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A unified view of benefits management/benefits realization management to be integrated into PMI standards

BREESE, Richard, JENNER, Stephen, SERRA, Carlos, THORP, John and BADEWI, Amgad

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2016 RESEARCH INFORMED STANDARDS

A unified view of Benefits Management/Benefits Realization Management to be integrated into PMI standards

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1. Executive Summary

In the early 1990's, dissatisfaction with the performance of the IS/IT function and the inadequacies of existing investment appraisal tools led to the development of a new management idea, concerned with the benefits from investments. A number of new models and methods were developed at this time, which all included the word 'benefit(s)' and also included 'realization' and/or 'management'. Since then, there has been no unified name for this management idea, but three core terms have emerged

- Benefits realization
- Benefits realization management
- Benefits management.

This report is concerned with the terminology used in this management idea, which for the purposes of the report is referred to as BM/BRM, as the two alternative names are 'benefits management' and 'benefits realization management'.

The research undertaken has been a literature review of documentation in the English language. Four different sets of literature have been investigated

- Academic (literature search identified 97 relevant academic sources)
- Professional body (aimed for comprehensive coverage of documents – 31 in total)
- Government body (aimed for comprehensive coverage of documents – 58 in total)
- Consultant/practitioner (systematic coverage limited to books and published consultant reports – 21 in total).

The report addresses four questions

1. What is meant by benefits realization and benefits realization management?

'Benefits realization' usually refers to either the full benefits life-cycle or to a specific stage/phase towards the latter end of the wider life-cycle process of BM/BRM. The key issue here is whether 'benefits realisation' as a term does enough to emphasise the importance of a balanced and sustained attention to benefits across all stages. It might lead to an assumption that benefits is something to attend to towards the end of the life-cycle of a project or program. Furthermore, when there is a timelag between the investment taking place and the majority of the benefits being achieved, or if the main benefits are only achieved after the project or program has ended and been absorbed into 'business as usual', 'benefits realization' as a term needs reinforcement to convey the active management process required to maintain the focus on benefits.

'Benefits Realization Management' is a term for the full management idea. Definitions vary in their emphasis on i. the benefits life-cycle and ii. the realization of the potential benefits of investment in

change. A frequently used definition is *“the process of organizing and managing, so that potential benefits, arising from investment in change, are actually achieved”* (Bradley, 2006/2010, ‘Benefit Realisation Management: A Practical Guide to Achieving Benefits Through Change’).

2. Are there synonyms for benefits realization and benefits realization management? Which of these are used in academic research, empirical or conceptual? In the consulting literature? In government documents, including legislation? Identify and distinguish among and between governments publications/legislation of the governments under study. By practitioners or in their organizations? What are the nuanced differences in these terms?

The main synonym for ‘benefits realization management’ is ‘benefits management’. Benefits management is by far the more common term across all the literature types covered in this report. This is particularly the case in IS/IT-enabled change. The dominant definition in this sector is *“the process of organizing and managing, so that potential benefits, arising from the use of IS/IT, are actually realised”* (Ward and Daniel, 2006/2012, ‘Benefits Management: Delivering Value from IS & IT Investments’). The similarities between this definition and the one used by Bradley to refer to ‘Benefit Realisation Management’ illustrate the degree to which the two terms are interchangeable. However, there are advantages and disadvantages associated with each title, and an organisation issuing guidance will generally wish to use one of the terms, in the interests of clarity and consistency.

There are synonyms which are used for ‘benefits realization’, when it is used to mean a phase or stage in the wider life-cycle. ‘Benefits harvesting’ and ‘benefits delivery’ are two of the terms used.

There are a number of terms which are sometimes used synonymously with ‘benefits’, but more usually are used in the definition of ‘benefits’, or are viewed as similar, but not the same in meaning. Such terms include ‘outcome’, ‘impact’, ‘goals’, ‘needs’, ‘objectives’ and ‘requirements’. The view taken here is that none of the above terms should be viewed as a synonym for ‘benefits’. The term ‘value’ has a particularly close, but complex relationship with ‘benefits’, and at least four different connections have been identified, covering

- value as a collective term, or equivalent to benefits
- value as a collective term, but referring specifically to benefits aligned with (or contributing to) organisational strategy
- value as a term representing benefits less costs/resources required to realise the benefits
- value representing the quantification of benefits (often in monetary terms) or the financial result of benefits realization.

Viewing ‘benefits’ and ‘value’ as synonymous has a number of dangers, which can be illustrated in terms of the difference between benefits maximization and optimization. If value is seen to be combining benefits with costs/resources, the organisation is likely to be in a better position to manage its investments effectively. The focus should be on optimising the relationship between benefits, costs/resources and other areas, such as risk.

3. How is the terminology addressed in projects? What differences exist? Are there synonyms for benefits realization and benefits realization management in projects, programs and portfolios?

Regarding the realisation of benefits from projects and programs, there are two main perspectives,

A. The view that sees BM/BRM as being primarily a program, not a project level activity (because the focus of the latter is on the delivery of outputs/products with the former being responsible for 'transitioning' these outputs/products, or the capability they create, into outcomes and benefits); and

B. The view that does not distinguish between projects and programs from a benefits perspective i.e. BM/BRM is seen as applying at both levels.

Over and above programs and projects, the literature on portfolio management sees it as encompassing program and project prioritisation, defining consistent approaches to be applied, and having an overview of benefits realization.

BM/BRM originated in the world of IS/IT where the focus was on realizing benefits/value from the full spend (project/program/portfolio management and 'business as usual'). As evidenced by the high proportion of the academic sources on IS/IT enabled change referring to the wider organizational context, there is a stream in the literature which emphasises the importance of a focus on benefits for strategy execution, linking with BM/BRM as part of a 'value mindset', engrained in organizational culture.

4. How is the terminology used in projects, programs and portfolios across the fields (i.e. academic research, consulting, government, or practitioners or their organizations)? What differences exist?

As the management idea of BM/BRM has been translated over time, documentation from one sector has been adopted and adapted by another, often with the same individuals involved. For example, the initial pioneers of BM/BRM in the 1990s were consultants and IS/IT-orientated university departments who were then commissioned to help prepare government guidance in the 2000's. Therefore, it would be expected that the terminology would overlap across the different literatures, and this has broadly been the case.

Recommendations

The report is entitled 'A unified view of BM/BRM to be integrated into PMI standards', but this does not mean that it is realistic for the report to specify a set of terms with the expectation that these could ever become standardized across the whole field, because of the evident differences in terminology and the lack of empirical evidence on the implications of the use of different terms.

It is however, suggested that there are important benefits to be gained in using a consistent set of terms across PMI guidance that are clearly and unambiguously defined, along with the relationships between the terms.

On this basis, the report makes four main recommendations, which cover

1. the need for consistency in the relationship between the umbrella term - whether that be 'benefits realization management' or 'benefits management' - and the usage of the term 'benefits realisation'. This recommendation is proposed to encourage the active management of benefits across and beyond the life-cycle of the investment in change.
2. the relationship between 'benefits' and 'value', which it is held should not be regarded as synonyms. The focus should be on optimising value, as the relationship between benefits, costs/resources and other areas, such as risk.
3. roles for BM/BRM at the different levels – project, program, portfolio and wider organization. This not a case of specifying that responsibility for benefits must rest at a particular level, because that will depend on contextual factors, but to recommend a way of working of universal applicability. It is recommended that the roles of each level in benefits (project, program, portfolio and wider organization) should be clear and the processes for integration should ensure that the people with responsibility at each level are working together to optimize benefits.
4. the wider organizational context. It is recommended that BM/BRM should not be regarded as a specific management domain. Instead, a 'value mindset' needs to be a corporate responsibility. This means that while BM/BRM must be a key part of the management of projects (including programs and portfolios where applicable), responsibilities for BM/BRM must extend across the organisation as a whole.

A fifth and final recommendation concerns the scope of this report, covering only documentation in the English language and restricting the literature search to particular management fields. Widening collaboration with professional bodies and academia across management disciplines could generate further insights for the development of BM/BRM.

2. Introduction, questions asked and summary answers

In the early 1990's, dissatisfaction with the performance of the IS/IT function and the inadequacies of existing investment appraisal tools led to the development of a new management idea, concerned with the benefits from investments. A number of new models and methods were developed at this time, which all included the word 'benefit(s)' and also included 'realization' and/or 'management'. Since then, there has been no unified name for this management idea, but three core terms have emerged

- Benefits realization
- Benefits realization management
- Benefits management.

This report is concerned with the terminology used in this management idea, which for the purposes of the report is referred to as BM/BRM, as the two alternative names are 'benefits management' and 'benefits realization management'.

The research undertaken has been a literature review of documentation in the English language. Four different sets of literature have been investigated

- Academic (literature search identified 97 relevant academic sources)
- Professional body (aimed for comprehensive coverage of documents – 31 in total)
- Government body (aimed for comprehensive coverage of documents – 58 in total)
- Consultant/practitioner (systematic coverage limited to books and published consultant reports – 21 in total).

The research has addressed four questions,

1. What is meant by benefits realization and benefits realization management?

2. Are there synonyms for benefits realization and benefits realization management? Which of these are used in academic research, empirical or conceptual? In the consulting literature? In government documents, including legislation? Identify and distinguish among and between governments publications/legislation of the governments under study. By practitioners or in their organizations? What are the nuanced differences in these terms?

3. How is the terminology addressed in projects? What differences exist? Are there synonyms for benefits realization and benefits realization management in projects, programs and portfolios?

4. How is the terminology used in projects, programs and portfolios across the fields (i.e. academic research, consulting, government, or practitioners or their organizations)? What differences exist?

The next section is 'methodology', which outlines how the framework for undertaking the literature searches was decided upon, and the detailed methods used for each review, and the presentation of the results.

The 'findings' section addresses each of the four questions in turn, summarizing what the literature says on each theme and sub-theme.

The 'reflections' section is concerned with the main implications of the research. It sets out, amongst other things, the advantages and disadvantages of the two umbrella terms – 'benefits realization management' or 'benefits management'.

The 'conclusions and recommendations' section summarises the variations in the conceptualizations of the key terms, and the implications. It indicates where there are synonyms, and evaluates the merits and the dangers of using specific terms interchangeably. The roles for BM/BRM at the project, program, portfolio and wider organizational levels are discussed, again drawing attentions to differences in the literature. Five recommendations are made, based on three principles concerning terminology and its use in guidance and in practice.

The final recommendation is not concerned with the content of the report, but with the parameters which have defined its scope. While those parameters have been appropriate for the current study, documentation in other languages and in other management fields could generate important insights for the development of BM/BRM. An example is a book in Spanish, **Gestion Por Beneficios** (https://books.google.co.uk/books?id=NOx9CJveaCsC&dq=Gestion+Por+Beneficios&source=gb_s_navlink_s) which seems to use benefits as a key element of the business management process from the business administration perspective.

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3. Methodology

The original brief for the work specified that the report cover projects and, if possible, programs and portfolios as well. A key principle shared by the team is that where organisations utilise programmes and portfolios as well as projects, BM/BRM has to be applied across all three levels, so this was our starting point.

The proposal was based upon three literature reviews, covering

- academic literature
- government and professional body literature
- consultants and practitioner literature.

In the course of the scoping work it became apparent that the professional body and government body sources were distinct from each other, and should form separate pieces of work.

The nature of the scoping work was different for each review. For example, for the academic literature review the choice of databases and search terms was critical, while the professional body and government body literature reviews were focused initially on identifying specific organisations.

The scoping phase took account of the advice provided by the PMI, to take a narrow approach to synonyms, which were restricted to variations associated with the root term 'benefit'. However, this required referring to other terms which have a key relationship with the concept of benefit, because they are part of a definition of benefit (for example, the word 'outcome' is often used in such definitions) or because they are essential for the contextualisation of the term 'benefit' (for example, some of the uses of the term 'value').

The analysis phase of each literature review drew material relevant to the four questions in a systematic manner. In reviewing the scope of the four reviews, in general, the boundaries were clear. The main grey area concerned books on benefits management. If books are written by academics, and draw from material which has also appeared in academic journals or academic conferences, then they were included in the academic literature review, e.g. Ward and Daniel. If the book has been published by a Government agency or professional body and appears to represent the policies/views of that organisation, it is included in the Government and Professional Bodies review, e.g. Bradley, 'Fundamentals of Benefits Realisation' (OGC). Other books were included in the Consultants/Practitioner literature review.

Academic Literature Search

The Academic review used search terms in order to identify a long list of publications, which was then narrowed down to a manageable number of the most relevant documents.

The search terms used were:

- Benefits+Management

- Benefits+Realis(z)ation+Managament
- Benefit+Management
- Benefit+Realis(z)ation+Management

Although the study is interested in the relationship between benefits and value, including a search term of 'value' widened the results too far, making screening impractical.

These terms were fed into three databases

- Google Scholar (*title only*)
- Science Direct (*keyword*)
- EBESCO (Business Source Premier) (*keyword*)

Google Scholar includes conference papers on a wider basis than the other two databases, which complement each other in their focus, Science Direct being widely inter-disciplinary and EBESCO being business/management orientated.

The results were as follows

Google Scholar

In title only	Search	After Screening
Benefits Management	162	
Benefit Management	110	
Benefit Realisation Management	2	
Benefit Realization management	1	
Benefits Realization management	3	
Benefits Realisation management	12	
Total		77

Science Direct

Keyword	Search	After Screening
Benefits+Management	25,258	
Benefits + Realisation + Management	227	
Total		33

EBESCO

Keyword	Without IJPM+PMJ (covered in Science Direct)	After Screening
Benefits+Management	122	
Benefits + Realisation + Management	180	
Total		26

The screening process involved eliminating uses of the term benefits which are outside our area of interest, such as the uses in human relations management and for systems of medication management in the US. Using journal titles proved an effective method for screening.

When duplications are eliminated, this search process results in 107 publications. These 107 publications were manually checked by the team to look for known sources which might not have been picked up in this search process, but also duplications of work by the same author, and references which appeared at first to be relevant, but in fact were not. This resulted in 97 publications in total.

The results of the academic literature review were incorporated into a set of spreadsheets, addressing the questions in the report brief, which are attached in Appendix 1.

Professional Bodies Literature Search

Publications from the following bodies were reviewed: Project Management Institute (PMI); Association for Project Management (APM); APMG-International; Australian Institute for Project Management (AIPM); International Project Management Association (IPMA); Change Management Institute (CMI); British Computer Society (BCS); ISACA (Previously known as the Information Systems Audit and Control Association); International Centre for Complex Project Management (ICCPM); and relevant ISO standards.

The analysis of the publications from these professional bodies is contained in Appendix 2, listed in order of professional body.

Government Bodies Literature Search

Publications from the following jurisdictions/bodies were reviewed

- United Kingdom: OGC (Now Axelos – a joint venture between the Cabinet Office and Capita); HM Treasury; Cabinet Office; and the National Audit Office.
- UK Devolved administrations: Welsh Government & N Ireland Department of Finance & Personnel.
- Europe – Germany.

- Canada Treasury Board Secretariat.
- USA - Office of Management and Budget (OMB); GAO; Legislation (Program Management Improvement and Accountability Act 2015; Government Performance and Results Modernization Act 2010; and Government Performance and Results Act 1993); White House Circular No. A-94 Revised; CIO Council; National Electronic Commerce Coordinating Council; and Intergovernmental Advisory Board, Federation of Government information Processing Councils.
- Australia – federal government and state governments – NSW, Queensland, Tasmania, Western Australia, and Victoria.
- New Zealand
- Inter-jurisdictional guidance including: the Better Business Cases initiative (UK, Welsh and New Zealand governments); World Bank; OECD; and European Commission-funded studies.

The scope of the guidance/publications covered the period 2002-2015, and included:

- Formal, often mandatory, guidance on the application of cost-benefit analysis to investment proposals, including projects and programmes - for example: HM Treasury Green Book and Supplementary guidance; USA White House Circular No. A-94 Revised & OMB 2014, Circular No. A-11; Queensland Project Assurance Framework - Cost Benefit Analysis; New South Wales Treasury (2008) Guidelines for Capital Business Cases Policy & Guidelines Paper.
- Investment Management Frameworks: Canada Treasury Board Secretariat – Outcome Management; Victoria -Investment Management Standard; New Zealand Cabinet circular CO (15).
- Guidance related to Business Case preparation – for example, the UK 5 Case Framework and Better Business Cases Initiative (UK, Welsh and New Zealand Governments & supported by the APMG certification scheme); UK Cabinet Office Social Return On Investment methodology; Australian Federal Government ICT Business Case guide.
- ICT/E-government studies and frameworks for capturing the full benefits of e-government & ICT in government – for example, HM Treasury (2003) '*Measuring the Expected Benefits of e-Government*'; WiBe framework from Germany; USA National Electronic Commerce Coordinating Council (2002); USA Intergovernmental Advisory Board, Federation of Government information Processing Councils (May 2003); CIO Council (2002) Value Measuring Methodology; Australia - NOIE (2003) E-Government Benefits Study and subsequent Demand & Value Assessment methodology; and publications by the OCED and EC also examining the benefits of e-government.
- Guidance specifically related to benefits management/realisation in relation to projects, programs and portfolios – for example: OGC/Axelos (MSP, MoP etc); Cabinet Office Major Projects Authority (Assurance of benefits realisation in Major Projects & SRO Appointment letters (2015)); N Ireland Department of Finance & Personnel; New South Wales Benefits Realisation Management Framework; Tasmanian Government Project Management Guidelines; New Zealand Better Business Cases – Managing Benefits from Projects and Programmes.
- Lessons learned guidance – for example: Australian Federal Government (Assurance Review Process – lessons learned: Benefits Realisation Management); NAO reports on ICT benefits.

The analysis of the publications from these Government Bodies is contained in Appendix 3, grouped by country.

Consultants/Practitioner Literature Review

The systematic literature review covered

- Practitioner/consultant books
- Consultancy publications

The other categories in the practitioner/consultants review are:

- Professional Body member network documentation
- LinkedIn groups and other social media
- Consultant websites/blogs
- Event write-ups/presentations
- Videos/DVD's – e.g. on YouTube
- Job listings
- Software vendors' products

The danger with these sources is that there is a huge amount of material, but most of it is of limited credibility or value in relation to our brief. Having undertaken our analysis of the four systematic literature reviews it was considered that clear a picture had emerged of the terminology, and the answers to the questions posed in the brief. Therefore, these sources were not investigated systematically. Any anecdotal information from these sources would have been of limited value, and we were aware from our personal involvement in many of these sources of the types of information we would find.

General methodology issues

The analysis was generally restricted to current versions of documentation, but we are aware of the significance of earlier editions of guidance in the development of BM/BRM. An example is the earlier editions of PMI Standards. A brief analysis of the changes in successive editions in the BM/BRM terminology was undertaken (Table 1), demonstrating the increases in BM/BRM references in the latest editions, and also variations in the frequency of use of different terms.

Table 1 – BM/BRM terminology in PMI Standards

Source	Version	Benefit(s) management	Benefit(s) Realization	Benefit(s)/ Benefits	Comments
PMI PMBoK	2 nd Edition 2000	0	0	24/7	Projects to deliver measurable benefits. Program management to the achievement of wider benefits.
	3 rd Edition 2004	0	0	35/11	Projects to deliver measurable benefits. Program management to the achievement of wider benefits.
	4 th Edition 2008	0	0	35/12	Projects to deliver measurable benefits. Program management to the achievement of wider benefits. More emphasis on portfolio management role to ensure strategic alignment.
	5 th Edition 2012	0	1	153/32	Stronger emphasis on the role of Portfolio and Program management. Clear association between program management and the term 'benefits realization'.
The Standard for Portfolio Management	1 st Edition 2006	0	4	32/21	There is a small section about benefits realization, defining it as one of the Portfolio Manager role key responsibilities.
	2 nd Edition 2008	1	1	9/6	BM and benefits realization only appear on a reference to the 2006 edition.
	3 rd Edition 2012	0	17	160/124	Benefit realization is a measure for portfolio success, its analysis requires specific tools/techniques, and it is part of portfolio management plans. Expected benefits are key inputs for prioritization.
The Standard for Program Management	1 st Edition 2006	38	19	275/231	The BM term is heavily utilised as part of program management, permeating all activities of a program.
	2 nd Edition 2008	9	34	108/100	There is an entire chapter about Program Life-Cycle and Benefits Management (although the page heading says 'Project Life-Cycle and Benefits Management').
	3 rd Edition 2012	46	15	332/300	BM is treated as 'Program Benefits Management', encompassing all BM activities associated to a specific program. Benefits realization plan is important input for program governance.

In this report, English and US spellings of words will be used interchangeably. We will also view singular/plural uses of the term 'benefit(s)' as being interchangeable as well.

4. Findings – Detailed responses to each research question

Introduction

The four research questions are

- 1. What is meant by benefits realization and benefits realization management?*
- 2. Are there synonyms for benefits realization and benefits realization management? Which of these are used in academic research, empirical or conceptual? In the consulting literature? In government documents, including legislation? Identify and distinguish among and between governments publications/legislation of the governments under study. By practitioners or in their organizations? What are the nuanced differences in these terms?*
- 3. How is the terminology addressed in projects? What differences exist? Are there synonyms for benefits realization and benefits realization management in projects, programs and portfolios?*
- 4. How is the terminology used in projects, programs and portfolios across the fields (i.e. academic research, consulting, government, or practitioners or their organizations)? What differences exist?*

These questions will be addressed in turn, following a common format. First there will be a brief introduction to the question, followed by the results of the review of the professional body, government, academic and consultant/practitioner literatures. Finally, synthesizing comments will be made.

Before addressing the first question, a prior requirement is to review definitions of the word ‘benefit’, since this is the common term which identifies the ‘management idea’ of BM/BRM (Breese et al., 2015).

Prior question – what is meant by ‘Benefit(s)’

Dictionary definitions of benefit illustrate the diversity of uses of the term. The Merriam-Webster Dictionary refers to three definitions of the noun, ‘benefit’,

- a good or helpful result or effect

- money that is paid by a company (such as an insurance company) or by a government when someone dies, becomes sick, stops working, etc.
- something extra (such as vacation time or health insurance) that is given by an employer to workers in addition to their regular pay

<http://www.merriam-webster.com/dictionary/benefit>

Oxford Dictionaries also refer to three definitions of the noun,

- an advantage or profit gained from something
- a payment made by the state or an insurance scheme to someone entitled to receive it
- an event such as a concert or game, intended to raise money for a particular player or charity.

<http://www.oxforddictionaries.com/definition/english/benefit>

The definition which is a root term for the management idea of BM/BRM is the first one in each case. However, the diversity of the definitions and uses of the word can lead to confusion, in particular because the other definitions are ones which are often used in a business context.

Professional Body Literature

Key aspects of definitions of 'benefit' from the Professional Body literature are that benefits are:

- measurable;
- result from change; and
- are perceived as positive by a stakeholder.

For example, the APM,BoK (2012) defines benefits as, "*The quantifiable and measurable improvement resulting from completion of deliverables that is perceived as positive by a stakeholder.*" The CMI, BoK (2013) offers a similar definition: "*The measurable improvement resulting from a change in the organization; and it offers an advantage to stakeholders who are inside or outside the organization.*"

This core definition is expanded on as follows:

- As a way of demonstrating project, program and portfolio contribution to organisational/strategic objectives, for example, the APMG, Managing Benefits(2014) and CMI, The Effective Change Manager's Handbook(2015) definitions are, "*The measurable improvement from change, which is perceived as positive by one or more stakeholders, and **which contributes to organizational (including strategic) objectives.***"

- As being expressed in monetary terms—the APM,BoK (2012) adds that a benefit *“will normally have a tangible value, expressed in monetary terms that will justify the investment.”*

Other definitions of benefits include:

- PMI, Pulse of the Profession report – The Strategic Impact of Projects Identify benefits to drive business results (2016) defines benefits from a project perspective and in ‘value’ terms: **“Project benefits are the value that is created for the project sponsor or beneficiary as a result of the successful completion of a project.”**
- PMI, The Standard for Program Management (2013) defines benefits in **outcome** terms: **“An outcome of actions, behaviors, products or services that provide utility to the sponsoring organization as well as to the program’s intended beneficiaries”.**
- The ISACA Glossary also defines benefits in **outcome** terms: Benefit - **“In business, an outcome whose nature and value (expressed in various ways) are considered advantageous by an enterprise.”**
- PMI, Practice Standard for Project Risk Management (2009): Benefit – **“Positive effect on a project objective arising from the occurrence of an opportunity”.**

Types of benefit identified include:

- **Tangible and Intangible benefits** – APMG, Managing Benefits (2014) defines the latter as, **“Benefits that are difficult to quantify and measure reliably such as improved staff morale and decision-making. In such cases proxy indicators of such benefits can be developed.”**
- **End or business benefits and intermediate or enabling benefits**
 - APMG, Managing Benefits(2014) distinguishes between **‘End benefits’**: **“The benefits the initiative is set up to realize and which confirm achievement of the investment objectives.”** as against **Intermediate benefits**: **“Benefits which arise from a change initiative and which can in turn enable the realization of the end benefits the initiative was designed to realize.”**
 - ISACA distinguishes between **‘business benefits’** - **“An outcome that is expected to or does directly increase value.”** and **‘intermediate benefits’** **“which do not directly create value, even though they might be beneficial for one or more groups of stakeholders.”**
- **Qualitative and Quantitative benefits:**
 - **Qualitative benefits** - **“Benefits of a subjective or intangible nature.”** APMG, Managing Benefits(2014)

- **Quantitative benefits** - *“Benefits expressed in terms of a quantifiable improvement (in financial, percentage or other numerical terms) for example, costs (£/\$/€) or time saved (hours/minutes).”*APMG, Managing Benefits(2014)
- British Computer Society, Exploiting IT for Business Benefit (2008) - Benefits are classified as: Quantified and valued (i.e. in monetary terms); Quantified but not valued; Identified but not quantified.
- **Opportunity value benefits** – *“The value of staff time saved where there is no immediate saving in budgets, unit costs or costs avoided. Rather the staff time saved can be redeployed to activities that would otherwise not have been undertaken. The result may be an improvement in quality, outputs and outcomes.”*APMG, Managing Benefits(2014)
- **Planned and emergent benefits** – **Emergent benefits:** *“Benefits that emerge during the design, development, deployment and application of the new ways of working, rather than being identified at the start of the initiative.”* i.e. as opposed to planned benefits which are also referred to APMG, Managing Benefits(2014) and CMI, The Effective Change Manager’s Handbook (2015).

APMG, Managing Benefits (2014) and CMI, The Effective Change Manager’s Handbook(2015) also distinguish between:

- **Economic benefits** – *“Benefits that have a monetary value attributed to them, but where the underlying benefit relates to time savings or some performance improvement – where there may be some financial impact but the benefit is itself non-financial.”* And
- **Financial/benefits value** – *“Benefits where there is a direct (cashable) impact on cash inflows (revenue generated) or outflows (costs saved).”*

Government Body Literature

Common aspects of definitions of ‘benefit’ in the government body literature are that they are:

- measurable,
- result from an outcome,
- are positive
- are received by a stakeholder, and
- contribute to organisational objectives.

For example, the OGC Common Glossary defines a benefit as, *“The measurable improvement resulting from an outcome perceived as an advantage by one or more stakeholders, and which contributes towards one or more organization objective(s)”*.

Other similar definitions include:

- Canadian Treasury Board Secretariat Outcome Management guidance - Benefit: *“Direct and indirect positive consequences resulting from an action. Includes both financial and non-financial information.”*
- US CIO Council (2002) Value Measuring Methodology – Benefit: *“A term used to indicate an advantage, profit, or gain attained by an individual or organization (Source: GAO)”*
- N Ireland Department of Finance and Personnel - *“A benefit can be defined as the positive consequences of change.”*
- Australian Federal Government Demand and Value Assessment Methodology (May 2004) Benefit – *“An outcome whose nature and value (expressed in various ways) is considered advantageous to an organisation. A program should aim to deliver a number of business benefits.”*
- Victoria, *“The value that the investment will provide to the organisation or its customers. Benefits are normally a positive consequence of responding to the identified driver. Each claimed benefit must be supported by key performance indicators that demonstrate the investment’s specific contribution to the identified benefit.”*
- New Zealand Better Business Cases - Guidance on Using the Five Case Model: An Overview (Feb 2014) and Managing Benefits from Projects and Programmes (July 2015) - Benefits - *“any gain to one or more stakeholders from achieving the change in state”* and *“Benefits have the following four attributes: there is a beneficiary (e.g. society, a group or an individual), there is a gain, it is attributable, and discernible.”*

Expansions on the above definition include:

- Australian Federal Govt (Assurance Review Process – lessons learned: Benefits Realisation Management, July 2012) uses the MSP definition of a benefit quoted above, and adds, *“Expected benefits should be linked to the strategic objectives of the agency”*.
- Managing Successful Programmes (MSP), 2011 suggests benefits can be categorised as cashable and non-cashable and states, *“best practice is to express benefits in financial terms wherever possible”* (see also APM BoK entry in the Professional bodies literature review).
- OGC Official Product – Bradley, G. (2010) Fundamentals of Benefits Realisation –suggests the following types of benefit: Consequential benefit – *“A benefit arising as a consequence of having achieved a programme objective.”*; End benefit – *“One of a set of benefits which collectively are equivalent to a bounding objective”*; and Intermediate benefits – *“Benefits which will occur between the implementation of early changes and the realization of the end benefits.”*
- HMT Green Book (2003) identifies four categories of benefit: Financial - Quantitative; Non-financial - Quantitative; Non-financial - Qualitative; Outcomes – Quantitative and Qualitative.
- HMT Public Sector Business Cases Using the Five Case Model - Benefits are categorised as: *“cash releasing benefits (CRB); financial but non-cash releasing benefits (non CRB); quantifiable (or quantitative) (QB); non quantifiable (or qualitative) benefits.”*

- HM Treasury (2003) *Measuring the Expected Benefits of e-Government* - Customer Benefits were classified as: Monetary; Non Monetary - Time-based; and Non Monetary - Value-based; also OECD (2006) *E-Government Project, Benefits Realisation Management* - Benefits were categorised into: Benefits to Government and Benefits to Citizens; and: Direct Financial Benefits; Direct Non-Financial Benefits; and Indirect Benefits.
- US Intergovernmental Advisory Board, Federation of Government information Processing Councils (May 2003) concluded that e-gov benefits can be represented in five categories: Financial: reduced costs of government operations/enhanced revenue collection; Economic development; Reduced redundancy: Consolidating and integrating government systems; Fostering democratic principles; and Improved service to citizens and other constituencies.
- Australian Federal Government ICT Business Case Guide includes the following benefits categorisation for ICT projects: *“End Users – Refers to any external financial impacts on users, other entities and other indirectly affected entities in terms of increased cost savings or increased revenue; Entity Costs and Benefits – Refers to the internal financial impacts on the entity in terms of capital and operating expenditure, savings and costs over a project whole-of-life basis; Qualitative – Refers to non-financial benefits that can be measured including strategic and policy results, governance value and social/service delivery value.”*
- New South Wales Benefits Realisation Management Framework – uses the OGC Common Glossary and MSP definition quoted above, and includes the following generic benefits classification model: Financial (tangible), Non-financial (tangible); and Intangible.

Academic Literature

Often academic publications do not define the term ‘benefit’, assuming that it is a commonly understood term, and that definitions of phrases incorporating the word benefit will suffice. This was the case for 52 of the 97 academic publications (54%). Where the academic literature does provide a definition, there are some commonly used sources. The most frequently quoted definitions (Table 2 and Figure 1) are

- An advantage on behalf of a particular stakeholder or group of stakeholders(Ward and Daniel, 2006)
- Benefits are improvements in the organisational performance (Zwikael and Smyrk, 2011)
- Outcome whose nature and value are considered advantageous by an organization (OGC, 2007)

Table 2 Definitions of Benefits

Definition of Benefits	Definition	Count
Ward and Daniel 2006	An advantage on behalf of a particular stakeholder or group of stakeholders	13
Zwikael and Smyrk, 2011	Benefits are improvements in the organisational performance	7
Zwikael and Smyrk, 2012	flows of value that arise from a project for example 'increased market share' or 'reduced operating costs'.	4
Badewi, 2016	"a measurable advantage owned by a group of stakeholders incurred by changing the current state through project management mechanisms	3
Dhillon, 2005	benefits are the difference between the desired outcome and the current situation	4
Bradley, 2006	outcome of change perceived as positive by a stakeholder	2
Mossalam and Arafa, 2016	an outcome of actions, behaviors, products, or services that provide utility to the sponsoring organization as well as to the program's intended beneficiaries.	1
OGC, 2007	outcome whose nature and value are considered advantageous by an organization	6
Liles, 2003	they are standards against which the stakeholders of the System of Interest may judge whether the solution has met the needs of a given problem.	1
Remenyi et al 1998	Identifiable and quantifiable	2
Total		45 out of 97

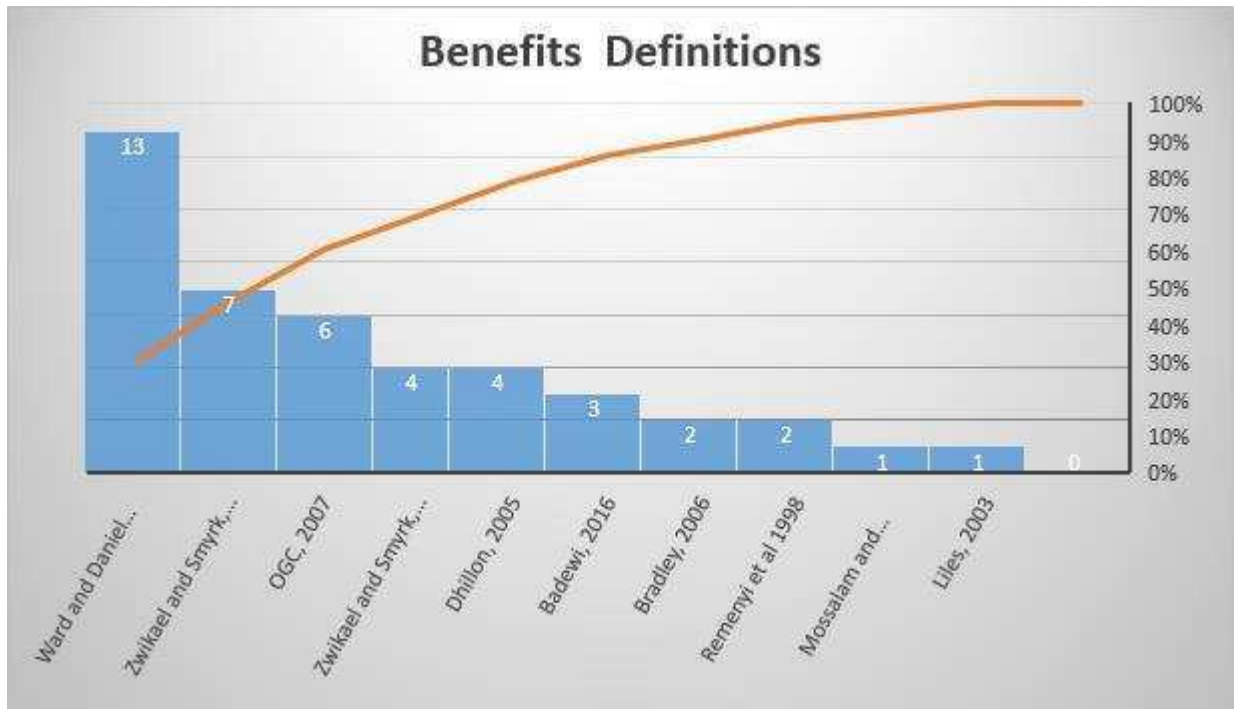


Figure 1 Frequency diagram of the incidence of definitions of benefits, including cumulative total

Consultant and Practitioner Literature

The definitions of benefit found in the Consultant and Practitioner sources tend to be either root definitions from one of the early pioneering consultants in BM/BRM or taken from one of the main authoritative sources. Examples of the former include

- an outcome whose nature and value (expressed in various ways) are considered advantageous by an organization (Thorp, 1998)
- “A ‘Benefit’ is an outcome of change perceived as positive by a stakeholder” (Bradley, 2006)
- “Measurable improvements resulting from outcomes.” (Payne, 2007).

Examples of the latter approach, where definitions are taken from one or more authoritative source, include

- Letavec (2014), who refers to the PMI Standard for Program Management (2013) definition, – “an outcome of actions, behaviors, products, or services that provide utility to the sponsoring organization as well as to the program’s intended beneficiaries” and the APMG Managing Benefits

(1st edition) definition – “*the measurable improvement resulting from an outcome perceived as an advantage by one or more stakeholders, which contributes towards one or more organizational objective(s).*”

- Thiry, 2015, who refers to the PMI Standard for Program Management definition, (2013) and the MSP definition (2011).

One of the most comprehensive definitions is provided by Jenner (2011), who refers to a benefit as “*An advantage, profit or gain attained by an individual or organisation. Benefits are usually realised in terms of: increased revenue or sales; cost and time efficiency savings; compliance with legal and regulatory requirements; maintenance of business as usual; contribution to a strategic target or business priority; and some capability or capacity that lays the foundation for the delivery of benefits from other projects and programmes.*”

Synthesis

There are many different definitions of benefit found in the literature, but some frequently found concepts and phrases, sometimes associated with particular individuals, whose influence spreads across the different types of BM/BRM literature. There are differences in emphasis in different definitions, around issues such as

- How benefits are measured and whether benefits have to be able to be quantified
- The extent to which benefits are associated with specific stakeholders
- The extent to which benefits have to be tied to organizational objectives, and therefore measure the success of an investment, or whether they are more fluid and emergent.

The definition of a benefit needs to specify that it is positive or favourable, in order to distinguish it from a ‘disbenefit’.

Question 1 What is meant by benefits realization and benefits realization management?

1. A What is meant by ‘Benefits Realization’

As with the word ‘benefit’, dictionary definitions of ‘realis(z)e’ illustrate a diversity of uses. The Merriam-Webster Dictionary refers to three definitions of the verb,

- to understand or become aware of (something)
- to cause (something) to become real
- to achieve (something, such as a goal, dream, etc.)

<http://www.merriam-webster.com/dictionary/realize>

The Oxford Dictionaries refer to the following meanings,

- Become fully aware of (something) as a fact; understand clearly:
- Cause to happen, of which a sub-definition is,
 - Achieve (something desired or anticipated); fulfill
- Give actual or physical form to:

<http://www.oxforddictionaries.com/definition/english/realize?q=realise>

Bradley (2010: 21) refers to five meanings of the word realise from the new Oxford Dictionary,

- be aware, conceive as real
- understand clearly
- make realistic
- convert into actuality, achieve
- convert into money.

Bradley (2010) suggests that each of these definitions can be applied to benefits, and that the five definitions match the sequence of stages in the life-cycle of a typical change. The meaning of benefits realisation is often focused on the 'achieve' version of the definitions above, with a major issue being the extent to which benefits realisation is a stage in a process or an encapsulation of the whole process.

Professional Body literature

Definitions in the professional body literature often conceptualise benefits realisation as a stage/phase or a process in BM/BRM. For example:

- PMI, Managing Change in Organizations: A Practice Guide (2013) *"The successful integration of the change into business as usual"*
- PMI, Pulse of the Profession report – The Strategic Impact of Projects Identify benefits to drive business results – *"Benefits realization is the means to ensuring that benefits are derived from outputs."*
- APM,BoK(2012) *"The practice of ensuring that benefits are derived from outputs and outcomes."*
- CMI,BoK (2013)Benefits realization – *"involves tracking and measuring the benefits, the negative effects and the achievement of desired outcomes."*
- ICCPM,Complex Project Management Global Perspectives and the Strategic Agenda to 2025 (2011) - Benefits realisation, *"is a specific term used to explain longer term future value of a capability, product or infrastructure"*.

Sometimes the definitions used incorporate a wider scope in relation to the overall life-cycle of an investment. For example,

- CMI, *The Effective Change Manager's Handbook* (2015) includes John Thorp's definition, *"Benefits realization is a continuous process of envisioning results, implementing, checking intermediate results and dynamically adjusting the path leading from investments to business results"*
- ISACA (VAL IT) - *"Benefits realisation — the set of tasks required to actively manage the realisation of programme benefits."*
- ISACA Glossary : Benefits realization is, *"One of the objectives of governance. The bringing about of new benefits for the enterprise, the maintenance and extension of existing forms of benefits, and the elimination of those initiatives and assets that are not creating sufficient value"*

Government Body Literature

In some cases, 'benefits realization' is used to refer to a management process. An example is

- New South Wales Treasury (2008) *Guidelines for Capital Business Cases Policy and Guidelines Paper - "Benefits realisation is an established practice of ensuring that projects or programs produce the anticipated benefits claimed in the project's economic appraisal (section 4.3). It is also a method to address the changes that are necessary to realise benefits"*.

Others see 'benefits realization' as a phase in a wider benefits management process. An example is,

- The Australian Federal Govt (*Assurance Review Process – lessons learned: Benefits Realisation Management*, July 2012) – views benefits realisation as, *"the process of realising benefits, which includes actively measuring, tracking and recording benefits during the period of benefits realisation"*.

Benefits realization may be viewed as a stage or a process in project or programme management. An example is

- OGC (2011) *Managing Successful Programmes - 'Realizing the benefits'* is one of the processes in the 'transformational flow' of programme management.

Generally definitions of benefits realisation tend to focus on tracking against forecast/planned benefits, rather than also being concerned with emergent or unplanned benefits - for example:

- The OGC/Axelos Common Glossary definition takes a narrow view focusing on planned benefits (no mention of emergent or unplanned benefits) and also seems to be inconsistent with the MSP view as the emphasis here is on project rather than programme benefits, *"For projects, the practice of*

aligning the outcome associated with the project with the projected benefits claimed in the business case.” MSP in contrast says, “Realizing the benefits is the fundamental focus of benefits management. This stage is particularly concerned with implementing the benefits realization plan and the benefit profiles.” MSP also identifies three stages to benefits realization (as part of the ‘Transformational Flow’): pre-transition, transition and post-transition.

- The NAO (Delivering Successful IT-enabled business change, 2006) also takes a planned benefits focus: Benefits realisation – *“Realising the benefits projected in the business case – usually new, more effective or more efficient services – and achieving return on investment.”* and *“Benefits realisation is an ongoing process that begins at the earliest stage of any change programme. Organisations must understand what they are trying to achieve and the costs and benefits of achieving it, and put in place measures to determine that the benefits have been realised. Otherwise, there is no obvious driver to push and promote the purpose of the planned business change.”*
- The Canadian presentation to the OECD E-government meeting 6.2.2006 on the Enhanced Management Framework and Outcome Management also took a planned benefits perspective: Benefits Realization – *“the pre-planning for, and ongoing management of benefits promised to be enabled by the successful implementation of an IT/IM or e-government project”*

Often there is a strong focus on the ‘Benefits Realization Plan, as a stage in the overall BM/BRM life-cycle, which then becomes a management tool for later stages. For example the Australian Federal Govt (Assurance Review Process – lessons learned: Benefits Realisation Management, July 2012) refers to the preparation of the Benefits Realization Plan as the final part of ‘Planning the benefits’. ‘Realising the benefits’ involves Executing the Benefits Realization Plan and ‘Reviewing and evaluating the Benefits Realization Plan’.

Academic Literature

In the academic literature review, the approach taken was to try to categorise the different approaches to the term ‘benefit realization’ (Table 3). 67 of the 97 publications had a definition of the term.

Table 3 Benefits realization in the academic literature

Definition of Benefits Realization	Example	Count
Synonymous with Benefits Management - assuming that the definition for benefits management used in Ward and Daniel and other publications co-authored by Ward applies equally to benefits realization	Ashurst et al (2012): 'explicit benefits realization programme, which can be defined as 'the process of organising and managing, such that the potential benefits arising from the use of IT are actually realised' (Ward & Elvin, 1999)'	4
A phase/step in benefits management, for example, benefits realization planning is a stage in the process. Realization of benefits may also be a general goal	Smith et al. (2008): It is a step in BRM- consists of ensuring that the benefits outlined in the benefits realisation plan are actually realised . This involves a comparison of the realised benefits to the benefits outlined in the plan	19
Equivalent to a full benefits life-cycle management process	Serra (2015): Informal discussions with practitioners and subject matter experts suggest that realisation is a process to make benefits happen, to make the relevant stakeholders fully aware of their status throughout the entire process of benefits realisation, and to ensure benefits creating strategic and measurable value to the business.	16
Conceptualised as a management approach	Lin and Pervan (2003): Benefits Realisation is an approach for delivering IS/IT project benefits	19
Evaluation of Project Investment Success	Sahraoui (2008): 'a multi-stakeholder approach to measuring the effectiveness and efficiency of t-Government.'	7
Benefits Realisation Capabilities	Ashurst and Hodges (2010): 'the challenges of developing a benefits realisation capability	2*
Total		67 out of 97

* A number of other articles co-authored by Ashurst also have a focus on benefits realisation capabilities, alongside other conceptualisations of benefits realisation.

The academic literature therefore confirms the division of opinion between those who refer to 'benefits realization' as being a process across the benefits life-cycle and those who see it as a particular stage in the life-cycle. Evidence of 'benefits realization' being regarded as synonymous with 'benefits management' is found in the publications which regard the definition for benefits management used in Ward and Daniel and other publications co-authored by Ward as applying equally to benefits realization.

Consultants/practitioner literature

There are a number of different conceptualizations taken by the consultants/practitioner literature, some of which replicate the positions taken in other types of literature, and some of which take a slightly different perspective.

There are some publications which view Benefits Realisation in a broad way. For example, Bradley (2006) refers to it as the basis for benefits realization management. Gartner refer to the benefits realization lifecycle as comprising 3 phases: Planning, Executing, Harvesting, again seeing benefits realization as providing the wider framework. In contrast, other authors see benefits realization as a specific stage in the process of BM/BRM. An example is Matharu and Green (2015), for whom Benefits Realisation is the fourth and final stage of the benefits management process.

Thorp (1998) provides an example of a different perspective, with the 'Benefits Realization Approach'. This is a business oriented framework, supported by a set of processes, techniques, and instruments which enables organizations to select and manage a portfolio of programs such that benefits are clearly defined, optimized and harvested. It proposes two inter-related shifts: in mindsets about IT and in IT management methods. Its central tenet is that IT alone, no matter how technically powerful, cannot deliver business results.

The IT Capability Maturity Framework (IT-CMF) provides another example where benefits realization is viewed in more strategic terms, referring to it as *'the techniques, disciplines and mind-set that organisations must adopt to maximize the business value of projects and investments'*.

Synthesis

There are two main conceptualizations of Benefits Realisation in the literature. Sometimes it is viewed as being a stage/phase in the wider benefits life-cycle process, called 'benefits management' or 'benefits realization management'. As a variation on this, it may also refer to a process in a project or program life-cycle. The other main conceptualization of 'benefits realisation,' is when the term refers to a wider management process. When it has this wider meaning, it may be viewed as synonymous with BM/BRM (see later sub-sections), or is the basis for another term which captures the whole management idea, such as Thorp's Benefit Realization Approach .

1B. What is meant by Benefits Realisation Management

Introduction

The Merriam-Webster Dictionary refers to three definitions of the noun, 'management',

- the act or skill of controlling and making decisions about a business, department, sports team, etc.
- the people who make decisions about a business, department, sports team, etc.
- the act or process of deciding how to use something

<http://www.merriam-webster.com/dictionary/management>

Oxford Dictionaries refer to one main definition of the noun 'management'

- The process of dealing with or controlling things or people:

Oxford Dictionaries also refer to another archaic meaning of 'management', as trickery or deceit!

<http://www.oxforddictionaries.com/definition/english/management>

The meaning of 'management' in this context is concerned with acts and processes for dealing with, controlling and making decisions in organisations (but trickery and deceit sometimes arise, such as when 'benefits fraud' takes place (Jenner, 2011)). When added to 'benefit(s)' and 'realisation' the full term used for the management idea - benefit(s) realisation management - is formed. However, there is an alternative to this term, 'benefits management', leaving out the word 'realisation', which will be discussed in the next section.

Professional Body literature

In the professional body literature, there are very few specific references to the term 'benefits realization management'. The only formal definition of this term from the sources reviewed was from: PMI, Pulse of the Profession report – The Strategic Impact of Projects: Identify benefits to drive business results, which included the following definition: *“Benefits realization management incorporates the activities of managing benefits throughout the life of the project: Identify, Execute, and Sustain.”*

Government Body Literature

There are only six documents with specific references to the term 'benefits realisation management' in the Government Body literature, although Bradley (OGC Official Product – (2010) Fundamentals of Benefits Realisation) argues that the term 'benefits management' was in common use, *“until 2003 when it changed to ‘benefit realization management’”*. This change does not appear to be reflected in any of the literature types, with the term 'Benefits Management' continuing to be far more prevalent (see discussion under Question 2 of this report). Where explicitly defined, benefits realisation management is expressed in the following terms:

- OGC Official Product – Bradley, G. (2010) Fundamentals of Benefits Realisation – *“the process of organizing and managing, so that potential benefits, arising from investment in change, are actually achieved.”*
- HMT Green Book (2003) - *“Benefits realisation management is the identification of potential benefits, their planning, modelling and tracking, the assignment of responsibilities and authorities and their actual realisation.”*
- Germany WiBe framework - *“Future benefits don’t come easy (if at all), that’s where benefits realisation management comes into focus: It is the definition, planning, structuring and actual realisation of the benefits of an ICT improvement project or a business change project. Thus it’s a very good idea to accompany an economic efficiency assessment like WiBe with a specific benefits realisation planning.”*
- Australian Federal Govt (Assurance Review Process – lessons learned: Benefits Realisation Management, July 2012) - Benefits Realisation Management is defined as the processes of: *“Executing the Benefits Realisation Plan and Reviewing and Evaluating Benefit realisation.”*
- New South Wales (Benefits Realisation Management Framework) uses the OGC definition for Benefits Realization Management above - *“The process of organising and managing so that potential benefits arising from investment in change, are actually achieved.”* It adds Bradley’s additional comment – *“It is a continuous process running through the whole change lifecycle and should be the central theme of any change initiative. Benefits realisation is the end product of the implementation of change initiatives”*. A four-phase process is used: Plan, Understand, Manage and report, and Evaluate.
- The OECD (E-Government Project, Benefits Realisation Management, 2006)– *“Benefits realisation management is the process of realising planned outcomes by selecting projects that link to strategic business objectives and have a high benefit/cost ratio, monitoring costs, outputs and outcomes, and evaluating actual results.”*

Academic Literature Review

Of the 98 publications, only 19 used the term 'Benefit(s) Realisation Management'. Of these, 9 used the term as being synonymous with 'Benefits Management', or applied the definition of Ward and Daniel (2006/21012) for 'Benefits Management' to 'Benefits Realization Management'. The authors of the other 10 publications used the term Benefits Realisation Management and applied their own definitions.

However, none of these new definitions has been cited to a significant degree by other authors of academic publications (Table 4 and Fig. 2).

Table 4 Definitions of Benefits Realisation Management

BRM	Definition	Count
Benefits Management	Assumed to be synonymous with Benefits Management	5
Ward and Daniel 2006	The process of organizing and managing such that the potential benefits arising from the use of IS/IT are actually realized	4
Zwikael and Smyrk 2011	The management of a set of processes needed to ensure programs, projects and portfolios delivering and embedding into the current day-to-day business all requirements of business strategies, in order to perform a meaningful and sustainable creation of value	2
Serra and Kunc (2014)	Benefits Realisation Management (BRM) is a set of processes structured to close the gap between strategy planning and execution by ensuring the implementation of the most valuable initiatives.	3
Smith et al 2008	BRM process manages an IT investment from pre-project evaluation through to post-project evaluation.	1
Mossalam and Arafa 2016	it is process of realising the required benefits from projects	1
Love et al 2004	process that is enacted to ensure that the expected benefits of capital investments, such as BIM, are realized	2
Summers 2009	as an approach to help projects deliver by providing focus and assisting in meeting strategic objectives	1
Total		19 out of 98

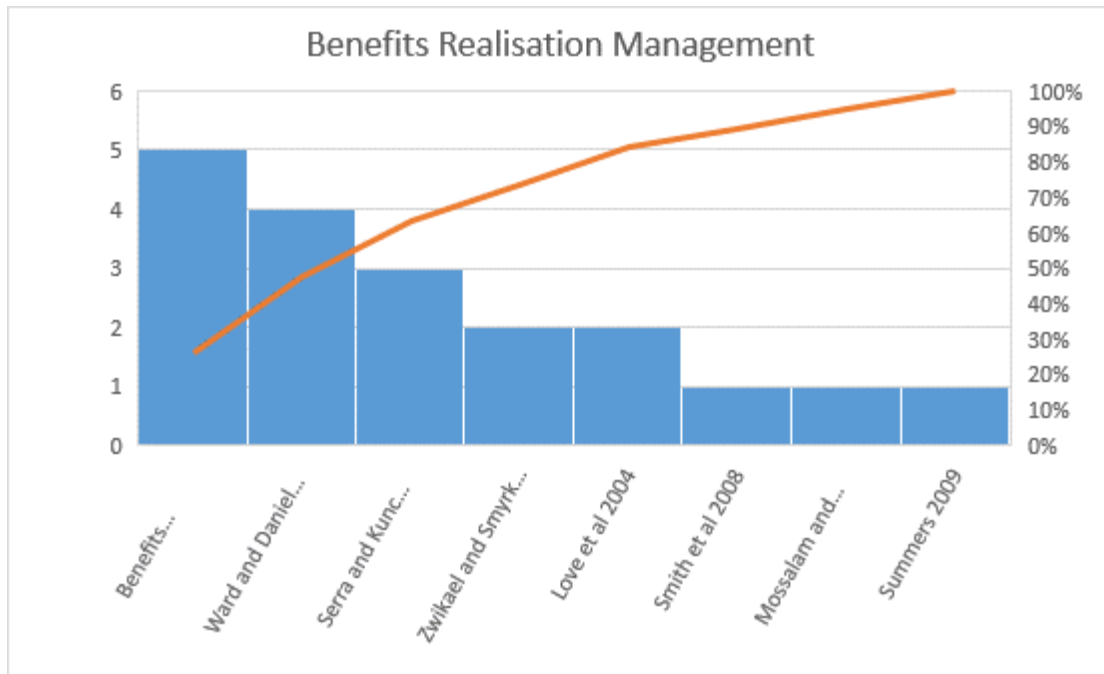


Figure 2 Frequency diagram of the incidence of definitions of benefits realization management, including cumulative total

Consultants/practitioner literature

As with the other literature types, only a few of the consultants/practitioner publications specifically use the term benefit(s) realization management. They are

- Bradley's book (2006/2010), entitled '*Benefit Realisation Management*' defines it as, 'the process of organising and managing, so that potential benefits arising from investment in change, are actually achieved'. (p23, 274)
- Matharu and Green entitled their book '*Practical Benefits Realisation Management*', but did not define benefits realization management in it, preferring to use the term 'benefits management'. This suggests a view that the two terms are synonymous.
- EMPC (2009) *Project Portfolio Management A View from the management trenches* identifies 10 principles of effective benefits realization management.
- Letavec, (2014) *Strategic Benefits Realization*, refers to 'Benefits Realization Management' as "The process by which benefits are identified, documented, planned and managed through to successful delivery."

Synthesis

The use of the term 'Benefits realisation management' is restricted to a minority of the publications in all four literature types, although some of these publications are very important and influential ones, such as the HMT Green Book. It is possible to trace the influence of particular individuals when viewing the literature as a whole, for example in role of Gerald Bradley as author of publications in both the consultancy/practitioner and Government Body literatures.

Amongst the definitions, there are some which emphasise purpose, such as Bradley (2006/2010) '....so that potential benefits arising from investment in change are actually realised'. In contrast, others focus mainly on specific processes related to the life-cycle of an investment, such as Letavec (2014) '.....identified, documented, planned and managed.....'.

It should also be noted that the definition used by Bradley (2006/2010) is very similar to the definition of benefits management by Ward and Daniel (2006/2012), 'the process of organising and managing such that the potential benefits arising from the use of IS/IT are actually realised'. It is just that 'investment in change' has been substituted for 'use of IT'. Some authors have taken the Ward and Daniel definition as being a definition of benefits realization management'.

Although it is not a very commonly used term, in geographical terms, the use of benefits realisation management is quite widely spread, including authors/publications from the UK, US, Australia and Germany.

Question 2. Are there synonyms for benefits realization and benefits realization management? Which of these are used in academic research, empirical or conceptual? In the consulting literature? In government documents, including legislation? Identify and distinguish among and between governments publications/legislation of the governments under study. By practitioners or in their organizations? What are the nuanced differences in these terms?

Introduction

A synonym is a word that has the same meaning as another word in the same language (<http://www.merriam-webster.com/dictionary/synonym>), although the definition is sometimes relaxed

to 'exactly or nearly the same' and refer to phrases as well as words (<http://www.oxforddictionaries.com/definition/english/synonym>). The Merriam Webster dictionary also has a looser definition for synonym as a 'word, name, or phrase that very strongly suggests a particular idea, quality, etc'.

Here we will be concerned with the more restricted definition of synonym, and we will focus on phrases as well as single words. We will also need to distinguish between the use of words as synonyms and their use as part of the definition of a word or phrase. For example, under Question 1 above, it was identified that the word 'outcome' is often used in the definition of the word 'benefit', but other concepts are used alongside 'outcome', such as 'stakeholder', and there is a requirement for the outcome to be positive or favourable. On this basis, using the restricted definition of synonym, 'outcome' is not a synonym for 'benefit'. This conclusion has been reached by others reviewing the relationship between the two terms. For example, Zwikael and Smyrk (2011) state that 'outcomes and benefits are distinct but intimately related, because outcome generation drives benefit generation' (P18).

Some publications use the 'nearly' test for a synonym to suggest that a wide range of different concepts can be grouped together. For example, Davies and Davies (2011: 71) (in our view misleadingly) state that, 'In Value Management, we use the terms benefits, outcomes, stakeholder outcomes, outcome measures and lag indicators or measures synonymously'. Taking some of the terms which it is suggested are synonymous with benefits,, the arguments presented earlier in this section suggest that there are important differences between the terms 'benefit' and 'outcome', and 'stakeholder' is a concept to be used alongside outcome to define 'benefit'. Hence, the analysis thus far in this report would not support such a loose approach to synonyms.

There are many other words, in addition to 'outcome' with some kind of relationship to 'benefit', such as results, objectives, outputs, worth, deliverables, products, performance indicators, impact and effects, but, in line with our narrow approach, we will not focus on these terms to be synonyms for benefits realisation or benefits realisation management, although there is some material in the appendices, particularly in Appendices 2 and 3, which looks at examples where some of these terms have been treated as synonyms for benefits. Instead, we will focus on specific phrases which are often viewed in the literature as being synonymous with one, or both, of these terms. We will therefore only include

- benefit(s) management
- benefits realisation
- value, value management and other terms including the word 'value'.

Finally, in considering this question we will consider whether there are any methods for benefits realisation/benefits management which might be of such a generic nature that they could be considered to be synonyms for the 'management idea' of BM/BRM.

Synonym 1 - Benefits Management

Introduction

It has already been identified in Question 1 that 'benefit(s) management' can be a synonym for both 'benefits realization' and 'benefits realisation management'. This is so across all the different literature types. Indeed, such is its significance that the term 'benefits management' has been incorporated into the title for the report.

Professional Body Literature

Benefit(s) Management is a common term in the professional body literature. It is generally defined in process-based and life-cycle terms – running from project initiation through to and after project/program closure. Common themes include: identifying all potential benefits; not only tracking these benefits but also leveraging potential and emergent benefits; and also mitigating dis-benefits. For example:

- PMI, The Standard for Program Management (2013): Section 4 Program Benefits Management takes a programme-centric perspective – benefits management: *“includes processes to clarify the program’s planned benefits and intended outcomes and includes processes for monitoring the program’s ability to deliver against these benefits and outcomes. The purpose of Program Benefits Management is to focus on program stakeholders (that is, the program sponsors, program manager, project managers, program team, program governance board, and other program stakeholders) on the outcomes and benefits to be provided by the various activities conducted during the program’s duration.”* This publication sees Program Benefits Management consisting of the following iterative phases: Benefits Identification; Benefits Analysis and Planning; Benefits Delivery; Benefits Transition; and Benefits Sustainment. This extends across the Program Life Cycle – Program Definition (Program Formation and Program Preparation); Program Benefits Delivery; and Program Closure (Program Transition and Program Closeout).
- PMI, Organizational Project Management Maturity Model (2013) – defines Program Benefits Management as, *“Defining, creating, maximising, and sustaining the benefits provided by programs”*.
- APM,BoK (2012) defines benefits management as - *“The identification, definition, planning, tracking and realisation of business benefits.”* And the Benefits management process is identified as follows: 1. Define benefits management plan 2. Identify and structure benefits 3. Plan benefits realisation 4. Implement change and 5. Realise benefits.
- APMG, Managing Benefits(2014) and CMI,The Effective Change Manager’s Handbook(2015) define benefits management as - *“The identification, quantification, analysis, planning, tracking, realization and optimization of benefits.”* The Benefits Management cycle encompasses the following five practices: Identify and Quantify; Value and Appraise; Plan; Realize; and Review.
- CMI,BoK (2013) - Benefits management, *“is concerned with identifying, mapping, analysing, quantifying and realizing the benefits of a change initiative...Benefits management seeks to*

optimise benefits – rather than maximise them...Benefits Management seeks to optimize benefits realization by ensuring: Forecast benefits are complete (i.e. all sources of potential value are identified) and realizable – so managing benefits is built on the solid foundations of realistic forecasts; Forecast benefits are realized in practice by ensuring the required enabling, business and behavioural change takes place.; Benefits are realized as early as possible and are sustained for as long as possible.; Emergent benefits are captured and leveraged (and any dis-benefits are minimized).; The above can be demonstrated – not just as part of the framework of accountability, but also so the organization learns what works as a basis for continuous improvement.” (based on APMG, Managing Benefits, 1st edition, 2012)

- ICCPM, Complex Project Management Global Perspectives and the Strategic Agenda to 2025' (2011) -*“The UK Office of Government Commerce (OGC) defines the aims of benefits management as ensuring “desired business change or policy outcomes have been clearly defined, are measurable, and provide a compelling case for investment – and ultimately to ensure that the change or policy outcomes are actually achieved.””*
- APMG, Agile Programme Management Handbook(2014) – *“Benefits management is used to ensure that optimum benefit is being realised from the enabled capabilities as soon as possible. It also monitors the accrual of benefits throughout the programme. Benefits management is iterative and incremental and starts early in the programme where benefits definition commences.”*

Some definitions focus explicitly on programmes whereas others do not distinguish between projects and programmes (more on this in Question 3. below). Another distinction is that whilst some publications refer to ‘maximising’ benefits, others refer to ‘optimization’ - *“Note the objective is to optimize not maximize benefits realization i.e. optimization is about doing the best that can be achieved within constraints (most usually costs) and potential other uses of the available funds. Thus, realizing 80% of the potential benefits for only 60% of the cost may be preferred where the savings can be used to fund other initiatives.”* APMG, Managing Benefits (2014).

Government Body Literature

Definitions of 'benefit(s) management' focus on life-cycle management from identification of benefits and planning for their realisation, through to their actual realisation and review – including after the closure of the project or programme. For example, a recent UK publication (Cabinet Office Major Projects Authority (Assurance of benefits realisation in Major Projects, 2015) states, *“Best practice benefits management process spans five different inter-related stages...identification, valuation, planning, realisation and review”* (*“Adapted from APMG’s suggested approach in “Managing Benefits” by Steve Jenner, 2012.”*). Other similar definitions include:

- OGC/Axelos Common Glossary takes a specifically programme perspective - *“The identification, definition, tracking, realization and optimization of benefits, usually within a programme which can incorporate benefits identified via an MoV study”*. OGC MSP amends this to extend beyond the scope of the programme (and drops the reference to MoV) - *“The identification, definition, tracking,*

realization and optimization of benefits within and beyond a programme.” The OGC Official Product – Bradley, G. (2010) Fundamentals of Benefits Realisation – also drops the reference to a MoV study, but retains the ‘within a programme’ theme - *“the identification, definition, tracking, realization and optimization of benefits, usually within a programme.”*

- The MSP Benefits Management cycle is: Identify benefits; Plan benefits realization; Deliver benefits realization; and Benefits reviews. The process envisaged by OGC Managing Benefits: An Overview, v1.0 is similar: Benefits identification; Optimising the mix of benefits; Realising and tracking benefits; Reviewing and maximising benefits.
- The Northern Ireland Department of Finance and Personnel definition encompasses both projects and programmes- *“Benefits management involves identifying, planning, measuring and tracking benefits from the start of the programme or project investment until realisation of the last projected benefit. It aims to make sure that the desired benefits are specific, measurable, agreed, realistic and time bounded. The term benefits management is often used interchangeably with the term benefits realisation.”* It identifies four stages of benefits management: Identifying and structuring benefits; planning benefits realisation; realising and tracking benefits; and evaluation of benefits.
- Canada Outcome Management – *“a set of methods, processes, tools and techniques for planning, selecting, managing and realizing results and benefits.”* The Outcome Management Process consists of five stages: *“Stage 0: Launch Outcome Management – this stage confirms that the organisation is ready to undertake the Outcome Management exercise; Stage 1: Develop Outcome Realization Model – this activity identifies the desired outcomes and establishes the logic of how the outcomes will be realised; Stage 2: Develop Outcome Realization Plan – this stage develops a framework for ensuring that outcomes expected from a project are monitored and reported. It also ensures that the required change is managed successfully; Stage 3: Monitor Delivery of Outcomes – this stage establishes the methods and activities required to monitor the progress of the project and re-affirm the logic of how outcomes will be realised; Stage 4: Realize and Optimize Outcomes – this final stage establishes the governance structure, identifying the roles, responsibilities and accountabilities towards realising outcomes. It focuses on achieving or harvesting outcomes, and looking for ways to meet or exceed anticipated targets.”*
- Australian Federal Govt (Assurance Review Process – lessons learned: Benefits Realisation Management, July 2012) - *“Benefits management provides agencies with a way to track and maximise the achievement of benefits from the investment.”* and *“The Government seeks to achieve benefits for the Australian community primarily through programs delivered by agencies. The improvements that these programs introduce can be quantified as benefits. Benefits can be thought of as falling into one of three broad categories: Improved delivery and effectiveness of government services (e.g. via policy design); Reduced cost – those benefits that reduce cost or avoid additional cost into the future (e.g. through efficient program design and agency productivity and efficiency); and Increased revenue – those benefits that bring in revenue to an agency by collecting a levy or a tax.”*This publication provides another example where BM and BRM are both used, seemingly interchangeably.
- New Zealand Better Business Cases - Managing Benefits from Projects and Programmes (July 2015): Benefits management, *“is vital in ensuring that an initiative achieves what it sets out to do. It*

involves articulating what benefits are expected from the initiative, how it will be known that the benefits are achieved, and the assessment of what has eventuated against what was planned."

One theme to note is that of optimizing benefits realisation - which emphasizes that benefits and benefits management need to be considered in the context of the cost of realising/managing those benefits i.e. the focus is usually not on maximising benefits irrespective of the cost, rather the objective is to achieve the optimum balance between costs and benefits across the portfolio of projects and programmes.

Academic Literature

78 out of the 97 publications refer to Benefits Management. Of these, 48 use the Ward and Daniel (2006/2012) definition of 'The process of organizing and managing such that the potential benefits arising from the use of IS/IT are actually realized', although some publications cite other articles co-authored by John Ward as their source for this phrase, and adapt the definition so it is not specific to IS/IT. The main other types of definition refer to Benefits Management as a discipline or as a framework (see Table 5 and Fig 3).

Table 5 Definitions of Benefits Management

Definition	Benefits Management Definition	Count
Ward and Daniel 2006	The process of organizing and managing such that the potential benefits arising from the use of IS/IT are actually realized	48
Marshal and McKay 2003	the procedures to ensure the realisation and management of expected benefits throughout the life cycle of an IT investment	3
Sapountzis et al 2008	as the process for the optimisation or maximisation of benefits from organisation change programmes	1
Badewi 2016	the initiating, planning, organizing, executing, controlling, transitioning and supporting of change in the organization and its consequences as incurred by project management mechanisms to realize predefined benefits	2
Love et al 2014	as the process that realizes the benefits that are achieved and manages the unexpected ones	2
Marnewick 2016	as the identification of benefits and how they will be measured and managed throughout the project	1
Benefits Management Discipline	Various definitions that refer to Benefits Management as a domain of knowledge.	10
Benefits Management Framework	Various definitions that refer to Benefits Management in terms of knowledge, capabilities, practices and governance processes - providing frameworks of some sort.	11
Total		78 out of 97 sources

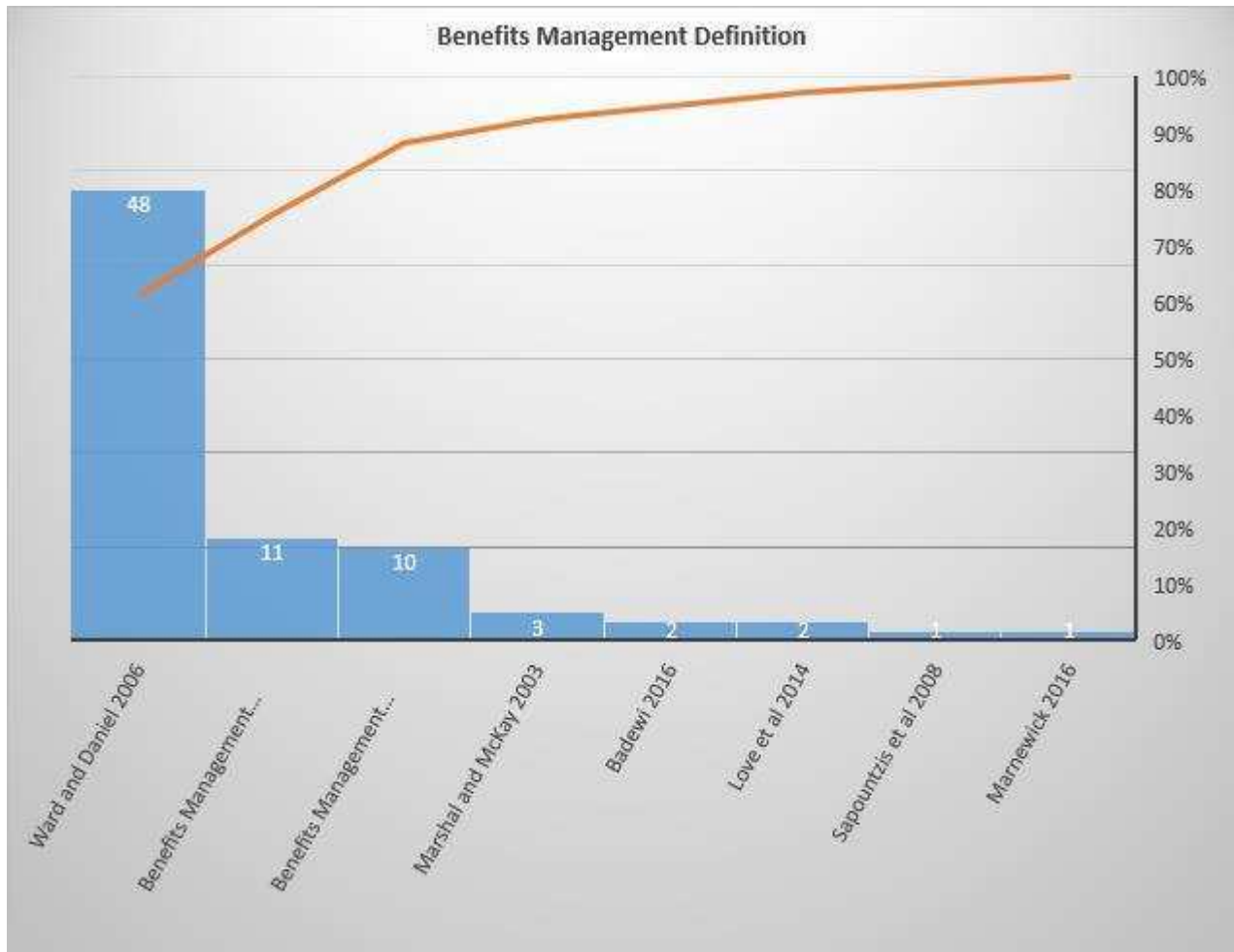


Figure 3 Frequency diagram of the incidence of definitions of benefits management, including cumulative total

Consultant/Practitioner Literature

Amongst consultants and practitioners the term 'benefits management' is commonly used. Some of the definitions are simple short statements linked to the life-cycle, such as

- Matharu, J. and Green, M (2015) *Practical Benefits Realisation Management*, **Benefits Management** – “Benefits Management is the process from identification to realisation of the optimum benefits from a change”.
- Thiry, M. (2015) Program Management Benefit Management – which is the core of program management, explains how to define, agree and deliver benefits through the program (P81)
- IT Capability Maturity Framework (IT-CMF) Innovation Value Institute, **Benefits Management** - System to identify, define, track, realize and optimize benefits at initiative or portfolio level.

Other definitions include the life-cycle, but also define benefits management in terms of meeting objectives, such as

- Evans, D and Cesaro, A. (eds) (2014) *Boosting Business Benefits*, Benefits Institute **Benefits Management** - from chapter on the Australian Securities and Investment Commission (ASIC) – *“Benefits management is an iterative process, the purpose of which is to increase the likelihood of achieving the objectives of an initiative and delivering the business outcomes.”*
- Payne, M., 2007. *Benefits Management: Releasing project value into the business.* **Benefits management** - *“is a process that defines the potential business benefits and financial impact of a project and ensures that these are achieved in practice.”*

Most definitions are purely concerned with ensuring that original objectives are achieved, but a further elaboration concerns the opportunity for further benefits not originally anticipated, which are referred to in,

- Jenner, S. (2011) *Realising Benefits from Government ICT Investment – a fool’s errand?* **Benefits Management** – *“a process that runs throughout the project life cycle – from investment justification and preparation of the business case, through project implementation, and beyond project closure to business as usual. It is a process that encompasses: benefits identification, articulation, quantification and valuation; validation; tracking and reporting; and harvesting or realising benefits. It has three main objectives. Firstly, it seeks to ensure that investment decisions are made on the basis of a robust and clear understanding of the potential benefits – in short, there should be no confusion about what benefits are being bought. Secondly, it aims to capture all potential forms of value created – to ensure our investment decisions are value led and to lay the basis for benefits realisation. Thirdly, it seeks to ensure that forecast benefits are realised in practice and that we go beyond realising forecast benefits to capture benefits as they emerge and create value by exploiting capability and capacity on an on-going basis.”*

Synthesis

Benefit(s) Management is a term commonly used across all the literature types. It is generally defined in process-based and life-cycle terms and sometimes also includes the meeting of objectives and goals from investment in change. Where life-cycle stages are referred to, the titles of each stage and the number of stages may vary slightly, but there are generally no major differences between different sources.

Where benefits management incorporates active management for additional benefits, there is a tension between benefits maximization and optimization. There are also differences in the focus of benefits being at the project, program or portfolio level, which will be returned to under Question 3.

Benefit(s) Management and Benefit(s) Realisation Management are often viewed as synonymous in the literature. In definition terms, there would seem to be no major difference between them – the emphasis on either purpose or process is common to both, with the same kind of differences between

definitions occurring for both terms. In some cases, benefits management may be seen as synonymous with benefit realization, but usually benefits management has a broader remit than benefit realization.

Synonym 2 - Synonyms for Benefits Realisation

As has been referred to already in the section on the definition of 'benefits realisation', this term is sometimes seen as being synonymous with 'benefits realisation management' or 'benefits management' when it is defined as applying to the whole benefits life-cycle. The definition of 'benefits realisation' also referred to the term being used to refer to a specific stage in the benefits life-cycle. Sometimes there is no 'benefits realisation' stage in the benefits life-cycle, but another term is used instead, which can be viewed as a synonym for 'benefits realisation'. Examples are,

Benefits Delivery as a synonym

PMI, 2013, *The Standard for Program Management*, refers to benefits delivery as the third phase of Program Benefits Management, after 'Benefits Analysis and Planning' and before 'Benefits Transition'

Benefits Harvesting as a synonym

Jenner, S. (2011) *Realising Benefits from Government ICT Investment – a fool's errand?* refers to Benefits Management as '*a process that encompasses: benefits identification, articulation, quantification and valuation; validation; tracking and reporting; and harvesting or realising benefits*'.

IT Capability Maturity Framework (IT-CMF) Innovation Value Institute, refers to 'Benefits Harvesting - ensuring that planned benefits are being delivered and when necessary, taking appropriate action to ensure that they are delivered', a definition which is similar to benefits realization, when viewed as a stage in the process.

Canada - Outcome Management as promoted by the Treasury Board Secretariat, also uses benefits harvesting as a synonym for benefits realisation

Synonym 3 Value, value management and other terms including the word 'value'.

Introduction

'Value' is a widely used term in management theory (for example, the 'value chain (Porter, 1985))but there are also a range of more specialist uses, including 'Value Management', a professional discipline that developed in the US after WW2 and has historically been based in manufacturing and construction.

It has its own dedicated professional body and specific techniques - primarily value engineering and value analysis.

The early development of BM/BRM in IT-enabled change recognised the link between benefits and value. Thus Thorp (1998/2003) explained the 'information paradox' as a failure to translate the investment in IT and in information resources into business value. To address this issue, a focus on benefits realisation was required. Similarly, Ward and Daniel's book (2006/2012) chose the title of their book as 'Benefits Management: delivering Value from IS and IT investments'. As BM/BRM have developed, the overlap with value as a concept has continued to be recognized, but the relationship between benefits and value has seen different interpretations, including viewing the two concepts as synonymous, as will be explored below. The relationship with value also involves engaging with the investment appraisal tools which BM/BRM was originally designed to substitute for or augment, such as Cost-Benefit Analysis.

Professional Body Literature

In the professional body literature, three main ways have been identified in which the relationship between benefits and value has been conceptualized. These are

- A. Value as a collective term for benefits or equivalent to benefits
- B. Value as representing benefits less the costs/resources required to realise those benefits
- C. Value as a term representing the quantification or other expression of the benefit

Each of these will now be considered in turn.

A. Value as a collective term for benefits or equivalent to benefits

This interpretation is a common one. For example, PMI, The Standard for Program Management (2013) states, "*The business case...serves as a formal declaration of the **value** that the program is expected to deliver*" and PMI, Pulse of the Profession report – The Strategic Impact of Projects Identify benefits to drive business results (2016) defines benefits as: "***Project benefits are the value that is created for the project sponsor or beneficiary as a result of the successful completion of a project.***" Other relevant references include:

- '**Business value**' and '**Business Value Realization**'—PMBOK (2013); PMI, The Standard for Program Management (2013); The Standard for Portfolio Management (2013); and Managing Change in Organizations: A Practice Guide(2013) (slight variations in wording) refer to 'Business value', "*A concept that is unique to each organization, which includes tangible and intangible elements. Through the effective use of portfolio, program, and project management disciplines, organizations will possess the ability to employ reliable, established processes to meet enterprise objectives and **obtain greater business value** from their investments*"; and PMI Implementing Organizational Project Management: A Practice Guide (2014) – section 4.2.4 Project Management Methodology KPIs includes, "***Business value and benefits realization planning drills down on the expected***

benefits for a given portfolio, program or project, and details how each will be measured, who will measure them, and when they are measured.”

- **Value delivery** – PMI, The Standard for Program Management(2013) - The ‘Benefits delivery’ phase includes “**Value delivery. Focuses on ensuring that the program delivers the promised benefits and that these benefits translate into value.**” and “*The purpose of Benefits Transition is to ensure that program benefits are transitioned to operational areas and can be sustained once they are transferred. Value is delivered when the organization, community, or other program beneficiaries are able to utilize these benefits.*”
- PMI, Organizational Project Management Maturity Model (2013) and PMI, Managing Change in Organizations: A Practice Guide (2013)refer to - **Value Performance Analysis** – “*Providing business value realization data from value business fulfillment back to the strategy of the organization.*” and Managing Change in Organizations: A Practice Guide (2013) also refers to **Value Performance Analysis** as – “*This final feedback loop provides the business with value realization data delivered from programs and projects to business operations. It is an input for future strategy development as well as a measure of how well the intended benefits have achieved the strategic objectives.*”
- PMI, The Standard for Portfolio Management (2013):
 - **Manage Portfolio Value** [Process]. “*Process of identifying and managing how organizational benefits and value are defined and optimized through portfolio component allocation, targets, and results.*” and “**Manage Portfolio Value** is the process of **monitoring the expected value** to be delivered by the portfolio components as they are executed **and measuring the value delivered** to the organization as portfolio components are completed.”
 - **Benefits Realization Analysis** [Technique]. “*A technique to analyze portfolio component achievement of planned benefits.*” and “**Organization benefits and value expand beyond economic value...to include other forms of value such as employee value, customer value, supplier value, channel partner value, alliance partner value, managerial value, and societal value.** Many of these forms of value are not directly measured in monetary terms. **A number of tools can help an organization increase their achievement of planned benefits.**”
- APM,BoK(2012) - Benefits management, “*must be coordinated at the portfolio level to ensure that value is maximised i.e. the emphasis at portfolio level is on **integrated value management.***”
- APMG,Managing Benefits (2014) andCMI,The Effective Change Manager’s Handbook(2015) refer to – ‘Develop a **Value Culture**’- “*Managing benefits effectively requires a shift from a delivery-centric culture, where the focus is on delivering capability to time, cost and quality standards, to a **value-centric culture, where the primary focus is on realizing benefits.***”

- CMI,BoK(2013) Chapter 3 is entitled '**Managing Benefits: Ensuring change delivers value**'
- ISACA VAL IT V2.0 - The question '**Are we getting the benefits?**' is referred to as: "**The value question**. Do we have:A clear and shared understanding of the **expected benefits**; Clear accountability for realising the **benefits**; Relevant metrics; An effective **benefits realisation** process over the full economic life cycle of the investment".
- ICCPM,Complex Project Management Global Perspectives and the Strategic Agenda to 2025 (2011)- **Benefits realisation**, "is a specific term used to explain longer term future **value** of a capability, product or infrastructure." and "understanding and delivering through-life product **value**."

B. Value as a term representing benefits less the costs/resources required to realise those benefits

There are a number of sources which refer to the relationship between benefits and value in these terms. They include

- APM,BoK(2012):
 - Value – "A standards, principle or quality considered worthwhile or desirable. In value management terms **value is defined as the ratio of 'satisfaction or requirements' over 'use of resources.'**"
 - Value for money ratio – "**The ratio of monetary and non-monetary benefits to the investment made of resources committed.**"
 - "All projects and programmes must have a business case that demonstrates **the value** of the work."
- BCS, Exploiting IT for Business Benefit (2008) - Business Value, "can be seen as what is left when an enterprise's costs are taken away from its income."
- ISACA - Value is, "The relative worth or importance of an investment for an enterprise, as perceived by its key stakeholders, expressed as **total life-cycle benefits net of related costs, adjusted for risk and (in the case of financial value) the time value of money.**"; and Value creation – "The main governance objective of an enterprise, achieved when the three underlying objectives (benefits realization, risk optimization and resource optimization) are all balanced"
- IVM -Defines Value as – "The concept of Value is based on the relationship between satisfying needs and expectations and the resources required to achieve them. The aim of Value Management is to reconcile all stakeholders' views and to achieve the best balance between satisfied needs and resources. Value Management is concerned with improving and sustaining a desirable balance between the wants and needs of stakeholders and the resources needed to satisfy them. Stakeholder

value judgements vary, and VM reconciles differing priorities to deliver best value for all stakeholders.”

C. Value as a term representing the quantification or other expression of the benefit

This third interpretation is less common. Examples are

- ISACA –Benefit =“*An outcome whose nature and **value** (expressed in various ways) are considered advantageous by an enterprise”*
- APMG, Managing Benefits(2014)and CMI,The Effective Change Manager’s Handbook(2015) – the ‘Value and Appraise’ practice in the Benefits Management cycle where ‘value’ refers to, “**valuing financial and non-financial benefits in monetary terms to facilitate options analysis, investment appraisal and portfolio prioritization.**”

Government Body Literature

As with the Professional Body literature, there are numerous ways in which benefits and value are related to each other in the Government Body literature. These have been categorised, to be consistent with the summary of the professional body literature, as

- A. Value as a collective term for benefits or equivalent to benefits
 - A' Value as a collective term for benefits or equivalent to benefits, but specifically those benefits that contribute to/are aligned with organisational strategy
- B. Value as representing benefits less the costs/resources required to realise those benefits
- C. Value as a term representing the quantification or other expression of the benefit

A. Value as a collective term for benefits or equivalent to benefits

Many of the Government Body sources view the relationship between benefits and value in this way. Examples are,

- OGC MSP Heading 7.3.1 ‘Value’ states – “*The three E’s can be a starting point when defining and organizing benefits and could lead to further sub-categorization: Economic benefit: A financial improvement, releasing cash, increased income or the better use of funds; Effectiveness benefit: Doing things better or to a higher standard; Efficiency benefit: Doing more for the same or the same with less”*
- OGC (2005) Managing Benefits: An Overview, v1.0, “**any programme of change requires a constant focus on the intended benefits...if it is to deliver value ... Delivering value begins with defining the expected high-level outcomes before a programme is approved”**

- Canadian Treasury Board Secretariat Outcome Management guidance - Program: *“A set of initiatives with a broad mandate **to deliver value.**”*
- CIO Council (2002) Value Measuring Methodology - encompassed 5 types of value/benefits: Direct User (Customer) value; Social (non-direct user/public) value; Government operational/foundational value; Government financial value; and Strategic/political value.
- Australian Federal Government ICT Business Case Guide includes the following benefits categorisation for ICT projects: *“Qualitative – Refers to non-financial benefits that can be measured including strategic and policy results, **governance value and social/service delivery value.**”*
- Australian Federal Government Demand and Value Assessment Methodology (May 2004) distinguished between **benefits** (which it defined as *“**an outcome whose nature and value ... are considered advantageous to an organisation. A program should aim to deliver a number of business benefits. These collectively will add enduring value to the organisation.**”*) and **value** (which was seen as *“**the broader, collective term for the longer term contribution to the business goals and strategies**”*). Five forms of benefit/value were identified: Agency benefits/value; Strategic value; Consumer financial benefits; Social benefits; and Governance value.
- The Economics of eGovernment research project funded by the European Commission - the reports produced included a Measurement Framework Model (2006) built around the three **value drivers of efficiency, democracy, and effectiveness** (with benefits being identified under each heading) and elaborated in such a way as to produce a multidimensional assessment of the public value potentially generated by eGovernment: Financial and Organisational Value – cashable financial gains, better empowered employees, and better organisational and IT architectures; Constituency Value – reduced admin burden, increased user value and satisfaction, more inclusive public services; Political Value – inter-operable administrations, openness and participation, transparency and accountability.

A' Value as a collective term for benefits or equivalent to benefits, but specifically those benefits that contribute to/are aligned with organisational strategy

A small sub-set of Government Body publications suggest that the difference between benefits and value is defined according to the alignment with organisational strategy. The documents expressing this view are,

- New Zealand Better Business Cases – Managing Benefits from Projects and Programmes (July 2015) Value– *“**This is the link between benefits management and value management. Organisations need to understand what it is they are trying to achieve (what it is they value). Benefits that are aligned with where the organisation wants to go can contribute to value, benefits not aligned to direction, do not lead to value.**”*
- Tasmanian Government Project Management Guidelines Version 7.0 (July 2011) – issued by Department of Premier and Cabinet – sees the focus of projects and programs being on outcome/benefits realisation, while at a portfolio level, *“**The focus is on effective planning processes to achieve value from alignment with business investment strategies.**”*

B. Value as a term representing benefits less the costs/resources required to realise those benefits

This interpretation of the relationship between benefits and value is a common one in the Government Body literature. Examples are

- OGC/AXELOS Common Glossary:
 - Value - ***“The benefits delivered in proportion to the resources put into acquiring them.”***
 - Value ratio – *“The ratio between benefits, monetary or non-monetary, and expenditure of resources. A measure of value.”*
 - Value for money ratio – *“the ratio of benefits, monetary or non-monetary, to investment made or resources committed. A measure of value for money.”*
- MoV(2010) - *“Value Satisfaction of needs (benefits)
Use of resources (expenditure)”*
- HMT Green Book(2003) – *“The relevant costs and benefits to government and society of all options should be valued, and the net benefits or costs calculated. The decision maker can then compare the results between options to help select the best.”*
- Kelly, G., Mulgan, G. and Myers, S. (2002) *Creating Public Value An analytical framework for public service reform*, Strategy Unit, Cabinet Office (also cited in ‘Evaluating e-government: Identifying non-financial benefits’ – report by Paul Foley, March 2005 - project funded by the OECD) - Public value i.e. outcomes, services and trust. *“Public value refers to the value created by government through services, laws, regulation and other actions. **The value added by government is the difference between these benefits and the resources and powers which citizens decide to give to their government.**”*
- USA Intergovernmental Advisory Board, Federation of Government information Processing Councils (2003) – *“**We found payoff defined in many non-financial ways.** Public service functions can have immense value in terms of delivering services to citizens, law enforcement, public safety and health. That value may or may not be reflected in financial results.”*
- Victoria Investment Management Standard – defines a **benefit** as, *“**The value that the investment will provide to the organisation or its customers.**”* And **Value Management** as, *“**a technique that seeks to achieve optimum value for money, using a systematic review process.** The essence of value management is a methodical study of all parts of the product or system to ensure that essential functional requirements are achieved at the lowest total cost. Value management examines the functions required from a product, functions actually performed, and roles of the product’s components in achieving the required level of performance. Creative alternatives which will provide the desired functions better or a lower cost can also be explored.”*
- New Zealand Cab circular CO(15)5 – **Value**, *“**means the benefits minus costs of a proposal or a portfolio (risk-adjusted) as they relate to the government’s investment strategy or direction.**”*

C. Value as a term representing the quantification or other expression of the benefit (largely reflected in the cost-benefit analysis guidance)

- OGC/AXELOS Common Glossary value on investment (voi) – **“A measurement of the expected benefit of an investment. Value on investment considers both financial and intangible benefits.”**
- HMT Green Book - Cost-benefit analysis - *“quantifies in monetary terms as many of the costs and benefits of a proposal as feasible, including items for which the market does not provide a satisfactory measure of economic value”*
- USA Circular No. A-94 Revised : appears similar to HMT Green Book i.e. focus on using cost-benefit analysis to inform investment appraisal and decision-making – including guidance on social costs and benefits; valuing benefits using willingness to pay techniques in the absence of market prices; choice of discount rate to determine NPV etc.
- Queensland Project assurance Framework - Cost Benefit Analysis July 2015 - Value i.e. the monetary value assigned to a cost or benefit.

Academic Literature

Within the academic literature, there are many publications which consider the relationship between benefits and value, often in a broader context than found in the other three literature reviews. Of particular relevance is a structured literature review carried out on project value creation by Laursen and Svejvig, (2015) which sought to resolve the ambiguity in the relationships between terms such as value, benefits, worth, success, value creation, benefits management and benefits realisation management.

Laursen and Svejvig (2015) see the focus on benefits and value being part of the widening of project success criteria beyond the 'iron triangle'. They review the traditional emphasis of value management as being concerned mainly with cost reduction, and suggest that the term value creation is a useful one to encourage a wider perspective. They suggest that the 'core concept' for the relationship between benefits and value is that value is concerned with benefits against costs, from a stakeholder perspective. Thus they broadly align with Category B in our review in this section. They identify this move to a holistic value management approach focusing on value, benefits and costs as a potential direction for future research.

As identified in the introduction to this section, the focus on value delivery as the central aim of benefits management was a preoccupation of the literature on IT-enabled change from the outset (Ward and Daniel, 2006). This theme has been developed in the literature since then. For example, in their second edition (Ward and Daniel, 2012) refer to the widening of success criteria for IS/IT projects and identify value as the relationship between benefits and costs. The overall message is reinforced in other academic publications, such as Ashurst (2012) 'value is realised when the focus is on delivering benefits for stakeholders rather than just on delivery of an IT solution'.

Zwikael and Smyrk (2011) consider the relationship between value and benefits in the context of their 'Input-Transform-Outcome' (ITO) model of a project, in which benefits are associated with flows of value. They hold that the ultimate value of a project is its 'worth', obtained as a function of benefits, disbenefits and costs (P61). 'Worth represents a judgement by the funder about the net value of a project'.

In summary, there are a number of sources from the academic literature which broadly support the Category B approach to the relationship between the concepts of benefits and value.

Consultant/Practitioner Literature

In the Consultant/Practitioner literature, a similar pattern of interpretations of the relationship between benefits and value is found, covering

- A. Value as a collective term for benefits or equivalent to benefits
- B. Value as representing benefits less the costs/resources required to realise those benefits
- C. Value as a term representing the quantification or other expression of the benefit

A. Value as a collective term for benefits or equivalent to benefits

Examples of this view are

- EMPC (2009) *Project Portfolio Management A View from the management trenches* Note principle 7 - Capture all forms of value added – efficiency (both time and financial savings), effectiveness (improved performance), foundation/potential opportunity value and the value represented by the avoidance of 'things gone wrong' i.e. **value as a collective term for benefits**.
- Jenner, S. (2010) *Transforming Government and Public Services – Realising Benefits through Project Portfolio Management*, Chapter 6 is entitled - Active Value Management – the purpose of which is “to ensure that all potential benefits are identified, that forecast benefits are realised, and to exploit capability and learning’s to create additional value.” i.e. value is conceptualised as a collective term for benefits – also refers to “we can go beyond passive benefits tracking to active value management.”
- Jenner, S. (2011) *Realising Benefits from Government ICT Investment – a fool’s errand?* “We should also distinguish between the terms ‘benefits’ and ‘value’ – we use these terms to some extent interchangeably to emphasise the point that benefits are not an economist’s or accountant’s technical term, but rather refer to some improvement that is of value to the organisation, its staff or its customers/clients. But it is also helpful to distinguish between the two terms – I see benefits as the specific individual improvements arising from an investment in ICT, whereas value is a more generic and collective term comprising all benefits realised from an investment.”

- Gartner (2011) Executive Summary: Benefits Realization: The Gift That Keeps On Giving: Refers to Business **Value** - “The only reason to make business investments, including IT-intensive ones, is to generate business value (the benefits).”
- IT Capability Maturity Framework (IT-CMF) Innovation Value Institute, **Business Value** - The overriding gains that accrue to the organization as a whole, e.g., increase in market share, better operating margins. Business value is created to support the business objectives. Sum of realized net business benefits.

B. Value as representing benefits less the costs/resources required to realise those benefits

Only two examples of this category were found in the Consultants/Practitioner literature

- Thiry, M. (2015) Program Management Refers to the European Value Management Standard, 'the aim of value management is to achieve the greatest progress towards its stated goals with the minimum use of resources'. Fig 7.3 'the value concept' refers to offered benefits, expected benefits, available capabilities and required capabilities.
- Davies, H.D. and Davies, A.J. (2011) *Value Management – Translating Aspirations into Performance*, Value - degree to which benefits exceed the costs from a specific stakeholder perception (P260)

C. Value as a term representing the quantification or other expression of the benefit

This interpretation was identified in several of the documents from the Consultants/Practitioner literature, including

- Thorp, J. (1998/2003) The Information Paradox, **Value** - relative worth or importance of an investment for an organization or its key stakeholders. Its expression may take various forms, including monetary or material, substitution equivalence, subjective judgment, etc.
- Payne, M. (2007) Benefits Management: Releasing project value into the business. Note the sub-title of the book – “*Releasing project value into the business*”. **So value is seen as the financial impact of benefits realised.**
- Jenner, S. (2011) *Realising Benefits from Government ICT Investment – a fool’s errand?* “a benefit is something that is of value to someone – and this value can vary from stakeholder to stakeholder. Value is a relative not an absolute concept – as Molière said, “Things only have the value that we give them.” It is consequently a fundamental principle of effective benefits management that the value of a benefit should be determined by the recipient.”

- Matharu, J. and Green, M (2015) *Practical Benefits Realisation Management*, “Benefit Realisation – **Actual benefit values** confirmed as they are realised and signed off.”

In addition to these references to value and value management, there are two more general points made in the Consultants/Practitioner literature which are relevant.

First, Bradley, G (2006) *Benefit Realisation Management*, (p253-256) refers to **Value Management** as one of the methodologies which is similar to BRM in that it addresses some of the needs which BRM covers, ie a clear end point, a practical pathway to get there, stakeholder commitment and measures to monitor progress and herald success.

Second, the report by Capability Management – *Research into the management of project benefits in 27 of Australia’s top 110 Organisations. Findings Report 2004-2006*, argues that benefits, value and outcomes are used interchangeably but they should be separated: “*One or more business outcomes deliver benefits; and benefits have a value that is determined by its value-drivers.*” They refer to this as the Deep Smarts Benefits Equation™

Synthesis

The term 'value' has a particularly close, but complex relationship with 'benefits', and four different connections have been identified, covering

- A. value as a collective term, or equivalent to benefits
 - A' value as a collective term, but referring specifically to benefits aligned with organisational strategy
- B. value as a term representing benefits less costs/resources required to realise the benefits
- C. value representing the quantification or other expression of benefits.

Category A would suggest that value and benefits are synonymous, whereas the other categories suggest they are distinct concepts.

Methods for benefits realisation/benefits management/benefits realisation management which could be considered to be synonyms for the ‘management idea’ of BM/BRM.

When BM/BRM emerged in the early 1990's there were a number of different methods devised at roughly the same time, with different titles and different emphases, but all focusing on benefits (Breese

et al. 2015). Ward and Daniel (2006) and Payne (2007) used the term 'Benefits Management', while Bradley (2006) favoured 'Benefit Realisation Management'. Remenyi et al. (1997) developed 'Active Benefits Realisation' and Thorp (1998) called his method the 'Benefits Realisation Approach'. As Government Body and Professional Body guidance incorporated the management idea, the terms Benefit(s) Management and Benefit(s) Realisation Management became the generic alternatives, so methods with other names are viewed as falling within this general banner.

While methods such as 'Active Benefits Realisation' and the 'Benefits Realisation Approach' have continued to be used and refined, they are not prominent enough in practice or in the literature to be considered as synonyms for Benefits Realisation or Benefits Realisation Management. The question is, however, if there are any other methods whose adoption has been widespread enough for them to be developing the status of synonyms.

Often, academic publications will review the various methods referred to in the literature. For example, Lin et al (2005) listed five methodologies for realising IS/IT investment benefits, while Divendal (2011) identified 17 different Benefits Management methods, some of which were specific to IS/IT, while others were more generic. In both these lists, the first method referred to was the Cranfield Process Model of Benefits Management, while Active Benefit Realisation also featured in both lists. The full list of methods listed by Divendal (2011) is

Validated methods developed in research

1. Cranfield Process Model of Benefits Management
- 2.. Benefit Identification Framework
3. ERP benefits framework
4. Active Benefit Realization
5. Conceptual model for evaluation of IT projects
6. The IT Benefits Measurement Process
7. ISSUE Methodology

Unvalidated methods developed in research

8. Model of Benefits Identification
9. Benefits realization capability model
10. Extended Benefit Framework
11. Benefits Realization and Management framework

Methods developed in practice

12. Benefit Realization Approach
13. PRINCE2 Benefit Review Plan
14. MSP Benefits Realization Management
15. Benefit Realization Management

16. Project Benefits Management

17. Val IT Framework 2.0

Some of these methods have been developed in specific contexts. For example, The Benefits Realization and Management framework (BeReal) has been developed with a focus on capital investments within healthcare (Yates et al. 2009).

None of the methods referred to above has achieved a level of adoption or recognition that they might be considered to be synonyms for **benefits realisation/benefits management/benefits realisation management**.

Question 3. How is the terminology addressed in projects? What differences exist? Are there synonyms for benefits realization and benefits realization management in projects, programs and portfolios?

This question will be addressed initially in terms of the degree to which BM/BRM are seen as part of the management process at each level, which is precursor to consideration of the use of the terminology at each level.

Professional Body Literature

Regarding the realisation of benefits from projects and programmes, there are essentially two perspectives in the professional body literature:

A. The view that sees benefits management as being primarily a programme not a project level activity

This view is illustrated by the following from the PMI, Organizational Project Management Maturity Model (2013): *“Portfolio management aligns with organizational strategies by selecting the right programs or projects, prioritizing the work, and providing the needed resources, **whereas program management** harmonizes its project and program components and controls interdependencies **in order to realize specified benefits**. Project management develops and implements plans to achieve a specific scope that is driven by the objectives of the program or portfolio.”* Note a similar definition is included in Implementing Organizational Project Management: A Practice Guide (2014) albeit with some minor wording changes. APM,BoK(2012) takes a similar line - *“Commonly, work of a lesser scale and complexity, leading to an output, is referred to as a project. **Work that combines projects with change management to deliver***

benefits is considered to be a programme, while a collection of projects and programmes designed to achieve strategic objectives is called a portfolio”.

This perspective is also seen in the ICB - IPMA Competence Baseline Version 3.0 (2006), which states:

- *“Business benefits are largely excluded from a project”*
- *“Business benefits are largely included in a programme”*
- *“Business benefits are largely excluded from the portfolio”*

B. The view that sees benefits management applying to both projects and programmes.

Some Professional Body guidance includes references that support both perspectives.

These two perspectives will now be explored in depth, After that, the portfolio-level will be addressed, including the comment above from the IPMA Competence Baseline on the portfolio level, which is a minority view.

A. Where BRM/BM is conceptualised as being primarily a programme level activity

According to this perspective individual projects deliver a capability – a capability that is generally necessary but not sufficient to implement the changes required to realize the expected benefits. Benefits realisation requires all the capabilities, and associated projects, that are both necessary and sufficient to realize the expected benefits, including changes to technology, business and operating models, processes, people skills and roles, organization structure, etc. This full scope of change comes within the remit of a wider programme. So from this perspective, benefits realisation is primarily a programme role. Examples of this perspective include:

- PMI (PMBOK, 2013, and ‘The Standard for Program Management’, 2013) – A program is, *“A group of related projects, subprograms, and program activities managed in a coordinated way **to obtain benefits not available from managing them individually.**”* and Program management is, *“The application of knowledge, skill, tools, and techniques to a program to meet the program requirements **and to obtain benefits** and control not available by managing projects individually.”* The scope of program management includes: Benefits Identification; Benefits Analysis and Planning; Benefits Delivery; Benefits Transition; and Benefits Sustainment - *“Ongoing maintenance activities performed beyond the end of the program by receiving organizations to assure continued generation of the improvements and outcomes delivered by the program”* (PMI, The Standard for Program Management, 2013). This view of benefits management being primarily a program level activity is further reflected in the success criteria identified by PMBOK (2013):
 - Project – *“product and project quality, timeliness, budget compliance and degree of customer satisfaction”* – note no reference to benefits; and

- Program – *“the degree to which the program satisfies the needs **and benefits for which it was undertaken**”.*
- PMI, Implementing Organizational Project Management: A Practice Guide (2014), program management, *“harmonizes program and project components and controls interdependencies **in order to realize identified benefits** to support the strategy. Project management develops and implements plans to achieve a specific scope that is driven by the objectives of a portfolio or program”.* A Project in contrast is, *“A temporary endeavour undertaken to create a unique product, service, or result.”* (PMBOK, 2013 and The Standard for Program Management, 2013) – projects create capabilities that the program manages/transitions to realise benefits - PMI, Organizational Project Management Maturity Model (2013): *“Project management develops and implements plans to achieve a specific scope that **is driven by the objectives of the program or portfolio.**”*
- ISACA (VAL IT version 2 and COBIT5) - Distinguishes between projects which deliver capability *“**that is necessary but not sufficient to achieve a required business outcome**”*; and programs which are, *“A structured grouping of inter-dependent projects that are both necessary and sufficient to achieve a desired business outcome and create value.”* And *“Program management is the process of managing a group of related projects in a coordinated manner **to obtain benefits and control not available from managing them individually**”* and Benefits realisation is *“the set of tasks required to actively manage the realisation of programme benefits.”*
- APM, BoK (2012) defines a programme as, *“A group of related projects and change management activities that together **achieve beneficial change** for an organization’* and Programme management as, *“The coordinated management of projects and change management activities to **achieve beneficial change.**”* The core programme management processes include, *“benefits management: defining, quantifying, measuring and monitoring benefits”.* [Note - the APM BoK also sees some projects as existing to realise benefits – see below].
- APMG Managing Benefits (2014) - Adopts the APM Glossary definitions of projects and programmes – hence the focus is again on programmes rather than projects in terms of benefits management and realisation – projects/project management are concerned with achieving planned objectives/outputs whilst programmes/programme management combine project outputs with change management *“to achieve beneficial change.”*
- BCS, Exploiting IT for Business Benefit (2008) - *“the project manager will not be on hand during the operation of the capability that he or she helped to create. The project manager is therefore not in a position to ensure that the expected benefits that motivated the inception of the project in the first place have actually been experienced. Having a programme management structure that lives beyond the lives of individual projects means that there are people who can monitor the actual capture of the benefits. The programme manager, along with the business change managers, can take action to make sure that the benefits are actually achieved.”*

- ICB - IPMA Competence Baseline Version 3.0 (2006) - *“The programme defines the business benefits management process as well as tracking the business benefits.”...“The programme manager usually directs the projects through project managers, facilitates the interaction with line managers to realise the change and is responsible for benefits management; not for the realisation of the benefits, which is again the accountability of line management.”*

B. Where projects and programmes are not distinguished from a benefits realization perspective – so benefits realization is conceptualised as being both a program and project activity

According to this perspective, benefits can result from both projects and programmes – interestingly this view is expressed in publications from professional bodies that include some of those listed above – for example:

- PMI, Managing Change in Organizations: A Practice Guide (2013) Section 6 Change Management in the project management context – includes – *“when viewed from a change management perspective, the project manager is responsible for ensuring that the intended business benefits will be achieved through the project’s results.”* and 6.3.5.3 Measure Benefits Realization states, *“The process of measuring benefits realization starts during the planning process and is **a constant source of attention for project managers throughout the implementation of the change and the transition of outcomes into business operations. The role of project management in benefits realization** is the routine and rigorous measurement of early indicators of change success: acceptance, adoption, and early results of change and its benefits. The integrated measurement of benefits realization is the responsibility of program management when the project is part of a larger program.”*
- APM,BoK (2012) – *“A project is a unique, transient endeavour, undertaken to achieve planned objectives, **which could be defined in terms of outputs, outcomes or benefits.**”* and *“Some projects will be expected to incorporate the management of change and realisation of benefits.”* So the project lifecycle may include the benefits realisation phase. *“A project needs to be clear from the outset whether it is delivering outputs or benefits.”* and *“Stand-alone projects will use investment appraisal to compare alternative approaches to achieving the required benefits”.*
- APMG, Managing Benefits(2014) covers benefits management across the Benefits Management Cycle for all change initiatives (whether managed as projects or programmes).
- CMI,BoK (2013) - Benefits are derived from change initiatives (including projects and programmes). *“Programme and project managers ensure that projects deliver ‘fit-for-purpose’ products, on which benefits are dependent.”* It sees project management as covering, *“the discipline of managing*

structured delivery initiatives, such as projects, programmes and portfolios.” And a project is defined as, “a specific and well defined piece of work that sits outside everyday work and is intended to change business as usual”.

- AIPM Professional Competency Standards for Project Management – include references to benefits management taking place at project (CPSPM), programme (CPPD) and portfolio (CPPE) levels.

Portfolio-level benefits realization

There is a general consensus that a portfolio is a collection of projects and programmes managed to achieve strategic objectives.

- APM,BoK(2012) -*“a collection of projects and programmes designed to achieve strategic objectives is called a portfolio”.*
- ISACA – Portfolio management includes: *‘The strategic question’ – ‘are we doing the right things’ which encompasses: “Is the investment: In line with our vision; Consistent with our business principles; Contributing to our strategic objectives; **Providing optimal value, at affordable cost, at an acceptable level of risk”.***

The view reflected in the ICB - IPMA Competence Baseline Version 3.0 (2006), *“Business benefits are largely excluded from the portfolio”* does not appear to be reflected widely elsewhere. The success criteria identified by the PMBOK (2013) for example, emphasise the importance of benefits realisation at the portfolio-level: *“the aggregate investment performance **and benefit realization of the portfolio.**”* This is conceptualised by some sources as being essentially the result of program level activity – for example, PMBOK (2013), The Standard for Program Management (2013), Implementing Organizational Project Management: A Practice Guide (2014) and Organizational Project Management Maturity Model (2013) state, *“Portfolio management aligns with organizational strategies by selecting the right programs, projects, and/or operational work; prioritizing the work; and providing the needed resources. **Program management, however, harmonizes program and project components and controls interdependencies in order to realize identified benefits to support the strategy.**”*

Further details are provided on the roles of program and portfolio management in benefits realisation. PMBOK (2013) and The Standard for Program Management (2013), for example, add that portfolio management seeks to *“optimize project or program objectives, dependencies, costs, timelines, **benefits, resources, and risks....and authorize human, financial, or material resources to be allocated based on expected performance and **benefits.**”*** The scope of BM/BRM at a portfolio-level is therefore seen as

encompassing the selection and resourcing of appropriate projects and programmes, and also managing/facilitating benefits realization. This more active benefits management portfolio-level role is reflected in:

- Managing/facilitating benefits realisation from projects and programmes – The Standard for Portfolio Management (2013) - Manage Portfolio Value [Process]: *“Process of identifying and managing how organizational benefits and value are defined and optimized through portfolio component allocation, targets, and results.”* and *“Manage Portfolio Value is the process of monitoring the expected value to be delivered by the portfolio components as they are executed and measuring the value delivered to the organization as portfolio components are completed.”* According to Managing Change in Organizations: A Practice Guide (2013), portfolio-level benefits management includes: 4.4 Measure Benefits realization – *“Successful execution of the change can only be measured through benefits realization. Establishing expected benefits **requires a systems view of the portfolio where each expected benefit is aligned with the vision and its contribution to the change purpose at the organizational level.**”*
- The APM,BoK (2012) – says that Portfolio management addresses three questions including – *“Are the full potential benefits from the organisation’s investment being realised?”* and the portfolio life cycle encompasses such techniques as, *“**consistent portfolio-wide approaches to benefits management**”*. Benefits management, *“must be coordinated at the portfolio level to ensure that value is maximised i.e. **the emphasis at portfolio level is on integrated value management.**”*
- The APMG,Managing Benefits (2014) and CMI, The Effective Change Manager’s Handbook (2015) (note - both reflect OGC’s MoP – see Government body literature review) state, *“A Portfolio Benefits Management Framework (which represents the rules and guidelines by which benefits will be managed across the portfolio and the document where these rules and guidelines are recorded) encompasses guidance covering seven main elements: Benefits eligibility rules, including a consistent approach to benefits categorization; A portfolio-level Benefits Realization Plan; Inclusion of re-appraisal of benefits at stage/phase gates and portfolio-level reviews; Effective arrangements to manage benefits post project/programme closure; Clear arrangements for benefits tracking and reporting at a portfolio-level, including via the Portfolio Dashboard Report; Regular and robust post-implementation reviews and feeding lessons learned back into forecasting and the benefits management practices; Portfolio-level benefits documentation and roles.”*
- ICCPM, Complex Project Management Global Perspectives and the Strategic Agenda to 2025 (2011) – argues that, *“**Benefits must be managed from a portfolio, rather than project perspective**”* – with the recommendation that: *“Establish a Whole-of-Government Major Project Authority (MPA) to improve holistic portfolio management and take advantage of the efficient and effective utilisation*

of resources. The Whole-of-Government Major Project Authority will have oversight across the portfolio of government projects, enabling the holistic appreciation of competing tensions of complex projects. This authority should have access to ministerial decision makers and oversight of all project investments, including the ability to stop or re-scope failing projects.”

This goes beyond ensuring programs and projects deliver their forecast benefits - just as the purpose of program-level benefits management is seen as being to realize benefits not available from managing projects individually (see PMBOK and ISACA definitions above), so:

- ISACA – defines a Portfolio as “*Groupings of ‘objects of interest’ (investment programmes, IT services, IT projects, other IT assets or resources) **managed and monitored to optimise business value.**”*
- APM,BoK (2012), states that the benefits of a portfolio approach include, “*increased realisation of forecast benefits and the identification and realisation of unplanned benefits to create additional value.*”

Government Body Literature

Regarding the realisation of benefits from projects and programmes, in the Government Body literature there are essentially two perspectives, similar to the Professional Body literature:

A. The view that sees benefits management as being primarily a programme not a project level activity; and

B. The view that benefits realization is both a project and a programme level activity (although the latter may result in additional benefits).

(Note: some government body guidance includes references that support both perspectives).

In contrast to the Professional Body literature, the balance in the Government Body literature is more towards Category B than Category A., in terms of number of references supporting each view.

A. Where BRM is conceptualised as being primarily a programme level activity

Documents supporting this view are,

- Cabinet Office Major Projects Authority – Assurance of benefits realisation in Major Projects (2015) - Includes the following: “*Within traditional project management practice, projects deliver outputs/products while programmes combine the outputs / products delivered by these projects to deliver a desired outcome in BaU (which then enables the delivery of benefits)”*

- OGC MSP (2011) - benefits management is one of the nine (programme) governance themes identified by MSP which defines a programme as – *“A temporary, flexible organization structure created to coordinate, direct and oversee the implementation of a set of related projects and activities in order to deliver outcomes and benefits related to the organization’s strategic objectives.”* and Programme management as – *“The coordinated organization, direction and implementation of a dossier of projects and transformation activities (i.e. the programme) to achieve outcomes and realize benefits of strategic importance.”* In contrast, projects are, *“A temporary organization that is created for the purpose of delivering one or more business outputs according to a specified Business Case”*. So the conceptual framework envisaged by MSP is that projects deliver outputs that create capabilities, which are then transitioned (by the programme) into business as usual, so enabling outcomes, which realize benefits, which help achieve corporate objectives.
- Australian Federal Govt (Assurance Review Process – lessons learned: Benefits Realisation Management, July 2012) -*“The Government seeks to achieve benefits for the Australian community primarily through programs delivered by agencies.”*

B. Where benefits realization is conceptualised as being both a project and a programme level activity (although the latter may result in additional benefits)

Documents supporting this view are,

- OGC Official Product – Bradley, G. (2010) Fundamentals of Benefits Realisation: Benefits realization management, *“is a continuous process running through the whole change lifecycle and should be the central theme of any change initiative, whether applied to the whole portfolio, a programme or a project.”*; And BRM, *“is an extremely powerful process for scoping change at all levels”*.
- OGC/AXELOS Common Glossary - Benefits are seen as resulting from both projects and programmes, with benefits realisation being defined as, *“For projects, the practice of aligning the outcome associated with the project with the projected benefits claimed in the business case.”* Project management is, *“The planning, delegating, monitoring and control of all aspects of the project, and the motivation of those involved, to achieve the project objectives within the expected performance targets for time, cost, quality, scope, **benefits** and risks.”* And Programme management is, *“The coordinated organization, direction and implementation of a dossier of projects and transformation activities (i.e. the programme) to achieve outcomes **and realize benefits of strategic importance.”***
- New South Wales Benefits Realisation Management Framework – BRM is, *“The process of organising and managing so that potential benefits arising from investment in change, are actually achieved. It is a continuous process running through the whole change lifecycle and should be the central theme of any change initiative. Benefits realisation is the end product of the implementation of change initiatives”*.

- OGC P3M3 Maturity Model includes descriptions of benefits management at levels 1 to 5 at all 3 levels: project, programme and portfolio.
- OGC MoV(2010) - Benefits Realization: *“For projects, the practice of aligning the outcome associated with the project with the projected benefits claimed in the business case”* and *“In the context of MoV, portfolios reflect the organization’s strategic objectives and set the agenda for the programmes that deliver the objectives, which, in turn, define the projects that deliver the required outcomes. At project level, MoV takes its direction from programme management, who set the agenda for delivering benefits for the organization.”* and *“Some projects may employ a process known as benefits management. This is described in detail in the MSP guide and provides a rigorous process for identifying, modelling, mapping and monitoring the delivery of the benefits expected from a programme or project. It does not, however, provide a ready means of maximising benefits.”*
Note - this appears at odds with MSP in terms of adding value and the MSP view of projects delivering outputs and programmes achieving outcomes and realising benefits.
- HM Treasury Public Sector Business Cases - Using the Five Case Model - *“Policies, strategies, programmes and projects will only achieve their spending objectives and deliver benefits...”*
- Cabinet Office, Delivering Major Projects (2015) Briefing for the PAC. *“There are two dimensions to measuring success in a project: whether the project was delivered on time, to budget and to scope; and whether the project achieved its objectives, usually expressed as benefits.”*
- NI Department of Finance and Personnel, *“Benefits management should be undertaken **by both programmes and projects. The actual process is largely the same for both**, but often the context for meaningful benefit realisation as part of a large change initiative will be at the programme level. The programme provides a framework within which its projects can be managed and aligned so that benefits realisation can be planned and realised at the optimum level.”*
- Canada Outcome Management can be used at project, program and portfolio level. Canadian Treasury Board Secretariat Outcome Management guidance:
 - Project – *“An activity or series of activities that has a beginning and an end. A project is required to produce defined outputs and realize specific outcomes in support of a public policy objective, within a clear schedule and resource plan.”* and Project management is, *“The systematic planning, organizing and control of allocated resources to accomplish identified project objectives and outcomes.”*
 - Program: *“A set of initiatives with a broad mandate to deliver value.”* Investment program – *“A group of related projects managed in a coordinated way to obtain benefits and control not available from managing them individually. Investment programs may include elements of related work outside the scope of the discrete projects in the program.”*
- Australian Federal Govt (Assurance Review Process – lessons learned: Benefits Realisation Management, July 2012) - Both projects and programs are seen as delivering outputs – benefits realisation depends on use of the output and change management processes are required to implement the new ways of working so they become outcomes. *“A Benefit Map illustrates the relationship between **outputs produced from programs**, the business changes required to take on*

the new capability and the achieved outcomes, the intermediate and end benefits anticipated to be realised and lastly, the agency strategic objectives achieved.”

- New South Wales Treasury (2008) Guidelines for Capital Business Cases Policy and Guidelines Paper – *“Benefits realisation is relevant to all categories of proposals.”*
- Tasmanian Government Project Management Guidelines Version 7.0 (July 2011) – issued by Department of Premier and Cabinet – Conceptualises benefits/outcomes arising from projects and programs:
 - Projects - *“Closing a project involves the handover of the Project Outputs to the Business Owner(s) for utilisation by the project customers, in order to realise the Project Outcomes. The strategies to support the change management process, and appropriate methods for measuring and reporting the progress toward achieving these benefits, are documented in the Outcome Realisation Plan.”* and *“When initially planning a project, it is imperative to define the project in terms of the desired benefits (Project Outcomes)”* and *“Project Outcomes are the benefits or disbenefits that will be realised from the utilisation of the outputs delivered by the project (the Project Outputs).”*
 - Programs - *“The structure of a project will vary depending on the benefits it is intended to provide. It may even be necessary to restructure a project into a number of sub-projects or establish a program of projects to achieve these benefits.”* and *“Managing projects in a coordinated way, as a program, enables additional benefits to be delivered to the organisation that would not be possible if the projects were managed independently.”*

Portfolio-level Benefits Realization Management

According to the OGC/Axelos MSP and MoP - A portfolio is, *“the totality of an organization’s investment (or segment thereof) in the changes required to achieve its strategic objectives.”* The scope of benefits realization management at a portfolio level is seen as encompassing project and programme prioritisation, as well as the management of benefits realization:

This view of the role of portfolio management is reflected in many sources, including,

- Cabinet Office Major Projects Authority – Assurance of benefits realisation in Major Projects (2015) - At a portfolio-level, *“At a high level the MPA requests that project benefits be categorised at the level of benefits recipient: government, private-sector partner or UK public.”* These are then split into financial (cash releasing and non-cash releasing) and non-financial sub-categories. This framework – *“should be used where possible, but this gives a minimal standard applicable across the entirety of the Government’s portfolio.”*
- MoP(2011) distinguishes between portfolio-level activity in the portfolio definition and portfolio delivery cycles:

- Portfolio definition cycle – *“The overriding benefit of the portfolio definition cycle is its focus on providing clarity on the high level scope, schedule, dependencies, risks, costs (and affordability) and benefits of the potential change initiatives - which in turn enables the portfolio governance body to make informed decisions on the composition of the portfolio to optimise strategic contribution”* – hence focus on: a consistent approach to benefits categorisation and quantification; and reliable forecasts via reference class forecasting/optimism bias adjustments and independent validation – as a basis for reliable investment appraisal and portfolio prioritisation. MoP emphasises the role of benefits in strategic alignment – ***“aligning change initiatives to strategic objectives can best be achieved via benefits i.e. by expressing the benefits anticipated from change initiatives in terms consistent with the organization’s strategic objectives and targets.”***

- Portfolio delivery cycle – benefits management is one of the seven portfolio delivery cycle practices identified (reflecting the OGC P3M3 framework). The six main elements of the Portfolio-level Benefits Management Framework are: Benefits eligibility rules including a consistent approach to benefits categorisation; A Portfolio-level Benefits Realisation Plan; Inclusion of re-appraisal of the benefits case at stage/phase gates and portfolio-level reviews; Effective arrangements to manage benefits post project/programme closure; Clear arrangements for benefits tracking and reporting at a portfolio level including via the portfolio dashboard; and Regular and robust post implementation reviews and feeding lessons learned back into forecasting and the benefits management processes. MoP also refers to the role of the Portfolio Office as including: *“Adopt value management - active management of the portfolio to optimize value, realize benefits and feed back learning into the investment selection and portfolio prioritization process.”*

- P3O(2008) states that the Portfolio Benefits Management activities by a permanent Portfolio Office are, *“On behalf of relevant governance boards: Assess benefits planning and realization across a number of programmes or projects within the portfolio to identify gaps, overlaps and conflicts and to eliminate double counting in the benefits plan of individual programmes and projects; Review post-programme/project benefits against strategic investment decisions; Establish and implement benefits-variance escalation process.”*

- OGC (2005) Managing Benefits: An Overview, v1.0, *“Effective management of the benefits across several programmes or projects allows management to make strategic adjustments in resources to ensure strategic objectives are being achieved, even when surrounded by change. This control is typically achieved using Portfolio Management...It can also provide an opportunity to re-deploy resources freed up through the efficiencies being delivered, to derive new benefits in flight and to minimise unwanted side effects (dis-benefits)...The identification, tracking and realisation of benefits continues throughout the programme and will probably continue after it has formally closed, when*

managers with responsibility for operations or service delivery increasingly take on the task of ensuring that the planned benefits are being monitored and optimised.”

- Tasmanian Government Project Management Guidelines Version 7.0 (July 2011) – issued by Department of Premier and Cabinet – *“While the discipline of project management remains focused on delivering individual projects successfully, Project Portfolio Management focuses on delivering programs of projects successfully.” and “The focus is on effective planning processes to achieve value from alignment with business investment strategies.”*
- OECD (2006) E-Government Project, Benefits Realisation Management, *“Benefits realisation initiatives cannot succeed without an understanding of outcome and performance management approaches and accountability structures that build in incentives for contributing to overall outcomes rather than just programme deliverables.” and “An expert group discussion at the OECD in February 2006 identified the following lessons for benefits realisation management: Provide incentive to contain costs: e.g. the agency has to finance cost overruns; Link continued funding to benefits realisation for projects; Take an active approach to benefits management and realisation: benefits actually realised are often different from those forecast in original business case; Formalise the commitment and expectation to realise benefits by i.e. booking benefits in budget baselines (e.g. Canada) or in departmental efficiency plans (e.g. UK); Shorten payback period as much as possible in order to show results and respond to political imperatives; Be careful about how benefits are valued: not all time gains are valued the same way in different organisations; Watch out for dispersed benefits that cannot be harnessed (i.e. three minutes saved per transaction can add up to a significant amount, but is difficult to re-allocate).”; “Benefits realisation management methods include:...Developing projects with a high rate of return...Improving management methods for selecting, monitoring and evaluating projects...Replacing sequential ICT project management with an incremental, iterative approach where large, multi-year projects are broken down into smaller projects that are carried out iteratively...Continued investment in personnel, organisational and process changes building on the new capability provided by the ICT investment.”*

Note: Longer-term benefits realization management is also conceptualised as a business as usual responsibility – for example, MSP sees the responsibility for benefits management after programme closure falling to the Business Change Manager (also see PMI references to ‘benefits sustainment’ in Professional Body literature review). Similarly:

- Queensland Project Assurance Framework - Benefits Realisation, July 2015 - Processes include assessing whether there is, *“a succession plan to handover any benefits management plans, supporting benefit profiles and reporting responsibilities to the appropriate business owner”*
- Australian Federal Govt (Assurance Review Process – lessons learned: Benefits Realisation Management, July 2012) Harvesting benefits – *“management of benefits will be transferred into the*

agency for long term harvesting, bearing in mind that key benefits are often not realised at the time a program is closed.”

Academic Literature

The academic sources were analysed to identify whether the terms project, programme and portfolio were mentioned in the publication in relation to BM/BRM. In addition, references to BM/BRM in the wider organizational context were looked for. Appendix 1 indicates whether each level is referred to or not, as a yes/no answer. Where specific explanation is provided, or a summary of the stance in the document can be articulated, additional information is included for that level. An overall description of the approach to benefits in relation to the different levels is also provided.

Table 6 illustrates the results of the analysis of academic publications for references to BM/BRM in relation to each level. It covers all the 16 possible combinations from the spreadsheet. Caution should be placed about reading too much into the detail of the frequencies in the table, because of the multiple publications from individual authors, but the broad pattern is useful.

This analysis complements the results of the professional body and government body literatures, because it is approaching Question 3 from a different perspective. The academic literature contains some books with guidance on BM/BRM, which are similar to the publications from the other literature types, but most of the publications are journal articles and conference papers, which might be presenting the results of surveys into the use of BM/BRM or provide case studies of its use in particular organizations. Also, the academic literature is more IS/IT-oriented than the other literatures. Around 50% of the publications have a primary focus on IS/IT (it is difficult to provide an exact figure because of ambiguity around the specific focus of some publications) and many of these take a particular project, or benefits methodology as applied to projects as their subject matter. Therefore, the academic literature provides a mixture of empirical and conceptual material.

Table 6 Responsibilities for BM/BRM

<i>Combination of responsibilities for BM/BRM</i>	<i>No. of publications</i>	<i>% of publications</i>
Project, Program, Portfolio and Wider Organization	17	18
Project, Program and Portfolio only	4	4
Project, Program, and Wider Organization only	11	11
Project, Portfolio and Wider Organization only	8	8
Program, Portfolio and Wider Organization only	0	0
Project and Program only	9	9
Project and Portfolio only	6	6
Project and Wider Organization only	23	24
Program and Portfolio only	0	0
Program and Wider Organization only	0	0
Portfolio and Wider Organization only	0	0
Project only	12	12
Program only	1	1
Portfolio only	0	0
Wider organization only	0	0
Not stated	6	6
Total	97	100

Many of the publications identified BM as being associated with all levels, sometimes related to the IS/IT strategy and sometimes concerning all investments. Examples include,

- BM is closely linked with investment management, and is also driven by business strategy, which also drives the foundation and management of any corporate portfolio, including projects and programs (P139). The adoption of a BM methodology by ANA will allow the Organization to have a global and consolidated vision of all types of benefits elicited by IS/IT projects and programs (Almeida and Romão, 2010)
- The process of benefit realization method may be applied to individual programs or budgets, to a business strategy or to the portfolios of projects and different programs (Kamzi et al. 2016)
- Benefits Realization Management guides the conception and the management of projects, based on business needs, and to support effective governance. These practices are a link between strategic alignment and project success, supporting the management of a more effective project portfolio as well as ensuring the delivery of business needs (Serra 2016).

Other publications recognise the role of different levels in BM/BRM, without necessarily mentioning all the levels, such as

- the key to effective investment in IS/IT that is optimal in an ongoing sense is an integrated programme of IS/IT planning, evaluation and benefits management that is embedded in the day-to-day routines and rituals of the organisation (Marshall and McKay, 2004)

Sometimes benefits may be identified as occurring at different levels, but the main responsibility might be specified as being at a particular level. For example, Crawford and Nahmias (2010) undertook comparative analysis of the roles of project managers, programme managers and change managers, and aligned benefits management with programme managers. However, benefits were also identified at project level, linked to benefit drivers, benefit types and organisational context, implying some kind of role at both project and wider organisational levels.

More publications identified BM/BRM with the project and wider organisation levels than any other combination. Typical of this approach is Oude (2011), who identified projects as being at the project level, but also specified that organisational objectives and KPI's had to be incorporated into benefits. Sometimes, this concern with the wider organisation is concerned with the wider benefits for mainstream activities, such as in Caldeira et al.'s (2012) study of benefits achieved from a new 'Alert' system for hospital records, conceptualised as a project, which identified that there would be organisation benefits for the hospital, as well as project-related benefits in adopting this approach.

Some publications from the IS/IT field identified BM/BRM being part of the project level and the portfolio level, because the grouping of projects into an overall portfolio is undertaken without a program level.

A substantial number of publications were only concerned with BM/BRM at the project level. For example, Lin et al. (2005) were only concerned with project benefits and evaluation in their study of IS/IT investments by Taiwanese SME's. Chia and Zwikael (2015) took a specific focus on projects in their analysis of the formulation of targets for benefits.

The influence of particular individuals can be traced through multiple publications. For example, Zwikael and Smyrk (2011) suggest that programmes are little more than coordinated projects, and suggest that the programme environment is merely an extension of the project environment. Therefore, if projects have target outcomes, programmes will have target outcomes as well. This line of thinking can be traced through other publications of these authors, such as Zwikael and Chia (2015). Zwikael was Guest Editor for a collection of articles in the International Journal of Project management on 'Project benefit management', and the articles published in that edition had a strong project focus and alignment of benefits with projects, including Badewi (2016), Dupont et al. (2016) and Marnewick (2016).

While many of the articles in the academic literature contain empirical information, there appears to be a lack of research which looks at examples of the inter-relationships of projects, programmes and portfolios in practice, to examine their roles in relation to benefits.

Consultant/Practitioner Literature

Within the Consultant/Practitioner literature there is a diversity of opinions expressed about the positioning of benefits in relation to projects, programs and portfolios, sometimes diametrically opposed. Thus, in Evans, and Cesaro,(eds) (2014) *Boosting Business Benefits*, there is a chapter on – “*why Project Managers can’t and shouldn’t try to manage benefits.*”, which argues for programme management as the level at which benefits management is undertaken. Contrast this with the *Capability Management – Research into the management of project benefits in 27 of Australia’s top 110 Organisations. Findings Report 2004-2006* which identifies the belief that projects are not accountable for benefits realisation as one of the primary reasons benefits are poorly managed. Instead, author Jed Simms argues for, “*delivery of the business outcomes and benefits as the core focus of every project*” – “*isn’t that why we do projects in the first place – to deliver business benefits?*”

The only other source which agrees with Simms’ view is

- Payne, M. (2007). *Benefits Management: Releasing project value into the business*. The book focuses on benefits management as applied at project level (note sub-title of the book) – although it also recognises that BM can occur at programme level (the programme context is addressed in chapter 4 which references MSP and its roles and documentation). He sees a programme level approach as being of value where there are overlapping projects.

Amongst those who side with the Evans and Cesaro argument are

- Bradley, G. (2006) *Benefit Realisation Management*, who holds that where there is a programme level, it is the programme that delivers the benefits, not the project. Projects deliver capability.
- Thiry, M. (2015) *Program Management*, who argues that Benefit Management is the core of program management.

Often this emphasis on the program level for responsibility for benefits is combined with a strategic focus on benefits at the portfolio level. Examples include

- Letavec, C. (2014). *Strategic Benefits Realization: Optimizing Value through programs, portfolios and organizational change management* adopts the MSP view – which sees projects as delivering outputs, which collectively represent a capability, which when transitioned create an outcome, which result in benefits being realised. His BRM process is also based on the PMI Standard for Program Management, so he takes a program centric view of BRM. His definition of Benefits Realization Management also makes explicit reference to its occurring at program level – “*The benefits realization management process typically occurs in a series of phases, over the life of the program that is responsible for benefits realization management.*” At a portfolio level, BRM includes: “*being actively engaged in business case development...to ensure that the defined benefits...are aligned with organizational needs*” and “*tracking benefits realisation and identifying when action is required*”.
- Davies, H.D. and Davies, A.J. (2011) *Value Management – Translating Aspirations into Performance*, References in their glossary of terms include, **Projects** - tend to focus on outputs,

and, **Programmes** - focus on benefits, enabled by deliverables. **Portfolio** - managed as coherent whole to optimise overall value.

Books on specifically on Portfolio Management may switch the emphasis on BM/BRM from the program level to the portfolio level. Thus EMPC (2009) *Project Portfolio Management A View from the management trenches*, conceptualises project and program benefits realization management occurring within the wider portfolio context. Project Portfolio Management is seen as asking:

- i) *Are We Investing in the Right Things?*
- ii) *Are We Optimizing Our Capacity?*
- iii) *How Well Are We Executing?*
- iv) *Can We Absorb All the Changes?*
- v) ***Are We Realizing the Promised Benefits?***

Other sources go even further in recommending that responsibility for benefits should be wider than the project, program and portfolio arena.

- Jenner, S. (2010) *Transforming Government and Public Services – Realising Benefits through Project Portfolio Management*, suggests that responsibility for benefits needs to go even beyond the portfolio level, and across the transition to business as usual, challenging the traditional view which takes a project or programme centric view and tracks benefits against the business case forecast. *“The problems we face with this traditional approach are that firstly, projects don’t realise benefits, the business does, and the people charged with benefits realisation, including the Senior Responsible Officer/Business Sponsor, are often long gone by the time benefits are due for realisation. Secondly, benefits realisation is usually dependent on business change which is often not funded in the project business case (or to the extent that it is recognised, insufficient funding is allocated). Thirdly, it is difficult for anyone to get enthused by an approach that is based on passive tracking and reporting of benefits realised against forecast – which leads to the common request, “when can we stop tracking?”*
- Thorp, J. (1998) *The Information Paradox* – took the view that the role of individual projects is to deliver capabilities that are necessary, but not sufficient to create benefits. It is the combination of all the necessary projects within a programme which results in benefits being optimised to create value. Portfolio Management then maximizes value across the portfolio of programmes. In the 2003 edition Thorp introduced the Enterprise Value Management view, which went further than the 1998 edition in positioning BM/BRM as a behaviour to be embedded across management domains.

Synthesis

There are a vast range of different viewpoints on the positioning of BM/BRM in relation to the project, program, portfolio and wider organisational levels.

At one extreme are publications which identify benefits mainly at the project level, such as Zwikael and Smyrk (2011) and Payne (2007). In all the literature types there are authors who see BM/BRM as shared between projects and programs and publications which suggest that BM/BRM is mainly a program level activity.

In some instances, particularly in IS/IT, there is no program level, but portfolios of projects, so BM/BRM is associated with projects and portfolios, but more frequently the literature identifies the project and wider organisational level as the focus for BM/BRM.

At the portfolio level the role in relation to BM/BRM becomes more strategic, such as selection of programs and projects to meet organisational objectives, and benefits realisation crosses over into 'business as usual.

Generally, the methods for BM/ BRM are not specific to a certain level. Hence, the terminology used will not vary significantly across projects, programs and portfolios. 'Benefit realisation' does not have a specific association with any of the different levels. 'Benefits management' and 'Benefits realisation management' are 'management ideas' which are applicable at any or all levels. The only significant difference is that sometimes the word 'project' will precede the benefits terminology, such as 'Project Benefit Management' (Zwikael, 2014). A prefix is less common at the program and portfolio levels.

Where the responsibility for BM/BRM is associated with program and portfolio levels, the project activity is generally thought of as being concerned with 'outputs' rather than the 'outcomes' which are achieved at the program level. Projects develop capabilities which contribute to benefits in association with other projects or activities. This view is associated with OGC's Managing Successful Programmes and followed by publications such as Letavec, (2014). However, this division is not accepted by authors who make other assumptions about the levels where responsibility for benefits lies. Thus Zwikael and Smyrk (2011) say that both projects and programs produce outcomes.

Question 4. How is the terminology used in projects, programs and portfolios across the fields (i.e. academic research, consulting, government, or practitioners or their organizations)? What differences exist?

Since this question is addressing the differences between different fields in the use of terminology, it will partly be answered by comparing the findings from the literature summaries used to address the first three questions. However, more detail about the nature of the different literature types and how they relate to the different fields will be provided.

Under this question, a review will also be provided of the terminology used for documentation associated with BM/BRM and the roles associated with BM/BRM. These themes will be covered using the Professional Body and Government Body literatures.

In general, the report has found that the similarities in usage of the terminology are more evident than differences. Under Question 1, the definitions of benefit, benefit realization and benefit realization management did not display great variations between literature type. In Question 2, the conceptualization of benefits management and value/value management were not greatly different across the literature streams, and the pattern of synonymous, as against differentiated, use did not vary greatly in each literature type. More differences were found in the analysis of Question 3, with the academic literature having a greater focus on benefits at the project level than the other literature types. However, this was explained by the nature of academic contributions, often focusing on a project as a case study, and the high proportion of sources concerned with IS/IT investments.

The similarities between different literature types are partly due to the cross-over in authors. Often the publications influenced by particular individuals fall across the categories used in this report. Examples include

- Gerald Bradley has championed the use of the term Benefit Realisation Management, in his own book (Bradley (2006/2010) in the Consultant/Practitioner literature) and in publications for the UK Government (OGC Official Product – Bradley, G. (2010) Fundamentals of Benefits Realisation in the Government Body literature). Bradley was also a mentor to the OGC on the 2007 edition of ‘Managing Successful Programmes’.
- John Thorp has been an advisor to many professional bodies, such as the APM and ISACA, as well as being an author of consultancy publications (Thorp, 1998/2003) and academic articles (co-author in Breese et al., 2015).
- Stephen Jenner has contributed to the
 - Consultant/Practitioner literature (Jenner (2010), Jenner (2011), a chapter in EMPC (2009)),
 - the Professional Body literature (APMG ‘Managing Benefits’ (2012/2014) and CMI (2015) chapter in the ‘Change Manager’s Handbook’),
 - the Government Body literature (Reviewer for the 2011 edition of ‘Managing Successful Programmes’, and joint author of the OGC’s Management of Portfolios).
 - the Academic literature (co-author in Breese et al., 2015)
- John Smryk is a co-author with Ofer Zwikael on ‘Project Management for the Creation of Value’ (2011) and other academic publications, and also a consultant whose work is referenced in, for example, the Tasmanian Government Project Management Guidelines Version 7.0 (July 2011).

In the academic literature, communities of researchers develop in a particular university, resulting in multiple publications, which will often adopt the same methods and terminology. The main example of this in BM/BRM is the academic community at Cranfield School of Management, which included, in the early days of BM/BRM, John Ward, Joe Peppard, Peter Murray, Elizabeth Daniel, Chris Edwards, Rob

Lambert and many others who co-authored publications with these individuals in the 1990's and 2000's. These individuals have all contributed to the widespread influence of the Cranfield Process Model and the popularity of 'Benefits Management' as the term used for the management idea. Other examples of academic communities include

- Loughborough University in the UK, authors including Neil Doherty and Crispin Coombs. Colin Ashurst has a PhD from Loughborough, and then moved on to Durham and Newcastle. Universities, co-authoring journal articles with academics from Loughborough and Cranfield. This group of authors have done much to explore the maturity of organizations in BM/BRM and the application of capability theory in the BM/BRM field.
- Henley Management College and University College Dublin with the collaboration by Dan Remenyi, Frank Bannister, Arthur Money, Michael Sherwood-Smith; and more recently, Mike Green
- University of Agder, Norway, authors including Leif Skiftenes Flak, Oyvind Hellang and Tero Paivarinta, who subsequently moved to Lulea University, Sweden. The interests of this research group and some of the features of their use of terminology are covered below.
- University of Duisberg, Germany, authors including Frederik Ahleman, Kunal Mohan and Jessica Braun, whose literature reviews have reinforced the use of the Cranfield Process Model, including the term, 'Benefits Management'.

Sometimes academic authors will change the terminology they use. For example, Breese (2012) used the term 'Benefits Realisation Management' whereas Breese et al. (2015) referred to 'Benefits Management'. This was largely because between these two articles Breese had become involved with the Association for Project Management Benefits Management Specific Interest Group in the UK, and had also become more aware of the balance of usage of the two terms in the literature.

The development of academic communities is reflected in the incidence of academic publications which have undertaken their research in particular countries. The frequency of publications, drawn from the 'themes' section of Appendix 1 is summarised in Table 7. Taking the examples referred to above, many of the publications on research in the UK have authors from Cranfield and/or Loughborough. The five publications on research in Norway stem from the University of Agder, while the two publications for Germany, Austria and Switzerland have authors from the University of Duisberg (many of their publications are literature reviews/conceptual). Notable is the absence of publications featuring research in North America.

Table 7 Countries where academic research has been undertaken (Source, Appendix 1)

Country/countries	Frequency of academic publications
Asia Pacific	1
Australia	9
Emirates	1
Europe	2
Germany	1
Germany/Austria/Switzerland	2
Ghana	1
Jamaica	1
The Netherlands	3
Norway	5
Pakistan	1
Siberia	1
Southern Africa	1
South Africa/Nigeria/Zimbabwe	1
South Africa/Croatia/Netherlands	1
Sweden	1
Switzerland	1
Taiwan	1
UK	18
UK/Benelux	1
UK/US/Brazil	2
Total	55

The Cranfield Process Model is referred to on a global basis as the most recognised model for BM/BRM. Examples include the articles on research in Germany/Austria/Switzerland, The Netherlands, Norway, Southern Africa and Taiwan. As a consequence, many of these articles adopt the terminology of the Cranfield model. However, there is sometimes a looseness in the way that this is done. For example, the University of Agder articles, eg Hellang et al (2013), refer to *'the process of organizing and managing, such that the potential benefits arising from the use of IS/IT are actually realized'* as being a definition of benefits realization, whereas in the source they quote from, Ward and Daniel (2006), this is actually a definition of benefits management. However, Hellang et al. (2013) do use the term 'benefits management' – they refer to the Cranfield Process Model as the 'British benefits management model' (BMM).

Academic research often links into practice, because of linked consultancy/professional practice courses and/or because there is an action research element. For example, the research outputs at Agder University over the years have been concerned with different stages in the development of BM/BRM in

IS/IT enabled change amongst public authorities in Norway. Thus Paivarinta et al. (2007) report on the results of a Delphi study to help identify what will help and what will hinder the introduction of BM/BRM in local government, while Hellang et al. (2013) review the different benefits realisation methods which have been adopted in different public sector agencies in Norway. While it is not specifically referred to in these papers, the development of the different methods in Norway will have been influenced by the research team.

Hellang et al. (2013) analysed six different methods for benefit realisation in Norway and grouped them into three distinct approaches. This article is therefore one of the few which identifies in any detail the diversity of BM/BRM in practice. The three approaches are

- Benefits management approach
- Justification planning approach
- Portfolio management approach

The 'Benefits management approach' was seen as the baseline, following the Cranfield Process Model closely, and one of the methods was seen as having these features, such as stakeholder awareness, active management of benefits, integration with business drivers and an iterative process. In contrast, three methods had the characteristics of the 'Justification planning approach', which was narrower in its focus, with a linear process, using cost/benefit analysis to satisfy financial regulations but not explore the wider benefits of the investment. Finally, two methods used the 'Portfolio management approach', with an emphasis on prioritization of IS/IT investments, standardised performance indicators, aggregating results for evaluation of impact, and coordination at the program level. Unfortunately, Hellang et al. (2013) do not identify the extent to which the three approaches used different terminology from each other.

In summary, this section has explored the reasons why similar patterns have been identified in the terminology covered in Questions 1-3 in the four literature types. As well as these terms, the professional body and government body literature reviews identified how the documentation and roles for BM/BRM are addressed, and these two themes in the covered in the remainder of this section.

Documentation for BM/BRM – a review of the terminology from the Professional Body and Government Body literature reviews

For each literature review, the documentation will be addressed under two categories,

- A. Initiative (project or programme) level
- B. Documents – Portfolio-level.

Professional Body literature

A. Documents - Initiative (project or programme) level

Business Case – e.g.:

- PMBOK, (2013) – *“A documented economic feasibility study **used to establish validity of the benefits** of a selected component lacking sufficient definition and that is used as a basis for the authorization of further project management activities”*
- APM,BoK (2012) - Business Case (at project and programme level) – includes the expected benefits; *“the forecast benefits of a programme or project are the basis of its business case” & “the primary objective of investment appraisal is to place a value on benefits so that the costs are justified”; and “Where benefits cannot be quantified then scoring methods may be used to compare the subjective value of benefits.”*

Benefits Management Strategy/Benefits Management Plan/Benefits plan

- APMG, Managing Benefits(2014) – **Benefits Management Strategy** - *“The document that defines how benefits will be managed on an initiative throughout the business change lifecycle. This document should be consistent with the Portfolio Benefits Management Framework.”*
- PMI, The Standard for Program Management (2013) - **Benefits Management Plan** – *“The documented explanation defining the processes for creating, maximising, and sustaining the benefits provided by a program”*
- APM,BoK (2012) Section 3.2.1 Benefits Management - Reference made to a **Benefits management plan** *“This explains how benefits will be managed. It sets out policies for aspects such as measurement, roles and responsibilities, priorities and key performance indicators (KPIs).”*

Benefits Map

- APMG,Managing Benefits (2014) *“A pictorial representation of the business and enabling changes on which benefits realization depends, and how these benefits contribute to organizational (including strategic) objectives.”*
- PMI, Managing Change in Organizations: A Practice Guide (2013) *“A hierarchical representation of the expected benefits of a program, classified from strategic level to operational level by linking each level using a means-end relationship.”*

Benefits profile

- APMG, Managing Benefits (2014)- *“The document used to record and reach agreement (with the benefit owner) on the key details about a benefit (or dis-benefit) including categorization, scale, ramp up and tail off, measures and any dependencies.”* A template is included (and in CMI (2015) ‘The Effective Change Manager’s Handbook’)

- BCS, Exploiting IT for Business Benefit (2008) states that, *“the blueprint should be complemented by **benefits profiles** which record when the expected benefits from the capability will appear.”*

Benefits register:

- PMI, The Standard for Program Management (2013) – Benefits Register - *“collects and lists the planned benefits for the program and is used to measure and communicate the delivery of benefits throughout the duration of the program.”*
- ISACA – VAL IT version 2.0 – Benefits register - *“A repository for recording and reporting actual performance of the agreed benefit measures for the expected outcomes of an investment programme”*

Benefits Realization Plan:

- APMG, Managing Benefits (2014) *“The plan that provides a consolidated view of the benefits forecast by type/category and which represents the baseline against which benefits realization can be monitored and evaluated.”* A template is included (and in CMI (2015) The Effective Change Manager’s Handbook)
- PMI, The Standard for Program Management (2013) *“formally documents the activities necessary for achieving the program’s planned benefits. It identifies how and when benefits are expected to be delivered to the organization and specifies mechanisms that should be in place to ensure that the benefits are fully realized over time. The benefits realization plan is the baseline document that guides the delivery of benefits during the program’s performance”*
- PMI, Managing Change in Organizations: A Practice Guide (2013), *“A document that specifies the activities necessary for achieving the portfolio’s, program’s and/or project’s planned benefits and specifies the mechanisms that should be in place to ensure that benefits are fully realized over time.”*
- PMI, Implementing Organizational Project Management: A Practice Guide (2014) *“The benefits realization plan identifies how and when the selected benefits of OPM will be delivered to the organization. The baseline document guides the delivery of benefits during performance of the detailed implementation plan.”*
- APM, BoK (2012) Benefits realisation plans – are handed over from the program to the bau units responsible for on-going benefits realisation.
- CMI, BoK (2013) Benefits realisation plan – the baseline against which to measure benefits realisation.
- APMG (2014) ‘Agile Programme Management Handbook’ - Benefits Realisation Plan – *“The purpose of the Benefits Realisation Plan is: To identify benefit indicators where capabilities will contribute to, but not completely fulfil a benefit; To provide a schedule of when and how expected benefits will be realised; To determine how and when the current and future measurements will be taken.”*

Other documents

- PMI, Managing Change in Organizations: A Practice Guide (2013) **Benefits Breakdown Structure** [See Michel Thiry entry in Practitioner Literature review] - *“A variation of the benefits map built on the same principles as a work breakdown structure (WBS) and using a how-why logic to link the different levels of benefit from strategic to operational.”*
- PMI, Managing Change in Organizations: A Practice Guide (2013) **Executive-level Benefits Register**
- **Benefits sustainment plan** (PMI, The Standard for Program Management, 2013).

B. Documents – Portfolio-level

- APMG, Managing Benefits (2014)
 - **Portfolio Benefits Management Framework** – *“The document that provides stakeholders with comprehensive guidance that facilitates consistent and effective management of benefits for all initiatives included within the portfolio.”*
 - **Portfolio Benefits Realization Plan** - *“The plan that provides a consolidated view of the benefits forecast by type/category and which represents the baseline against which benefits realization can be monitored and evaluated.”*
 - **Portfolio Dashboard Report** -
 - **Benefit eligibility rules** – *“The set of rules about what benefits can and can’t be claimed, how they should be categorized, quantified and valued.”*
- PMI, The Standard for Portfolio Management, (2013) **Portfolio Performance Management Plan** – *“A subsidiary plan or component of the portfolio management plan that describes performance measures, reporting (on scope, cost, schedule and resources), resource optimization, and **benefits realization.**”*
- APM BoK (2012) **Portfolio-level Strategy Mapping** -- to ensure investment decisions are driven by the contribution of benefits to achieving strategy.

Government Body literature

A. Documents – initiative (project or programme) level

Benefit Profile

- *“used to define each benefit (and dis-benefit) and provide a detailed understanding of what will be involved and how the benefit will be realized”* (MSP, 2011)
- *“the template which contains the comprehensive description of a single benefit, including all its attributes and dependencies.”* (OGC Official Product – Bradley, G. (2010) Fundamentals of Benefits Realisation)

- “Supporting the benefits management plan are benefit profiles outlining all aspects of the benefit, including responsibility and measurement.” Queensland Project Assurance Framework - Benefits Realisation, July 2015
- Benefit profile templates are included in the New Zealand Better Business Cases – Managing Benefits from Projects and Programmes (July 2015) guidance and OGC Managing Benefits: An Overview, v1.0.

Benefits Register

- OGC/Axelos Common Glossary & MSP (2011)-“Summary document that contains key information from the benefit profiles.”
- New Zealand Better Business Cases – Managing Benefits from Projects and Programmes (July 2015) includes a template;
- Also referred to as a ‘**Benefits Realisation Register**’ (New South Wales Benefits Realisation Management Framework).

Benefits Map

- MSP - “illustrates the sequential relationship between benefits”; Headings (left to right): Project Output, Capability, Outcome, Benefit, Corporate Objectives;
- OGC Official Product – Bradley, G. (2010) Fundamentals of Benefits Realisation - “A network of benefits, usually linked to one or more of the bounding investment objectives, which maps all the cause-and-effect relationships.”
- **Benefits dependency map** - OGC Official Product – Bradley, G. (2010) Fundamentals of Benefits Realisation – “a benefits map with the addition of dependencies – enablers and business changes”. Headings (from left to right): Enabler, Business change, Intermediate benefit, End benefit, and bounding objectives.
- Cabinet Office Major Projects Authority – Assurance of benefits realisation in Major Projects (2015) suggests the following headings (left to right): ‘Project output’, ‘Enabling Changes’, ‘Intermediate benefits’, ‘End benefits’, ‘Strategic objective’.
- NI Department of Finance & Personnel – headings for enablers, intermediate and end benefits.
- Australian Federal Govt (Assurance Review Process – lessons learned: Benefits Realisation Management, July 2012) – uses the following format: (left to right) Project/Program Output; Business Change; Outcome; Intermediate Benefit; End Benefit; Strategic Objective.
- Victoria IMS:
 - **Investment Logic Map** – headings (left to right) Problem, Benefits, Strategic Response, Solution (Changes & Assets).
 - **Benefit Map**: “A one-page document that depicts the logical connection of an investment’s benefits to the KPIs, measures and targets.” – note the description of a benefit map differs from the others noted above and below.

- New Zealand Better Business Cases – Managing Benefits from Projects and Programmes (July 2015) - format (left to right): Project Output, Business Change, Benefit, Intermediate outcome, End benefit, and Strategic objective.

Benefit Management Strategy

- MSP (2011): Benefits Management Strategy, *“defines the approach to realizing benefits and the framework within which benefits realization will be achieved”*.
- Template provided in the Australian Federal Govt Assurance Review Process – lessons learned: Benefits Realisation Management, July 2012. Also referred to as:
 - **Benefits Management Action Plan:** OGC Managing Benefits: An Overview, v1.0 - *“lists the review points, timelines, responsibilities, interdependencies and resource required to achieve benefits in the operational sphere.”*
 - **Management Case:** from the 5 case business case (Better Business Case initiative: Public Sector Business Cases - Using the Five Case Model)- includes: *“the detailed plans for delivery and arrangements for the realisation of benefits, management of risk; and post evaluation are recorded.”* – and should include a benefits realisation plan and benefits register. The Management Case – *“This section of the business case requires the spending authority to demonstrate that the spending proposal is being implemented in accordance with a recognised Programme and Project Management (PPM) methodology and that there are robust arrangements in place for change management and contract management, the delivery of benefits and the management and mitigation of risk.”*
 - **Benefits Realisation Strategy:** Public Sector Business Cases - Using the Five Case Model. Green Book Supplementary Guidance on delivering public value from spending proposals (2013) *“The benefits realisation strategy should set out arrangements for the identification of potential benefits, their planning, modelling and tracking. It should also include a framework that assigns responsibilities for the actual realisation of those benefits throughout the key phases of the project.”* Also referred to by the New South Wales Treasury (2008) Guidelines for Capital Business Cases Policy & Guidelines Paper.
 - **Benefits strategy:** New Zealand Better Business Cases – Managing Benefits from Projects and Programmes (July 2015) - template included.

Benefits Realization Plan

- MSP (2011) - *“used to track realization of benefits across the programme and set review controls”*
- OGC Official Product – Bradley, G. (2010) Fundamentals of Benefits Realisation - *“a complete view of all the benefit profiles in the form of a schedule.”*
- The New Zealand Better Business Cases – Managing Benefits from Projects and Programmes (July 2015) includes a template for the Benefits Realisation Plan. Also referred to as:

- **Benefits Delivery Plan-** DVLA Change Programme –Benefits Management
- **Benefits Management Plan:**
 - New Zealand Better Business Cases – Managing Benefits from Projects and Programmes (July 2015) – *“A short document that defines the pre-requisites for delivering each expected benefit, how the delivery of each benefit will be measured, and who will be responsible for measuring and realising each benefit.”*
 - Victoria IMS - *“A short document that specifies the benefits an investment will need to deliver to successfully address an identified problem. It includes the measures to be used as evidence that the benefits have been delivered. These measures are initially used to select the most suitable response to the problem. The BMP also defines the dates the benefits are expected to be delivered, who is responsible for their delivery and how they will be reported.”*
 - Queensland Project Assurance Framework - Benefits Realisation, July 2015 – *“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”* .

Benefit reports

- Victoria IMS -*“A report for the investor that depicts the status of the delivery of the benefit compared with the original expectations”*.

Benefits Distribution Matrix

OGC/Axelos Common Glossary *“An illustration of the distribution of benefits against dis-benefits across the organization, i.e. the winners and losers in a change.”*

Benefits review plan

OGC/Axelos Common Glossary, *“A plan that defines how and when a measurement of the achievement of the project’s benefits can be made. If the project is being managed within a programme, this information may be created and maintained at the programme level”* .

B. Documents – Portfolio-level

Benefits Management Framework

OGC MoP (2011) - *“To provide a framework within which consistent approaches to benefits management*

can be applied across the portfolio.” Also referred to as: **Departmental Benefits Management Frameworks** in Cabinet Office Major Projects Authority – Assurance of benefits realisation in Major Projects (2015).

Benefits Realisation Plan

OGC MoP (2011) - *“To summarise the benefits forecast to be realized in the year ahead and so provide a clear view of the planned returns from the organization’s accumulated investment in change.”* and *“To provide a baseline against which to assess the benefits actually realized.”* Also called **Outcome Realization Plan** (Canada – Outcome Management).

Benefits dashboard report

OGC MoP (2011) *“Latest benefits forecast and realization to date compared with plan.”*

Summary

This review of the Professional Body and Government Body literature in relation to documentation for BM/BRM suggests that there is a strong alignment in the types of documentation and the terminology used for their titles. Documents such as Benefit Management Strategy, Benefit Map, Benefit Realisation Plan and Benefit Profile/Register are commonly used in the guidance. There is distinction between the documentation at project/programme and portfolio level, given the overview role of portfolio management in BM/BRM.

There is less evidence from the literature on the degree to which the practice of BM/BRM incorporates this documentation, and uses these headings.

Roles for BM/BRM – a review of the terminology from the Professional Body and Government Body literature reviews

For each literature review the roles will be addressed under two categories

- A. Initiative (project or programme) level
- B. Documents – Portfolio-level

Professional Body literature

A. Roles for BM/BRM - Initiative (project or programme) level

Project & Program Sponsors, Senior Responsible Owner, Business Sponsor, Business Programme Owner

- APM,BoK (2012) - *“As the owner of the business case, the **project sponsor** (who may be the programme manager) is responsible for overseeing the delivery of the benefits” & “The project or programme is owned by the sponsor, who has ultimate accountability for ensuring the benefits are achieved” – the sponsor is “ultimately accountable for the realisation of the benefits.”*
- APMG,Managing Benefits (2014) **Senior Responsible Owner**-*“The individual who is accountable for an initiative meeting its objectives and optimizing benefits realization.”;*
- ISACA – VAL IT version 2.0 **Business sponsor**: *“The individual accountable for delivering benefits and value from an IT-enabled business investment programme to the enterprise”*
- APMG, Agile Programme Management Handbook (2014) - **Business Programme Owner** *“The role is ultimately accountable for successful completion of the programme and realisation of benefits.”*

Programme Manager

- APMG, Managing Benefits(2014) – responsibilities include: develops the benefits management strategy, initiates benefits reviews and reviews the benefits profiles.
- APMG, Agile Programme Management Handbook (2014) - *“The Programme Manager is responsible for all aspects of the delivery of the programme from set-up through to delivery of the capabilities and the mechanisms for benefits realisation.”*

Business Change Manager/Change Manager:

- APM,BoK(2012) –**Business Change Manager** - *“The role responsible for benefits management from identification through to realisation.”* At programme level, *“business change managers are responsible for successful transition and benefits realisation.”* BCMS have, *“day-to-day responsibility for the implementation of change and the realisation of benefits.”*
- APMG,Managing Benefits (2014) – **Business Change Manager** -*“The role responsible for benefits management, from identification through to realization...A business-based role, the business change manager represents the link between the initiative and the business.”*
- CMI,BoK (2013) - **Change managers** - *“a ‘bridge’ between the change initiative and the business areas impacted by change.”* They *“work with the business to help identify, quantify and track the benefits from change...This includes ensuring that benefits are ‘owned’ by the appropriate business managers who accept their accountability for benefits realization.”*They, *“input to the development of benefits realization plans and support the business in capturing relevant measurement data for tracking benefit achievement.”*
- CMI, (2015) The Effective Change Manager’s Handbook- **Change Manager** – *“Change Managers act as a bridge between the change initiative and the business areas impacted by change and liaise with*

business and operational areas throughout the change process to ensure a continued focus on benefits.”

Programme Office

- APMG, Managing Benefits (2014) - *“the support function encompassing change management, benefits realization and project interfaces. May include a **Benefits Manager** to provide a benefits realization support service to programmes, business managers and Business Change Managers.”*
- CMI,BoK (2013) - *“In some organizations the role of **benefits realization manager** may be additionally defined, offering a specialized resource in this area.”*

Benefit Owner

APMG, Managing Benefits (2014) *“The individual responsible for the realization of a benefit and who agrees the Benefit Profile prepared by the business change manager”*

B. Roles – Portfolio-level

Portfolio Investment Committee (PIC)

- APMG, Managing Benefits (2014) - *“the governance body that decides which initiatives should be included, and continue to be included, in the change portfolio.”*

Portfolio Delivery Committee (PDC)

- APMG, Managing Benefits (2014) – *“the governance body which monitors change delivery including benefits realization against plan and is responsible for addressing issues that can negatively impact on benefits optimization.”*

Portfolio Director

- APMG, Managing Benefits (2014) - *“the Board member responsible for the successful delivery of change across the organization and for ensuring that benefits realization is optimized from the organization’s investment in change.”*

Portfolio Benefits Manager

- APMG, Managing Benefits (2014) - member of the Portfolio Office reporting to the Portfolio Manager – *“ensures that effective approaches to benefits management are applied across the portfolio.”*

Government Body Literature

A. Roles for BM/BRM – Initiative (project or programme) level

Executive/Project Executive/SRO/Program Sponsor

- OGC/Axelos Common Glossary – **Executive** -*“The single individual with overall responsibility for ensuring that a project meets its objectives and delivers the projected benefits. This individual should ensure that the project maintains its business focus, that it has clear authority and that the work, including risks, is actively managed. The executive is the chair of the project board. He or she represents the customer and is responsible for the business case.”*
- OGC/Axelos Common Glossary – **Project Executive** - *“The individual who is ultimately responsible for a project. Their role is to ensure that the project is focused throughout its lifecycle on achieving its objectives and delivering a product that will achieve the forecast benefits.”*
- **Senior Responsible Owner:**
 - OGC/Axelos Common Glossary, MSP, P3O etc *“The single individual with overall responsibility for ensuring that a project or programme meets its objectives and delivers the projected benefits.”*
 - OGC Managing Benefits: An Overview, v1.0 – the SRO – ‘owns’ the Benefits Management Strategy & Benefits Realisation Plan. *“The SRO must assign responsibility to named individuals in the business area with a clear statement of the benefits they are to deliver”*
 - NI Department of Finance & Personnel *“The Senior Responsible Owner for the change programme or project is ultimately responsible for the management and delivery of business benefits.”*
 - Public Sector Business Cases - Using the Five Case Model - *“The ultimate responsibility for the delivery of benefits rests with the SRO for the project.”*
 - NAO (2006) Delivering Successful IT-enabled business change– *“Every major IT change programme or project should have a Senior Responsible Owner (usually a Senior Civil Servant) to take overall responsibility for making sure that the programme or project meets its objectives and delivers the projected benefits. Key tasks include developing the business case, monitoring and liaising with senior management on progress and risks to delivery.”*
 - Australian Federal Govt (Benefits Management Strategy Template)- *“The Senior Responsible Owner. This is the single individual who has the responsibility for ensuring that the*

Project/Program meets its objectives and delivers the projected benefits. This is the chair of the BoM.”

- **Program Sponsor**- New South Wales Benefits Realisation Management Framework– *“the person who owns the business case and therefore is accountable for realising the benefits (usually DDG or DG level)”*

Business change manager

- OGC/Axelos Common Glossary & MSP (2011) -*“The role responsible for benefits management, from identification through to realization, and for ensuring that the implementation and embedding of the new capabilities are delivered by the projects. Typically allocated to more than one individual and also known as ‘change agent’.*Note it is the BCM who is responsible for benefits realization after programme closure.
- *“These Business Change Managers are responsible for making sure benefits happen and so must have the required accountability, responsibility and control functions. Their role may extend beyond programme closure and must allow for succession planning and transition”* (OGC Managing Benefits: An Overview, v1.0)
- Australian Federal Govt (Benefits Management Strategy Template)Business Change Managers– *“These are the individuals who are responsible to the Project/Program for managing the required changes in the operational areas,(i.e. after taking on the capabilities being delivered by the Project/Program’s).*Also sometimes referred to as **Change Agents.**”
- MoV: **Change manager** – *“A person who may operate at any level to support benefits realization, focusing on the realization of a particular benefit.”*

Programme Manager

- MSP (2011) – the programme manager, *“develops the benefits management strategy, benefits realization plan, ensures capability delivery is aligned to maximise the realization of benefits, and initiates benefits reviews”*
- OGC Official Product – Bradley, G. (2010) Fundamentals of Benefits Realisation - *“acting on behalf of the SRO to ensure that the...planned benefits are actually realized. Specific responsibilities include: The realization of the benefits.”*
- Public Sector Business Cases - Using the Five Case Model. *“Ownership of the delivery of benefits remains with the programme manager”.*

Programme Office

- MSP (2011) - monitors and reports on benefits realization.
- P3O(2008) defines the following roles:

- COE activities (permanent office) - *“Develop standards for benefits management, including processes, templates and tools”*
- Programme or Project activities (temporary office) - *“Facilitate agreement of the Benefits Management Strategy between the SRO, Programme Manager and business areas; Facilitate the agreement of the Benefits Profiles between the SRO, Programme Manager and Business Change Managers; Facilitate agreement of the Benefits Realization Plan between the SRO, Programme Manager and business-area business change managers; Track benefits realization on behalf of the business, collating benefits data for reporting purposes.”*

Benefits Manager – various job titles are quoted for a PMO-based benefits role e.g.

- P3O (2008) **Benefits role** – *“The role provides a benefits-realization support service to programme managers, business managers and business change managers.”*
- **Benefits Manager & Benefits Analyst** - DVLA Change Programme –Benefits Management (2005).
- **Benefits Manager**–Australian Federal Govt (Benefits Management Strategy Template) - *“This is the individual that is responsible within the Project/ProgramOffice for providing the centre of expertise in implementing this strategy, managing the benefit planning information, and ensuring that benefit realization plan is implemented.”*
- **Benefit specialist**– Victoria IMS: *“A person who has expertise in the definition, management and evaluation of the benefits of an investment. People responsible for program evaluation have this expertise.”*

Benefit Owner

- OGC Managing Benefits: An Overview, v1.0 - *“the individual responsible for the realization of a benefit and who agrees the Benefit Profile prepared by the Business Change Manager.”*
- *“A person responsible for the realization of a benefit.”* OGC Official Product – Bradley, G. (2010) Fundamentals of Benefits Realisation.
- Also referred to by: Cabinet Office Major Projects Authority – Assurance of benefits realisation in Major Projects (2015)
- Australian Federal Govt (Benefits Management Strategy Template) – **Benefit Owners**–*“These are the individuals in the (Agency) who have a direct interest in the benefit being delivered. A good rule of thumb is that these are the individuals who head up the areas whose KPIs will be affected if the benefit is not realised.”*
- New South Wales Benefits Realisation Management Framework - **Benefit Owner** – *“The person responsible for the realisation of the benefit.”*
- **Outcome Owner** - New South Wales Benefits Realisation Management Framework: *“the person accountable for the achievement of one or more benefits which are contributing to that outcome. An outcome owner can own one or more outcomes.”*

Benefit data provider

- Victoria Investment Management Standard: *“A person who has been identified as the custodian of data that will be required as evidence that a KPI has been met.”*

B. Roles – Portfolio-level

Portfolio Direction Group or Investment Committee

OGC MoP (2011) - Agree the Portfolio Management Framework and processes in the portfolio definition cycle; *“Undertake regular portfolio-level reviews to assess progress and confirm that the portfolio remains on course to deliver the desired strategic benefits and outcomes”.*

Portfolio Progress group or Change Delivery Committee

OGC MoP (2011), *“responsible for monitoring portfolio progress and resolving issues that may compromise delivery and benefits realization”*; *“Monitor and approve changes to the benefits forecast”*

Organization Portfolio Office

OGC/Axelos Common Glossary - *“A type of P3O model that is designed to centrally manage the investment process, strategic alignment, prioritization and selection, progress tracking and monitoring, optimization and benefits achieved by an organization’s projects and programmes on behalf of its senior management.”*

Portfolio Office

OGC/Axelos Common Glossary - *“An office which is established centrally to manage the investment process, strategic alignment, prioritization and selection, progress tracking and monitoring, optimization and benefits achieved by an organization’s projects and programmes on behalf of its senior management.”*

Portfolio Benefits Manager

- OGC MoP - *“The Portfolio Benefits Manager ensures that a consistent ‘fit for purpose’ approach to benefits management is applied across the portfolio and that benefits realization is optimized from the organization’s investment in change.”*
- **Benefit facilitator** - OGC Official Product – Bradley, G. (2010) Fundamentals of Benefits Realisation - *“a centre of expertise for BRM to support programmes and projects with benefits realization yet challenges benefit claims and business cases. The role should be a permanent role within an organization, sitting outside individual programmes and best located in the portfolio office.”*
- **Benefits Realisation Manager/Facilitator** - New South Wales Benefits Realisation Management Framework, *“A role within the Department PMO which is responsible for the profiling, planning and tracking of benefits across the cluster.”*

Summary

This review of the Professional Body and Government Body literature in relation to roles for BM/BRM suggests that there is a strong alignment in the types of roles and the terminology used for their titles. Roles such as Senior Responsible Officer, Business Change Manager, Benefit Owner, Benefit Manager are commonly used in the guidance. There is distinction between the roles at project/programme and portfolio level, given the overview role of portfolio management in BM/BRM.

There is less evidence on the degree to which the practice of BM/BRM incorporates these roles and uses these headings. In particular, evidence on the incidence of roles specifically on benefits, as opposed to those roles where benefits is incorporated into a wider remit, would be useful.

5. Reflections

The findings of the report confirm the need for a thorough review of the terminology associated with BM/BRM. While such issues are of less importance than the uptake and embedding of BM/BRM in organizational practices, the two are linked. Ambiguity and confusion around concepts makes it less likely that BM/BRM will be used successfully to contribute to organizational objectives. Terminology contributes to the way that any management idea is adopted into an organizational context. For BM/BRM there are clearly issues around terminology, which may have substantive impacts on the coherence and consistency of the processes adopted, and hence the effectiveness of the method.

As far as the word 'benefit' is concerned, as well as the existence of synonyms, there is a major issue with the other uses of the term in organizational contexts, in HR and welfare, which has wider implications for terminology, as discussed below. In BM/BRM the definitions of 'benefit' often have much in common with each other, being concerned with outcomes which are favourable from the point of view of a stakeholder, or are valued by a stakeholder. This understanding of the term provides a reference point to critique claims that, for example, outcomes and benefits are synonymous.

The term 'benefits realisation' has two main meanings in the BM/BRM context. It may be used across the whole life-cycle of a project/programme and its incorporation into 'business as usual', or it may be used to refer to a particular stage towards the end of the life-cycle, or purely refer to benefits after handover. In organizational practice, one of the common failings with BM/BRM is a failure to sustain the commitment to benefits throughout the initiative's life-cycle and beyond. Therefore, anything in the terminology which encourages a holistic and sustained approach would seem to be helpful. If the term 'benefits realisation' is not used to encourage this commitment across the initiative's life-cycle and beyond, some other term would need to perform such a role.

There are other terms which are used as synonyms for the stage-specific meaning of benefits realization, such as 'benefits harvesting' or 'benefits delivery'. These terms would be satisfactory alternatives in this context.

Sometimes 'benefits realisation' is given the status of the overall title of the management idea. However, where this happens, some other word is usually used to complete the title. If the word 'management' is not used for this purpose, some alternative such as 'approach', 'methodology', or 'method' is used. In the early days of the development of BM/BRM there were other alternatives which might have attained generic status, but in recent times, there have been only two titles for the management idea, 'benefits management' and 'benefits realization management'. The definitions of these terms do not decisively differentiate them. Both are concerned with the benefits life-cycle and the realization of the potential benefits of investment in change. Hence in this report we have used a joint acronym 'BM/BRM' to refer to the management idea which is our subject matter.

Although ‘benefits management’ is the more commonly used term, across the different literature types there are authors who favour ‘benefits realization management’. There is no sign that either term will fade away. The two terms are usually seen as being synonymous, but there are advantages and disadvantages of each one(Table 8)

Table 8 Advantages and disadvantages of the use of ‘benefits management’ and ‘benefits realization management’ as alternative terms

	Benefits Management	Benefits Realization Management
Advantages	<ul style="list-style-type: none"> • Used by most Government Bodies, Professional Bodies and Training Organisations. • Currently the most used term in practice in many parts of the world, such as the UK and Commonwealth based organisations. • Most used in academic research. • Simpler and shorter term. 	<ul style="list-style-type: none"> • More distinctive term • Avoids the confusion with the terms used by HR practitioners and in Welfare. • Including the word ‘realization’ can add an element of urgency and significance
Disadvantages	<ul style="list-style-type: none"> • Less distinctive term • Used also by HR practitioners and in Welfare with totally different meanings, which causes confusion when discussed in general business environments. • Brings unrelated results when searching databases. • Rather a ‘flat’ term 	<ul style="list-style-type: none"> • Less utilised than Benefits Management in many parts of the world. • Not recognised by most Government Bodies, Professional Bodies and Training Organisations • Less used in academic research • Longer term

In part of the literature there is a tendency to treat benefits as synonymous with value. This has a number of dangers, which were illustrated in terms of the difference between benefits maximization and optimization. If value is seen to be a combination of benefits with costs, the organisation is likely to be in a better position to manage its investments effectively.

Positions taken in the literature with regard to the roles for BM/BRM at project, program and portfolio levels vary greatly. It is difficult to be clear on this issue without contextualization. For example, opinions differ as to the degree to which projects deliver benefits. This will depend on what levels are utilized in the organisation in question. If there are no program or portfolio levels, the role of project managers will be very different compared to the position if all three levels are present. The industrial sector will also be relevant. The benefits from projects in IT-enabled change will be different from those in highways construction, for example.

This dilemma illustrates a general limitation affecting the report, in that the literature is predominantly conceptual/normative in nature. There is a dearth of research which has explicitly addressed the roles in benefit realization at the different levels for case study organizations. If there was an evidence base on research into 'real' projects and programs which studied in practice the nature of the results at the project level (outputs or outcomes) and whether these represented a capability or a benefit, it would provide a firmer foundation for recommendations on the issue. There would still have to be consideration of the transferability of the research findings to other contexts.

Similar constraints affect the inferences made about the implications of terminology for practice. The reason that it is difficult to say whether Benefits Management or Benefits Realisation Management would be more effective in encouraging active management of benefits is that there is no evidence on what the implications of the adoption of the alternative titles would have on behaviors in relation to benefits.

6. Conclusion and Recommendations

Concluding comments will be outlined against each of the four questions, followed by our recommendations to the PMI.

1. *What is meant by benefits realization and benefits realization management?*

In BM/BRM the definitions of 'benefit' often have much in common with each other, being concerned with outcomes which are favourable from the point of view of a stakeholder, or are valued by a stakeholder.

The term 'benefit' is defined in slightly different ways in different publications, but the term is generally conceptualised as i) being measurable, ii) resulting from an outcome from an investment or from a change process, iii) being valued as positive by a stakeholder.

'Benefits realization' usually refers to either the full benefits lifecycle or to a specific stage/phase towards the latter end of the wider life-cycle process, called 'benefits management' or 'benefits realization management'. The key issue here is whether 'benefits realisation' as a term does enough to emphasise the importance of a balanced and sustained attention to benefits across all stages. It might lead to an assumption that benefits is something to attend to towards the end of the life-cycle of a project or program. Furthermore, when there is a timelag between the investment taking place and the majority of the benefits being achieved, or if the main benefits are only achieved after the project or program has ended and been absorbed into 'business as usual', 'benefits realization' as a term needs reinforcement to convey the active management process required to maintain the focus on benefits.

'Benefits Realization Management' is a term for the full management idea. Definitions vary in their emphasis on i. the benefits life-cycle and ii. the realization of the potential benefits of investment in change. As a term it has been particularly championed in the UK by Bradley (2006/10) *Benefit Realisation Management*, whose definition "*the process of organizing and managing, so that potential benefits, arising from investment in change, are actually achieved.*" is often used. Most definitions highlight its comprehensive nature, across the full benefits life-cycle and beyond.

2. *Are there synonyms for benefits realization and benefits realization management? Which of these are used in academic research, empirical or conceptual? In the consulting literature? In government documents, including legislation? Identify and distinguish among and between governments publications/legislation of the governments under study. By practitioners or in their organizations? What are the nuanced differences in these terms?*

The main synonym for 'benefits realization management' is 'benefits management'. Benefits management is by far the more common term across all the literature types covered in this report. This is particularly the case in IS/IT-enabled change. The dominant definition in this sector is Ward and Daniel's (2006/2012) *"the process of organizing and managing, so that potential benefits, arising from the use of IS/IT, are actually realised."* The similarities between this definition and the one used by Bradley to refer to 'Benefit Realisation Management' illustrate the degree to which the two terms are interchangeable. However, there are advantages and disadvantages associated with each one, and an organisation issuing guidance will generally wish to use one of the terms, in the interests of clarity and consistency.

As well as being synonyms for each other, 'benefits realization' and 'benefits realization management' are linked to other terms which refer to specific approaches or methods. Examples are 'Active Benefits Realization' (Remenyi et al. 1998) and the Benefits Realization Approach (Thorp, 1998/2003). None of these methods/approaches have the status of a synonym for 'benefits realization management' or 'benefits management'. There are academic publications which have suggested that 'benefits realisation' has the same definition which is generally applied to 'benefits management', eg Hellang et al. (2013), but as discussed above there are good reasons to view 'benefits realization' as a concept within the management idea of either 'benefits realization management' or 'benefits management'.

There are synonyms which are used for 'benefits realization', when it is used to mean a phase or stage in the wider life-cycle. 'Benefits harvesting' and 'benefits delivery' are the terms used.

There are a number of terms which are sometimes used synonymously with 'benefits', but more usually are used in the definition of 'benefits', or are viewed as similar, but not the same in meaning. Such terms include 'outcome', 'impact', 'goals', 'needs', 'objectives' and 'requirements'. The view taken here is that none of the above terms should be viewed as a synonym for 'benefits'. The term 'value' has a particularly close, but complex relationship with 'benefits', and at least four different connections have been identified, covering

- value as a collective term, or equivalent to benefits
- value as a collective term, but referring specifically to benefits aligned with (or contributing to) organisational strategy
- value as a term representing benefits less costs/resources required to realise the benefits
- value representing the quantification of benefits (often in monetary terms) or the financial result of benefits realization.

Viewing 'benefits' and 'value' as synonymous has a number of dangers, which can be illustrated in terms of the difference between benefits maximization and optimization. If value is seen to be combining benefits with costs/resources, the organisation is likely to be in a better position to manage its investments effectively. The focus should be on optimising the relationship between benefits, costs/resources and other areas, such as risk.

3. *How is the terminology addressed in projects? What differences exist? Are there synonyms for benefits realization or benefits realization management in projects, programs and portfolios?*

As indicated at the outset, our approach was to incorporate the program and portfolio levels into this question. Regarding the realisation of benefits from projects and programs, there are two main perspectives,

A. The view that sees BM/BRM as being primarily a program, not a project level activity (because the focus of the latter is on the delivery of outputs/products with the former being responsible for 'transitioning' these outputs/products, or the capability they create, into outcomes and benefits); and

B. The view that does not distinguish between projects and programs from a benefits perspective i.e. BM/BRM is seen as applying at both levels.

Over and above programs and projects, the literature on portfolio management sees it as encompassing program and project prioritisation, defining consistent approaches to be applied, and having an overview of benefits realization. As indicated in the review of the academic literature, there is stream in the IS/IT literature which identifies projects and the portfolio of projects as the two levels, without any reference to programmes.

BM/BRM originated in the world of IS/IT where the focus was on realizing benefits/value from the full spend (PPM and 'business as usual'). As evidenced by the high proportion of the academic sources referring to the wider organizational context, there is a stream in the literature which emphasises the importance of a focus on benefits for strategy execution, linking with BM/BRM as part of a 'value mindset', engrained in organizational culture.

4. *How is the terminology used in projects, programs and portfolios across the fields (i.e. academic research, consulting, government, practitioners and their organizations)? What differences exist?*

As the management idea of BM/BRM has been translated over time, documentation from one sector has been adopted and adapted by another, often with the same individuals involved. For example, the initial pioneers of BM/BRM in the 1990s were consultants and IS/IT-orientated university departments who were then commissioned to help prepare government guidance in the 2000's. Therefore, it would be expected that the terminology would overlap across the different literatures, and this has broadly been the case.

A key point here, which has been mentioned earlier, is that the term 'benefits management' has been the dominant one in academic research and government guidance, particularly in the IS/IT field. One of the reasons for this is the influence of the Cranfield model, which used the term benefits management.

Recommendations

The report is entitled 'A unified view of BM/BRM to be integrated into PMI standards', but this does not mean that it is realistic for the report to specify a set of terms with the expectation that these could ever become standardized across the whole field. There are two main reasons for this.

- Because of the differences in terminology across the literature, a unified set of terms is not feasible. For example, a decision by the PMI to use 'benefits management' as the term to describe the management idea in its standards will not eliminate the use of the term 'benefits realization management' across the field.
- There has been no empirical research into the implications of the use of different terms on the effectiveness of BM/BRM. Therefore, any preferences for one term over another are limited in the evidence base that can be used in support.

It is however, suggested that there are important benefits to be gained in using a consistent set of terms across PMI guidance that are clearly and unambiguously defined, along with the relationships between the terms.

A set of principles will be outlined, to guide decisions about terminology, which lead to some specific recommendations on the issues where decisions on terminology are required.

The first principle is that, while terminology is less important than practices, the two are inextricably linked. Terminology has substantive impacts on the coherence and consistency of the processes adopted, and hence the effectiveness of the methods used for BM/BRM.

Second, more important than the choice of terms is the alignment of terminology across different sets of guidance. This will provide clarity for organisations as to how to take a holistic and consistent approach to BM/BRM.

Third, it is important where possible to be specific on the relationships between different terms, so that it is clear which terms are synonymous and which are not.

The first recommendation concerns the relationship between the term 'benefits realisation' and the umbrella term applying to the management idea as a whole, which might be 'benefits management' and might be 'benefits realization management' (see 'reflections' section for the advantages and disadvantages of each). This recommendation is proposed to encourage the active management of benefits across and beyond the life-cycle of the investment in change.

Recommendation 1 - If the term 'benefits management' is adopted, then a consistent usage of 'benefits realization' would be as a process in the benefits management life-cycle, for an investment in change and its subsequent incorporation into the mainstream. If, on the other hand, the term 'benefits realization management' is adopted, then a consistent usage of 'benefits realization' would be to refer to the whole benefits life-cycle.

The second recommendation concerns the relationship between 'benefits' and 'value'.

Recommendation 2 – Value and benefits should not be regarded as synonyms. Value must take into account not only benefits, but the costs/resources required to realize those benefits, as well as other factors such as alignment and risk . The focus should be on optimising the relationship between benefits, costs/resources and other areas, such as risk.

The third recommendation is concerned with BM/BRM at the different levels – project, program, portfolio and wider organization. This not a case of specifying that responsibility for benefits must rest at a particular level, because that will depend on contextual factors, but to recommend a way of working of universal applicability.

Recommendation 3 – The relationship between the roles of each level in benefits (project, program, portfolio and wider organization) should be clear and the processes for integration should ensure that the people with responsibility at each level are working together to optimize benefits.

To illustrate this point, if the primary role of projects is to deliver capabilities, then the project manager should be clear on what they need to do in relation to the capabilities they are responsible for, so that benefits at the program level can be optimized, based on collaborative working between the project and program levels.

The fourth recommendation takes a wider focus, and is concerned with the wider organizational context.

Recommendation 4 – BM/BRM should not be regarded as a specific management domain. Instead, a 'value mindset' needs to be a corporate responsibility and extend throughout the organization. This means that while BM/BRM must be a key part of the management of projects (including programs and portfolios where applicable), responsibilities for BM/BRM must extend across the organisation as a whole, including, but not limited to, strategy, where the context for value and benefits is established, and the handover into 'business as usual', where benefits are actually realized and value is created and sustained.

The fifth and final recommendation concerns the scope of this report, covering only documentation in the English language and restricting the literature search to particular management fields. Widening the scope on both these parameters could generate further insights for the development of BM/BRM.

Recommendation 5 – that options be explored to widen collaboration with professional bodies and academia across management disciplines, to provide a wider perspective on the development of BM/BRM and related themes.

7. Appendices (separate documents)

1. Academic Literature Review
2. Professional Bodies Literature Review
3. Government Sources Literature Review
4. Consultants/Practitioner Literature Review