private sector market actors in the value chain.

Throughout the topical guide, you will be asked to reflect on your own abilities to develop a business case and present a case for change using business language.

# 1

# OVERVIEW

Value chain programming is designed to promote greater market chain value for impact groups that are undervalued in current market systems. The opportunity to enable increased value can be directed at multiple levels of the value chain. Remember from the Guiding Principles of Value Chain Programming, initiatives must be “Tailored, Demand-Driven Programs.” This means that *“...solutions need to reflect the demands of value chain actors and the practical reality of the market so that critical problems in the value chain can be addressed in a meaningful way.”*<sup>1</sup> While value chains include all the actors from input suppliers, exporters, retailers to end consumers, a common factor is that market actors are most likely to respond to a case for change that is based upon their needs and demands. Therefore, the goal of this topical guide is to provide you with skills and knowledge that will enable you to create a case for change using business language based on market actors’ incentives.

**A business case is a tool used to detail the financial and non-financial impact of a business decision.** It is a useful way to frame the context surrounding a decision in addition to providing data to support the decision-making process. There are many different formats available for creating a business case, but we will focus on a simple five-step structure to create a concise case for change that can be used as both a communication and/or decision-making tool.<sup>2</sup> This business case structure tool does not replace in-depth analysis required when designing a program or solutions, but instead can be used as you plan engagements with other market actors in order to more easily communicate by using business language they more readily understand.

In the step by step application section, you will walk through a five-step process (see *Figure 1*):

1. Setting the Business Case Context (Situation)
2. Calculate Financial Impact
3. Assess Qualitative (Non-Financial) Impact
4. Document Risks and Assumptions
5. Communicate Results

While learning the five-step business case process, also think about how you would facilitate teaching others how to use this practical business case structure. For example, at a local level, producer organisations may

**FIGURE 1: BUSINESS CASE STRUCTURE**



1. CARE / MEDA Value Chain Program Design E-Learning Course. Topical Guide 3: Guiding Principles of Market Development  
2. Accenture Learning. Business Case Toolbar v1.0

need to develop their business cases in a participatory process, which would be led in their local language with a larger group of stakeholders contributing to the process. However, in a different setting with higher level actors, you may instead serve as a facilitator to bring together multiple parties to discuss different business cases in order to decide the best path forward. As you can see, in the first example, you and your organization's role would be focused on capability building whereas in the second example, you act as a facilitator to coordinate partners to collaborate. As a market facilitator, you need to understand the fundamentals of the business case provided in this topical guide to prepare to be engaged in both of these types of scenarios.

Prior to the application section, two research articles have been provided in the 'Latest Research' section to bring additional perspective to this topic. As you review the two articles, reflect upon the best practices and other considerations needed when presenting a business case to market actors and complete the 'Research into Action' questions.

## TOPICAL GUIDE TERMINOLOGY

Within this topical guide, you will see the following terms referenced. Review the descriptions below and ask your mentor if you have any questions on how these terms are used in Value Chain Programming:

- **Business Case:** A tool used to detail the financial and non-financial impact of a business decision. It is a useful way to frame the context surrounding a decision in addition to providing data to support the decision-making process.
- **Business Plan:** A detailed plan that articulates the goals of the business. It includes details such as the products, production methods, target market, marketing activities, staffing requirements and sales / growth estimates. A business case supports a business plan by detailing the financial and non-financial rationale on "why" this plan should be implemented.
- **Brand Awareness:** A business marketing term used to measure end consumers' knowledge of a company's brand and influence their decision to purchase the product/service.
- **Communication Medium (plural Communication Media):** The channel or tool used to facilitate your communication message. Common examples include electronic media (television); print media (newspaper); social media (online groups).
- **Driver for Change:** A term typically used by development organizations that describes the incentives or motivations that would promote a change in behavior by a market actor(s).

# LATEST RESEARCH

## USAID BRIEFING PAPER

### Strengthening Vertical Linkages

**4 pages**

#### Summary:

This briefing paper describes the characteristics of effective vertical linkages and provides good practices for strengthening linkages between market actors in order to increase the benefits received by small firms. The paper concludes by highlighting lessons from the field, which provides examples of the benefits achieved when using the recommended good practices during implementation of value chain programs.<sup>3</sup>

As you are reviewing this article, pay attention to the recommended best practice around identifying leverage points. When you build a business case, understanding the leverage points is a valuable input into the initial documentation of the situation and approach.

To read the full article, please go here: [Strengthening Vertical Linkages](#)

### Partnership Broker—Making the Case

**3 pages**

#### Summary:

The Partnering Brokering Project “aims to change the partnering landscape for the better by promoting good practice and influencing leaders, planners, donors, policy makers and practitioners working in all sectors”.<sup>1</sup> This guidebook is a compilation of resources which highlight the role facilitator’s play in bringing together multi sector partners.

This article examines the role of the facilitator to promote partnership and highlights key activities within four steps:

1. Pre-Meeting Preparation
2. Imagination—Building a Vision
3. Skills in Constructive Dialogue
4. Keeping Going

To read the full article, please go here: [Making the Case](#)



#### Mentee Reflection

From *Strengthening Linkages*, how you will apply 2 or 3 of the recommended best practices in your current engagement?

From *Making the Case*, review the prompt questions with the section “2. Imagination—Building a Vision”. Describe a situation in your past when you have encouraged a creative or innovative intervention with a business partner—How did you support obtaining the partner’s buy-in for this creative intervention? What tools or techniques did you use to create a case for change?

3. The Partnering Initiative / International Business Leaders Forum. *Making the Case*. <http://partnershipbrokers.org/wp-content/uploads/2010/09/Making-the-Case.pdf>

# 3

# STEP BY STEP GUIDE

When using the business case structure as a communication or decision-making tool during your program implementation, follow this step by step guide. There will be five steps that you walk through in this section:

1. Setting the Business Case Context
2. Calculate Financial Impact
3. Assess Qualitative (Non-Financial) Impact
4. Document Risks and Assumptions
5. Communicate Results

## 1. SETTING THE BUSINESS CASE CONTEXT

The four components used to define the context surrounding the business case are the following (see *Figure 2*):

- ✓ Determine the audience
- ✓ Define the situation
- ✓ Identify the drivers for change
- ✓ Define the scope

First, determine the audience that requires a business case language to be used for effective engagement or decision-making. Business case language is most often used to present an opportunity to private sector market actors as a way to partner together to make informed decisions on the best path forward.

It is important to identify all potential users of the business case and define any special needs and requirements of different market. Be specific as you define your audience as this will then determine how you tailor and communicate

**FIGURE 2: SETTING THE BUSINESS CASE CONTEXT**



the results as a final step—For example, a PowerPoint may be appropriate for a formal engagement with a Lead Firm whereas a Word handout could be a better option for an informal session with a Community-Based Organization.

Now that you have the audience identified, the next steps in business case development are to define the situation and drivers for change. The situation is determined by recognizing the current issues and challenges in the value chain. Much of this information may have already been documented during the design phase so utilize previous documentation that you may already have. Using the issues and challenges, you can then define different leverage points to use as drivers for change.

An example of a driver for change may be:

- securing a supply chain for an essential product
- reaching a new set of customers
- utilizing a new set of input suppliers
- marketing/increasing visibility of the brand

Challenge yourself to identify the driver for change that will align with the audience's incentives and motivations for participating in the opportunity presented in the business case. Identify and document the driver for change that will be most engaging for the audience and captivate their attention early. Consider if the audience is interested in short-term actions or longer-term solutions as the time horizon will impact your business case.

- For example, an input supplier will be interested in hearing a business case that will enable greater sales by increasing the marketing and visibility of their brand with local producers. However, that same input supplier will not be motivated to participate in an education effort to improve post-harvest activities with producers as it does not have the same type of financial incentive for them tied to it.

And finally, other important information to document when outlining the initial situation is to clearly define the scope and boundaries this business case is addressing. Consider the time, geography and behaviors this business case is seeking to change. Greater detail will be documented in your Implementation Planner regarding the steps required to facilitate change, but include a focused summary when presenting the business case to the intended audience.



#### Mentee Reflection

How will you apply this type of approach in upcoming engagements? What past meetings would have benefited from this type of approach?

### Considerations for Self Check

Before moving onto the next step, answer the following questions:

- ✓ Do you have a clear view on how the business case will be used?
- ✓ Do you understand clearly how this initiative will deliver value to the audience based on the drivers for change?
- ✓ Have you documented the scope and timeline in a way the audience will understand?
- ✓ Do you have a clear understanding of the anticipated benefits you envision this business case will ultimately yield your impact group?

## 2. CALCULATE FINANCIAL IMPACT

If the audience for your business case is primarily driven by financial performance metrics, as lead firm are, this will be an important section. It is recognized that collecting reliable data from credible sources to perform financial analysis can be challenging in the emerging or informal markets we often work. Therefore, use your time wisely to collect the type of information required to create the case for change. Possible resources include:

- Company reports/internal resources
- Market reports, especially for economic trends
- Benchmark studies
- Conversations with company representatives

If you are able to gather credible data, there are a few basic financial calculations to include in your case for change. As you calculate the cash investments and benefits, also make sure to note any assumptions you have made when using or collecting this data. This will be an input into the upcoming step, “Document Risks and Assumptions”.

- **Estimate Cash Investments and Costs:**

What are the **start-up investment costs** and **ongoing costs** associated with the change in behavior required for this specific audience?

\*Remember, identify the estimated costs for the audience you are targeting with this business case. Based on your time defined in your scope, detail the costs throughout the entire time horizon (monthly, quarterly or yearly basis).

- **Example:** If your audience is a cooperative working on a water initiative, a start-up investment cost could be the cost of equipment such as a water pump and installation fees. On-going costs would be any maintenance/service costs on a yearly basis.

- **Estimate Financial Benefits:**

What are the **estimated benefits** to justify the costs?

\* Remember, either increasing sales or reducing costs which can both contribute to an increase in profit. Think of the different possibilities that could be utilized based on your business case and guide the discussion to align these benefits with the audience's strategic plans. It is also recommended to match the financial benefits to the associated costs each year in order to create a simple view of the financial implications of the opportunity presented.

- **Example:** If sales volumes are increased by expanding an extension service in a new market, how would that align with their sales growth strategies?
- **Example:** If the cost of the goods sold was decreased by using cheaper inputs from local producers, how would that impact their goals for increasing profits?

- **Map Estimated Costs/Benefits into Value Chain:**

An additional technique to use is to map out the current cost/price across the end to end value chain. This map shows how the final end customer price is linked and built upward from the farm production costs to buyer costs to processor costs. Once you have that picture, now highlight how the changes for the proposed opportunity at the heart of the business case will impact the current cost/price mapping. This will enable you to identify and clearly communicate the effect the change will have on actors throughout the chain from producers to customers.

By highlighting the cost and benefits from a financial perspective, you will build credibility with the audience by illustrating that you have done financial due diligence in preparing the business case. As a next step, you may recommend a joint-planning session to further investigate financial details with experts from both organizations' finance teams. At that time, the group could calculate additional financials such as break-even analysis, return on investment, etc. This process will allow the organization to continue to be part of discussions and build ongoing partnerships.

### 3. ASSESS QUALITATIVE (NON-FINANCIAL) IMPACT

In addition to calculating the financial impacts, it is also important that you factor in the qualitative impact the case for change will achieve. These factors are subjective in nature but are also useful topics to collaborate on with the intended audience(s). They could include:

- Improving company image and goodwill in the community
- Increasing company brand awareness
- Contributing to economic development in a new area
- Building internal staff engagement by leading or participating in the initiative



#### Mentee Reflection

Using the lens of an external partner, what are the qualitative impacts resulting from their involvement in the value chain initiative?

While it is difficult to associate a financial cost or benefit with these types of impacts, they can often serve as potential motivating factors when making the case for change. If possible, it is also recommended to try to align these qualitative impacts with the strategic goals the audience has set as an organization; such as increasing corporate social responsibility, increasing new business development, increasing staff engagement levels, etc.

#### 4. DOCUMENT RISKS AND ASSUMPTIONS

Now that you've completed the three major sections of a business case framework – situation, financial and non-financial impacts – the next step is to document any risks and assumptions you have made along the way. Revisit the issues and risks log created during the design phase to determine if any of those risks are relevant to the business case you are creating. Also consider the potential risks across the following areas:

- Market Changes—Changes to demand and consumer trends, new competitive product, etc
- Regulation Changes—Trade tariffs, protective policies, etc

Challenge yourself to anticipate the risks your audience will see in the business case you will be presenting. *How will you best facilitate a discussion on identifying and analyzing other risks to consider?* It is best to brainstorm a list of potential risks the audience will envision so that you are prepared to address these concerns for the outset.

At this time, it is also recommended that you document assumptions on different scenarios that may arise in order to prepare for any of these eventualities. This scenario analysis helps answer “what if” type questions:

- What if the international market slows down and new export volume does not increase by as much as we calculated?
- What if the price of financing increases from the central bank and producers are unable to afford their loan payments?

By illustrating a project's impact in varying circumstances, scenario analysis provides a better understanding of the range of possibilities available within the case for change.

##### Considerations for Self Check

- ✓ Before moving onto the next step, determine the “What If” scenarios you want to be prepared to answer.

## 5. COMMUNICATE RESULTS

Communicating business case results effectively requires careful consideration of a number of factors, including audience preferences, the relationship dynamics between your organization and the audience, and the overall purpose of the business case presentation. It is recommended to create an Executive Summary of the information, which generally includes a one-sentence purpose of the business case, a brief description of the situation, an explanation of the drivers for change and the overall conclusions based on the financial and non-financial impacts. This summary delivers business case results in context, so the audience has a complete picture of what is at stake. Use an appropriate communication medium (PowerPoint, Word) to serve as a visual aid to the conversation.

It is also important to consider that business cases are best told using a storyline. Captivate your audience by setting the context and explaining the benefits of the project in a logical manner, using real examples the audience can relate to. Make sure the value proposition is clear for why the audience should participate in this initiative. At its heart, the business case should be centered on what benefits the audience will gain as a result of their investment/collaboration in a given initiative.

Based on the purpose of the business case, a successful outcome may be to initiate further conversations that will open the door for future partnerships. You then can set up additional conversations to focus on the details - deliverables, timelines, and budgets – and carry the relationship forward by speaking in a business language both sides can understand.

### Qualities of a Strong Business Case

- **Understandable**—tailored for your audience
- **Focused**—purpose and assumptions are consistent
- **Credible**—assumptions are realistic and based on quality sources
- **Insightful**—key questions are answered about strategic options
- **Simple**—not overcomplicated

### Considerations for Self Check

Before completing your presentation for the business case, confirm that you can adequately answer the following questions:

- ✓ Defined the overall purpose of the business case in one sentence?
- ✓ Found ways to communicate key financial data in a convincing way?
- ✓ Worked with your team to develop a storyline?
- ✓ Addressed the overriding concerns of the audience?

# PROFESSIONAL SKILLS FOCUS: USING BUSINESS LANGUAGE

You have now read about key aspects to focus on when writing a business case and focusing on ‘speaking in a business language’. In this professional skills focus, you will learn some techniques for using language in a way which complements these skills you have learned.

So far, you learned to:

- ✓ Define the situation and drivers for change
- ✓ Understand and document the current issues and challenges
- ✓ Align the drivers for change with the audience’s incentives and focus on the right one for the right audience
- ✓ Include a summary-level explanation in your presentation
- ✓ Document the scope and timeline in a way that makes it easy for the audience to understand
- ✓ Present your business case through a story line

By using language effectively, you are able to create the most effective message for your audience. Following are some **language techniques** and examples to support your business writing. These techniques will help you to craft clear and focused communications.

We will look at:

1. **Openings and closings**
2. **Writing / Speaking in the active voice**
3. **Keeping language concise**
4. **Giving examples**

## 1. OPENINGS AND CLOSINGS:

Start by stating your key message. Address your audience's needs from the very beginning. Set expectations for the information that is to follow. Then, use your closing to reinforce what it is you want your audience to do or feel.

### Example of an opening to a business case to a lead firm executive and potential partner:

**Ineffective opening:** "As a buyer, you probably want more from the companies you do business with today."

**Effective opening:** "As a buyer, you expect more from the companies you do business with today. You want more product options, better customer relationships, and faster economic growth. As a business person, you want to do more to address your customers' needs faster and more cost effectively"

The effective opening states the needs of the buyer in a **simple sentence**, but also gives **specific examples** of where the company wants to grow and the results that it wants to achieve.

### Example of a closing statement of a business case to a lead firm executive and potential partner:

**Ineffective closing:** "For more information, contact us at [name of your organization]."

**Effective closing:** "Value chain engagement is driving a new era by partnering community groups and lead firms to drive economic growth for each other. Leading firms are engaging with community farmers to take advantage of access to quality crops at affordable prices with minimal production and transportation costs."

The effective closing statement summarizes the presentation and reinforces the key messages.

## 2. WRITING/SPEAKING IN THE ACTIVE VOICE

Choose strong, active language to make your points. Be on guard for passive verbs like "it was." This will have a more immediate impact on your audience regardless of who you are addressing—an impact group, government agency or another type of actor. The active voice makes your message feel more real and creates a greater impression on your audience.

### Example of documenting past successes your organization has had with other initiatives

**Passive:** The success of [your organization] in Pronesia's Value Chain initiative in January 2011 was due to the partnership with the local NGOs and government partners, coupled with its engagement with XYZ lead firm.

**Active:** The commitment of [your organization's] partners in NGOs, government and of XYZ lead firm drives the success of this value chain initiative

### 3. KEEPING LANGUAGE CONCISE

Your message can be lost if you write sentences which are too long. If you need to write a longer sentence, use colons and semi-colons (correctly!) to include pauses and make sure the listener/reader can follow your points.

#### Example of a poorly worded business sentence

**Wordy:** "These forces—most notable regulatory change, the emergence of e-commerce and net centric technologies, the shift from a seller-driven to a buyer-driven marketplace, an increased focus on delivering shareholder value, and the growing need to enhance relationships with consumers—cut across all industry groups and influence client needs."

**Concise:** "Many of our industry partners face similar challenges: government policies are changing, new technologies are emerging, buyers are becoming more powerful and shareholders more demanding."

### 4. USING EXAMPLES

Examples are perhaps the most powerful method of communicating complex ideas.

#### Example demonstrating your organization's past experiences facilitating partnership between community groups and lead firms

**Weak example:** "[Your organization's] capabilities and deep knowledge enable us to partner community groups with lead firms to improve the performance and productivity of both while saving money."

**Better example:** "At XYZ Company, we implemented a system that saved the company \$X in operating expenses, cut training time in half and helped double sales."

The above 'better' example uses quantitative data to support the message. You could also improve the 'weak' example by using qualitative data, for example feedback from another lead firm partner with whom your organization successfully partnered as part of a value chain initiative in the past.

**Finally: Introduce only one idea per paragraph:** Choose one idea and lay it out clearly in the first sentence of the paragraph. Then use the rest of the paragraph to support or elaborate. These opening sentences prepare readers for what they are going to learn, and help them skim quickly for what they need.

When preparing a business case or presenting to a business audience, focus on applying these techniques to increase the effectiveness of your messages. Find an example of a recent presentation and discuss with your mentor how these techniques could be applied to maximize the way your key messages are delivered and your goals are understood by the audience.

# 5

# REFLECTION

Where in your previous working experience with private sector market actors could you have applied parts of the learning from this topical guide? Reflect on the current program(s) that you are engaged with when you answer.

Choose an example of a presentation/key communication you are preparing for interacting with business partners. How will you tailor it to include some of the techniques you have learned in this topical guide?

**The Growing Organizational  
Value Chain Excellence  
(GROOVE) Network**

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