



Performance and Benefits Realisation

HOW TO OPTIMISE AND MEASURE THE BENEFITS OF REFORM

METROPOLITAN REFORM PROJECT DIRECTOR/OFFICER GROUP

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Benefits Realisation (BR)

Realising the benefits of reform

Projects and programs are regarded as successful when the intended benefits are realised.

Projects deemed unsuccessful can be due to unclarified and/or broad definitions of expected benefits.

It's difficult to measure success clearly when objectives, outcomes and benefits are not clearly defined.

“The main thing is to keep the main thing the main thing” (German proverb)





What is the true value of BR?

Benefit – Measureable improvement, positive impact to the organisation.

Dis-benefit – the *acceptable risk or compromise* that the organisation is prepared to take to obtain the positive benefit / improvement.

The **intrinsic value of having a benefits realisation plan** is to move from a traditional transactional approach change to a more dynamic and proactive planning approach so that benefits can be realised and measured.

Its about moving from a passive mindset to a more proactive management of benefits.





It's easy to *Miss the Mark*

Let's not miss the opportunities...

The evolution of benefits can sometimes take longer than we think - immediate results of change can deliver a different result than what was first expected – ***we can lose the focus.***

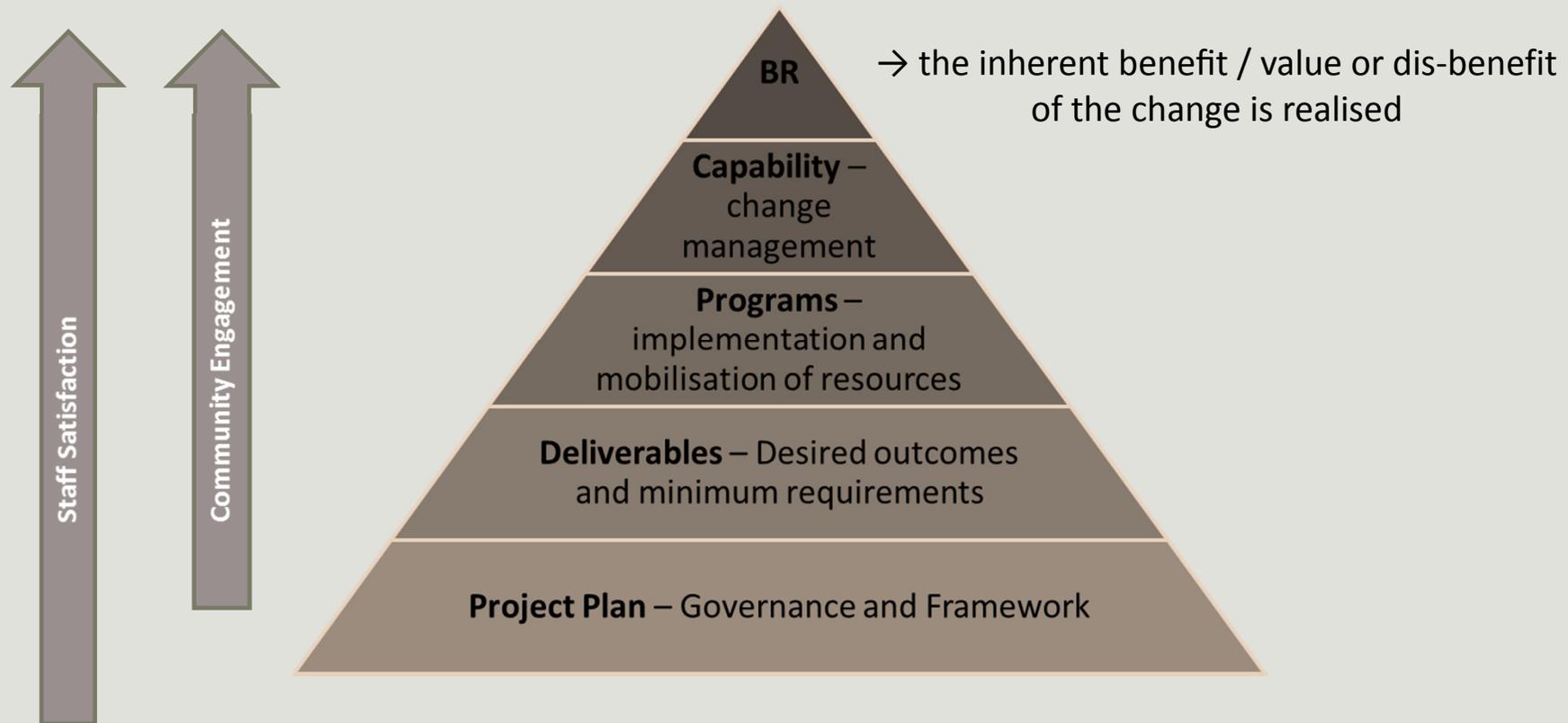
Projects are monitored within a silo-based framework therefore the flow-on benefits (similar to supply chain integration) are not understood, identified or measured – ***we miss the downstream benefits (or dis-benefits).***

Internal capacity and capability of organisation's managing change can be limited – ***our approach can be ineffectual from the start.***

Measuring value for money and service quality can be intangible – ***we need to explore ways to monitor and measure and develop a deeper understanding.***

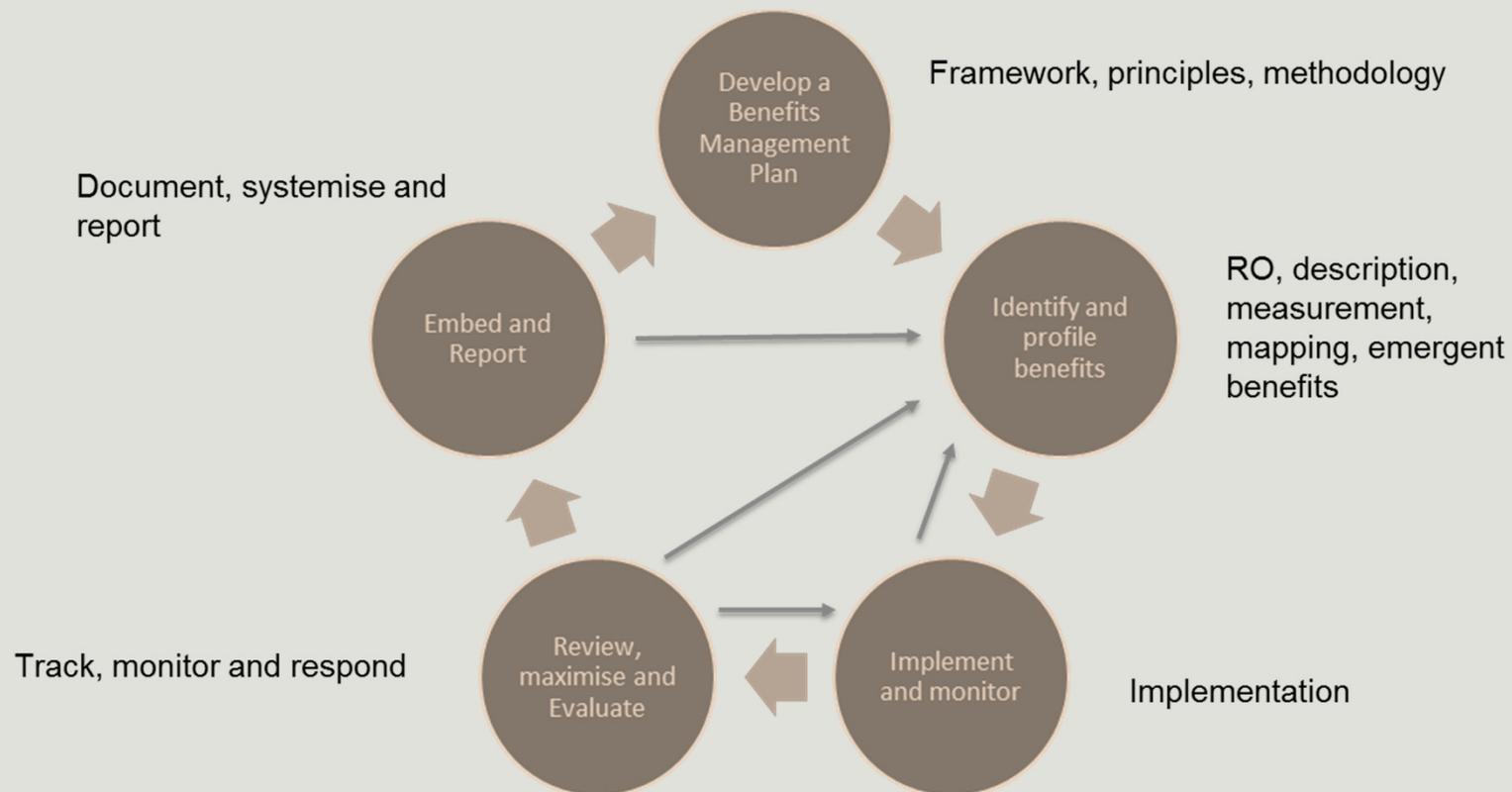


Benefits Realisation – Integration with the reform process





Benefits Realisation Framework

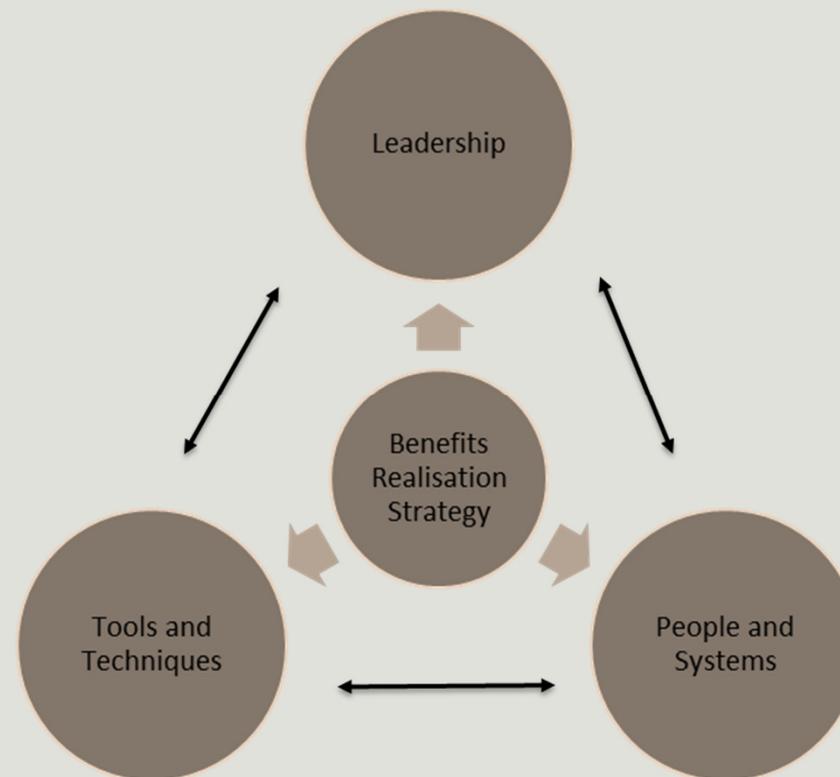




BR Change Management Approach

Don't reinvent the wheel

- ✓ Integrate
- ✓ Embed
- ✓ Triangulate
- ✓ Enhance





Designing your BR Framework:

Tailoring a Framework to suit your business needs

Principles

- description and definition

Benefit Profile

- type, description and desired result
- mapping
- measurement methodology

Roles and Responsibilities

- tiers of Government and other agencies
- organisational / department / officer

Metrics Options

- the balanced scorecard pillars; or
- the toolkit model

Informing Plans

- communications
- stakeholders
- change management approach
- reform Project Plan

Resource requirements

- implementation including training
- measurement

Reporting

- reporting register
- timing
- reporting metrics i.e. balanced scorecard





Discuss

In your structural reform model groups, discuss the following:

- Would the BR strategy add value to your structural reform model? If so, why?
- Would a BR strategy enhance / assist with establishing common goals and outcomes?
- What is the *collective* level of maturity across the merging partners in regard to developing and implementing a BR strategy? Would it be viewed as a key enabler to reform? Could it be integrated and form part of your project structure?
- How would you approach exploring a BR strategy with the merging partners?

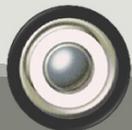


Some considerations when selecting a solution – what is a viable investment?



Issue/Problem/Opportunity	Benefits	Response	Solution
Is it clear what the issue/problem/opportunity is that needs to be addressed, both the cause and effect?	Have the benefits that will result from mitigating or eliminating the issue/problem/opportunity been adequately defined?	Has a reasonable spread of interventions been identified and packaged into a rational and realistic option?	Consistent with the preferred options, has a reasonable spread of project options been analysed?
Is there sufficient evidence to confirm both the cause and effect of the issue/problem/opportunity?	Are the benefits of high value to the local governments and stakeholders?	Is there evidence to demonstrate that the options are feasible? Have you confirmed your 'compromises'?	Is the recommended project solution the most cost effective way to respond to the issue/problem/opportunity and will it deliver value and the expected benefits?
Does the issue/problem/opportunity need to be addressed now and by the merging partners?	Are the KPIs SMART and will they provide strong evidence that the benefits have been delivered?	Were the options evaluated in a consistent manner to reflect their ability to respond to the issue/problem/opportunity and deliver the benefit?	Is the solution specific, defined and holistic – i.e. end to end?
Does the definition or scope of the issue/problem/opportunity capture its full extent/impact?	Have key dependencies critical to benefit delivery been considered?	Is the preferred option(s) the most effective in addressing the issue/problem/opportunity and delivering the benefits?	Can the solution realistically be delivered (cost, risk, timeframes, culture, resources etc.)?

Reference: Victoria Government, Dept of Health 2013





Where to from here?

Suggestions...

- Ongoing support from WALGA
- Communicate with Executive and PMOs re BR
- Develop a function (jigsaw piece) for the Toolkit or include in an existing function i.e. Project Management
- Progress to a workshop for relevant officers to work together to develop a framework (relevant to the merging partners)

