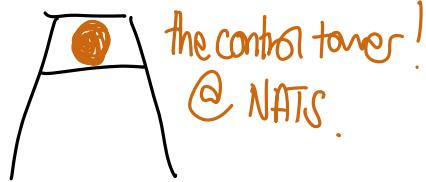
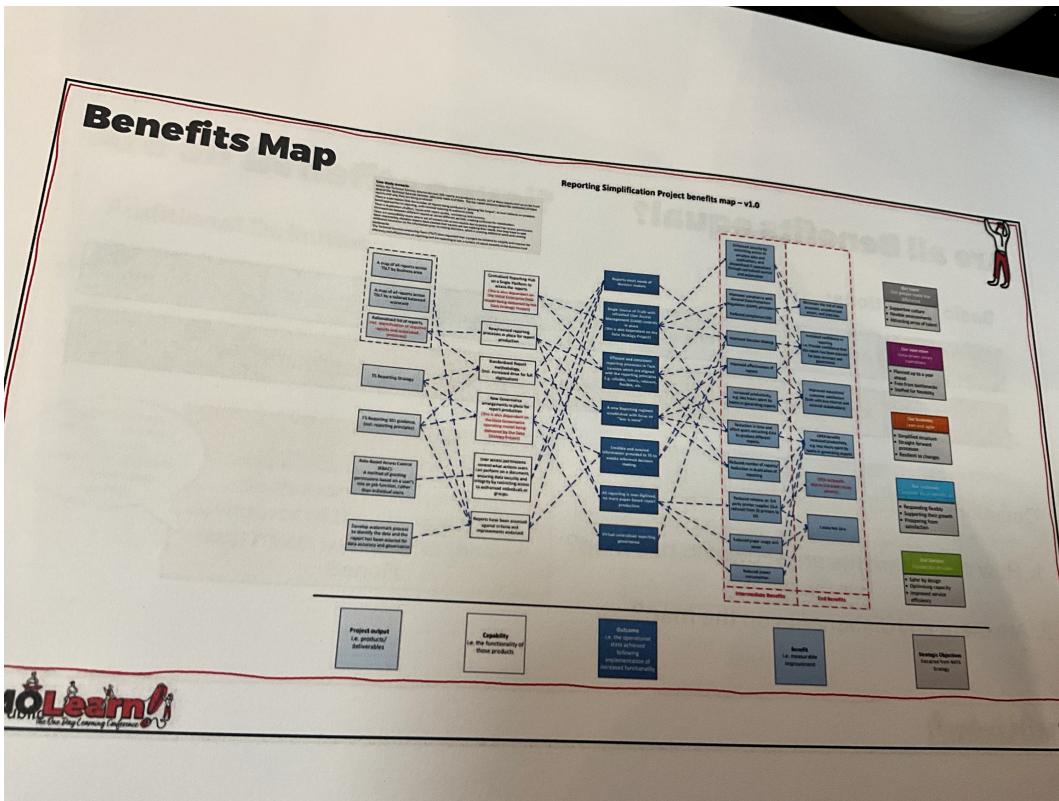


Identified benefits, now what?



Jess Richardson +
Steve Blader.



Benefits definition;

'A measurable outcome of change that is perceived as positive by a stakeholder'

Disbenefits definition;

'perceived as a negative ...'

Intermediate benefits - the secondary or supporting outcomes - progress along the track
End benefits - the ultimate value or strategic outcome - the real end goal

Types of benefits - finance Vs non-financial.

Benefit Categories	
FINANCIAL BENEFITS	
• Can be measured in monetary terms	
• Will result in actual cashable savings	
Cost Reduction	- tangible cost saving or cost benefit
Revenue Growth	- improved operating margin from increased price or volume or revenue recovery
Capital Expense Reduction	- improved working capital (inventory, receivable, payables etc)

NON-FINANCIAL BENEFITS	
• Normally measured by non-monetary KPI	
• Will not result in actual cashable savings	
Environmental Impact eg reduces carbon footprint/ emissions, less energy/ consumption	
Processing Improvements eg improve speed/ efficiency, reduce errors, eliminate waste	
Customer Experience eg improved satisfaction, improved perception of value	
Staff Experience eg improved engagement, satisfaction, improved retention	
Regulatory of Compliance - project required to comply with changed regulation or legislation	
Risk Mitigation/Cost Avoidance - eg improves safety, sustains existing technology or avoids a cost increase	
Image or Reputation eg improves company's external image or brand reputation	

BENEFIT PROFILES



HEADERS:

- : more detail.
- : define change in value
- : how to measure + report on progress
- : the improvement when realised
- : identifications of individuals responsible for delivery of the benefits
- : how benefits will be measured
- : location of effort.

Do people do 3D modelling - combining Cynefin + Benefits?

Example headings in Benefits Profile Template						
Benefit ID	Benefit Title	Benefit Description	Benefit/Disbenefit	Benefit Category	Business Change Manager (BCM)/Business Lead	
Benefit Owner	Benefit Recipient	Measure (who, what when & how)	Baseline Start Value	Date Baseline Taken	Benefit Target Value	
Forecast Value	Value of Net Impact	Realisation Start Date	Realisation End Date	Assumptions	Dependencies (incl people change readiness)	
Strategic Objective Supported	Frequency Benefits will be reviewed & Date of Next Review	Supporting Evidence (add links to any additional relevant info)				

PMOLearn!

A good profile?

- ① Description
- ② Observation
- ③ Attribution
- ④ Measurement

DOAM



Benefit ID	Benefit Type	Benefit Description	Benefit Category	Benefit Status	Benefit Owner	Benefit Recipient	Measure (who, what when & how)	Baseline Start Value	Date Baseline Taken	Benefit Target Value	Forecast Value	Value of Net Impact	Realisation Start Date	Realisation End Date	Assumptions	Dependencies (incl people change readiness)	Strategic Objective Supported	Frequency Benefits will be reviewed & Date of Next Review	Supporting Evidence (add links to any additional relevant info)
B001	Financial	The introduction of a new service delivery model will reduce costs by 10%.	Cost Reduction	Planned	Project Manager	Finance Department	Reduced costs	£100,000	2023-01-01	£100,000	£100,000	£100,000	2023-01-01	2023-12-31	Low risk	High	Strategic	2023-06-30	Supporting evidence: Project Charter, Stakeholder Analysis, Business Case.
B002	Non-financial	The introduction of a new service delivery model will increase customer satisfaction by 10%.	Customer Satisfaction	Planned	Project Manager	Customer Support Team	Increased satisfaction	85%	2023-01-01	85%	90%	90%	2023-01-01	2023-12-31	Medium risk	Medium	Operational	2023-06-30	Supporting evidence: Project Charter, Stakeholder Analysis, Business Case.
B003	Intangible	The introduction of a new service delivery model will improve operational efficiency by 10%.	Operational Efficiency	Planned	Project Manager	Operations Team	Improved efficiency	85%	2023-01-01	85%	90%	90%	2023-01-01	2023-12-31	Medium risk	Medium	Operational	2023-06-30	Supporting evidence: Project Charter, Stakeholder Analysis, Business Case.
B004	Intangible	The introduction of a new service delivery model will increase employee engagement by 10%.	Employee Engagement	Planned	Project Manager	Human Resources	Increased engagement	85%	2023-01-01	85%	90%	90%	2023-01-01	2023-12-31	Medium risk	Medium	Operational	2023-06-30	Supporting evidence: Project Charter, Stakeholder Analysis, Business Case.
B005	Intangible	The introduction of a new service delivery model will increase stakeholder satisfaction by 10%.	Stakeholder Satisfaction	Planned	Project Manager	Stakeholders	Increased satisfaction	85%	2023-01-01	85%	90%	90%	2023-01-01	2023-12-31	Medium risk	Medium	Operational	2023-06-30	Supporting evidence: Project Charter, Stakeholder Analysis, Business Case.

OVER MONETISE BENEFITS ?

- attempting to assign £ to non-finance benefits
- unrealistic assumptions in models
- optimism bias
- External or political influence

BENEFITS

Tangible

Intangible

- Definite - predicted
- Expected - predicted
- Logical - not predicted

anticipated
difficult to substantiate

BENEFITS are a
sub-rection of

VALUE

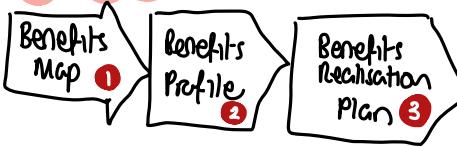
"We value this because..."

Benefits Mgmt
Vs Value Mgmt
a session or workshop.

SMART

- On the org's strategies
- ↓
- ↓
- ↓
- ↓

Benefits - SMART



Are all Benefits equal? - Take 2		
Value Type	Definition	Examples
Tangible	Definite	Value may be predicted with confidence
	Expected	Value may be predicted on the basis of historic trends
Logical	Logically a change may be anticipated whose value may be measured but not predicted	Improved management of risk
Intangible	May be anticipated but difficult to substantiate	Improved Image

BENEFIT MEASUREMENT

- ↳ definition of measure
- ↳ a benefit may have several measures

The Delicate Art :

- finance Vs Non-finance
- Tangible Vs Intangible
- Leading Vs Lagging
- Direct Vs Indirect