

# BENEFITS MANAGEMENT AND REALISATION



This tool kit has been designed to help you to manage and realise your project benefits effectively.

It will help you to think about why you want to start the project, to identify the benefits of the project and to think about the problems that you may face.

## In this toolkit

- ◆ Identifying benefits
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**University Project Management methodology documents that make reference to benefits:**

- Business Case
- Project Initiation Document (PID)
- Progress Report
- End of Project Report
- Benefits management plan

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 element of the Business Case and are carried forward through the initiation, implementation and closing of a project. They are, and should be, the measure of a successful project.



**You can't come up with the benefits on your own!**

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.

## Benefits vocabulary

- Better....
- Improved.....
- Reduced.....
- Maximised.....
- Expanded....
- Boosted....
- Increased....
- Strengthened....
- Extended....
- Easier....

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?

Business Area	
Policy or legal requirement	Benefits that are going to contribute towards University policy or legal responsibilities
Quality of Service	Benefits that mean customer's needs/ wants can be responded to in an improved way
Internal improvement	Benefits that improve decision-making or other internal processes
Process improvement	Benefits that improve productivity or efficiency
HR	Benefits that contribute to an improved workforce, both through motivation and productivity
Strategic	Benefits that enable the University's strategic objectives to be met
Financial	Benefits that increase revenue coming into the University





## Measuring and owning benefits



Identifying useful and assessable measures for your benefits is a vital part of the benefits management process – they are your way of proving how great your project is!



### Key problems when measuring benefits.....and some solutions too!

*“We’re not sure whether the improvements shown in the measure values can be attributed to our project or not”*

It’s far more important just to measure and acknowledge the change has happened (or not) – attributing the cause of this can come later. Talk to people doing other projects in the University that are working towards similar objectives. It may well be the case that multiple projects have an impact on the same benefits.

Also, think about breaking down big, difficult-to-measure benefits into smaller ones. This way you might be able to measure several smaller benefits that all feed into the bigger overall benefit.

*“But, isn’t measuring benefits really time consuming and hard?”*

Planning... planning ... planning! 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.

Speak to other people. The University is full of projects and project teams working on initiatives to improve the way the University runs, and it is likely that they are measuring the same kind of benefits. Building relationships and sharing ideas is a key way to develop these activities.

*“There’s no need to start measuring our benefits yet...”*

No! Start measuring straight away. It is vital that you are able 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 measurable deliverables. If you can’t find a baseline at the beginning of the project, how are you going to measure them at the end?



*“The project manager has moved on to a new project...who is going to measure the benefit?”*

Don't assign the benefit ownership to the Project Manager – benefits may not be realised until after the official close of the project and it is important that someone is responsible for measuring these.

It is safe to assume that measurement will be completed most accurately by those who have an interest in the results, and who have benefited from the project themselves. Key stakeholders, programme executives and Senior Users are all valuable as benefit owners.

Remember – the benefit owners do not have to collect the measurement data themselves; they are just 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.



## The stakeholder relationship with benefits



Since your project’s benefits will have an impact on your stakeholders it is really useful to understand the relationship in more detail.

Stakeholder management is key to the success of all projects and ensuring that you are able to understand your stakeholders’ general concerns and interests can help you to communicate effectively.



### Red or Green?

Use this template to document the relationship between your project’s stakeholders and benefits, and to help plan your stakeholder communications.

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 column
3. Highlight the boxes to show which benefits have an impact on each of the stakeholders / stakeholder groups.

Benefits ↓	Stakeholders →				
	Student	Teaching staff	Support staff	Academic board	Employers
1. More staff time available for other activities		Green	Green	Green	Green
2. More effective use of space	Green	Green	Green	Green	Green
3. Better quality information	Green	Green	Green	Green	Green
4. Improved availability of assessment deadlines	Green	Green			
5. Reduced support staff requirements			Red		Green

Remember, something that is a benefit to the majority, may be a dis-benefit to others.

Consider using a:

- ➔ green box to highlight the benefit’s positive impact on the stakeholder
- ➔ red box to highlight any negative impact the benefit has on the stakeholder



## 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.

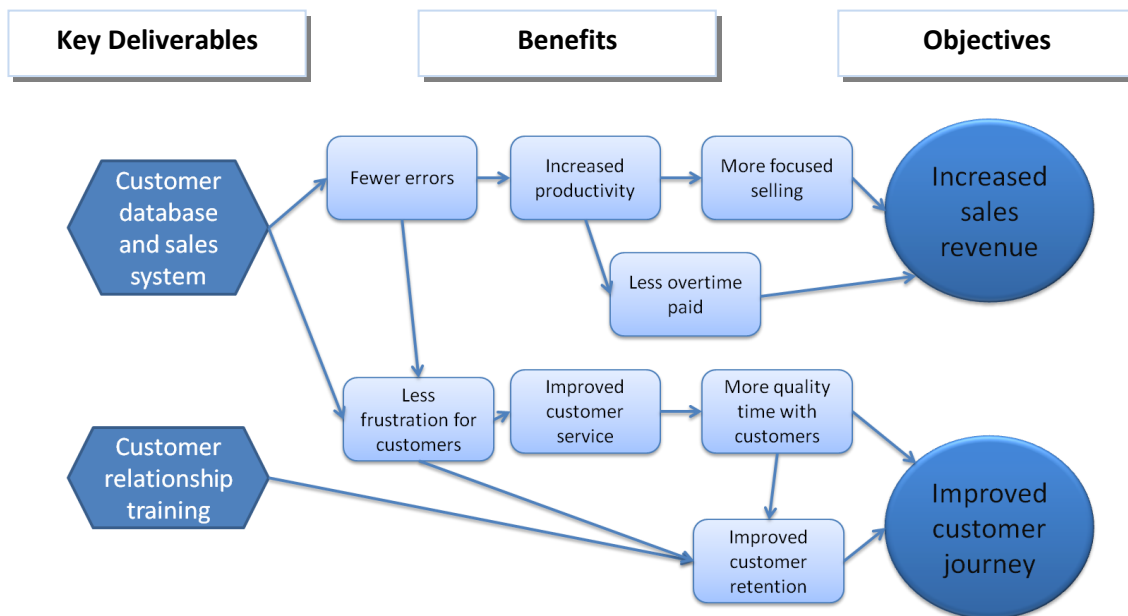


### How they fit together

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.





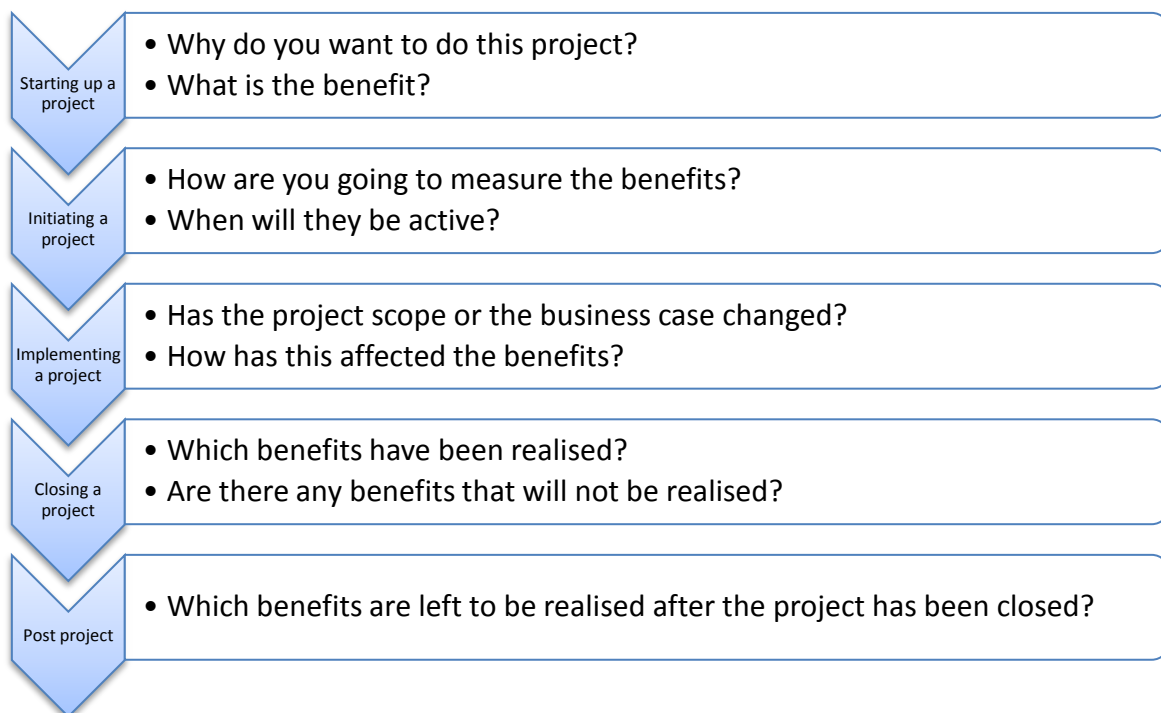
## Monitoring and realising your benefits



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... then what??

The Benefits Monitoring Plan helps you to keep an eye on your benefits while the project is progressing.



### During the Project: Review...review...review

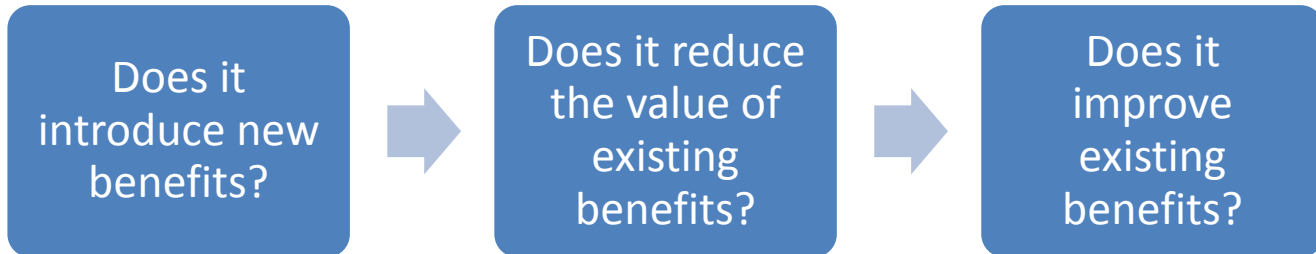
Get into the habit of thinking about your benefits every time you come to the end of a stage, or there is a change request. These are great times to think about how the project is progressing and, in turn, how the benefits realisation is developing.





## Change request

During the change request process make sure that you have thought about the impact that the scope change will have on the benefits management plan.

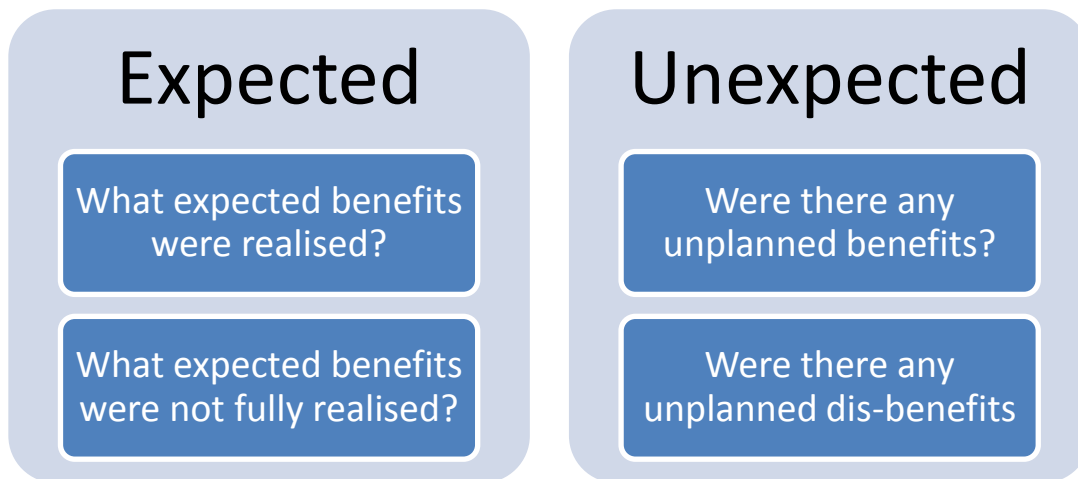


**REMEMBER:** Make sure you change your benefits plan accordingly!!

## End of stage review

Use your progress reports, or end of stage reviews look at your benefits plan.

Use this diagram as a guide to your discussions:







## End of Project report form

Fingers crossed, once you get to this stage of the project you will have a good understanding of your project benefits. Some may have been realised on the way, whereas for others it may be a few years before you can really start to understand the impact.

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.

### Project Office top tips

- Make sure you start simple – this does not need to be precise or 100% accurate
- Talk to other project teams about how they are focussing on benefits management and realisation
- Use these tools to promote and focus on the value & benefits – not the perceived bad bits
- See what your Project Board and users make of a benefits-focussed approach to projects and change

For more information and advice contact the Project Office: [projects@contacts.bham.ac.uk](mailto:projects@contacts.bham.ac.uk)