

Implementing BS202002: Benefits management on portfolios, programmes and projects¹

Benefits management for programmes, projects, and other related work²

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Benefits don't happen by themselves - they need careful planning, delicate management, and rigorous reporting. They need a midwife.

And just as a midwife should be involved before, during, and after the birth to ensure the health and well-being of both mother and baby, the benefits manager needs to be involved at key stages to ensure that benefits are both realistic and realized.

And here's a difference: the midwife isn't usually present at conception. A benefits manager should be.

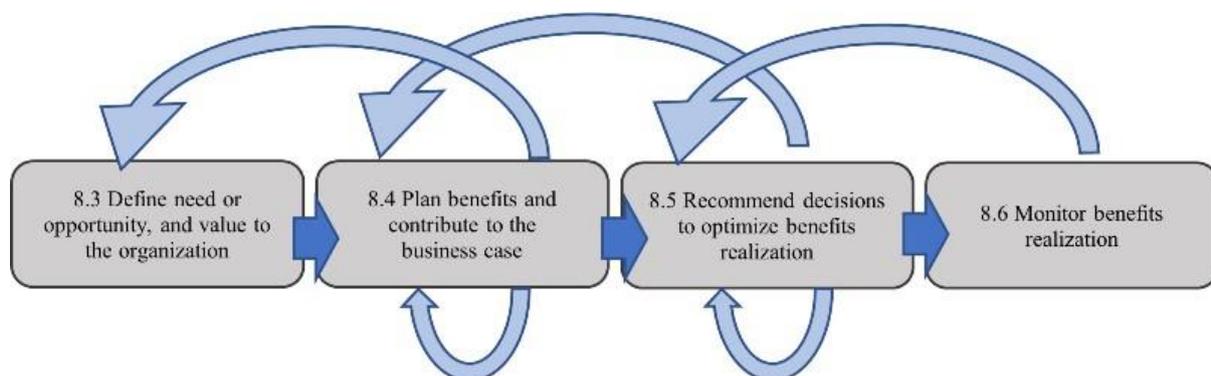


Figure 1: Four steps of benefits management in programmes, projects and other related work (from BS2020002)

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The previous articles in this series were about portfolio management. There's no such thing as a stand-alone project, every project contributes to the direction of an organization or alliance of organizations. If it doesn't – why are we doing it?

I recently joked that most projects happen because a salesman wants to sell something; too many people in the room nodded and agreed with me. The benefits manager should change this dynamic. To begin at the beginning: benefits managers should be involved in designing and understanding the big driver for the project – the need or opportunity that it answers.

BS 202002 Clause 8.3 Define the need or opportunity.

Clause 8.3 of BS202002, and the first step of Figure 1, illustrate that the start point for benefits management is before the start of a typical project, before the options or business case. It should begin with the need, which itself should be defined by the gap between current portfolio forecasted benefits and expected benefits, in combination with the organization's strategic objectives.

An example: if we want to improve school attendance, there will be a number of different solutions that work either in concert or individually. The first step is to define the problem, size of the problem, the value of making a difference, and the likelihood that the organization can make a difference. This will determine whether it's worth investing resources in taking the idea through the next few stages, including definition and valuing of benefits, the outline and full business cases.

Sometimes the original aim needs redefining (the organization can't make a difference). A project to "reduce truancy" might identify that there are a number of different reasons for young people to not attend schools, and that the term "truancy" is inappropriate. The benefits manager might identify the sizes and costs of different aspects of non-attendance at school problem, and more closely identify where investment would be best directed to solve each aspect. This focus ensures that all investment and activity is directed to help an organization achieve its strategic objectives, through strategic benefits aligned to the objectives.

This definition stage naturally leads into the planning stage:

8.4 Plan benefits and contribute to the business case

Many approaches to benefits management have broken this planning stage up into more than one stage, because traditional benefits management focuses almost exclusively on this planning stage. For example, UK infrastructure and Projects Authority (IPA) has a five-stage

model, with two stages (Appraise and Select; and Plan to Realize: Define³). APMG similarly has five practices including Value and Appraise, and Plan⁴(Jenner 2014). Both pairs of stages are subsumed into Clause 8.4, the “plan benefits and contribute to business case” stage in BS 202002⁵.

Success in this planning stage requires stakeholder engagement. Benefits mapping sessions are part of stakeholder engagement, although benefits mapping will be described in a later article. Benefits mapping in a group provides the opportunity for stakeholders to build off each other’s understanding, a point often lost where stakeholders are contacted individually, or are represented by members of the project team. An example of a benefits map using the results chain approach⁶ is illustrated in Figure 2. Note the use of a timeline to show when activities occur and when benefits (one of the types of outcomes) are likely to be measurable.

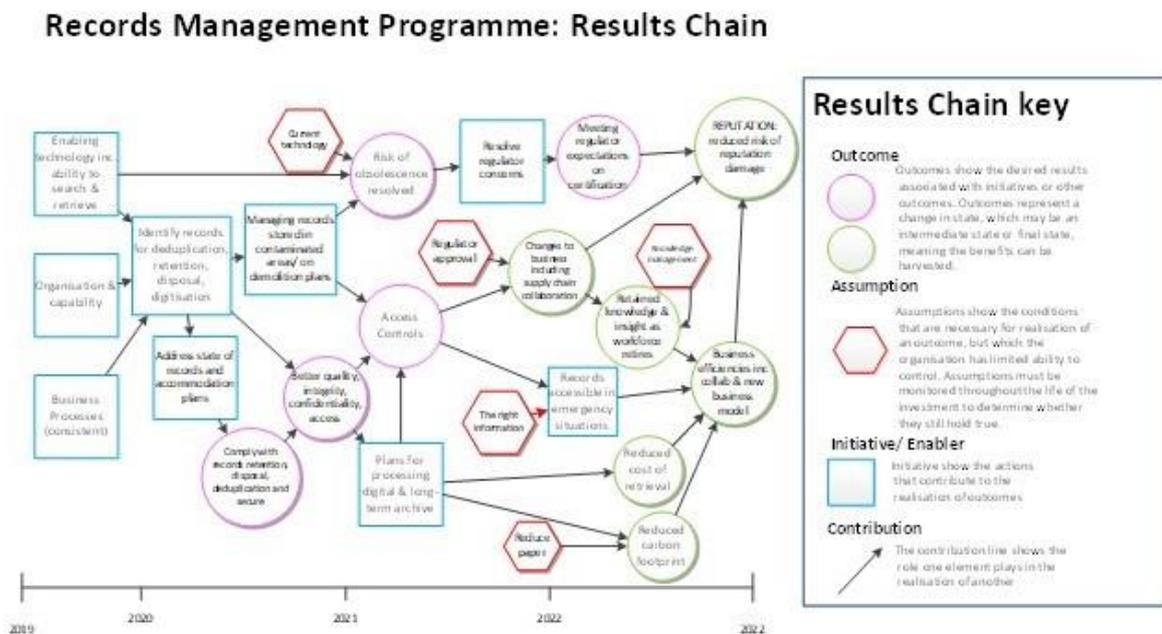


Figure 1 Results Chain (type of benefits map) example

There is only a finite amount of resource to work through benefits management, so the criterion for benefits prioritisation (which benefits should we analyse in more detail) should

³ IPA (2017). *Guide for effective benefits management in major projects*, UK Government. Page 20 <https://www.gov.uk/government/publications/guide-for-effective-benefits-management-in-major-projects> .

⁴ APMG (2014) *Managing Benefits*. <https://apmg-businessbooks.com/books/project-programme-management/managing-benefits-second-edition-2014>

⁵ BS 202002:2023 *Applying benefits management on portfolios, programmes and projects. Guide* <https://knowledge.bsigroup.com/products/applying-benefits-management-on-portfolios-programmes-and-projects-guide?version=standard>

⁶ Three types of benefits maps are recommended in BS202002: bidirectional or strategy alignment; benefits dependency network; and results chain.

be “which benefits will have the most impact on subsequent decisions?”. Not necessarily the biggest number, but the benefit most likely to influence decisions. These are the ones that we do more work on.

There are no projects where benefits management is not useful. Meeting a regulatory requirement is usually offered as an excuse to avoid benefits management, but once the cost of meeting this requirement is known, then the organization can make a decision to comply with the requirement, face consequences (and pay fines), or withdraw operations from a regulated marketplace. Benefits management informs that decision.

A benefits map (of any type recommended in BS202002) illustrates the causal link between activities and benefits. Changes to activities will result in changes to the realisation of benefits. The benefits map might show that some activities proposed by the design team don't have much impact on realizing benefits – the reason for including these activities should be questioned. The benefits map might show that the activities proposed will not realize the benefits required – this might require revisions to the activities proposed. It is always cheaper and faster to spend more time on planning and get the planning right, than to find shortfalls after spending all the money.

This planning stage should output a number of costed and valued options (including a confidence level). From this, an investment panel can decide which option to take forward, and perhaps the composition of the project.

It's possible (using Hoshin Kanri) to calculate the “value” of each of the activities that contribute to the benefits, as a quick method for understanding the impact of delays or cancellation of any of the activities. How accurate the results of this calculation are depends on confidence in the initial information.

Now the project can begin.

8.5 Recommend decisions to optimise benefits realisation

For many organizations, benefits management is not involved during project delivery. This is a mistake. Benefits don't happen by themselves; every decision to change the activities, whether to change the date they're being delivered, the product they deliver, or how this is communicated, are likely to impact on the benefits realized, positively or negatively. Since benefits are the reason we do projects, the impact of any alterations on the benefits should play a part on these decisions.

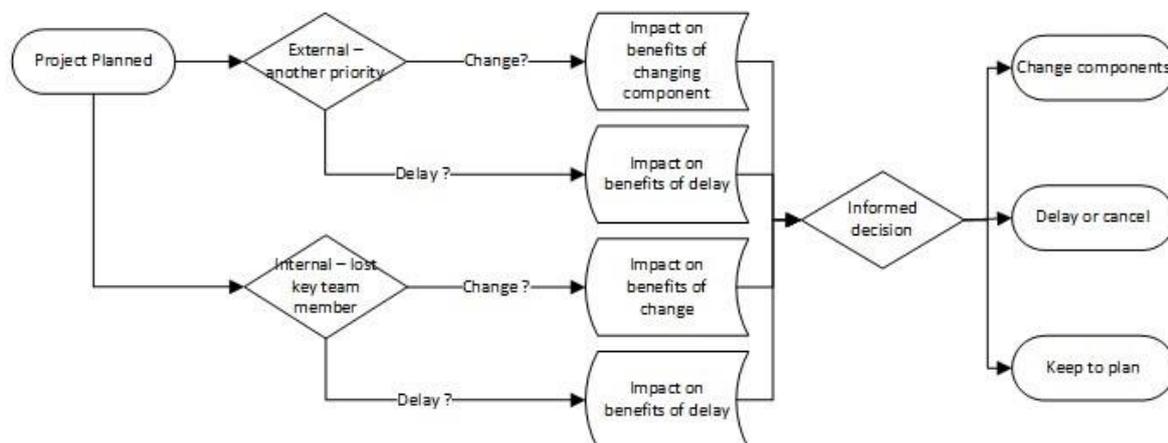


Figure 2 *Impact of changes (both external and internal) should inform decisions during project delivery*

I've had feedback from project leadership teams about the use of benefits management during delivery. Benefits management is (amongst other things) a communications tool - by talking to stakeholders about benefits for them, many of the obstacles to successful project delivery melt away. A little bit of communication pays dividends, and benefits provide focus for the communication.

We can use lead measures to check whether the project is going in the right direction and is likely to realize the main benefits. It's better to know whilst there's still time to change the project. Lead measures are measurement of interim change which increases our confidence in the likely future benefits realization.

8.6 Monitor benefits realization

After handover, and this applies even when handing over interim deliverables, it's important to remind the users or recipients of a change about the behaviour and process changes they need to make in order to realize benefits. This requires tact and diplomacy. However, the main tool in our toolbox is reporting.

People go to work to do a good job. The reason so many people get disillusioned at work is because important things aren't measured or reported – they can't tell if they're making a positive difference. We benefits managers have the opportunity to measure how much of a benefit is being realized, and to show people whether their actions are realizing benefits or not. Even though they have to measure to create the data for those reports, they will love us because now they can tell their children and grandchildren "I did a good job this week".

This isn't creating a whole lot of new work. We don't need to measure until the benefit is realized. We need to measure until we have some level of confidence in the amount of benefit that will be realized. We might not get it all, or we might get some emergent benefits which justify bonuses (and everyone loves a bonus!) way beyond what we could have wanted in the first place, but we'll only know about the bonus if we measure and report.

Conclusion (#Call to action)

In the same way that projects have a beginning, a middle, and an end and then handover, benefits have an inception, planning phase, delivery of change, and benefits realisation. Traditional benefits management is focused on the planning phase: in reality all four phases are important to achieve benefits realisation.

The project leadership team should monitor changes to benefit forecasts carefully during project delivery and use this to inform adjustments to the project (whilst there is still time to make these changes i.e. before the project completes) to improve benefits realization. Typically, we won't get exactly the benefits we plan for, for a variety of reasons including incorrect assumptions, changes in the environment, changes in the stakeholders. However, by reviewing the impact on benefits of each decision, we are likely to get at least as much benefit, and maybe identify emergent benefits which multiply the total benefits to the organization and stakeholders.

About the Author



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Dr. Hugo Minney is a Fellow of APM (Association for Project Management), a Member of PMI and PMI UK, Co-Chair of APM's Benefits and Value SIG and committee member of PMI UK's Sustainability Community of Action (none of which are paid).

Minney set out to become a farmer but was defeated by bureaucracy. He sold high ticket computer systems and specialist software for workforce planning; joined the National Health Service for 18 years (and as a Chief Executive for the last 7 of these), and is now a project management consultant with a sideline chairing a charity restoring the sense of community for young people.

Minney works in project management, and in particular benefits management, motivating team members by reporting what they are achieving together and changing the community and culture to want to achieve – together. At present, he's more involved on the governance side, accredited as a Social Value practitioner and Chartered Project Professional, and reviewing the balance of projects and contribution to objectives and benefits across portfolios.

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