PROACTIVE
BENEFITS MANAGEMENT
A Quick Guide

Even successful projects can seem like failures when the benefits of the project are expressed strictly as output-based metrics. As a whole, we need to think bigger and more strategically.

To that end, we've gathered seven tips that can make a difference in how you and your team manage the benefits of your projects:

1

DO YOUR HOMEWORK

Proper realisation of benefits must start with the "definition and appraisal of target benefits" according to authors Ofer Zwikael and Ying-Yi Chih. By making smarter definitions upfront, you can make better choices on what projects to pursue. You'll gain critical early alignment on expected outcomes - and benefits back to the business.

2

EXPLORE ALTERNATIVE DEFINITIONS

Project management scholars are pushing for a more benefits-based framework. Zwikael, in another paper with co-author J.R. Smyrk, proposes a new model where successful outcomes are those that meet the funders' or customers' objectives. What makes this model so interesting is that the project owner now becomes the funder or their proxy, not the project manager.

3

CONSIDER THE ENTIRE PROJECT LIFECYCLE

Benefits do not stop accruing simply because a project is complete. "Long-term actions and monitoring for continued realisation should be documented as part of the handover to business-as-usual," according to the Association for Project Management.

4

BEWARE OF OPTIMISM BIAS AND OTHER LIMITATIONS

This problem is not isolated to any one industry or country. According to one measurement in the UK, "Deficiencies in benefits capture bedevils [in] nearly 50% of government projects" and, "30-40% of systems to support business change deliver no benefits whatsoever." The same report found identical issues in Australia and the U.S.

5

FOCUS ON VALUE

The same presentation as above, created by author and benefits realisation management expert Stephen Jenner, urges teams to "go beyond forecast to creating value"and to manage benefits from a "portfolio perspective" with "continuous participative engagement" and plenty of learning baked in. Going further, Jenner advocates the use of a "fool" - someone tasked with asking "questions others don't dare to ask and identify those 'assumptions that masquerade as facts'."

6

KEEP ADJUSTING

In laying out a new framework for projects relating to its Vision 2015 programme, the New Zealand government codified an approach to benefits realisation management that made this rolling review explicit: "Benefits areas are identified, quantified and refined through the operating model and process design phases;" and, "The size and value of benefits are refined during the piloting and testing phases." It's an iterative approach that could cut down wild assumptions that wouldn't pass even an initial level of real-world activity.

7

LEAN ON AGILE

The Agile PMO wiki points out how certain elements of the Agile Manifesto support a robust understanding of how to manage benefits. Chief among them: "Our highest priority is to satisfy the customer through early and continuous delivery of valuable software."

There's ample research and deep thinking around benefits management. If you or your team are struggling with benefits management, it pays to brush up on what's working for others and think through the best way to approach this for your unique circumstances. The payoff could be substantial.

Eager to move even faster? Call in expert guidance. Our benefits management tools and techniques can deliver measurable value for your organisation. Speak to our Principal Consultants today to find out how we can help you realise outcomes. 1300 70 13 14.

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