

# **Business Case**

Online Order Management System

Lubbock Florist

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# Case Study Analysis Questions

## Most Suitable Area of Impact

The most suitable area of impact is **Operational**. Lubbock Florist’s primary challenges stem from inefficient operational processes including:

- Manual order entry leading to duplicates
- Inadequate inventory tracking causing stockouts
- Time-consuming order fulfillment processes

## Most Suitable Desired Value

The most suitable desired value is **Better**. The project aims to improve:

- Quality of business operations through automation
- Real-time inventory management
- Elimination of errors and inefficiencies

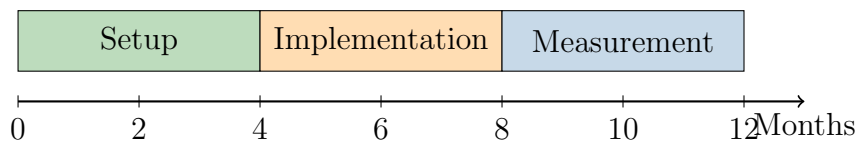
## Appropriate Metrics

Table 1: Key Performance Metrics

Metric	Current State	Target State
Order Processing Accuracy	85%	99%
Inventory Accuracy	60%	95%
Order Fulfillment Time	45 min	27 min
Peak Season Stockouts	8-10 incidents	2-3 incidents

## Time Frame

### 6-Month Implementation Timeline



## MOV Statement

Improve operational efficiency by reducing order processing errors to less than 1% and decreasing order fulfillment time by 40% within 6 months of system implementation, while maintaining 95% inventory accuracy to prevent stockouts during peak seasons.”

# Business Case Analysis

## Step 1: Define MOV

The Measurable Organizational Value (MOV) for Lubbock Florist focuses on operational efficiency improvements that directly address their core business challenges.

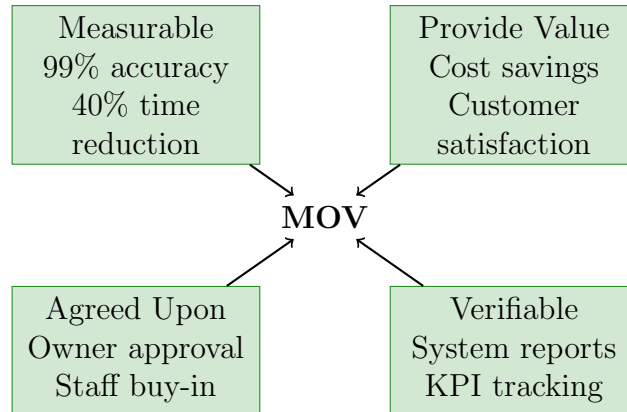


Figure 1: MOV Components for Lubbock Florist

## Step 2: Form Team

Table 2: Project Team Structure

Role	Member	Responsibilities
Project Sponsor	Carlos (Owner)	Final decisions, budget approval, strategic alignment
Project Manager	IT Consultant	Timeline management, coordination, risk management
Lead Florist	Senior Designer	Process expertise, workflow design, training lead
Operations Staff	Order Processor	Current system knowledge, testing, peer training
Technical Support	Part-time IT	System setup, integration, ongoing support

## Step 3: Identify Alternatives

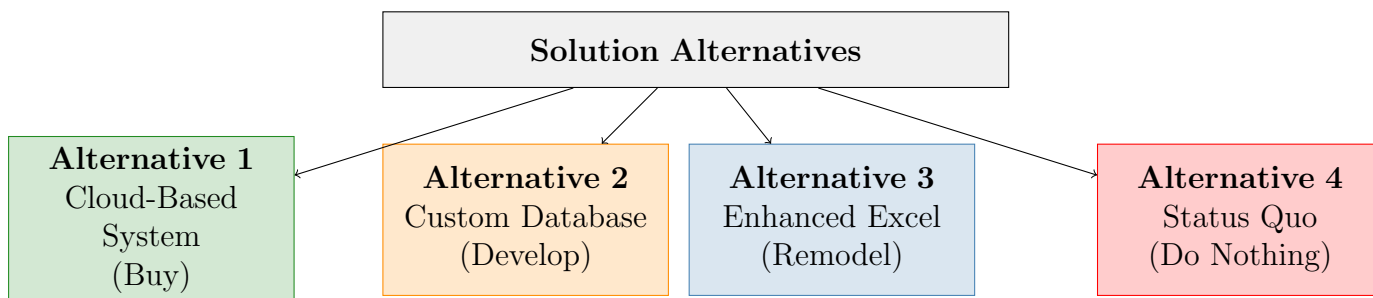


Figure 2: Four Strategic Alternatives

### Step 4: Assess Feasibility & Risk

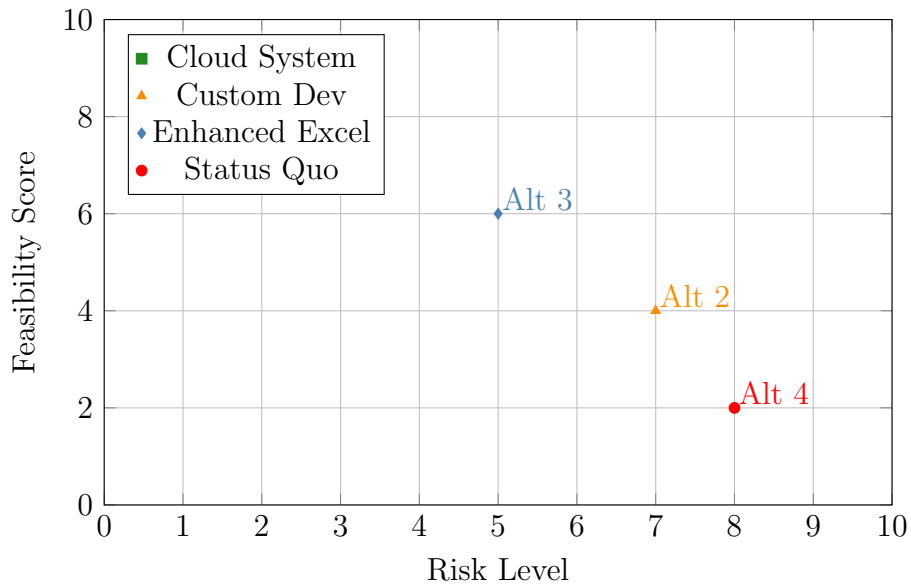


Figure 3: Risk vs. Feasibility Matrix

### Step 5: Calculate Total Cost of Ownership (TCO)

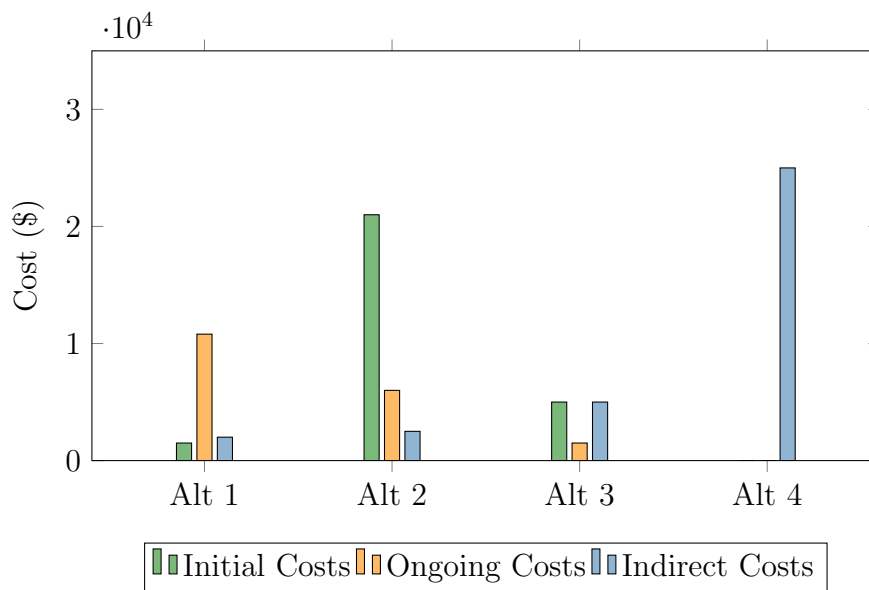


Figure 4: 3-Year Total Cost of Ownership Comparison

Table 3: Detailed 3-Year TCO Analysis

Cost Category	Alt 1	Alt 2	Alt 3	Alt 4
<i>Direct Costs</i>				
Initial Setup	\$1,000	\$20,000	\$3,500	\$0
Hardware	\$500	\$1,000	\$1,000	\$0
<i>Ongoing Costs (3 years)</i>				
Subscription/Maintenance	\$10,800	\$3,600	\$0	\$0
Training	\$500	\$1,000	\$500	\$0
Support	\$0	\$2,400	\$1,000	\$0
<i>Indirect Costs</i>				
Lost Productivity	\$1,000	\$1,000	\$3,000	\$15,000
Stockout Losses	\$500	\$500	\$2,000	\$10,000
<b>Total 3-Year TCO</b>	<b>\$14,300</b>	<b>\$29,500</b>	<b>\$11,500</b>	<b>\$25,000</b>

**Step 6: Estimate Total Benefits of Ownership (TBO)**

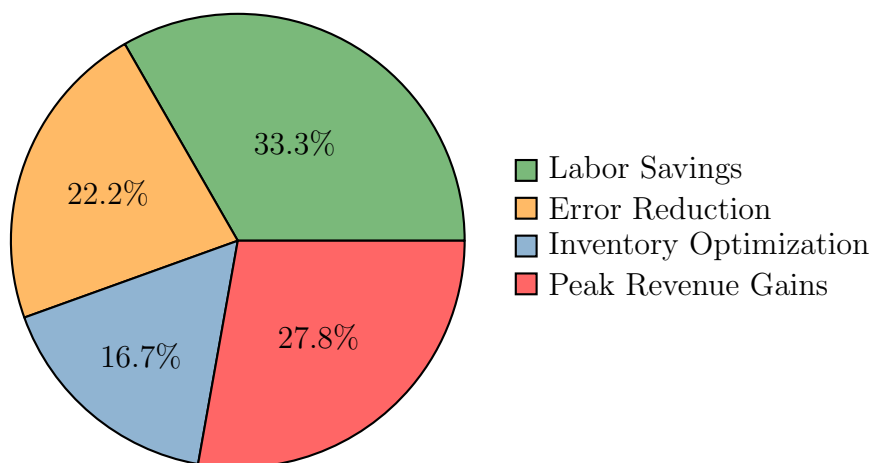


Figure 5: Distribution of Benefits (Alternative 1)

**Step 7: Analyze Alternatives**

Table 4: Financial Analysis Summary

Metric	Alt 1	Alt 2	Alt 3	Alt 4
3-Year Net Benefit	\$39,700	\$24,500	\$15,500	-\$25,000
ROI	278%	83%	135%	-100%
Payback Period	4 months	16 months	8 months	Never
NPV (10% discount)	\$33,421	\$16,832	\$11,234	-\$22,539

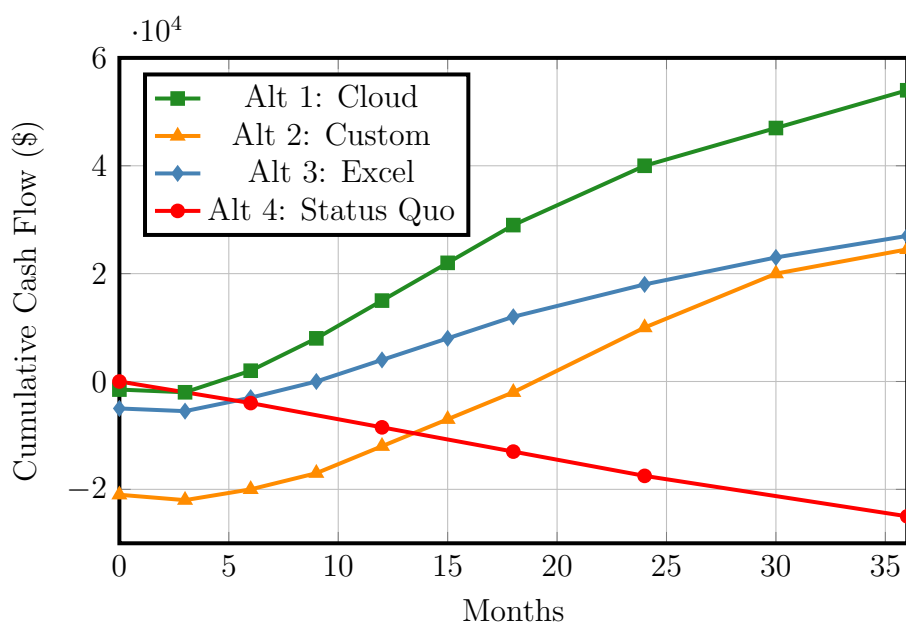


Figure 6: Cumulative Cash Flow Analysis

Table 5: Multi-Criteria Scoring Model

Criteria	Weight	Alt 1		Alt 2		Alt 3		Alt 4	
		Score	W.Score	Score	W.Score	Score	W.Score	Score	W.Score
ROI	25%	9	2.25	6	1.50	7	1.75	0	0.00
Strategic Fit	20%	9	1.80	8	1.60	5	1.00	2	0.40
Risk Level	15%	8	1.20	4	0.60	6	0.90	3	0.45
Implementation	15%	9	1.35	3	0.45	7	1.05	10	1.50
Scalability	15%	9	1.35	7	1.05	4	0.60	1	0.15
User Adoption	10%	8	0.80	7	0.70	8	0.80	10	1.00
<b>Total</b>	<b>100%</b>		<b>8.75</b>		<b>5.90</b>		<b>6.10</b>		<b>3.50</b>

### Step 8: Recommendation

Based on comprehensive analysis, Alternative 1 provides:

- Highest ROI at 278% with 4-month payback
- Lowest implementation risk
- Best strategic alignment with growth objectives
- Superior scoring model performance (8.75/10)

# Iterative Implementation Plan

## Project Overview

Table 6: Implementation Plan Summary

<b>Project Name</b>	Lubbock Florist Cloud System Implementation
<b>Duration</b>	6 months (26 weeks)
<b>Budget</b>	\$14,300 (3-year TCO)
<b>Expected ROI</b>	278%
<b>Payback Period</b>	4 months

## Implementation Phases

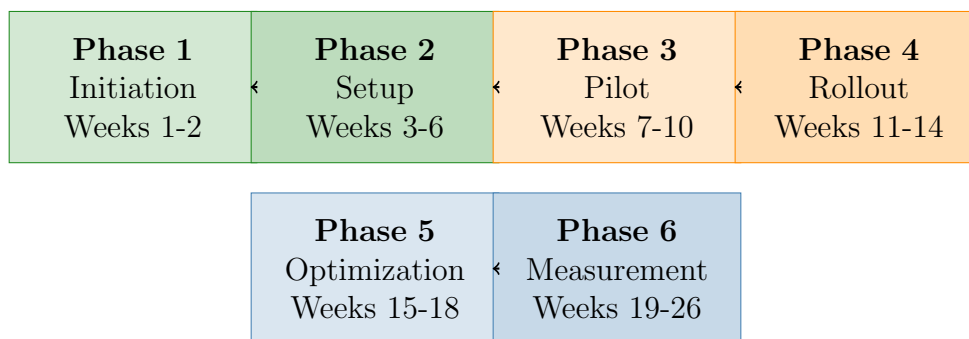


Figure 10: Six-Phase Implementation Approach

## Detailed Phase Plans

### Phase 1: Project Initiation (Weeks 1-2)

Task	Description	Deliverable	Responsibility
Kick-off Meeting	Align stakeholders on project goals and MOV	Meeting minutes	Project Manager
Vendor Evaluation	Research and compare cloud florist systems	Vendor comparison matrix	IT Consultant
Current State Analysis	Document existing processes	Process flow diagrams	Operations Staff
Requirements Gathering	Define system requirements	Requirements document	Team

Table 7: Phase 1 Tasks

### Phase 2: System Setup (Weeks 3-6)

Task	Description	Deliverable	Responsibility
Vendor Selection	Choose cloud system provider	Signed contract	Carlos (Owner)
System Configuration	Initial system setup and customization	Configured system	IT Consultant
Data Migration Plan	Plan for transferring existing data	Migration strategy	Technical Support
Integration Setup	Connect payment systems and tools	Working integrations	Technical Support

Table 8: Phase 2 Tasks

**Phase 3: Pilot Testing (Weeks 7-10)**

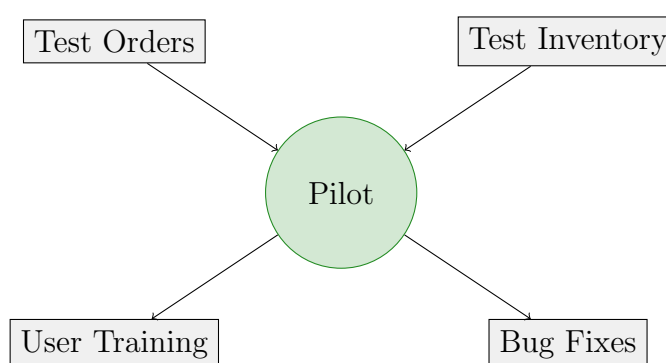


Figure 11: Pilot Testing Components

**Phase 4: Full Rollout (Weeks 11-14)**

Table 9: Rollout Schedule

Week	Activity	Success Criteria
Week 11	Launch order management module	100% orders in system
Week 12	Activate inventory tracking	Real-time stock updates
Week 13	Enable customer database	All customers migrated
Week 14	Go-live support and monitoring	≤2% error rate

**Phase 5: Optimization (Weeks 15-18)**

- Refine workflows based on user feedback
- Implement advanced features (reporting, analytics)
- Optimize system performance
- Conduct additional training sessions

**Phase 6: Measurement & Evaluation (Weeks 19-26)**

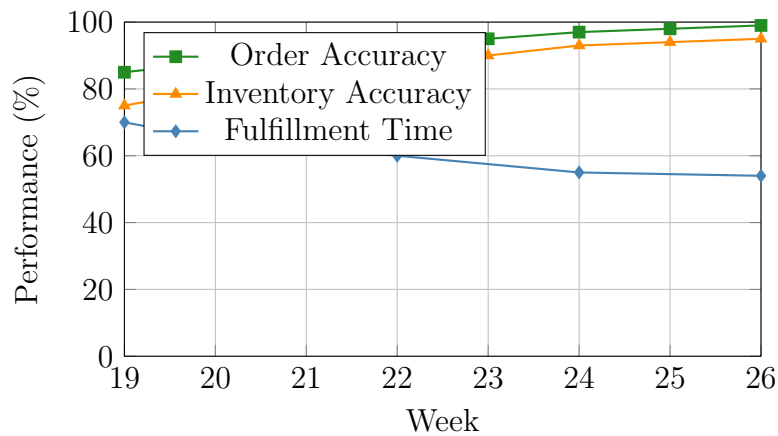


Figure 12: Expected Performance Improvements

**Risk Management**

Table 10: Key Risks and Mitigation Strategies

Risk	Probability	Impact	Mitigation Strategy
User Resistance	Medium	High	Early involvement, comprehensive training, change champions
Data Migration Issues	Low	High	Thorough testing, backup procedures, phased migration
Vendor Reliability	Low	Medium	SLA agreements, regular backups, exit strategy
Budget Overrun	Low	Medium	Fixed-price contract, clear scope, change control process

**Success Metrics Dashboard**

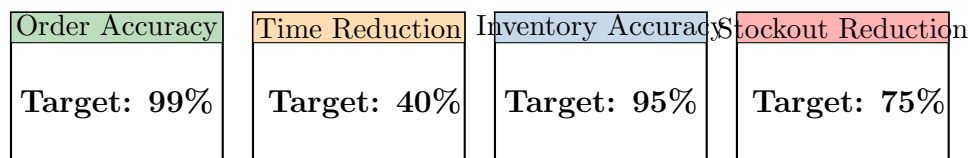


Figure 13: Key Performance Indicators

## **Bussiness Case**

The implementation of a cloud-based order management system represents a transformative opportunity for any Lubbock Florist. With a projected ROI of 278% and a payback period of just 4 months, this investment will modernize operations, eliminate costly errors, and position the business for sustainable growth.

The iterative implementation approach ensures minimal disruption to daily operations while maximizing user adoption and system effectiveness. By following this comprehensive plan, Lubbock Florist will achieve its MOV of improved operational efficiency within the targeted 6-month timeframe.