

# Return on Investment: Understanding the Challenge & Deriving Value

This deck is from a talk in 2009, at IT Financial Week, and was targeted at the IT leads who were touting a great return on investment for their projects. These “returns” were often based on little more than projections of so called efficiency, with no clear measure of how those would be captured, let alone how the projected results would be verified.

Excerpt from the Summary Thesis:

Measuring Return on Investment can be a fuzzy science, and is often overlooked, or given a token nod on technology projects. Measuring the straight Capital and Operating investment dollars against projected payback is a starting point, but only as accurate as the underlying analysis and data. Taking the time to perform the pre and post analysis with real metrics, and measuring value against these numbers provides more accurate measures of value.

- These can be used to prioritize further investment and return real business value. This builds the foundation for strategic platform investment with demonstrated value to the organization.
- A proven record of return on investments enhances business partnerships and increases the likelihood of continued future support.

Since giving this talk, I have worked with a number of different models, but the basics hold true. This was not meant to address the intricacies of an FP&A perspective, but rather make the basics accessible to IT delivery teams.

You can see the [deck here](#), or as always reach out to me to connect on this or anything else [here](#).