Benefits Realisation Management Framework

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Benefits Realisation Management Framework

A standard approach for benefits realisation management for anyone not familiar with the subject matter, including program directors and managers, change managers, project managers, business analysts and program management office (PMO) staff across NSW Government.

The purpose of the Benefits Realisation Management Framework is to provide:

- a framework of best practice principles and concepts drawn from latest experiences and proven practice in setting up and managing programs that is transferable across NSW Government agencies

- a standard approach for benefits realisation management for anyone not familiar with the subject matter, including program directors and managers, change managers, project managers, business analysts and program management office (PMO) staff across NSW Government

- consistent terminology and benefits categorisation

- introduction and guidance for program sponsors and business benefit owners.

The Framework:

- is aimed at those who are interested in benefits realisation within NSW Government agencies, enabling them to adapt and tailor the guidance to their specific needs

- must be accessible by strategy groups, operational business areas and program/ project teams as well as by individual practitioners and benefit owners

- should help PMO practitioners improve their decision making and become better at implementing beneficial change.

1. Benefits Realisation Management Process
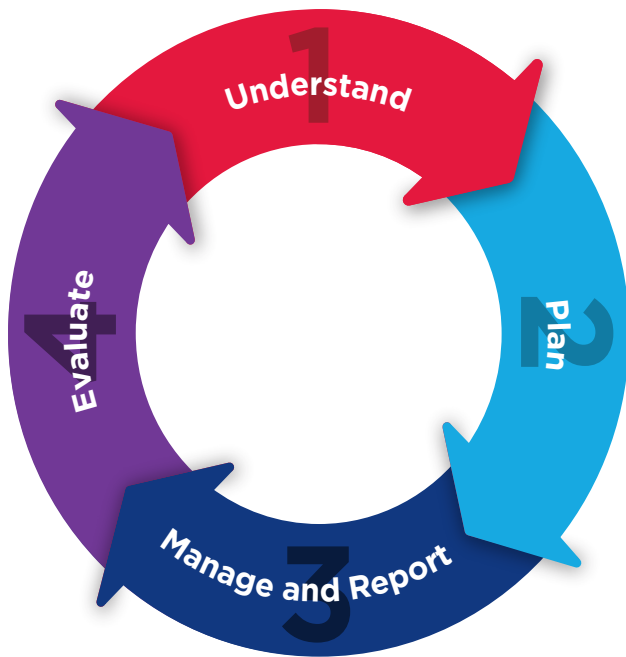
The key to applying the framework is to understand your starting point. Have you got an approved business case or are you still in the process of developing a business case for your project or program?

When developing your own agency strategy or plan, we suggest you refer to this standard framework and use it for your Benefits Realisation Strategy and/or Plan when preparing one.

Not all tasks and deliverables may be relevant to your program or project, but at least you can use this standard approach to focus on developing your own content.

For each of the key deliverables we have developed a template that should greatly assist and speed up the development of your benefits realisation management deliverables.

> **The following sections outline the objectives/ definitions for each of the phases, a summary of the key questions to answer when developing a benefits framework, the key (recommended) tasks by phase which will lead to the key deliverables.**

Understand

Objective
Define vision, objectives and potential benefits ensuring alignment with strategic drivers.

Key questions:
- Have the vision/objectives/end state been articulated?
- Who will be impacted by the program?
- Have the stakeholders been identified?
- What are the benefits of the program?

Process
- Articulate the vision/objectives/key principles
- Identify key stakeholders
- Identify benefits with stakeholders
- Map the outcomes and benefits with stakeholders
- Develop a benefits realisation strategy
- Obtain sponsorship buy in and ownership of benefits

Deliverables
- Benefits Realisation Strategy
- 3 Column Analysis
- First draft benefits map
- Benefits Distribution Matrix

Plan

Objective
Prioritise the benefits and business change required to determine a plan for achieving the objectives.

Key questions:
- What type of benefits will the program realise?
- Can benefits be measured? What are the measures and data source?
- Who should be responsible for realising each benefit?
- Have the baseline data and targets been agreed with benefit owners?
- Are there any risks relating to either the forecasting of benefits or delivery failures?

Process
- Classify benefits
- Identify benefit measures
- Value benefits
- Create benefits register
- Develop benefits profiles
- Establish governance
- Confirm benefit ownership
- Develop benefits plan
- Inform business case

Deliverables
- Benefits plan
- Benefits profiles (included in plan)
- Benefits register or benefit tracking tool
- Updated benefits map

Manage and Report

Objective

Measure, analyse and understand the program outcomes to proactively support the delivery of benefits.

Key questions:
- Have any quick wins been realised?
- Has progress been reviewed against the business case?
- Has an effective and sustainable monitoring, data analysis and reporting process been established?
- Do benefit reports/dashboards meet the needs of different stakeholders?
- Are the responsibilities for ongoing managing and reporting documented in the benefits plan?

Process
- Operationalise the benefits register or benefits tracking tool
- Agree final targets with benefit owners
- Monitor program process
- Review progress against business case
- Update benefits plan, benefit register or tracking tool
- Establish reporting on progress
- Handover benefits reporting and measurements to BAU team

Deliverables
- First benefits report
- Updated benefits plan
- Updated benefits register

Evaluate

Objective

Identify learnings from program activities to inform strategic decisions and priorities.

Key questions:
- Were the expected program outcomes realised?
- Do the benefit management deliverables provide sufficient evidence to evaluate the program?
- Has the transition to BAU been managed?
- Did the stakeholders realise the benefits they expected?
- Has progress towards the vision/end state been reported against?
- Have lessons learned been captured and communicated?

Process
- Clarify the purpose and scope of the evaluation phase
- Review the benefits deliverables
- Conduct post-implementation review to inform corrective action
- Capture lessons learnt to inform continuous improvement

Deliverables
- Updated benefits register
- Updated benefits report
- Business case variation report
- Lessons learned report

2. Benefits Realisation Management Process (cont.)

The following diagram provides an overview of the process flow and deliverables to understand, plan, manage and report and evaluate the realisation of benefits.
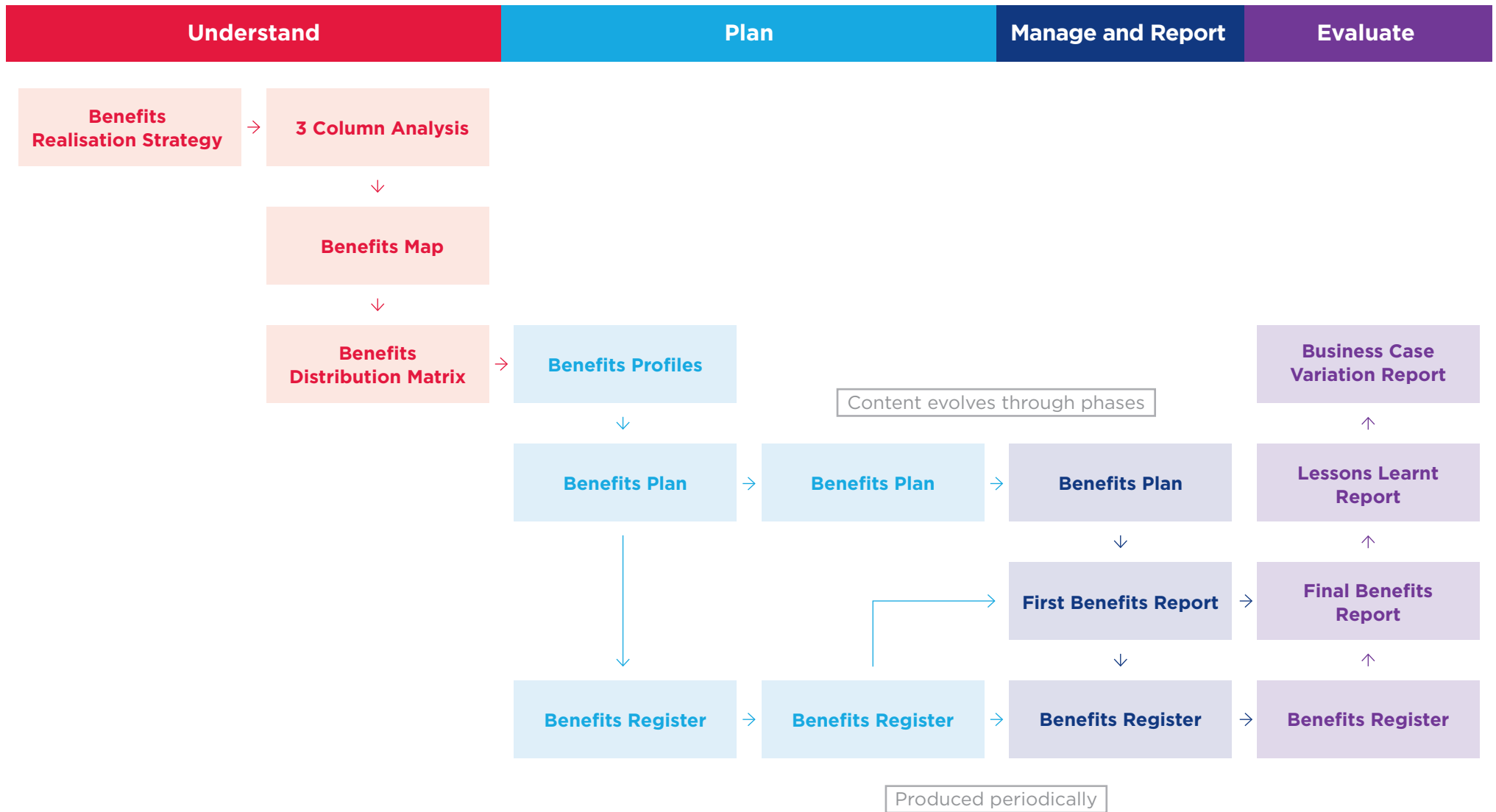

Figure 1 – Benefits Realisation Management deliverables