BENEFITS MANAGEMENT AND REALISATION

This toolkit has been designed to help you to identify, manage and realise your project benefits effectively.

In this toolkit
- Identifying benefits
- Benefit Maps
- The stakeholder relationship with benefits
- Profiling benefits
- Measuring and owning your benefits
- Monitoring and realising your benefits

Remember

If a project is not expected to achieve any benefits, or if the cost of the project outweighs the value of the benefits, the project is unlikely to be worthwhile or justifiable.
Identifying Benefits

“A benefit is the measurable improvement resulting from an outcome that is perceived as an advantage.”

The benefits a project is expected to achieve are the key elements of the Business Case or the Project and are carried forward through the initiation, implementation and closing of a project. They are, and should be, the measure of a successful project.

Think about who will benefit
When thinking about the benefits a project might have it is vital that you include your stakeholders in the process: after all, they are the ones that will inherit the system/process/change once the project is over. Stakeholder involvement from an early stage will help to gain “buy-in” a give stakeholders a sense of ownership of the deliverables.

1. Get your stakeholders together for a benefits workshop and get them to think about:
   - What changes will the project make to their processes?
   - What impact will the project have on systems and infrastructure?
   - What cost or time savings will the project have?

2. Use the table below to focus your discussions – which of these areas does your project improve?

<table>
<thead>
<tr>
<th>Areas of Improvement</th>
<th>Benefits that mean customer’s needs/ wants can be responded to in an improved way</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of Service</td>
<td>Benefits that improve decision-making or other internal processes</td>
</tr>
<tr>
<td>Internal Improvement</td>
<td>Benefits that improve productivity or efficiency</td>
</tr>
<tr>
<td>Process Improvement</td>
<td>Benefits that contribute to an improved workforce, both through motivation and productivity</td>
</tr>
<tr>
<td>HR</td>
<td>Benefits that enable the University’s strategic objectives to be met</td>
</tr>
<tr>
<td>Strategic</td>
<td>Benefits that are going to contribute towards University policy or legal responsibilities</td>
</tr>
<tr>
<td>Financial</td>
<td></td>
</tr>
<tr>
<td>Policy/legal requirement</td>
<td></td>
</tr>
</tbody>
</table>
Using Benefits Maps

A benefits map is developed to show how benefits relate to each other and to the project’s key deliverables and objectives.

Benefits do not ‘happen’ in isolation, and so the maps are a great visual tool for trying to understand how they all link together. They can be a great help when you are putting together your project plan and benefits plan as they identify which benefits are reliant on others being realised before they can be realised themselves.

Understanding how they fit together

1. Start by thinking about your project objectives.
2. From there work backwards – what benefits will help to achieve those objectives?
3. Finally, which benefits will be derived from the key deliverables?

Remember:

Key deliverables can link to many benefits, and, in turn, many benefits may link to one objective.

There may be several benefits that rely on each other to be completed – creating a ‘path’ from the key deliverable to the objective.

<table>
<thead>
<tr>
<th>Project Deliverables</th>
<th>Project Benefits</th>
<th>Project Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image" alt="Diagram of project deliverables, project benefits, and project objectives" /></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The Stakeholders relationship with Benefits

Since your project’s benefit will have an impact on your stakeholders it is really useful to understand the relationship in detail. This template is useful to document the relationship between your project’s stakeholders and benefits.

1. Enter all stakeholders / stakeholder groups in the column headers (add more columns if required)
2. Enter all benefits for the project in the first row
3. Highlight the boxes to show which benefits have an impact on each of the stakeholders / stakeholder groups.

Consider using a green box to highlight the benefit’s positive impact on the stakeholder and red to highlight negative impacts of a benefit on the stakeholder

Profiling the Benefits

At this stage, it is useful to prepare a profile of each benefit. For this we use the Benefits profile table below:

<table>
<thead>
<tr>
<th>Benefits No. and Title</th>
<th>Description of benefit</th>
<th>Contribution</th>
<th>Benefit type</th>
<th>Stakeholders impacted by the benefit</th>
<th>Change required</th>
<th>Key Assumptions and Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of Service, Internal improvement, Process improvement, HR, Strategic, Financial, Policy/legal requirement, other..)</td>
<td>Fully tangible, measurable by proxy, intangible</td>
<td>Stakeholders impacted by the benefit</td>
<td>The key change required to achieve the benefit – ref can be made to processes, structures, manpower and to the stakeholders active or passive involvement</td>
<td>Any factors assumed to be in place for the benefit to be achieved, or might jeopardise the benefit</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Identifying useful and assessable measures for your benefits is a vital part of the benefits management process.

**Ownership**

The ownership of the Benefits of each project should be assigned to the *Project Sponsor*. Benefits may not be realised until after the official close of the project and it is important that someone is responsible for measuring these.

*Remember* – the benefit owners do not have to collect the measurement data themselves; the Project manager is responsible for this during the life of the project, but they are responsible for ensuring that their benefit *is* measured, and is signed off when realised. Use the Project Office *Benefits Monitoring Plan* to control this process and ensure that everyone is aware of their role in the realisation of the project’s benefits.

**Measuring**

The more you are able to plan how you are going to measure your benefits early on in the project, the easier it will be when it comes to do it.

It is important that you start measuring early on in the project to establish a baseline for your measurements so that you have something to compare the data with after the project deliverables have been met.

This is also a great way to make sure that you have designed SMART (specific, measurable, achievable, relevant, and time-bound) deliverables. If you can’t find a baseline at the beginning of the project, how are you going to measure them at the end?

For e.g. are users satisfied? Undertake a user survey.
Are specific benefits being realised? Measure/track benefits against desired values

Some measurements may be tangible and easily measured for e.g. less staff required, improved processing or storage capability or cost savings and some may be intangible but always try to choose measurements that can be attained and verified and reflect the benefit in question.
Throughout the project it is useful to have measurement periods set in your project plan to co-incide with benefits realisation. It is useful to fill out a map of benefits and measures over time:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarter</td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
</tr>
<tr>
<td>Month</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. **IMPROVED ACCESS & AVAILABILITY TO APPLICATION SYSTEM**
   - Baseline
   - 1st Actual Measurement

2. **REDUCTION IN APPLICATION ERRORS**
   - Baseline
   - 1st Actual Measurement
   - 2nd Actual Measurement

3. **IMPROVED APPLICATION PROCESSING**
   - Baseline
   - 1st Actual Measurement
   - 2nd Actual Measurement
Monitoring and realising your benefits

Fundamentally, benefits management should be undertaken at the beginning and the end of a project (and a lot of the middle as well).

At the beginning of your project you define your benefits in the business case and the PID. The Benefits Monitoring Plan helps you to keep an eye on your benefits while the project is progressing:

- **Starting a Project**
  - Why do you want to do this project?
  - What is the benefit?

- **Initiation**
  - How are you going to measure the benefits?
  - When will they be active?

- **Implementation**
  - Has the project scope or the business case changed?
  - How has this affected the benefits?

- **Closing a Project**
  - Which benefits have been realised?
  - Are there any benefits that will not be realised?

**During the Project: Review... Review.... and Review....**

At the end of a stage, think about how the project is progressing and, in turn, how the benefits realisation is developing.
Changes to the Scope of the Project
As changes are made throughout the project, ensure you have thought about the impact that the scope change will have on the benefits management plan and amend accordingly.

End of stage review
Use your progress reports, or end of stage reviews to look at your benefits plan. Use this diagram as a guide to your discussions:

**EXPECTED**
- What expected benefits were realised?

**UNEXPECTED**
- What expected benefits were realised?

End of Project Review
At this stage some benefits may have been realised and whereas for others it may be a few years before the expected benefit is realised. These timescales should be noted in the Benefits Management Plan.

Try using your benefits plan as a tool for reviewing your project – as the sole purpose of projects is to provide something that delivers some benefit/s, then the benefits performance is a valuable aspect from which to learn lessons.