Applying Earned Benefit Management[1]

Benefits Realization Compendium[2]

Benefits Integration Techniques for Tracking, Execution and Realization

By Crispin ("Kik") Piney, PgMP, PfMP

This article brings together the key points and insights from my Earned Benefit Management articles in this series published in the *PM World Journal* over the past 12 months.

Introduction: Background to the Series

Towards the end of 2017, I sent an advance copy of my book "Earned Benefit Program Management" to David Pells. He kindly suggested the I might like to submit a series of articles on the subject to the *PM World Journal*. This project has provided me with a creative and enjoyable use of my spare time over the last year.

This concluding article in the series aims to provide an overview and a glossary to the concepts that were explained in more detail in these articles.

Common Threads

The common goal linking all of these articles is to develop a framework that ensures project value delivery and business success in a predictable and repeatable manner.

Project success depends on achieving the benefits to which the project is expected to contribute. Realization of benefits is normally achieved through the coordination of multiple, interdependent projects managed as a program. The Earned Benefit Framework is a set of concepts, tools and techniques that support planning, validation, tracking, and control of all of

[1] This series is by Crispin "Kik" Piney, author of the book Earned Benefit Program Management. Aligning, Realizing and Sustaining Strategy, published by CRC Press in 2018. Merging treatment of program management, benefits realization management and earned value management, Kik's book breaks important new ground in the program/project management field. In this series of articles, Kik introduces some earned benefit management concepts in simple and practical terms.

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the steps towards realizing the specified benefits. The *Benefits Realization Map* (BRM) provides the technical foundation on which the Earned Benefit Framework is built.

All of the articles in this series [Piney 2018*, Piney 2019*] explain how to develop and apply the Earned Benefit techniques, with examples from a representative case study. The list of principal acronyms is provided at the end of the current article, along with a brief explanation and a pointer to the article in which the term was first defined.

Each of the articles describes elements of the Earned Benefit Framework that, taken together, provide a complete toolbox that can be applied across the full Benefits Realization Life Cycle.

The Benefits Realization Life Cycle

This life cycle, shown in Figure 1, was presented in Piney 2018f ["Realizing the Benefits"] and serves to provide an overall view of the stages of effective benefits realization. It comprises five phases.

- Conception – during which the BRM is developed and the business plan is validated and approved.
- Implementation – during which the technical work is planned and carried out.
- Emergence – during which the effects of the work begin to deliver benefits. In many cases, this phase will start while implementation is still under way.
- Accrual – the full set of planned benefits has been developed and has reached its complete delivery potential.
- Profitability – this phase starts from the financial break-even point, i.e., once the accrued benefits equal the total program investment.

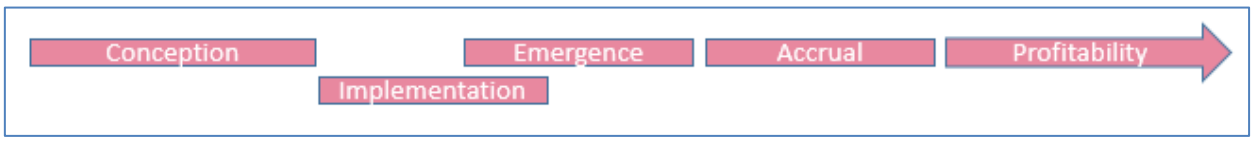

Figure 1: The Benefits Realization Life Cycle

An overview of the concepts, the case study, and the nine articles is given next.

Introducing the Concepts

Piney [2018b] ["Benefits Maps You Can Count On"] starts off by describing the basic concepts of benefits maps (also called *Benefits Realization Maps* (BRM)) and applying them to the case study.

Developing a Benefits Map

A BRM illustrates how to make the benefits happen. A typical BRM is shown in Figure 2.

The BRM is built up as follows: once the required benefits have been defined by the strategic sponsor, the following steps allow you to build the map.

You need to determine, in order, based on the benefits:

- Outcomes: the *changes to the environment* that are required in order allow each benefit to occur;
- Capabilities: what we need to be *able to do* if we want to change the environment in this way;
- Deliverables: the *building blocks* we need in order to create these capabilities; and, finally,
- Initiatives: what we *need to do* to create the building blocks (also known as "component projects").

This set of steps can be read in the reverse direction – starting from the initiatives – to explain why each step is necessary: from project to deliverables, to the capabilities of these deliverables, to the outcomes of applying the capabilities, and, finally, to the benefits associated with the outcomes. The concept of "disbenefits" is also included in order to cater for negative side effects due to the planned steps or the end-result of the program.

Each of these steps is represented in the BRM by a "node". The links between nodes are represented by arrows to indicate the logical flow from cause to effect (i.e., from contributor to beneficiary). The initiatives are drawn on the left and the logical chain is read from left to right, across to the strategic benefits, although, as explained above, the BRM is built up from right to left, starting from the end-goal represented by the strategic benefits required. In this way, reading from left-to-right, the BRM provides the *tactical* view of the program; the logic of the *strategic* plan is built up from right to left. The elements of the map can then be quantified.

Piney [2018b] explained the concepts of "contributions" – the amount a given BRM node contributes to the overall benefits –, and the corresponding "allocations" – the amount of investment that is required to deliver the node's result. The proportion of a node's total contribution provided by a direct predecessor is defined as the "contribution fraction" assigned to the corresponding link.

The algorithm by which this information can be used to calculate the contributions in all of the nodes in the BRM was described. This algorithm is known as the *Benefits Allocation Routine* (BAR[3]) and diffuses contributions from right to left across the BRM. Subsequent articles explain that the application of the BAR can be extended to diffuse any other similar strategic quantities from right to left across the BRM. This feature of the BAR is later applied to the overall analysis of stakeholders and of risks in the program.

These ideas are explained based on the following case study.

[3] As these techniques were being developed, a playful attempt was made to base the acronyms describing key algorithms on terms from the brewing industry.

Reading a Benefits Map: Understanding the Case Study

The business objective of the program in this example is to increase profits for an organization in the area of customer service. The premise of the case study is that strategic analysis by senior management has shown that increased customer satisfaction with after-sales support enhances business results and has the potential for delivering additional revenue of €300,000 per annum compared with the current level of business. However, this service will also lead to an increase in operational costs amounting to 25% of the corresponding financial improvement, thereby reducing the net benefit by that amount.

The corresponding BRM after applying the BAR is shown in Figure 2.

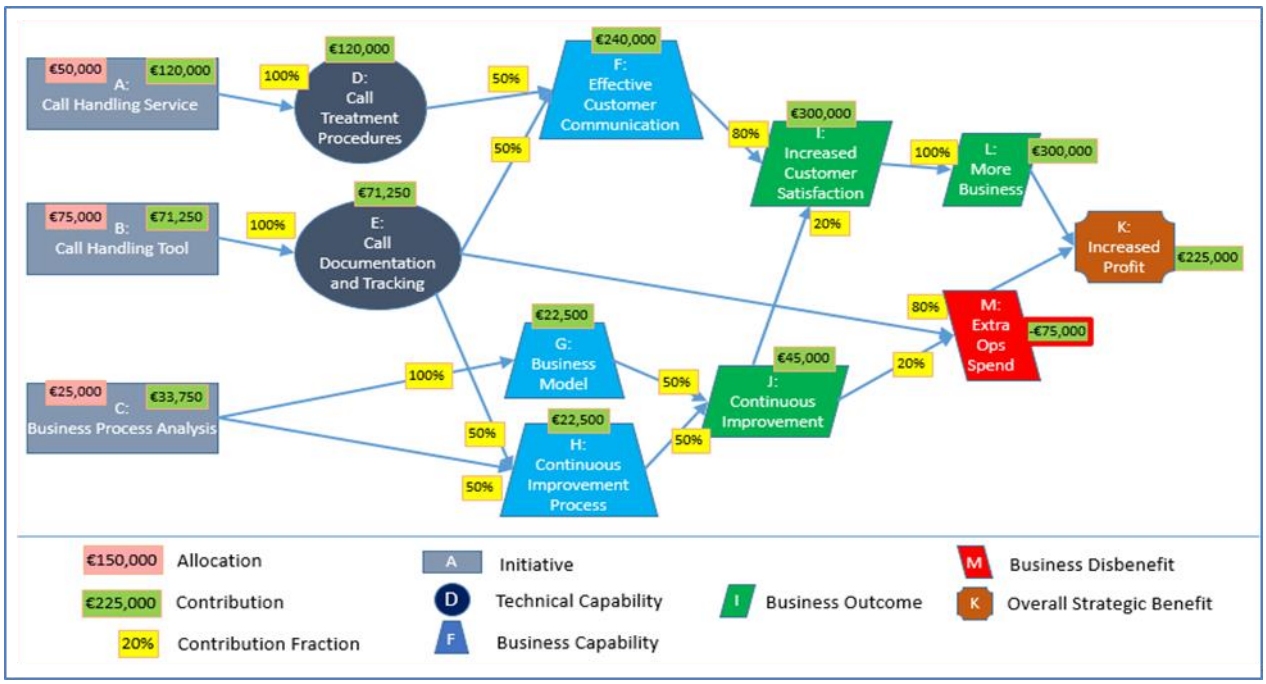

Figure 2: The BRM for the Case Study After Applying the BAR

Piney 2018c ["The Value of Benefits"] explained how the calculated contributions of the initiatives can be combined with classical Earned Value concepts to provide a first approximation to a comprehensive Earned Benefit evaluation and forecasting technique to support business-focussed program performance management.

The Initial Earned Benefit Concept

The Earned Value Method (EVM) provides a well-established technique for tracking a project's progress based on the three core project performance indicators of time, cost and scope. At any point in time, EVM can be used to provide the value of Percent Complete (PC) for the project. The Earned Benefit extension of this technique starts from the premise that the value of a project's contribution to the overall benefits at any point in time is proportional to its percent complete. That is to say that the contribution of a project rises from zero to its full contribution (as calculated by the BAR) as its PC rises from zero to 100%. The value of this contribution is known as the "Component Earned Benefit".

The initial approximation to the program Earned Benefit was defined as the sum of the Component Earned Benefits.

The article concluded by warning that additional concepts were required before the ideas could be applied reliably to actual situations; subsequent articles explained the additional information as to the costs and the constraints of the planned solution that can be developed and factored into the BRM to provide a more complete and reliable guide to strategic success.

The first step is to obtain additional allocation (cost) information from the data already available in the BRM.

Evaluating Allocations

The BAR provides the rules for evaluating the contribution of each node in the BRM. However, the only allocation information provided in the initial model is the cost of each initiative. A means of calculating the allocation to each of the other nodes is required in order to complete the quantification of the model. Piney 2018d ["The Cost of Benefits"] explained how the rules for this evaluation are based directly on the parameters already defined for the BRM, without the need for additional, potentially subjective, numbers. The definition of one additional criterion, defined as the "break even everywhere requirement" determines the structure of the algorithm – the *Break Even Everywhere Routine* (BEER) – for diffusing the allocations from left to right across the BRM. The BEER was applied to the case study and the result is shown in Figure 3.

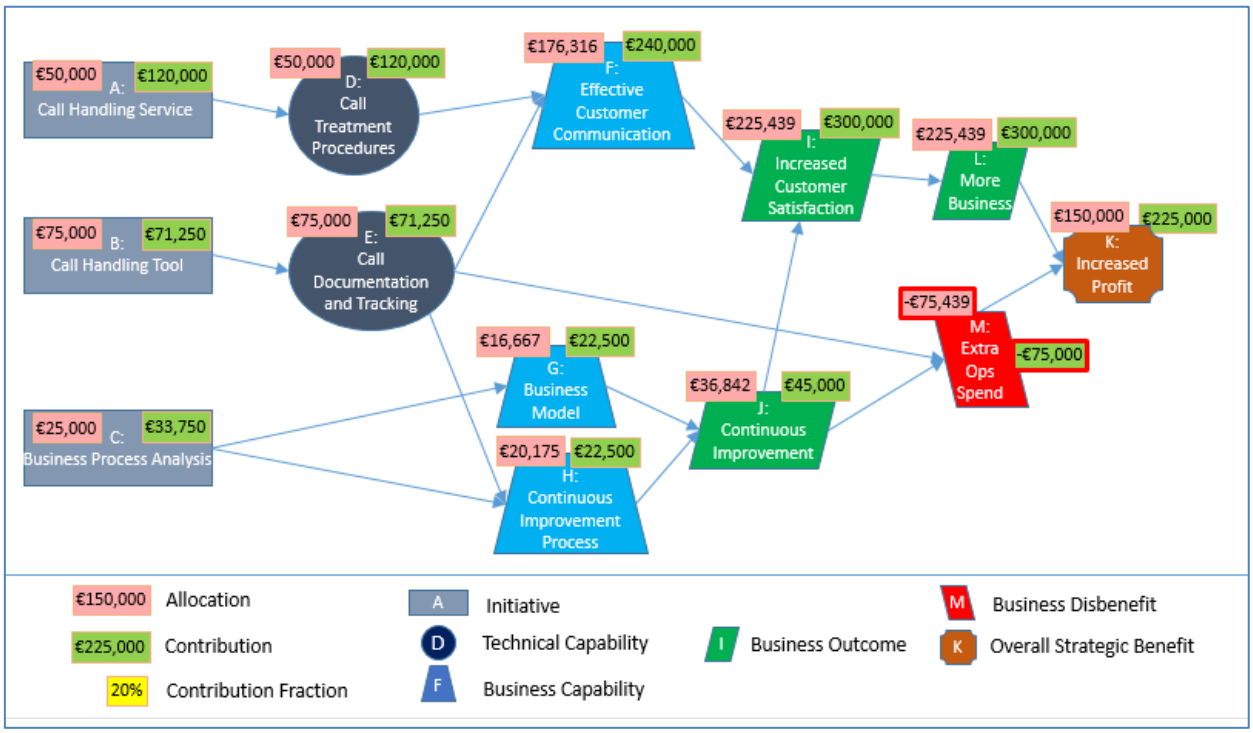

Figure 3: BRM Showing all Allocations and Contributions

In a similar manner to that in which the BAR can be used for evaluating the effects of diffusing strategic values from right to left across the BRM, the BEER can be used to diffuse

implementation-related values from left to right. This feature can be used for generalizing the Earned Benefit approach.

Generalized Earned Benefit Technique

The first step for generalizing the Earned Benefit technique is to revise the initial approach for evaluating the Component Earned Benefit described earlier in this article.

Revised Component Earned Benefit Approach

Although this enhancement fits logically at this point in building up the Earned Benefit Framework, I only developed the concepts later [Piney 2019b, "Benefits for Projects"], based on (mis-)reading the formal definitions of Earned Value and the Performance Management Baseline. The textual change with respect to the standards is small, but the conceptual step is considerable.

The difference between classical project Earned Value and what I have called project Earned Benefit-Value is that the amount earned by each completed – or partially-completed – project activity is based not on its allocated budget, but on its role in delivering the project's total contribution to the program's benefits. This amount is called the Activity Benefit-Value (ABV).

The ABV is evaluated by defining how responsibility for delivering the component project's contribution should be shared between all of the project's activities. The article recommends working down each level of the project's Work Breakdown Structure to develop the benefits assignment weightings below the project level.

Once the ABVs have been defined and the fully-costed schedule created, the classical Planned Value and the benefit-related Planned Benefit-Value curves can be plotted and contrasted, as shown in Figure 4.

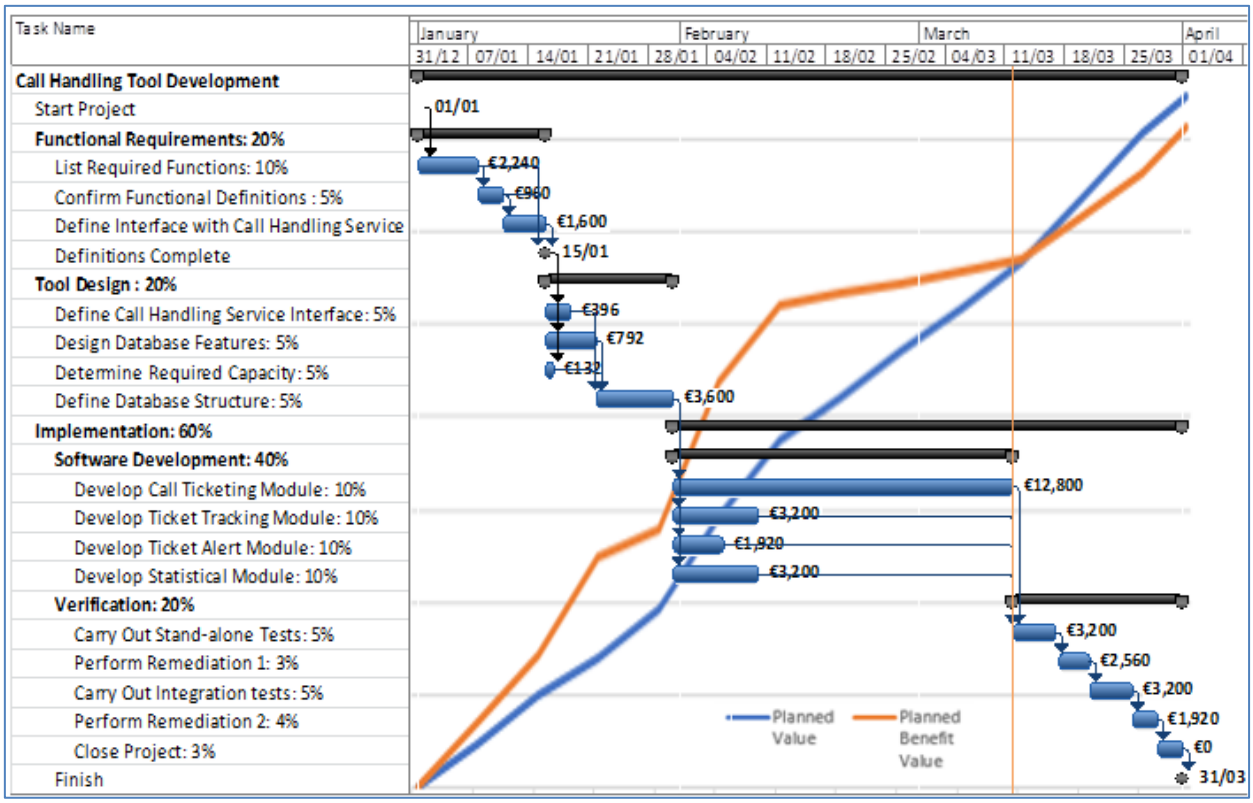

Figure 4: Project Schedule Overlaid with the Planned Value and the Planned Benefit-Value Curves

Once we have a benefits-related means evaluating each component project's planned contribution to the program's benefits at chosen intervals during the lifetime of the projects, we can use the BEER to calculate the program Earned Benefit by diffusing these Earned Benefit-Values across the BRM, taking into account the interdependencies defined in the BRM.

In this way, the component Earned Benefit-Values and the program Earned Benefit allow us to report on how close each component in the BRM, and the overall program, are to achieving their planned result.

One other advantage of using this BEER-related technique for evaluating the Earned Benefit across the model is that any additional enhancements to the BEER will automatically be reflected in the Earned Benefit calculations.

One such change is required in order to cater for the following situation correctly.

The results of applying the BAR, as shown in Figure 2 and Figure 3, indicate that node E=*Call Documentation and Tracking* costs more than it delivers, because the contribution of project B=*Call Handling Tool* is less than its forecast allocation. However, the decision as to whether to omit this project from the program is not as clear-cut as it may at first appear, due to the concept of "essential links". This concept and the corresponding technique, as well as the resulting changes to the BEER algorithm, are explained next.

"For the Loss of a Nail" – Essential Links

Piney 2018e ["Disappearing Benefits"] introduces the concept of "essential links". A link – i.e. the dependency of a destination on a source node – is characterized as "essential" if the destination would be incapable of integrating the contributions from its other source nodes if the essential link or its source node were missing. This characteristic is of major importance when evaluating options for modifying the initial model, such as cancelling "loss-making" planned initiatives. The *Pruning and Link Evaluation* (PALE) algorithm determines how to analyze the potential effects of removing a node from the model. This algorithm explains how to identify the full set of nodes which would no longer contribute to the overall benefits, as well as recalculating the benefits and contributions of the remaining nodes, based on the topological changes to the BRM.

In the case study, the link from E=*Call Documentation and Testing* to F=*Effective Customer Communication* is defined as essential. The PALE is then applied to the option of omitting the "loss-making" project B=*Call Handling Tool* from the program. This leads to the loss of any potential value not only from node B but also, in the order shown, from all of the other nodes highlighted in Figure 5.

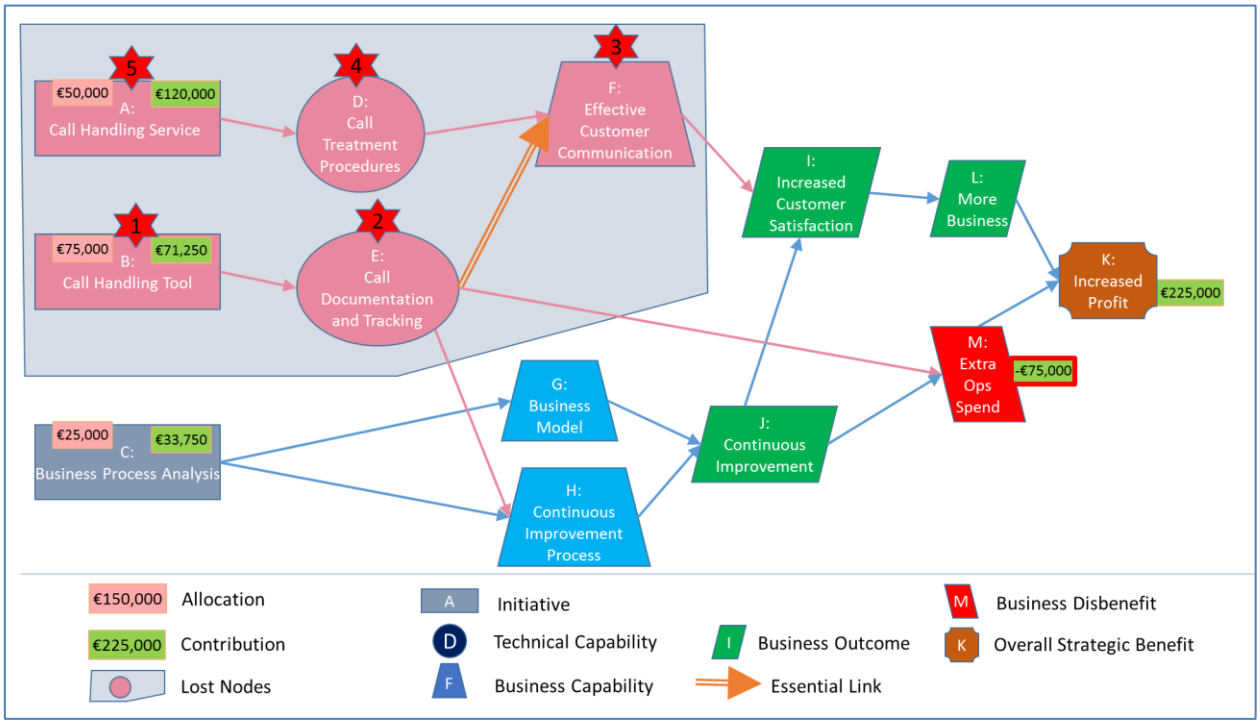

Figure 5: The Effect of Applying the PALE to the Removal of Node B

The concept of essential links is important not only in decisions on changes to the model. The presence of essential links also modifies the BEER algorithm when applied to planning and tracking the program's progress. The additional rules are explained in Piney 2018f ["Realizing the Benefits"] and defined in the *Algorithm for Link Evaluation* (ALE). The ALE takes into account the fact that the percent achieved of the source node of an essential link scales down the effective contributions to this destination of its other source nodes.

The BEER with the addition of the ALE provides the basis for the full *Earned Benefit Method* (EBM).

The Earned Benefit Method provides what could be characterized as a "static model" in that it does not take account of any information as to when these Earned Benefits might actually be realized in practice. Information on the time-dependency between nodes can be added to provide a benefits realization schedule forecast, thereby creating what could be called the "dynamic model", as it shows how the benefits diffuse based both on the BRM and on time. In this way, the EBM can be used for forecasting and tracking of the program's cash-flow from the start of the program through all of the benefits realization phases of implementation, emergence, accrual, and into profitability.

The Benefits Realization Schedule

The value of the benefits realized at any point in time is based on how much of the Earned Benefit of the initiatives has percolated across the BRM, taking into account the project schedules, the dependencies, the constraints of essential links, and all of the inter-node contribution ramp-up times.

Piney 2018f ["Realizing the Benefits"] explains how to link the Earned Benefit, the ALE and the schedule information together into a *Benefits Realization Evaluation Workflow* (BREW). In this way, the BREW ensures that the effects of essential links on the rate of diffusion of the contributions is also taken into account. The forecast cumulative spend (i.e., the EVM Planned Value) and the Planned Benefit at predefined intervals can then be calculated in order to provide a full cash-flow forecast. The result of applying the BREW to the case study is shown in Figure 6, mapped onto the corresponding benefits realization life cycle.

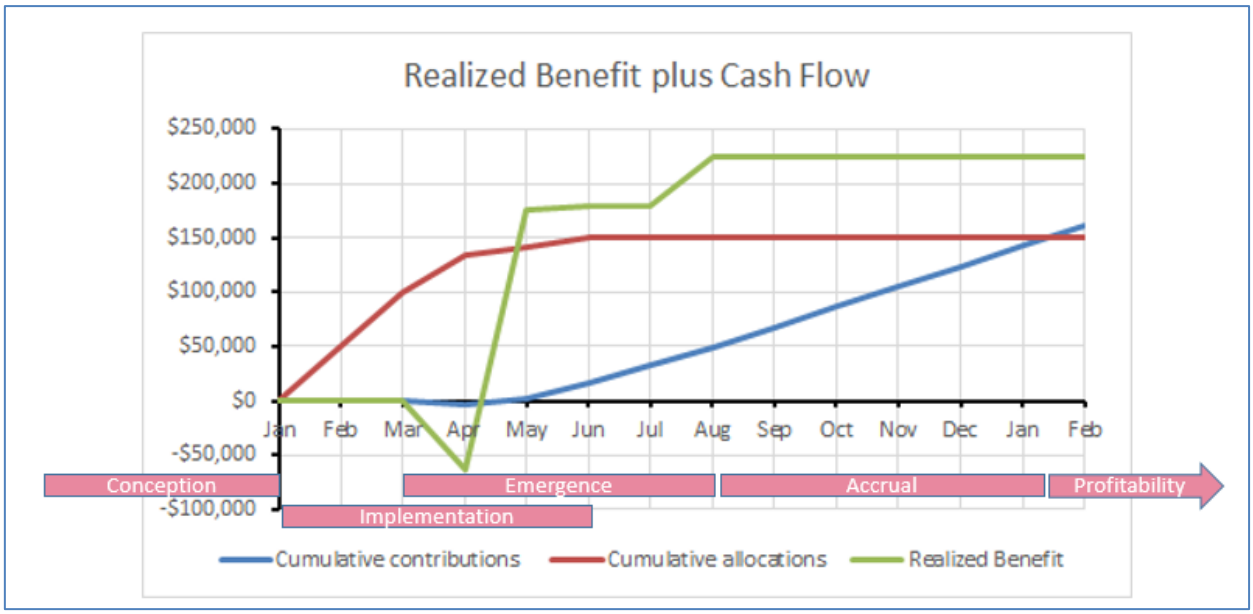

Figure 6: Realized Benefit Plus Cash Flow Forecast for the Complete Model

The cumulative allocations can be seen to rise throughout the implementation phase. No contributions affect the overall benefits for the first two months of implementation. The emergence phase then starts with the cost of the disbenefits dominating the realized benefits for the first five weeks. The full emergence phase takes five months. Break-even is then achieved just over five months into the accrual phase.

Development costs during the Conception phase could also be factored in, by setting the origin of the "Cumulative Contribution" curve accordingly. This would obviously increase the duration of the Accrual phase.

This information allows the strategic sponsor to assess the viability of the program, and the program manager to forecast and track the financial progress of the program. However, effective management also entails managing the program's relationship with its key stakeholders as well as addressing the potential effects of uncertainty on all of the plans.

The Earned Benefit techniques can also provide valuable insights in both of these areas.

Working With Stakeholders

Piney 2018g ["Understanding Program Stakeholders"] started with a brief reminder of Mendelow's models for stakeholder mapping [Mendelow 1998]. Although Mendelow's approach is well-suited to individual projects, it does not take into account the inter-project effects, as represented by the BRM, that occur in programs. To extend the Mendelow model to programs, Piney 2018g identified three different roles through which the model can involve a stakeholder. Two of the roles are linked to nodes, and one involves inter-node links. These roles are the basis for the following *Power-Interest Laws for Stakeholders* (PILS):

- *Producers*. Nodes directly involved in providing a result
    - Producers are involved in program implementation at the technical level.
    - They affect the entities downstream—that is, to the right in the BRM.
- *Receivers*. Nodes impacted by an initiative, a capability or an outcome
    - Receivers link the work of producers to the node's objectives.
    - Their involvement affects the upstream entities—that is, to the left.
- *Transformers*. Links directly involved in transforming a deliverable into a capability or an outcome
    - Transformers provide the link between operational and strategic levels.
    - Their focus is on the internode dependencies and affects downstream entities – that is, to the right.

Figure 7 shows the roles associated with the links and nodes in the case study BRM.

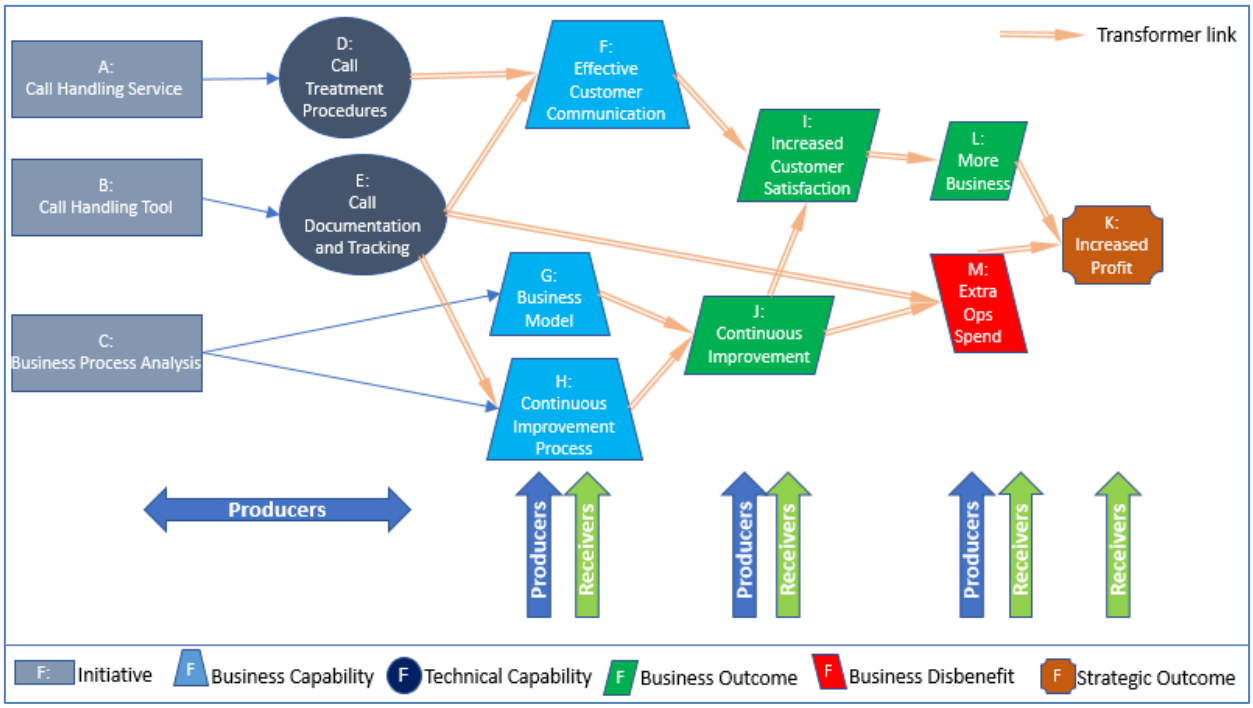

Figure 7: Roles Associated with the Elements of the Case Study BRM

Once the nodes of a stakeholder's immediate ("first-level") levels of power or interest have been identified, the areas of second-level, enhanced or emergent focus can be determined by applying the BAR and the BEER according to the roles of the nodes involved. Together, these first and second-level nodes indicate the priority areas for the program manager's engagement efforts.

This analysis was carried out on the case study for two different groups of stakeholders: the Operations Group and the IT group. The results of this analysis for the Operations group are shown in Figure 8.

The conventions used for the diagram are:

- first-level results are shown as the upper-case identifier of the corresponding node,
- second-level results are represented by the lower-case identifier,
- these identifiers are allocated to the corresponding PI quadrant based on the results of the PI analysis,
- the position of an identifier in a given quadrant does not provide any additional PI information
- nodes with very low PI scores are not shown on the grid.

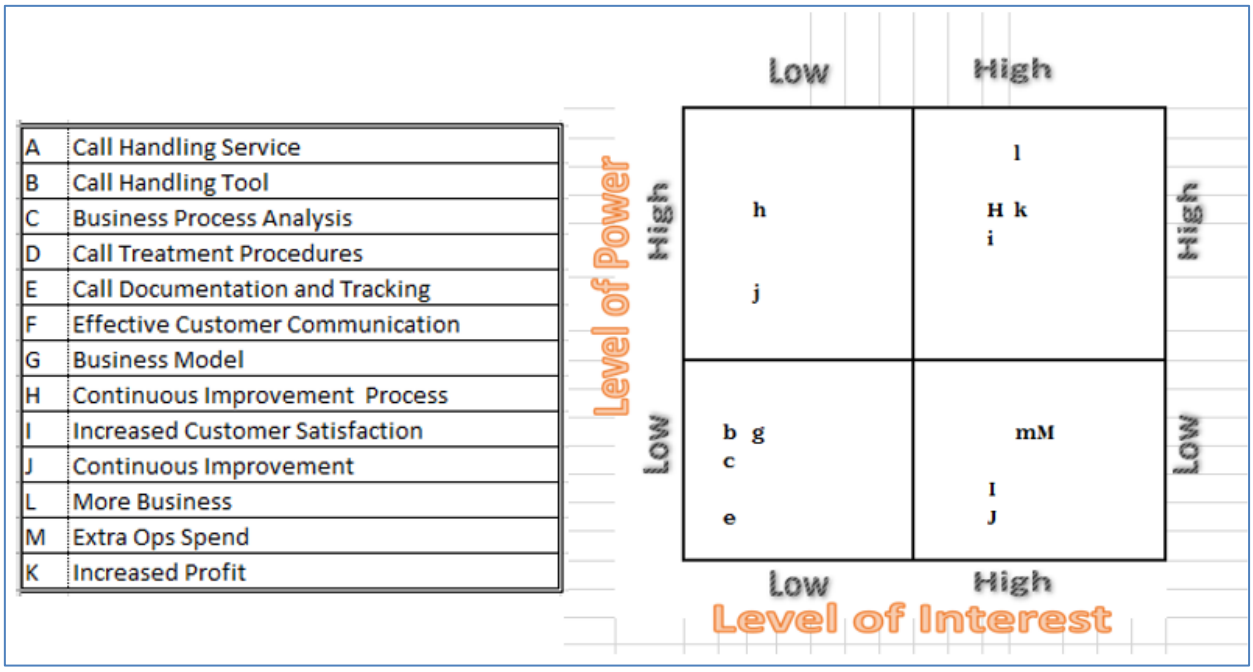

Figure 8: The PI-Grid for the Operations Group

The first-level focus of the Operations group is for H=*Continuous Improvement Process* and M=E*xtra Operations Spend.* The group's first-level power over controlling spend is considered to be low, because they are service-driven. The only first-level node in the highest-priority (High-High) quadrant is therefore H=*Continuous Improvement Process*. Logically, this is unsurprising, based on their stated mission and principles: "to focus on customer satisfaction and operational service quality".

However, the second-level analysis based on the structure and synergy of the BRM provides a broader view. The highest priority communications should not be restricted to simply engaging the Operations group with respect to the *Continuous Improvement Process*, but also address the following three areas:

- I = *Increased Customer Satisfaction*
  - in the first-level analysis, the power of the Operations group in this area was considered to be low.
- L= *More Business*
  - in the first-level analysis, this area was not considered to be significant.
- K = *Increased Profit*
  - in the first-level analysis, this area was not considered to be significant.

This broader analysis based on the BRM shows that, despite the narrow focus that seemed to exclude the business aspects, the communications effort with the Operations group needs to include engaging their collaboration on business volumes and profitability, in order to take advantage of Operations' emergent power and enhanced interest in those areas due to the interdependencies between the program components.

This technique of characterizing the interactions and diffusion of local node conditions across the BRM was also adopted for analyzing the overall effects of uncertainty on the achievement of program objectives – i.e., on the analysis of overall program risks.

Overall Program Risk Analysis

Overall risk arises from the combined effect of individual risks. As explained in Piney 2019 ["Uncertain Benefits"], one commonly-used approach for generating this information is "Monte Carlo simulation" [e.g., Barreras, A. J. (2011)]. Monte Carlo simulation involves generating a set of sample results by selecting risk impact values randomly based on their specified frequency profile. This set of sample results is then plotted on a graph showing the frequency of occurrence against the corresponding value. The frequency of occurrence is considered to be a valid indicator of the corresponding probability. The starting-point, therefore, for any Monte Carlo analysis is to have a reliable means of evaluating each sample value. The BRM can be used to generate each of the samples.

Because of the interdependencies between the nodes in the BRM, the effect of uncertainty on the contribution of a given node or link induces effects on neighbouring nodes. These remote effects need to be understood and included in the analysis of overall risk. The way in which uncertainly affects the elements of the BRM therefore needs to be modelled. Different types of uncertainty affect benefits realization in different ways.

Types of Uncertainty and Their Remote Effects

For programs, the objectives are clearly defined in the BRM. What remains to be understood, therefore, is the effect of uncertainty on achieving these objectives. Based on their origin and effects, six categories of uncertainty can be identified:

- Model uncertainty. The overall benefits realization map is only an approximation to the ideal solution and, as such, is unlikely to provide the basis for a perfect plan. Potential changes to the plan and the resulting BRM can be addressed by use of scenario analysis.
- Strategic uncertainty. This is related to potential variation in strategic objectives and underlying conditions such as those that affect the strategic benefits or the contribution fractions.
  - The effects of a direct change in the strategic benefits can be evaluated by updating the benefits nodes and then using the BAR algorithm to diffuse this change across the BRM from right to left.
  - A change in a contribution fraction has two separate effects: it modifies the values of the links into the destination node; it also affects the destination node directly by the addition or removal of a contribution amount. To take these variations into account, the change to the contribution needs to be diffused forward towards the benefits nodes using the BAR. The model itself then needs to be re-evaluated in line with the revised contribution values and contribution fractions by applying the BEER to recalculate the complete model.
  - Result uncertainty, defined next, has similar effects on the model and the calculations.

- Result uncertainty. The relationship between a result and its expected effect needs to be reviewed as to its actual likelihood of occurrence: for example, providing a capability does not unfailingly lead to the specified outcome.
- Deliverable uncertainty. Programs depend on their component projects. Each project carries its own degree of uncertainty as to its potential success.
  - The impact will be modelled as an increase or decrease in the contribution of the corresponding node in the BRM.
  - Since technical effects diffuse across the BRM from left to right, the BEER should be used to evaluate the resulting effect of each risk identified in this category.
- Budget uncertainty. Forecast costs carry a degree of uncertainty. The budget uncertainty affects the initial business plan as well as cash-flow calculations for benefits realization. This effect can be evaluated using the BREW.
- Schedule uncertainty. Forecast timings carry a degree of uncertainty. The schedule uncertainty affects the cash-flow calculations for benefits realization. This effect can be evaluated using the BREW.

Analyzing the Effects

The evaluation of the effects of each potential type of variation can be carried out separately, or in a combined manner, to show the variations around the original, baseline value. These overall effects can be combined in an integrated set of calculations by applying the "*Program Overall Risk Tolerance Evaluation Routine*" (PORTER). One such calculation, combining the effects due to strategic, results and delivery uncertainty is shown in Table 1.

		BASELINE			EFFECT OF FULL OVERALL VARIATION			FULL OVERALL VARIANCE %	
		Allocation	Contribution	ROI	Allocation	Contribution	ROI	Contribution	ROI
A	Call Handling Service	€50,000	€120,000	140%	€50,000	€92,243	84%	-23%	-56%
B	Call Handling Tool	€75,000	€71,250	-5%	€75,000	€112,056	49%	57%	54%
C	Business Process Analysis	€25,000	€33,750	35%	€25,000	€38,250	53%	13%	18%
D	Call Treatment Procedures	€50,000	€120,000	140%	€50,000	€92,243	84%	-23%	-56%
E	Call Documentation and Tracking	€75,000	€71,250	-5%	€75,000	€112,056	49%	57%	54%
F	Effective Customer Communication	€176,316	€240,000	36%	€133,348	€216,772	63%	-10%	26%
G	Business Model	€16,667	€22,500	35%	€16,667	€25,500	53%	13%	18%
H	Continuous Improvement Process	€20,175	€22,500	12%	€16,014	€24,225	51%	8%	40%
I	Increased Customer Satisfaction	€225,439	€300,000	33%	€170,291	€272,983	60%	-9%	27%
J	Continuous Improvement	$36,842	$45,000	22%	$32,680	$49,725	52%	11%	30%
L	More Business	$225,439	$300,000	33%	$170,291	$272,983	60%	-9%	27%
M	Extra Ops Spend	-$75,439	-$75,000	-1%	-$20,291	-$30,434	-50%	-59%	-49%
K	Increased Profit	$150,000	$225,000	50%	$150,000	$242,549	62%	8%	12%

Table 1: The Combined Effects of the SRD Variations: the Result of the PORTER

In addition to providing input for the Monte Carlo analysis, each sample calculation on its own can give insights into the sensitivity of the model to the various categories of uncertainty. In the complete article, the calculations carried out on the case study appeared to indicate that the effect of strategic uncertainty was the main contributor to the full overall variation in the program. Insights of this type can be extremely valuable in planning the approach for managing

the risks in a given program, by allowing the team's efforts to be focussed on the highest-priority risks.

Conclusion

Each article has addressed different challenges in the effective management of programs. The way in which the techniques of the Earned Benefit Framework can be applied to improve the success rates in program management – and the corresponding increase in satisfaction with project management – is described in Piney 2018h ["*The Benefits of the Earned Benefit Framework*"]. That article explains how correct application of the Earned Benefit Framework would address a large number of the reasons for "project failure" discussed in a recent article by Alan Stretton [Stretton 2018]. The discussion on project failure can be replaced by a focus on boosting project success by applying the set of Earned Benefit concepts, tools and capabilities to provide the following advantages and success enablers in the broader project management environment:

- BRM modelling provides a clear definition of the *link between the projects and the organisation's key strategic priorities*.
- The PILS provides the information required for *effective engagement with stakeholders*.
- Creation of the BRM ensures *breaking development and implementation into manageable steps*.
- The BREW provides the basis for evaluation based on *long-term value for money rather than on initial price*.
- Right-to left development of the BRM ensures the *separation of strategy formulation ('choosing') from implementation ('doing').*
- Bi-directional validation of the BRM promotes the development of *well-defined requirements*.
- Separating the estimation of benefits (at the start) from the costs of the initiatives (as they are later defined) encourages *realistic cost estimates and/or benefits forecasts*.
- The right-to-left development of the BRM, based only on the definition of the required benefits, encourages *creativity in solution design*. This creativity in solution design is further supported by scenario analysis of potential opportunities, as described in the context of risk management.
- The BRM development, including a review process of the defined outcomes and their logical prerequisites, encourages *the inclusion of transition management activities*.
- The BRM development including a review process of the links between initiatives, capabilities and outcomes encourages *including all required business changes within the scope of the undertaking*.

The article concluded by recommending embedding the Earned Benefit Framework within an effective Organizational Project Management environment [PMI 2018] to ensure achieving the following, additional advantages and success enablers:

- *Clear senior management and ministerial ownership and leadership*
- *Skills and proven approach to project management and risk management*

- *Understanding of and contact with the supply industry at senior organisation levels*
- *Effective project team integration between clients, the supplier team and chain*
- *Enhanced governance.*

Integrating the Earned Benefit Framework with Organizational Project Management would provide senior management with greater value from project investments, increased innovation, and greater shareholder confidence in the ability of the organization to deliver on its promises. All that is missing now is executive management awareness coupled with the will to change.

Glossary

This glossary provides the main abbreviations included in the full set of articles.

Abbreviation	Concept	Explanation	Reference
ABV	Activity Benefit-Value	The amount of the project's benefit contribution provided by the specified activity	Piney 2019b
ALE	Algorithm for Link Evaluation	Algorithm for taking into account the effect of essential links in Earned Benefit and Realized Benefit calculations.	Piney 2018f
BAR	Benefits Allotment Routine	The technique for evaluating the benefit contribution of each node in the BRM, based on the contribution fractions. The BAR diffuses the benefits and other strategic values from right to left across the BRM.	Piney 2018c
BEER	Break Even Everywhere Routine	Technique that provides the allocation fractions required for diffusing tactical values, such as the costs, from left to right across the BRM.	Piney 2018d
BITTER	Benefits Integration Techniques for Tracking, Execution and Realization	The full scope of the Earned Benefit Framework.	The current article[4]
BREW	Benefits Realization Evaluation Workflow	Process for evaluating the realized benefit of each node – and the total program – based on the percent complete of the initiatives.	Piney 2018f

[4] BITTER is the acronym from the subtitle of the current article

Abbreviation	Concept	Explanation	Reference
BRM	Benefits Realization Map	A quantified diagram linking the component projects ("initiatives", on the left) via deliverables, capabilities and outcomes to the planned strategic benefits (on the right of the diagram).	Piney 2018b
CBPA	Component Benefit Percent Achieved	A measure of the progress of a given node towards providing its full, final contribution.	Piney 2018d
EB	Earned Benefit	The amount of the potential benefit that the program or a given component of the program is worth based on the progress at that point.	Piney 2018c
EBAC	Earned Benefit at Completion	The contribution that a completed initiative will make to the total benefit.	Piney 2018c
EBF	Earned Benefit Framework	The application of the Earned Benefit Method to the integrated set of project and program management activities and organizational practices.	Piney 2018c
EBM	Earned Benefit Method	The total set of Earned Benefit tools, techniques and algorithms.	Piney 2018c
EBPA	Earned Benefit Percent Achieved	A measure of the progress of the program or a program component towards providing its full, final contribution.	Piney 2018d
EBV	Earned Benefit-Value	The sum of individual Activity Benefit-Values at a specified date	Piney 2019b
EBVM	Earned Benefit-Value Method	A technique for managing project performance based on the completion state of planned activities, using the Activity Benefit-Value as a unit of progress.	Piney 2019b
EVM	Earned Value Method	A technique for managing project performance based on the completion state of planned activities, using budgeted cost as a unit of progress.	Piney 2018c

Abbreviation	Concept	Explanation	Reference
PALE	Pruning And Link Evaluation	Algorithm for removing a node, taking into account essential links and any other direct or indirect effects on other nodes, and recalculating the resulting BRM.	Piney 2018e
PBV	Planned Benefit-Value	The Earned Benefit-Value that should have been achieved on a specified date.	Piney 2019b
PILS	Power-Interest Laws for Stakeholders	Technique for identifying emergent power and enhanced interest of targeted stakeholders across the BRM.	Piney 2018g
PORTER	Program Overall Risk Tolerance Evaluation Routine	Combined application of the BAR and the BEER to evaluate the effects of uncertainty on the baseline plans.	Piney 2019a
RB	Realized Benefit	At a given point in time, the cumulative benefit of the program or a given component of the program based on the actual progress at that point.	Piney 2018f
SB	Scheduled Benefit	The forecast value of the realized benefit for a given date.	Piney 2018f

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After many years managing international IT projects within large corporations, **Crispin ("Kik") Piney**, B.Sc., PgMP is now a freelance project management consultant based in the South of France. At present, his main areas of focus are benefits realization management, risk management, integrated Portfolio, Program and Project management, as well as time and cost control. He has developed advanced training courses on these topics, which he delivers in English and in French to international audiences from various industries.

Kik has carried out work for PMI on the first Edition of the Organizational Project Management Maturity Model (*OPM3™)* as well as participating actively in fourth edition of the *Guide to the Project Management Body of Knowledge* and was also vice-chairman of the Translation Verification Committee for the Third Edition. He was a significant contributor to the second edition of both PMI's Standard for Program Management as well as the Standard for Portfolio Management. In 2008, he was the first person in France to receive PMI's PgMP® credential; he was also the first recipient in France of the PfMP® credential. He has acted as subject matter expert on many of PMI's recent standards and practice guides. He is co-author of PMI's *Practice Standard for Risk Management*. He collaborates with David Hillson (the "Risk Doctor") by translating his monthly risk briefings into French. He has presented at a number of recent PMI conferences, delivered the keynote at EVM World in 2018, and published a number of formal papers. Kik Piney is the author of the book *Earned Benefit Program Management. Aligning, Realizing and Sustaining Strategy*, published by CRC Press in 2018.

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