

Advances in Project Management Series¹

There are no shortcuts from Projects to Benefits

By Phil Driver and Ian Seath

Organisations increasingly need to prove convincingly that their strategic Programme and Project Management (PPM) investments lead to worthwhile benefits. In this article, we'll demonstrate how the PRUB-Validate approach enables you, particularly if you are a Project or Programme Manager, to do this.

Business School and consultancy research consistently shows a frighteningly low success rate in benefits realisation. All too often the aspirational goals of senior managers are frittered away as they get cascaded down from Strategy to the operational realities of Programmes and Projects.

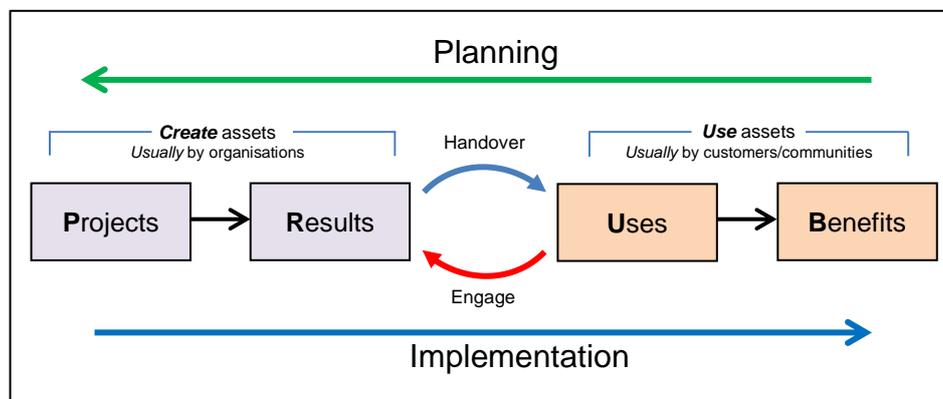
Of course, most Project and Programme Managers will understand that they can't "realise" benefits since the majority of benefits come about after a project has finished and people start making use of the things that have been created. Whether Sponsors similarly understand this is perhaps more debatable!

What do organisations do?

The fundamental role of all organisations is to create assets (services, products, infrastructure) and enable people to use these to create benefits. This is exactly what **PRUB**, the OpenStrategy Information Structure defines.

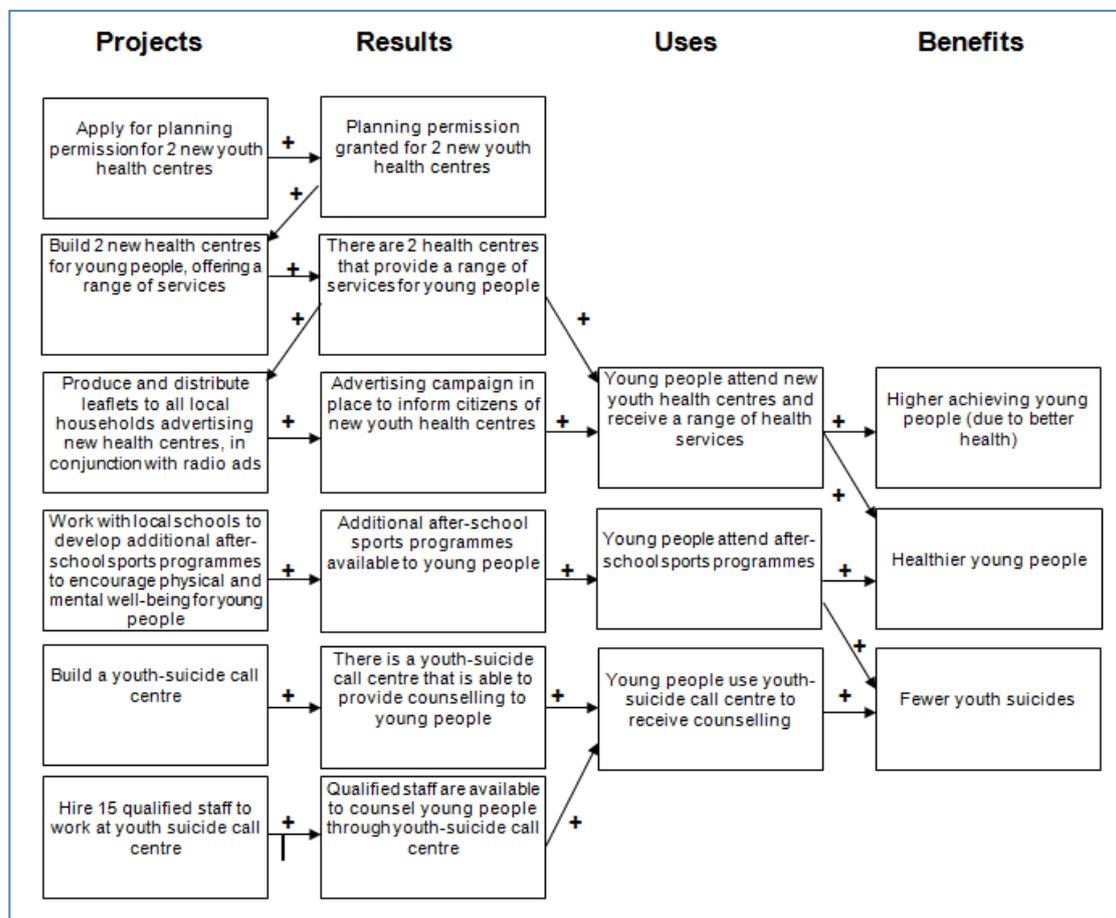
Organisations run **Projects** that produce **Results**, which citizens or communities **Use** to create **Benefits**. PRUB is the one and only inescapable model of what organisations actually DO. So, it is ideally suited as a framework and way of thinking to help develop strategies, validate them and implement them in projects and programmes.

PRUB defines, uniquely, the smallest set of strategic information that has the highest value to the most people.



¹The *Advances in Project Management series* includes articles by authors of program and project management books published by Gower in the UK. Information about the Gower series can be found at <http://www.gowerpublishing.com/advancesinprojectmanagement>.

For example, a Local Government organisation might initiate a Programme to improve the health of young people in a city. Within this Programme, there might be several Projects that collectively contribute to the overall objective.



You'll notice that some of the "Projects" create "Results" that are Adopted by other "Projects".

That's fine, as long as they are Adopted. Otherwise, they are "Abandoned Orphan Results" and you've wasted time and money in creating them.

Far too many projects, particularly in the public sector, produce Abandoned Orphan Results: nobody wants them and nobody can use them; so they cannot contribute to "Benefits". (Lots of cost-savings to be had there then!)

The main point to remember is that the Results (deliverables/outputs/products, as most PMs would describe them) of a Project or Programme can NEVER be Benefits.

"There are no short-cuts from Projects to Benefits, or from Results to Benefits – every successful Project MUST link via Results through Uses to Benefits" [Dr. Phil Driver in 'Validating Strategies – Linking Projects and Results to Uses and Benefits', published by Gower in April 2014]
<http://www.gowerpublishing.com/isbn/9781472427816>

Most “Benefits” aren’t!

Some commonly used definitions of Benefits include:

“A real source of value to the business” [Gartner 2005]

“A term used to indicate an advantage, profit or gain attained by an individual or an organisation” [Remenyi, Bannister & Money 2007]

If you look at any number of Programme and Project Plans, or their associated Business Case documents, a recurring theme is that claimed “Benefits” really are not benefits at all in many cases.

What do you think of these (anonymised, but real example) “Benefits”?

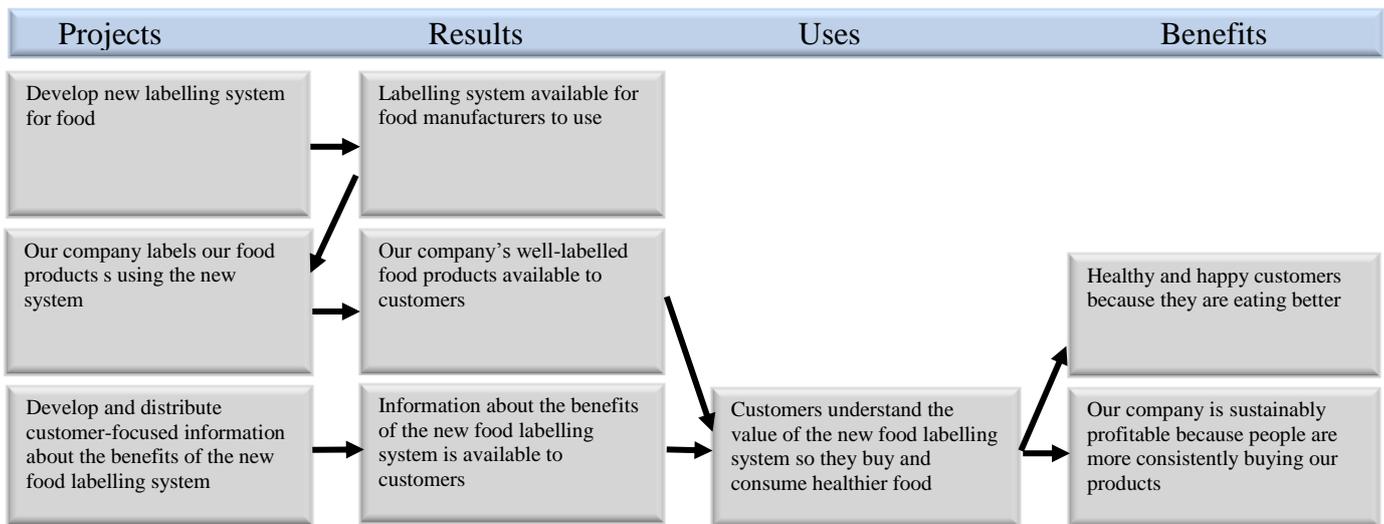
-  Options designed and tested
-  Projects implemented
-  Building construction completed [by date]
-  Equipment installed and working [by date]
-  An understanding of front-line staff views on the service they deliver
-  Key stakeholders have “bought into” the project

None of these are Benefits; they are all Results (using PRUB language) – probably ‘good’ Results, but Results nevertheless, not Benefits. Put another way: **unless somebody wants and Uses the Results of an organisation’s Projects, there can be no Benefits.** Benefits don’t get “realised” by Project Managers any more than public services get “delivered” by civil servants. Benefits emerge from **Uses**. It is essential for Project and Programme Managers to understand that users of Results are the main actors in any strategy.

Many Benefits Maps and so-called Benefits Realisation Plans that we see are either overly complex, full of muddled thinking, or total flights of fantasy. The PRUB-thinking structure provides a uniquely simple, but powerful, way to cut through the ambiguity, confusion and complexity.

Let’s consider another example and see how PRUB-thinking can help us develop a practical approach to project and benefits measurement.

Organisation X creates (via a Project) a new labelling system for foods (a Result). This needs consumers to change their eating behaviour (Use) before they can hope to see improvements in health, such as reduced levels of obesity (Benefit).



In this simple example, 3 Projects producing 3 Results are required to achieve 1 Use and 2 Benefits.

It's easy to see how PRUB can be used to think through a range of linked and coherent performance indicators. There can be indicators at each stage of PRUB, but it's helpful to start identifying them at the BENEFITS end. (Start with the end in mind!)

Benefits Indicators:

In our food labelling example the Benefits indicators might include:

- % of 5-10 year olds with healthy weight
- Number of people free from Coronary Heart Disease

We'd want to set targets to reduce both of these by specified amounts in a given period and, of course, measure and analyse the actual performance.

Use Indicators:

Here the indicators should focus on the USERS and how they USE the Results provided by the organisation. In our labelling example we might measure:

- % of xyz demographic group who understand and are using the new labelling system
- % of the xyz demographic group who are buying and eating better as a consequence of using the system
- % of consumers who are easily using the system to make better purchasing and eating decisions

Note that Use and Benefits measurement can only be done outside the organisation that created the Results and by engaging their users.

Results Indicators:

Here, the measurements are “internal” and may include (for our example):

- % of foodstuffs covered by the system
- % of foodstuffs correctly labelled
- No. or % of manufacturers adopting the system
- Manufacturer feedback on the system (e.g. % saying they are very happy to use it)

Project Indicators:

These are likely to relate to the way in which the project has been run:

- Cost of carrying out the Project to produce the Results (vs. the budget)
- Timeliness of achievement of milestones and deliverables (e.g. compared with baseline)
- Number of person-hours expended on the project
- Number or percentage of manufacturers engaging in the development of the system

We can see an emerging trail of leading and lagging indicators from this example. It is based on the following the logic...

Levels of obesity or coronary heart disease will only reduce if consumers recognise the need, and act, to change their eating behaviour. This will be more likely to happen if the new labelling system is easily understood by consumers and widely adopted by manufacturers. Achieving that depends on active engagement of the right manufacturers and it needs an adequately resourced and well-managed project to enable that to be done.

PRUB-thinking provides a relatively simple way to identify a range of possible lead and lag indicators. **Project** measurements are leading indicators of **Results** measurements. **Results** measurements are leading indicators of **Uses** measurements. **Uses** measurements are leading indicators of **Benefits** measurements.

You have validated your Strategy haven't you?

“A strategy is only a strategy if people change their behaviour”

We can take any Project and determine:

1. If it links logically through Results and Uses to Benefits (PRUB-Linked)
2. If there is compelling cause and effect evidence for those links (PRUB-Evidenced)
3. If the value of the Benefits exceeds the combined cost of the Project, plus Uses (PRUB-Valued)

We call this a PRUB-Diagnostic and it shows, explicitly, which of many different reasons why an expected Benefit from a Programme or Project may not be achieved:

- There are inadequate, or insufficient, Projects producing Results directly linked through Uses to the required Benefits
- The Results of Projects are of no Use, or cannot be Used
- There are potentially Useful Results that aren't being Used, e.g. because no-one knows about them, or they are good Results but are insufficient on their own to be Useable

We have mentioned above that many projects produce what we call Orphan Results. These are Results that nobody Uses. Lack of Use might be because nobody wants them, nobody needs them, or Users find them difficult to Use. Whatever the reason, a lack of User engagement in designing and developing the Results is clearly going to mean that Projects burn resources with no chance of seeing the expected Benefits.

A PRUB Diagnostic will also determine, explicitly, which of many different reasons why a Project or Programme should be stopped:

- It's producing a Non-adoptable Orphan Result
- It's producing a potentially Adoptable Orphan Result which isn't currently being adopted
- It's producing a potentially Useful Result that isn't being Used, again for various reasons
- It's producing a Useful Result that is being Used, but the value of the Benefits is less than the combined cost of the Projects and Uses

So, in summary, if you want to ensure your projects and programmes really do achieve measurable benefits all you need to know is:

- What Results (deliverables) will your Project/Programme create?
- What compelling cause and effect evidence do you have that Users actually want, and will Use, the Results?
- Will the Value of the Benefits that Users will get from Using the Results exceed the combined costs of the Projects and Uses?

However, you shouldn't start planning a Project or Programme by dreaming up deliverables (Results). You have to start planning a Project from the "Uses" and "Benefits" end: define what you are trying to achieve, for whom. [*Remember Stephen Covey's 7 Habits of Highly Effective People: one habit is "Begin with the end in mind"*]

The reality for many organisations is that they already have numerous Projects underway and these are inadequately linked, through Results and Uses to Benefits. These Projects would certainly be amenable to a PRUB-Diagnostic, which will either sharpen them up, or convince you to stop wasting time and money on them.

Every successful activity or Project should lead through Results and Uses to Benefits that are more valuable than the costs of getting to the Benefits.

With the OpenStrategies' PRUB-Validate approach you can explicitly determine if this is true for every Project or activity.

1. If it's true, then the Project is "PRUB-Validated" – it's worth doing - great!
2. If it's not true, then PRUB-Validate will have identified exactly why this is so and provide guidance on where action is required to improve the Project or stop it and make savings

If the Uses don't happen, then the Project should either be improved (to produce attractive/Usable Results) or eliminated.

We are confident that by using PRUB-Validate you will either:

1. build confidence in the value of your Programmes and Projects, or
2. identify potential savings across your organisation of 10-20%, by stopping inadequately validated projects from burning scarce resources

To be PRUB-Validated and hence worth implementing, your Project or Programme must be convincingly:

PRUB-Linked + PRUB-Evidenced + have PRUB-Value

About the Authors



Dr. Phil Driver

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Dr. Phil Driver is founder and CEO of OpenStrategies Ltd (Christchurch, NZ). His background in science and engineering management led to his involvement in large-scale industry-sector strategies. That in turn led to his developing an in-depth understanding of the challenges of even larger scale, public sector strategies. The OpenStrategies' system then evolved through more than a decade of intense engagement with many public and private sector organisations.

A fundamental principle Phil applied was that 'anyone can design a complicated strategy system but a good designer will develop a simple one'. The resulting OpenStrategies' system is compellingly simple yet powerful, even for very complex, large scale strategies. Crucially, OpenStrategies doesn't just underpin the design of strategies - it also guides their validation and implementation.



Ian Seath

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Ian Seath has been helping organisations to increase their capability for continuous improvement for more than two decades. He established Improvement Skills Consulting Ltd. in 2007. Ian has worked with more than 200 clients and helped implement a wide range of approaches to improve customer satisfaction, reduce process cycle-times, drive out waste and actively engage staff in continuous performance improvement. Ian's experience covers the private, public and voluntary sectors and he has worked with Boards, Managers and Front-line Staff. He works as a Coach, Facilitator, Project Leader and Trainer.