Australian Government
Digital Transformation Agency

# Benefits Management Policy
## For Digital & ICT-Enabled Investments

**V0.3** (SDDC endorsed) | 24/07/2023 **dta.gov.au**

**The Benefits Management Policy defines how benefits must be managed across the Australian Government digital and ICT portfolio. The Policy supports agencies to deliver digital and ICT outcomes by detailing investment oversight requirements and providing guidance on benefits management.**

**The Benefits Management Policy document includes Policy, Standard, Guidance and Process components. Through the application of these components, agencies can ensure that digital and ICT-enabled investments successfully realise investment objectives.**

# Contents

# Policy

The Policy sets out eight Policy statements that underpin benefits management best practice. It explains **WHY** a consistent approach to benefits management is essential for digital and ICT-enabled investments.

# Policy

## Purpose

The Benefits Management Policy (BMP) defines how benefits must be managed for digital and ICT-enabled investments. The Policy:

- ensures that agencies understand the requirements to successfully deliver the outcomes that Australians need
- enables effective oversight and reporting of investment outcomes across the Government's digital and ICT investment portfolio.

## Applicability

The Secretaries' Digital and Data Committee (SDDC) has endorsed the voluntary adoption of the BMP for digital and ICT proposals coming forward for Cabinet consideration under the Digital and ICT Investment Oversight Framework in the 2023-24 MYEFO process.

Unless formally excepted, the Investment Oversight Framework applies to all Government digital and ICT-enabled investments that meet the following definition and eligibility criteria.

**Note:** The BMP is endorsed by the SDDC for application to digital investments in-scope of the Investment Oversight Framework for Digital and ICT Investments.

## Other Whole of Government Requirements

DTA recognises that there are a number of whole-of-government processes that consider the benefits of digital and ICT-enabled investments such as the ICT Investment Approval Process, Regulatory Impact Analysis, and Cabinet Implementation Planning. DTA anticipates that the requirements set out by the BMP will complement these processes and ensure that benefits are clearly articulated, monitored, and optimised.

## Digital Investment Definition

A digital and ICT-enabled investment is an investment which uses technology as the primary lever for achieving expected outcomes and benefits. This includes investments which are:

- transforming the way people and businesses interact with the Australian Government
- improving the efficiency and effectiveness of Australian Government operations, including through automation.

## Digital Investment Eligibility Criteria

The Investment Oversight Framework applies where digital and ICT investment:

- is brought forward by a non-corporate Commonwealth entity and, where specifically requested by the Minister responsible for the Digital Transformation Agency, a Corporate Commonwealth entity
- involves digital or ICT costs
- is being brought forward for government consideration as a new policy proposal.

## Authority

The Digital Transformation Agency (DTA) has final decision rights in determining whether an investment meets the definition of a digital or ICT investment. If you are unsure whether your investment meets this definition or wish to seek an exemption from the process, you must contact: investment@dta.gov.au

**Global Learnings & Experience**

"Evidence shows that the best way to ensure successful delivery is by setting up projects correctly in the first place. The most common causes of failure are well rehearsed: lack of clear objectives, insufficient resources, and over-ambitious cost and schedule, among others. All these mistakes impact on the level and amount of benefit that can be realised and can be avoided if tackled in a project's early stages."

Infrastructure and Projects Authority (UK Government), 2017, Guide for Effective Benefits Management in Major Projects

# Policy Objectives

**The Policy enables the identification, measurement, planning, and realisation of investment benefits through a structured approach that provides program sponsors and Government with confidence that Digital and ICT-enabled investments will achieve their intended objectives.**

The objective of the Policy is to provide Government with a better understanding of how Digital and ICT-enabled investments are performing and confidence that projects remain on track and contribute to strategic goals by:

- Embedding standardisation and consistency of benefits management practices across the Digital and ICT portfolio (the portfolio) through processes, tools, templates, and terminology.
- Defining a standard classification structure that demonstrates contribution towards strategic objectives and drives alignment between investment benefits and broader strategies and policies.
- Providing clear guidance (e.g. tools, templates, and processes) and expectations for agencies, including expectations for benefits articulation and measurement in the prioritisation, contestability, and assurance states of the Investment Oversight Framework.
- Enabling the DTA to provide Government with a complete picture of expected and realised benefits across the portfolio, enabling more informed investment decisions, including to help address whole-of-government capability gaps.

## Future Iterations

The Policy currently includes eight core benefits management best practice statements that support agencies in the delivery of investment outcomes and the realisation of investment objectives.

Future Policy iterations will further integrate benefits management across all states of the Investment Oversight Framework and will likely include more detailed processes, guidelines, templates, a classification structure, and reporting requirements.

## Policy Background

From 1 July 2021, the Digital Transformation Agency has whole-of-government responsibility for managing strategic coordination and oversight functions for Digital and ICT investments, including during the delivery phase.

In delivering its mandate, the DTA is required to provide Ministers, the Secretaries' Digital and Data Committee and other key stakeholders with confidence that Digital and ICT investments are strategically aligned, will achieve their investment objectives, and deliver optimal value for Government, citizens, and businesses.

To learn more about the DTA's broader Digital and ICT investment oversight role visit the Digital and ICT Investment Oversight Framework.

### Global Learnings & Experience

"What I've noticed from the most successful organisations is the application of a consistent portfolio-wide benefits framework or categorisation that links benefits to strategy; a focus on the key benefits from each project or program; and a really disciplined approach to managing projects and programs as investments"

Jenner, S, 2019, Bang for your Buck: Why Benefits Management is Essential for Project Success, Queensland University of Technology

"Benefits are not just another dimension of project and programme management (PPM) – rather, they are the rationale for the investment of taxpayers' and shareholders' funds in change initiatives. As such, benefits should be the driver behind all change initiatives from initiation through to, and indeed beyond, integration into business as usual (BAU)."

Jenner, S and APMG International, 2014, Managing Benefits: Optimizing the Return from Investment

# Policy Statements

**The BMP is comprised of eight policy statements that define successful benefits management practice.**

The policy statements are informed by the experience and research of globally recognised leaders, Australian federal, state and territory government agencies, and the DTA.

## Policy Requirements

Digital and ICT-enabled investments must meet all four criteria set out in the Standard (pp. 8-9).

| 8 Policy Statements | |
|---|---|
| 1 | Benefits are aligned to strategic objectives. |
| 2 | Benefits are integrated into performance management. |
| 3 | Benefits are integrated into a project's governance approach. |
| 4 | Benefits are measurable and evidence based. |
| 5 | Benefits are owned by business units and not by the project. |
| 6 | Benefit dependencies are explicitly understood and recorded. |
| 7 | Agencies that deliver projects adopt a benefits-led culture and approach to change. |
| 8 | Benefits management activities are integrated into project management activities. |

# Standard

The Standard outlines **WHAT** agencies must do to comply with the Policy. It establishes the four criteria against which proposals are assessed at the Contestability state of the Investment Oversight Framework.

# Standard

**The purpose of an investment is to deliver benefits and contribute towards strategic objectives. To ensure investment benefits are realised, and to inform Government decision-making, proposals must demonstrate sound benefits management approaches and clearly articulate expected benefits prior to an investment decision. The DTA assesses benefits management compliance during the Contestability state of the Investment Oversight Framework against the following assessment and alignment criteria:**

## Criterion 1

**The proposal has documented benefit dependencies and how individual benefits contribute towards strategic objectives.**

### Nil

The proposal has not mapped benefit dependencies.

OR

Individual benefits have not been linked to strategic objectives.

### Emerging

The proposal has mapped benefit dependencies in the form of a benefits map that illustrates the relationship between project outputs, investment objectives and benefits, and the business changes on which they rely.

AND

Individual benefits have been linked to the agency's strategic objectives.

### Strong

The proposal has mapped benefit dependencies in the form of a benefits map that illustrates the relationship between project outputs, investment objectives and benefits, and the business changes on which they rely.

The benefits map also distinguishes between intermediate and end benefits and identifies the business changes required for the intermediate benefit to lead to the end benefit.

AND

Individual benefits are linked to whole-of-government Digital and ICT strategic objectives such as the Data and Digital Government Strategy (DDGS) and Investment Oversight Framework's Investment Prioritisation Criteria.

## Criterion 2

**The proposal has identified specific and measurable benefits and documented baseline and target measures.**

### Nil

The proposal does not include individual benefit profiles (or equivalent).

### Emerging

The proposal includes individual benefit profiles (or equivalent) that are agreed and (at a minimum) include:

- Benefit descriptions
- Metric(s) used to measure the benefit
- Baseline values for each metric (including information sources)
- Target values for each metric (including assumptions)
- Endorsement by a single Benefit Owner.

OR

The proposal demonstrates the intent to develop individual benefit profiles as part of a subsequent submission and is not seeking full funding for the project (for example a First Pass Business Case that is returning to Government with a Second Pass Business Case).

### Strong

The proposal includes individual benefit profiles (or equivalent) that are agreed and (at a minimum) include:

- Benefit descriptions
- Metric(s) used to measure the benefit
- Baseline values for each metric (including information sources)
- Target values for each metric (including assumptions)
- Benefit dependencies
- Phased baseline and target values
- Benefit confidence levels
- Endorsement by a single Benefit Owner and agreement by other key stakeholders.

## Criterion 3

### The proposal details fit for purpose governance arrangements that incorporate benefits management.

**Nil**

The proposal has not detailed fit for purpose governance arrangements that incorporate benefits management.

**Emerging**

The proposal details governance arrangements that (at a minimum):

- Document key roles and responsibilities for all benefits management activities (including who will monitor the progress of benefits).
- Describe how regular reviews of benefits realisation progress will occur throughout, and beyond the program delivery.

**Strong**

The proposal details governance arrangements that (at a minimum):

- Document key roles and responsibilities for all benefits management activities (including who will monitor the progress of benefits).
- Describe how regular reviews of benefits realisation progress will occur throughout, and beyond the program delivery.
- Demonstrate how benefits realisation will be incorporated into governance boards/committees.
- Define benefit variation protocols and procedures including tolerance thresholds for forecast and actual benefit variances and appropriate escalation protocols.

## Criterion 4

### The proposal is supported by a suitable Benefits Realisation Plan.

**Nil**

The proposal is not supported by appropriate benefits management documentation.

**Emerging**

The proposal is supported by suitable benefits management documentation that (for larger proposals this information will typically be captured in a dedicated Benefits Realisation Plan):

- Summarises and consolidates expected benefits and disbenefits.
- Details governance arrangements.
- Details plans on how benefits will be managed, approved, monitored and evaluated.
- Details what benefits realisation activities need to occur throughout the life of the project and integrates into other project management artefacts.

**Strong**

The proposal is supported by suitable benefits management documentation that (for larger proposals this information will typically be captured in a dedicated Benefits Realisation Plan):

- Summarises and consolidates expected benefits and disbenefits.
- Details governance arrangements.
- Details plans on how benefits will be managed, approved, monitored and evaluated.
- Details what benefits realisation activities need to occur throughout the life of the project and integrates into other project management artefacts.
- Demonstrates intent on being an iterative artefact throughout the life of the investment and lays out when and under what circumstances the plan will be updated.
- Details how learnings from previous investments have been incorporated into the plan.
- Emphasises seeking out emergent benefits throughout the project's lifecycle.

# Guidance

The Guidance section introduces key benefits management concepts. It explains **HOW** agencies comply with the Policy.

# Definitions

**In this policy, benefits are defined as the measurable improvement from change, which is perceived as positive by one or more stakeholders, and which contributes to organisational (including strategic) objectives.[1]**

**This means:**

- Benefits are **measurable** and observable.
- Benefits are derived from **change**. In the context of this policy, change is derived from Digital and ICT-enabled investments which collectively form the Digital and ICT Portfolio.
- Benefits are advantageous to various **stakeholders**. In the context of government-led digital and ICT investment, stakeholders include citizens, businesses, and various areas within Government.
- To be relevant, benefits need to contribute towards **strategic objectives.** These may include agency-specific objectives as well as broader government strategic goals.

Benefits Management is the identification, quantification, analysis, planning, tracking, realisation, and optimisation of benefits.[2] It is an important change and investment discipline that, when applied effectively, increases confidence in realising intended benefits and demonstrating the success of investments.

The need for increased adoption in the public sector is based on the relatively poor track record of many digital and ICT projects in delivering the benefits they were established and funded to realise.[3] With this in mind, uplifting benefits management maturity is a journey that requires substantial cultural change. As such, agencies at earlier stages of their maturity journey should:

- Approach benefits management with a forward-looking mindset that seeks to plan for success and learn from previous experience, rather than approaching it with scepticism and seeking to attribute blame for past failures.
- Scale benefits management activities proportionately to the investment size and complexity. It is usually impractical to measure all identified benefits of a project. Consider applying the 80:20 rule by focusing on the 20% of the benefits that typically represent 80% of the value.
- Prioritise benefits that can easily be measured using existing processes (for example, staff/client satisfaction surveys) and ICT systems. This helps keep the cost and effort to measure and monitor benefits within reason.
- Be cognisant of and actively account for optimism bias. This means, for example, that it is usually necessary to seek evidence and validation to support benefit forecasts.
- Dedicate time and resources upfront to plan for benefits management by documenting rigorous benefit baselines, targets, and realisation plans to support a compelling business case.
- Ensure that the proposed benefits are within scope of the investment to realise and are not dependent on delivery of subsequent investments.

1 Jenner, S and APMG International, 2014, Managing Benefits: Optimizing the Return from Investment
2 Ibid
3 DTA analysis on the performance of the whole-of-government Digital and ICT Portfolio

# Policy Statements in Practice

## 1

### Benefits are aligned to strategic objectives

A key component of the definition of *benefits* is that they are measurable improvements from projects which are perceived as positive by stakeholders **and contribute towards strategic objectives.** As such, it is important to establish a clear line of sight from strategic objectives through to project benefits (and vice versa). Benefits from projects should be expressed in consistent terms that demonstrate their strategic contribution. Only projects which are properly aligned with strategic objectives should be prioritised (unless they are compliance related).

**This means**

- There is a clear link between the individual benefits the project is designed to realise and the strategic objectives they are contributing towards. Strategic objectives include quantifiable objectives captured in an agency or department's corporate plans. Ideally, the benefits for digital and ICT-enabled investments should also be linked to whole-of-government digital and ICT strategic objectives such as the Data and Digital Government Strategy (DDGS) and the Investment Oversight Framework Prioritisation Criteria.
- The line of sight between strategy and benefits is demonstrated through benefits mapping techniques that explain how benefits are derived and how they contribute towards strategic objectives.

## 2

### Benefits are integrated into performance management

Wherever possible, benefits (and the measures used) should be integrated into the organisation's operational performance indicators, individuals' performance management processes, and contractor and professional service agreements.

**This means**

- Existing agency performance measurement mechanisms are used in defining benefits, baselining, and monitoring performance where they are available. Where possible, data from existing ICT systems should be used.
- Benefits are reflected in the organisation's key performance indicators (KPIs) such as budgets, headcounts, business unit targets, strategic and business delivery plans, etc.
- Realisation of benefits is linked to the personal performance objectives of key individuals, such as the Accountable Executive and Benefit Owners. This ensures that individual responsibilities and accountabilities for benefits realisation are clearly defined, including the implementation of business change.
- Realisation of benefits is linked to contractor performance agreements and professional service provider contracts (e.g. through value-based contracts) where appropriate.
- Benefit Profiles are owned by Benefit Owners and agreed by other key stakeholders.

## 3

### Benefits are integrated into a project's governance approach

Ownership and accountability are critical to effective governance. This statement aims to ensure that there is clear allocation of accountabilities and transparent reporting of performance.
All benefits management activities should have clearly defined roles and responsibilities with documented agreement.

#### This means

- The project has established a robust governance structure that heavily integrates benefits management.
- Benefits realisation is a standing agenda item at all governance board/committee meetings (at all levels).
- Roles and responsibilities for all benefits management activities are clearly understood and documented.
- Individual benefit profiles are owned by Benefit Owners and agreed by other key stakeholders.
- Benefit variation protocols and procedures are clearly defined and include tolerance thresholds for forecast and actual benefit variances and appropriate escalation protocols.
- Regular reviews of benefits realisation progress occur throughout and beyond project delivery.

## 4

### Benefits are measurable, and evidence based

Benefits, by definition, must be measurable (or at the very least observable). Even benefits that are considered intangible can often be measured via qualitative measures and proxy indicators.

If benefits are not expressed in measurable terms, it is not possible to effectively demonstrate improvement. This also means it is not possible to baseline performance which substantially weakens the case for change.

#### This means

- Identified benefits are specific, measurable, achievable, relevant, timebound, and agreed (SMARTA).
- Improvements are described using verbs that tend to be measurable (e.g. using MEDIC: Maintain, Eliminate, Decrease, Increase, and Create) as opposed to vague language (e.g. improve).
- Baseline and target measures are documented and supported by robust assumptions.
- Target confidence levels for each benefit are clearly defined and documented.
- Potential project disbenefits are documented.

## 5

### Benefits are owned by business units, not by the project

Benefits management is a collaborative effort between business sponsors, who own and are accountable for benefits realisation, and digital and ICT project delivery teams, who are accountable for project outputs and outcomes that enable benefits realisation.

The Benefit Owner is the individual accountable for the realisation of specified benefits within the project. Accountability and responsibility for benefits realisation is key for successful benefits management. It is important that responsibility for benefits realisation remains within impacted business units, as projects are temporary and business units are permanent.

#### This means

- Each benefit has a benefit profile (or equivalent) that is endorsed by an accountable Benefit Owner. Re-endorsement of the benefit profile is necessary when the Benefit Owner changes.
- Benefit Owners hold permanent roles within the accountable business areas as opposed to temporary project delivery roles (or both).
- Ideally benefit profiles also include sign off from key project delivery stakeholders such as the Accountable Executive and the Business Change Manager to reflect that benefits realisation requires a joint effort between project delivery and business owners.

# 6

## Benefit dependencies are explicitly understood and recorded

Projects do not lead to automatic realisation of benefits. Benefits realisation depends on business change or some other management intervention. Identifying the enabling products/services/outputs and dependant business changes is a critical first step to ensure that someone is accountable for these management actions.

### This means

- A benefits map is developed collaboratively with stakeholders to identify the benefits of the project and how outputs/deliverables combine with business changes to realise the benefits. Ideally, they also distinguish between intermediate and end benefits.
- Dependent business changes are captured as milestones and integrated into project management plans and relevant artefacts.
- Change management functions are integrated with benefits planning so that appropriate change management activities are planned for.

# 7

## Agencies that deliver projects adopt a benefits-led culture and approach to change

The purpose of investment is to realise benefits and, as such, all change should be benefits-led. Additionally, there needs to be a shift from a delivery-centric culture, where the focus is on delivering capability to time, cost and quality standards, to a benefit-centric culture, where the primary focus is on delivering value from investments.

### This means:

- Benefits realisation has the full commitment (not just curiosity or interest) of senior management.
- Projects are created for the purpose of realising the required benefits rather than benefits being used to justify a pre-selected solution.
- Projects clearly articulate strategic benefits to be realised and the drivers for change (the problem). This will inform the project scope and minimise investment in projects that do not contribute to strategic goals.
- Early realisation of benefits is a priority, even for long-term projects.
- Incremental and modular approaches to program delivery are adopted, with quick wins being used to generate enthusiasm for the project.
- Benefits are seen as a continuous activity whereby the benefits realised and reviewed by one project should inform valuable lessons learned and determine the starting point for similar future projects.
- There is an emphasis on looking for emergent benefits throughout the project lifecycle.

# 8

## Benefits management activities are integrated into project management activities

Benefits management must be fully integrated into other project management activities to ensure project management decisions and reporting remain focussed on benefits. Benefits should not be treated as incidental to, or naturally resulting from, project management activity.

### This means

- Benefits are prominently featured in project status reporting and as a standing agenda item at all governance board/committee meetings (at all levels).
- Benefit dependencies that are identified in the benefits map are incorporated into project, risk and change management plans with accountable owners.
- Appropriate resourcing is set aside for benefits management activities.
- Benefits are integrated into communication and stakeholder engagement plans to ensure alignment of messaging.

# Governance

**Clearly defined roles, responsibilities and accountabilities are fundamental to effective benefits management.**

Some of the key project level roles in benefits realisation include:

- **Accountable Executive:** the individual who is accountable for the overall success of the project and optimising benefits realisation.
- **Benefit Owner:** the individual responsible for the realisation of a specific benefit. The Benefit Owner must hold a business as usual role in the organisation (as opposed to a project delivery role) as projects are transient and benefit ownership typically extends beyond the life of a project.
- **Project/Program Manager:** the role responsible for day-to-day management of the project and the coordination of change activities that enable benefits realisation.
- **Business Change Manager:** the role responsible for benefits management activities, preparing benefits management documentation, and embedding business change. The role is the link between the project and the business.

**Note:** these are roles and do not necessarily reflect job titles. The roles should be scaled to the size and complexity of the project. For example, on larger projects there may be multiple Business Change Managers, or Benefits Managers may be used to support benefits management activities on behalf of these key roles. Irrespective of size and complexity, there should ultimately be a single Accountable Executive that has overall accountability for the realisation of project benefits, and a single owner for each benefit.

## Benefit Change Control

A key challenge of benefits management is the ability to trace benefits realisation back to the investment decision (i.e., business case), which is critical in evaluating the success of a project. To overcome this challenge, it is important to document a baseline, review the baseline at critical benefit milestones, and document variations to expected benefits.

Changes may occur for several reasons including changes in project scope, changes to project schedule, and emerging risks and issues.

When considering project changes, the impact on benefits must be considered. Benefit variations must be integrated into project governance mechanisms for appropriate consideration, buy in and approval. All benefit variations must, at a minimum, be signed off by the Accountable Executive and Benefit Owner.

# Process

The Process defines **WHEN** benefits management activities occur in the context of the investment lifecycle.

# Process

**The benefits management lifecycle spans the life of a digital and ICT-enabled project and beyond. The lifecycle is comprised of 5 key phases: Identify, Analyse, Plan, Monitor and Realise, and Review. While the lifecycle is represented as sequential, many activities are repeated throughout the lifecycle reflecting its iterative nature.**

### Alignment of Benefits Management Lifecycle with the Digital and ICT Investment Oversight Framework

| Pre-ERC | | ERC Decision | Project Implementation | | |
|---|---|---|---|---|---|
| **Investment Oversight Framework States** | | | | | |
| **Strategic Planning**<br>Defines the Government's digital and ICT investment portfolio, its future objectives and identifies capability gaps | **Prioritisation**<br>Prioritises, plans and advises on investments to deliver on the Government's digital and ICT objectives | **Contestability**<br>Ensures proposals are robust and meet whole-of-government digital standards prior to government consideration | **Assurance**<br>Provides assurance to government that investments are on-track to deliver expected benefits | **Sourcing**<br>Ensures Government obtains the best value for money from digital and ICT-enabled investments | **Operations**<br>Is a direct feedback loop of the successes and areas to improve the AGA and the content that guides agency investments in digital |
| **Benefits Management Lifecycle** | | | | | |
| Identify | Analyse | Plan | Monitor & Realise | | |
| Review | | | | | |

# Stages of the Lifecycle

## Identify

**In the Identify stage, potential benefits are identified and prioritised. The objectives are:**

- Understand the issues and opportunities that are driving the need for change.
- Consider these drivers together with strategic objectives to guide the identification of potential benefits and disbenefits.
- Prioritise the most achievable benefits and quantify them (consider applying the 80:20 rule).
- Map the benefit dependencies that enable benefits realisation.
- Capture baseline levels of current performance.
- Identify and validate benefits with potential Benefit Owners.

## Analyse

**In the Analyse stage, benefit forecasts are refined, benefits are valued, and options are assessed. The objectives are:**

- Further refine, validate and challenge benefit forecasts, and document any associated assumptions.
- Value benefits in monetary terms where possible to provide a consistent basis for assessing different options.
- Appraise the different options through techniques such as cost-benefit, cost-effectiveness, and multi-criteria analysis.
- Analyse benefit confidence and conduct sensitivity analysis.

## Plan

**In the Plan stage, mechanisms are put in place to document, realise and monitor benefits. The objectives are:**

- Further refine, validate and challenge benefit forecasts. Document associated assumptions.
- Confirm Benefit Owners, finalise roles, responsibilities, and governance arrangements.
- Record benefit dependencies and milestones in project plans.
- Seek out, identify and capture emergent benefits.
- Plan stakeholder engagement and communication.
- Document benefits management planning in benefit maps, benefit profiles, and benefits realisation plans.

**Note:** Benefits management documents, like business cases, capture 'point-in-time' requirements. However, these documents are live artefacts that must be regularly updated to reflect change throughout the project lifecycle.

## Monitor & Realise

**In the Monitor and Realise stage, benefits management remains central to project delivery. The objectives are:**

- Seek out, identify and capture emergent benefits.
- Manage benefit variations via governance arrangements and change control mechanisms.
- Report periodically on benefits realisation progress and take corrective action where required.
- Implement change management processes to ensure successful benefits realisation. This includes training and development, business process re-engineering, and/or staff redeployment.
- Adopt behavioural change strategies to maximise benefits.
- Formally handover responsibility for benefits realisation, optimisation and monitoring to Benefit Owners at project closure.

## Review

**The Review stage assesses the degree to which benefits are, or will be realised. Review occurs before, during, and after project completion. The objectives are:**

- Conduct internal and independent reviews at key project milestones or project stage gates to assess the progress, delivery risk and realisation of benefits.
- Capture anecdotes and success stories that demonstrate success of the project.
- Capture lessons learned and share with future projects.
- Continue to monitor and report on benefits realisation.

# Glossary & Acknowledgments

# Glossary

| | |
|---|---|
| **Baseline** | The reference levels against which a project is monitored and controlled. |
| **Benefit** | The measurable improvement from change, which is perceived as positive by one or more stakeholders, and which contributes to organisational (including strategic) objectives. |
| **Benefit Dependencies** | Enabling products/services/outputs and business changes upon which benefits realisation is dependent (may also include intermediate benefits). |
| **Benefits Management** | The identification, quantification, analysis, planning, tracking, realisation, and optimisation of benefits. |
| **Benefit Owner** | The individual responsible for the realisation of a benefit and who agrees the benefit profile. |
| **Benefit Profile** | The document used to record and reach agreement (with the Benefit Owner) on the key details about a benefit (or disbenefit) including categorisation, metrics, calculation, baseline, target, and any dependencies. |
| **Benefits Realisation Plan** | The plan that provides a consolidated view of the benefits forecast by category and which represents the baseline against which benefits realisation can be monitored and evaluated. Should also capture governance arrangements, risks to realisation, and assumptions. |
| **Benefits Map** | A pictorial representation of the business changes on which benefits realisation depends, and how these benefits contribute towards strategic objectives. |
| **Business Changes** | Business changes or other management interventions (e.g. training, staff re-allocation, process redesign, etc.). |
| **Business as Usual** | The routine, day-to-day operational activities by which an organisation pursues its mission. |
| **Cost-Benefit Analysis** | Analysis which quantifies in monetary terms as many of the costs and benefits of a proposal as feasible. |
| **Cost-Effectiveness Analysis** | Analysis that compares the cost of alternative ways of producing the same or similar outputs. Suited to compliance-based projects. |
| **Digital & ICT Portfolio** | The collection of digital and ICT-enabled investments that are subject to the Investment Oversight Framework. |
| **Disbenefits** | The measurable result of a change, perceived as negative by one or more stakeholders, which detracts from one or more organisational (including strategic) objectives. |
| **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 project. |
| **End Benefits** | The benefits the project is set up to realise and which confirm achievement of the investment objectives. |
| **Intermediate Benefits** | Benefits which arise from a project, and which can in turn enable the realisation of the end benefits that the project was designed to realise. |
| **Metrics** | One or more agreed measurable performance indicators used to demonstrate the achievement of a benefit. |
| **Multi-Criteria Analysis** | A technique applied to the appraisal of options. It is based on assigning weights to relevant financial and non-financial criteria, and then scoring options or projects in terms of how well they perform against these criteria. |
| **Outputs** | The tangible or intangible artefacts produced, constructed, or created as a result of a planned activity. |
| **Investment Oversight Framework** | The Whole-of-Government Digital and ICT Investment Oversight Framework is a six-stage, end-to-end framework providing a way for the Government to manage digital and ICT-enabled investments across the entire project lifecycle. |

# Acknowledgments

This BMP draws on global experience and learning. It is predominantly based on APMG-International's **Managing Benefits™** methodology and definitions.

This Policy builds on learnings from a robust discovery process, engagement with numerous entities in Australia and overseas, and draws on extant literature and best practice publications. The following best practice sources are gratefully acknowledged:

**Jenner, S and APMG International,**
Managing Benefits:
*Optimizing the Return from Investment.*
2014

**Infrastructure and Projects Authority (UK Government)**
*Guide for Effective Benefits Management in Major Projects.*
2017

**The Treasury, New Zealand Government**
*Managing Benefits from Projects and Programmes: Guide for Practitioners.*
2019

**Australian Taxation Office**
*Benefits Management Framework.*
2020

**Australian Bureau of Statistics**
*Benefits Management Framework.*
2020

**New South Wales Government**
*Benefits Realisation Management Framework.*
2020

**IP Australia**
*Benefits Management Framework.*
2015

**Axelos**
*Managing Successful Programmes (MSP®) 5th Edition.*
2020

**Services Australia**
*Benefits Realisation Manual.*
2022

## Contact & Feedback

**Please contact us for further information.**

We value your feedback and ideas to help improve our processes and information. If you have any comments regarding this document, please share your thoughts with us.

The DTA is actively seeking agency support in ensuring this policy is fit for purpose. If you'd like to be involved, please contact:

**benefits.management@dta.gov.au**