

# Managing Benefits QRC

Based on Managing Benefits (APMG), Aug'2013, Henny Portman

## Key Benefit Management Techniques

Identify & quantify	<ul style="list-style-type: none"> <li>• Driver based analysis</li> <li>• Investment logic mapping</li> <li>• SWOT and PESTLE analysis</li> <li>• Benefits discovery workshops</li> <li>• Benefits mapping</li> <li>• Customer insight (VOC)</li> <li>• Reference class forecasting</li> <li>• Optimism bias adjustments</li> <li>• Benefits qualification workshops</li> <li>• Stochastic forecasting (Monte Carlo simulation, three point estimating)</li> <li>• Delphi technique</li> </ul>
Value & Appraise	<ul style="list-style-type: none"> <li>• (Willingness to pay and willingness to accept)</li> <li>• Conversion ratios</li> <li>• Sensitivity and scenario analysis</li> <li>• Cost-benefit analysis</li> <li>• Cost-effectiveness analysis</li> <li>• Real options analysis</li> <li>• Multi-criteria analysis</li> </ul>
Plan	<ul style="list-style-type: none"> <li>• The 'dog that didn't bark' test</li> <li>• Pareto rule</li> <li>• Pair-wise comparisons</li> <li>• Benefits Measurement Taxonomy</li> <li>• Stakeholder segmentation and analysis</li> <li>• Scout and beacon approach</li> </ul>
Realize	<ul style="list-style-type: none"> <li>• Booking the benefits</li> <li>• Benefits contracts</li> <li>• Rich picture</li> <li>• One version of truth</li> <li>• Management by exception</li> <li>• Start gate</li> <li>• Pre-mortems</li> </ul>
Review	<ul style="list-style-type: none"> <li>• 'in-flight' benefit reviews</li> <li>• Stage/phase gate reviews and 'staged release of funding'</li> <li>• Post-implementation review</li> <li>• Post-investment review</li> </ul>

Workshops
<ul style="list-style-type: none"> <li>• SWOT</li> <li>• Driver based analysis</li> <li>• PESTLE</li> <li>• Benefits discovery</li> </ul>

Mapping
<ul style="list-style-type: none"> <li>• Benefits Map</li> <li>• Results Chain</li> <li>• Benefits Dependency Network</li> <li>• Benefits Logic Map</li> </ul>

Quantify
<ul style="list-style-type: none"> <li>• Cognitive Bias</li> <li>• Strategic misrepresentation</li> <li>• Organizational context</li> <li>• Evidence based</li> <li>• Reliability</li> </ul>

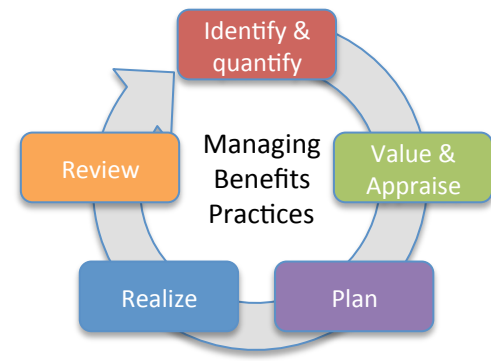
What Value
<ul style="list-style-type: none"> <li>• (non) financial benefits</li> <li>• Efficiency improv.: budget savings, unit cost reduction, the use to which the time saved is put</li> </ul>

Investment appraisal
<ul style="list-style-type: none"> <li>• Cost/Benefit</li> <li>• Real Option analysis</li> <li>• Cost effectiveness</li> <li>• Multi criteria analysis</li> </ul>

When
<ul style="list-style-type: none"> <li>• At start</li> <li>• In flight</li> <li>• After implementation</li> </ul>

Mapping
<ul style="list-style-type: none"> <li>• Planned</li> <li>• Emergent</li> <li>• Dis</li> </ul>

Learning
<ul style="list-style-type: none"> <li>• Value for money</li> <li>• Practice improvements</li> </ul>



Value and Benefits Management
<ul style="list-style-type: none"> <li>• Function Analysis</li> <li>• Value engineering</li> </ul>

elements
<ul style="list-style-type: none"> <li>• Transition Management (MSP)</li> <li>• Tracking and correcting</li> <li>• Optimizing, hearts and minds</li> </ul>

Themes
<ul style="list-style-type: none"> <li>• Realism in decisions, enthusiasm in realization</li> <li>• Forecast is realistic, target motivational</li> </ul>

Themes
<ul style="list-style-type: none"> <li>• Feedback Loops</li> <li>• Planning as activity</li> <li>• Emergent and dis-benefits</li> <li>• Transparency, accountability</li> </ul>

elements
<ul style="list-style-type: none"> <li>• Validating forecast</li> <li>• Prioritize</li> <li>• Manage pre-transition (MSP)</li> <li>• Benefit measures (quant/Qual, (non)financial, Leading/lagging, (in)direct/proxi)</li> <li>• Risk &amp; opportunities</li> <li>• Eff. Stakeholder engagement, Doc.</li> </ul>

## The Management Benefits Principles

Align Benefits with strategy Driver-based analysis
<ul style="list-style-type: none"> <li>• Service Profit Chain</li> <li>• Service Value Chain</li> </ul>

Start with the end in mind (SWTEIM)
<ul style="list-style-type: none"> <li>• Activity-centred initiatives (Benefits to justify)</li> <li>• Benefit-led initiatives (Benefits rationale)</li> </ul>

Utilize Successful Delivery Methods
<ul style="list-style-type: none"> <li>• PRINCE2, MSP</li> <li>• Agile</li> <li>• Staged release</li> <li>• Stakeholder engagement</li> <li>• Forward-looking</li> <li>• BU + Beh Change</li> </ul>

Integrate benefits with performance management
<ul style="list-style-type: none"> <li>• Align with HR Performance Management System</li> <li>• Via BSC</li> </ul>

Manage Benefits from a portfolio perspective
<ul style="list-style-type: none"> <li>• Consistent alignment</li> <li>• Good practice applied</li> <li>• Double counting minimized</li> <li>• Lessons learned</li> <li>• Benefits real. Optimizat.</li> </ul>

Apply effective governance
<ul style="list-style-type: none"> <li>• Clear</li> <li>• Aligned</li> <li>• Consistent</li> <li>• Active</li> </ul>

Develop a Value culture
<ul style="list-style-type: none"> <li>• Treat as program</li> <li>• Behavioural change:             <ul style="list-style-type: none"> <li>• Coordination</li> <li>• Commitment</li> <li>• Competencies</li> </ul> </li> </ul>