Project Assessment Framework

Benefits realisation

July 2015

Component of the
Project Assessment Framework (PAF)

This document forms part of the Project Assessment Framework, as outlined below.

Overarching policy document	
	Policy overview
Guidance material	
	Strategic assessment of service requirement
	Preliminary evaluation
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	Guidelines for the assessment of market-led proposals

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1
Purpose

This document provides guidance regarding the range of issues to consider in assessing the benefits realised at the operational stage of a project.

The purpose of the *Benefits realisation* post-project stage is to confirm that the benefits established and defined in the business case are being achieved and that the operational service or asset is running smoothly.

This stage assesses the contribution of business change resulting from the project investment in achieving the outcome sought by the agency and the Queensland Government. It is also used to determine lessons learned so that improvements can be made not just for the current project but for future projects.

The *Benefits realisation* post-project stage enables both the project owner/s and business owner/s to establish:

- whether the investment in the project is achieving the expected level of benefits
- what lessons have been gained from the project experience to inform:
  — aspects of the service or asset requiring remedy
  — successful elements of project assurance and/or management to inform future projects.

Agencies should refer to the Project Assessment Framework (PAF) Policy Overview for further information about the PAF's application and the roles and responsibilities that may apply.

2
Process

Benefits realisation is a process which can be repeated throughout the operational life of the service or asset, with the first assessment occurring typically between 6-12 months after service commencement. Enough time must elapse before benefits can be measured. This is due to a number of factors including, but not limited to:

- allowing initial potential business disruptions, due to changed business processes, to be overcome
- the lapse of time from the start of implementation of each stage until the finish
- the time taken to accumulate a statistically significant collection of measurement data.

Benefits realisation can also be used on a one-off basis to ensure that a project has delivered its intended outputs.

Agencies may wish to use established benefits realisation tools and techniques that have been developed by their agencies, provided these tools and techniques meet the high level process requirements outlined in this document.

The key activities undertaken in the *Benefits realisation* post-project stage include:

- confirming the approach
- collecting, analysing and comparing benefits data
- identifying findings and lessons learned
- disseminating the findings and lessons learned, including consultation with central agencies
- planning for future actions.

2.1 Confirm the approach

During the *Deliver service* stage, the approach for benefits realisation should have been identified. This approach should be reviewed and confirmed to provide a more detailed process for benefits realisation, including timing as well as a succession plan to handover any benefits management plans, supporting benefit profiles and reporting responsibilities to the appropriate business owner (refer to section 2.5: *Plan for future actions*).

The use of an independent, multi-disciplinary team to perform objective analysis and reporting of benefits realised and lessons learned should be confirmed. Depending on the size and complexity of the project, 'independence' can mean independent of the functional/ project area and not necessarily independent of the agency (although this may be appropriate in some instances).

The approach to be undertaken for information collection and analysis, as well as determination of the findings and lessons learned should be discussed with the key project stakeholders. They are able to provide an understanding of project history, background and sensitivities and can clearly define their expectations.

In addition to existing project information (i.e. business case, benefits management plan and benefit profiles) and reports, the approach may include some commonly used information collection techniques including, but not limited to:

- questionnaires/surveys
- interviews (structured or semi-structured and based upon issues developed for each stakeholder)
- observation (i.e. of the service or asset)
- collection of operational and service outcome data from the relevant agency or service provider
- focus groups and workshops.

What you need to do:

- confirm the timing
- if necessary establish an independent, multi-disciplinary team to perform objective analysis and reporting of benefits realised and lessons learned
- confirm research requirements
- confirm project stakeholders to be consulted
- confirm and develop information collection techniques.

2.2 Collect, analyse and compare benefits data

Similar to project costs and risks, benefits are subject to change over the project lifecycle. As a result, a *benefits management plan* (initially developed for each potential option) should have been confirmed in the *Business case development* stage providing an overview and summation of the profiled benefits and how they would be measured and supported. Over the lifecycle of the project, this benefits management plan should have been refined and refreshed to reflect continuing change management activities.

Supporting the benefits management plan are benefit profiles outlining all aspects of the benefit, including responsibility and measurement.

Analysis of the information gathered will involve comparing what actually happened against what was predicted (as outlined in the refreshed business case, benefits management plan and supporting benefit profiles). This includes analysis of:

- the actions required to realise the benefit
- stakeholders impacted by the benefit
- benefit value (i.e. tangible / financial / service improvement / other)
- assumptions (i.e. about probability and/or value of benefit)
- risks to benefit
- costs associated with benefit measurement, management and realisation
- performance (i.e. actual vs. target)
- realisation date (i.e. ahead of schedule / on time / lag. This should include reasons)
- dependencies (i.e. cross-referenced to other benefits internal and/or external to the project).

While the above criteria for success will be crucial to benefits realisation, it may also be useful to consider the following questions:

- to what extent overall has the project achieved the benefits expected
- was there an identifiable trend of improving benefits
- were stakeholders satisfied with project outcomes
- were project outcomes proving to meet quality expectations
- were project outcomes supported as well as was expected, and were staff involved in providing this support satisfied with the tools and training they were provided
- did project outcomes cause any new or unexpected problems?

As the qualitative and quantitative outcomes become evident during this information gathering process, it may be necessary to review the results and test the reasonableness of the benefits measures (refer to section 2.5: *Plan for future actions)*. The purpose of this is to ensure:

- unrealised benefits are still relevant and have appropriate metrics. This includes benefits that may not be realised for several years after the service or asset becomes operational

- benefits management and realisation continue to be tracked, monitored and embedded throughout the operational life of the service or asset.

What you need to do:

- analyse gathered information to compare actual and expected results.

2.3 Identify findings and lessons learned

Findings and lessons learned arising from the analysis of benefits data should be consolidated and reported to inform:

- the ongoing operation of the service or asset (which is the final output of the project)

- future projects.

In addition to understanding if the intended benefits of the project have been fully realised, benefits realisation should assess:

- what was done well and contributed to achieving expected and additional benefits

- what opportunities for improvement exist.

Lessons learned may include:

- how practical problems were overcome with strategic assessments, business cases, funding frameworks, procurement processes, project knowledge management, benefits management and realisation and risk management

- unexpected project benefits that emerged

- experiences of project stakeholders and staff that provide useful insights for future projects.

What you need to do:

- consolidate and report findings and lessons learned arising from analysis of benefits data to inform:
  — the ongoing operation of the service or asset
  — future projects.

2.4 Disseminate the findings and lessons learned

It was identified in the *Deliver service* stage that consideration must be given to parties that would receive a summary statement of findings and lessons learned. The summary statement outlines the project and its achievements, future actions and lessons learned from the experience. The potential recipients (e.g. project owner, service/asset owner, central agencies, policy makers, project designers, review organisations, other government agencies) should be confirmed to ensure issues relating to privacy and confidentiality are addressed.

Public release of the summary statement should also be considered, subject to privacy and confidentiality matters being addressed.

What you need to do:

- confirm the recipients of the summary statement

- disseminate the summary statement of project findings and lessons learned to appropriate parties.

2.5 Plan for future actions

In preparation for the *Benefits realisation* post-project stage, it was identified in the *Deliver service* stage that a succession plan to handover any benefits management plans, supporting benefit profiles and reporting responsibilities to the appropriate business owner should have been developed. Throughout the operational life of the service or asset, these planned and profiled benefits should continue to be tracked, monitored, embedded, reported and realised by the business owner. This should include appropriate refreshment of the benefits management plan and supporting benefit profiles by the business owner when required.

The process of on-going assessment of the achievement of benefits can include periodic formal reviews of benefits realised. The reviewers in this case should be independent of the project, although not necessarily external to the responsible agency.

The objective of periodic reviews is to determine if planned or unplanned benefits continue to be achieved, or are matching expected improvement. Any deterioration or shortfall in benefits achievement can provide a basis for corrective action, as well as lessons for subsequent projects.

What you need to do:

- continue to consult the business owner to ensure planned and profiled benefits are managed, realised and reported.

3
Products

The products to be produced in the *Benefits realisation* post-project stage include:

- information collection techniques (and notes) including, but not limited to:
- questionnaires / surveys
- interviews (structured or semi-structured and based upon issues developed for each stakeholder)
- observation (i.e. of the service or asset)
- focus groups and workshops
- a statement summarising the findings and lessons learned.

4
Checklist

As each service or asset is unique, the following checklist should be used as a guide to a range of appropriate operational assurance questions, not as a full checklist of mandatory items. Where a 'no' or 'not applicable' response is recorded in the checklist, it is good practice to provide justification in some form, such as in the stage products listed in 4.1.

4.1 Products

Have the following products been completed in accordance with quality standards as agreed via relevant governing bodies?	Guideline Ref	Yes	No	N/A
Information collection techniques (and notes) including, but not limited to: • questionnaires/surveys • interviews (structured or semi-structured and based upon issues developed for each stakeholder) • observation (i.e. of the service or asset) • collection of operational or service outcome data • focus groups and workshops.	2.2	☐	☐	☐
A statement summarising the findings and lessons learned.	2.3	☐	☐	☐

4.2 Process

Have the following processes been completed in accordance with quality standards as agreed via relevant governing bodies?	Guideline Ref	Yes	No	N/A
Can decision makers be assured the approach for benefits realisation has been confirmed?				
Has the timing for benefits realisation been confirmed?	2.1	☐	☐	☐
Has an independent, multi-disciplinary team been established to perform benefits realisation?	2.1	☐	☐	☐
Have the research requirements been reviewed and confirmed?	2.1	☐	☐	☐
Are the project stakeholders required for consultation confirmed?	2.1	☐	☐	☐
Have the information collections techniques been reviewed, confirmed and developed?	2.1	☐	☐	☐
Can decision makers be assured that benefits data has been appropriately collected and analysed?				
Has the information gathered been analysed to compare what actually happened against what was predicted for (as outlined in the business case, benefits management plan and benefit profiles)?	2.2	☐	☐	☐
Has the information gathered been analysed to inform: • the overall extent to which the project achieved the benefits expected • an identifiable trend of improving benefits • stakeholder satisfaction with project outcomes • if project outcomes met quality expectations • if project outcomes were supported as expected • project staff satisfaction with the tools and training provided • new or unexpected problems arising from project outcomes?	2.2	☐	☐	☐
Can decision makers be assured that findings and lessons learned are sound?				
Have the findings and lessons learned been consolidated and reported to inform: • the ongoing operation of the service or asset (which is the outcome of the project) • future projects?	2.3	☐	☐	☐
Can decision makers be assured that the findings and lessons learned have been appropriately disseminated?				
Have the potential recipients been confirmed to ensure issues relating to privacy and confidentiality are addressed?	2.4	☐	☐	☐
Can decision makers be assured that benefits management and realisation processes and practices have been appropriately planned for the operational life of the service or asset?				
Are consultations ongoing with the business owner to ensure planned and profiled benefits are being managed, realised and reported?	2.5	☐	☐	☐