

# Tips for Getting Your Budget Request Approved

When approaching your manager with a request to invest in new technology for your department, you've likely heard one of the following:

*"I'd love to give you the resources for this project, but we just don't have the budget."*

*"Your team is doing a great job with the resources you already have. It might be difficult to make a case to increase spending."*

*"The timing isn't good, but let's take another look next year."*

- Talking points to start the conversation

- How to Calculate ROI

- Objection Handling Tips

Responses like this are frustrating – especially when you know that the benefits your organization will reap more than justify the investment.

Getting your manager to recognize the value (and become an advocate for) the new technology isn't easy.

## The good news?

Securing budget approval becomes much easier when you have a few helpful tools. We've put together this "cheat sheet" to help you build your business case. Read on for talking points to kick off the conversation, as well as a few "how-to" tips for presenting ROI and overcoming the most common objections.

## How to start the conversation

When you enter your manager's office, what will you say? The first moments of the conversation set the stage for getting your budget approved. Here are a few talking points to get started in creating your approach:

**1. Cover why you need the new technology.** Your manager might not fully understand the risk of continuing with the current system. Spell out what could happen if CMS audits you or, even worse, you get fined. Is your current system no longer supported? Explain your concerns about potential exposures and how you're worried that you're not being proactive enough to handle security or compliance risks.

**2. Focus on how much you will save.** We'll cover ROI in the next section because it's very important to give your manager an idea of how much you can save your organization. Saying "I've done some quick math, and the new technology could save us more than a million dollars over the next five years" is an effective attention-getter.

**3. Provide a general game plan.** Talk to potential partners to gain a general understanding of timing and the next steps. Be prepared to share those insights with your manager by saying something like, "Implementation will take around 9 to 12 months, and if we select a vendor with great support, we won't need to lean on our internal IT sources too heavily."

### PRO TIP:

Planning to expand to new states? A period of growth is the perfect time to present a business case for new technology. Explain how the technology will help you scale while you're presenting the "why you need the new technology" talking point.



## HOW MUCH CAN I SAVE?

Here's a basic formula to calculate ROI:

1. Create a list of relevant processes.
2. Tally the costs associated with each one.
3. Figure out how much the new technology will save you on each process.
4. Calculate your ROI.

### FOR EXAMPLE:

Let's say that annual savings are \$300,000. In five years, the total savings is \$1.5 million. After talking with vendors, you estimate a new technology cost of around \$600,000.

When you divide the 5-year net savings of \$1.5 million by the total investment cost of \$600,000 and multiply the result by 100, your ROI = 250%

## Figure out the costs associated with each process

To present ROI, you've got to establish current costs. Look at the most time-consuming processes you have and calculate what it costs to perform each one. Then, determine how much time the new technology will save you. Tally these to get your annual savings number to plug into the ROI formula.

Here's an example using a single process:

### Indexing an A&G request with all relevant information

Number of Occurrences per Month:	1,253
Number of Minutes per Occurrence:	3.75
Total Hours Spent per Month:	78.3
Staff Hourly Wage:	\$23.95
Monthly Cost to Perform Task:	\$1,875
Annual Cost to Perform Task:	\$22,500
New Technology Time Savings:	75%
Monthly Savings:	\$1,406
Annual Savings:	\$16,875

Do this for all of your relevant processes. Make sure to include:

- Researching appeals, then classifying them
- Calculating case due date
- Performing outreach to members
- Creating an acknowledgment letter
- Generating a good cause letter
- Producing an out-of-compliance letter
- Routing appeals to the appropriate queue
- Checking for duplicates
- Checking compliance deadlines for cases
- Pulling reports for management
- Compiling regulatory reports

### PRO TIP:

Not sure how to calculate the time savings of that new technology? Ask your potential technology partner to give you an estimate for each process.

# Top 5 manager objections and how to overcome them

**1** “The system we have works fine. We don’t have budget for new investments right now.”

Explain the level of risk that exists with manual entry processes, discuss potential exposure with respect to audits and fines, and present the decreased risk and the potential savings of the new solution.

**2** “We can make enhancements to our existing database – that’ll get the job done for less money.”

Explain that your existing technology is outdated and that investing time and money into applying patches and workarounds isn’t a viable long-term solution that supports growth. Explain the benefits of finding a partner that brings both automation and savings rather than continuing to troubleshoot older, outdated technology.

**3** “We’re planning to hire more people. That will solve your problem. It will just take a little time.”

Present your concerns about how much time and how many resources it takes to get new staff up to speed. Explain why technology is a better alternative because it helps you scale fast without overburdening your already busy team.

**4** “Our users aren’t very tech-savvy. It’ll be too much change.”

Explain that if you choose the right partner, the process will not be disruptive. For example, **Kiriworks solutions** are intuitive, require limited IT resources, and can be tailored and customized.

**5** “We’re purchasing a new healthcare population application. It already has a built-in A&G system.”

Explain that the A&G solution doesn’t give you the level of automation needed to reduce compliance risk and doesn’t provide long-term cost savings.

## PRO TIP:

Don’t go it alone. Need a hand preparing a business case for your manager? We can help you fine-tune your ROI, show potential savings and get your budget approved. Contact us today!

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