

When is a benefit not
a benefit?

When it isn't realised!

Jonathan Buck



Quick Guide:

- Mic's on mute please
- Put any Questions/Comments in the chat (if they arise or if you want to challenge or contribute something)
- 3 Breakout discussion sessions, each of 10 mins followed by a 5 min summary
- Questions reviewed at the end
- 90 minutes duration



BENEFITS? WHAT'S GOING ON?

There are several ways the US Air Force could have wasted \$1.1bn. It could have poured tomato ketchup into 250m gallons of jet fuel or bought a sizeable stake in Bear Stearns*.

Instead it upgraded its IT systems.

*Financial Times
18th September 2013*

Bear Stearns was a global investment bank that crashed in 2008.

Context: Work began in 2007 to reconfigure how the force managed its logistics, with the aim of replacing 200 dated networks with a single piece of software. By the time the project was abandoned five years later it was at least four years behind schedule and would have required an additional \$1.1bn to become usable.

WHAT'S GOING ON 2?

From my experience, 20 per cent of projects fail, and 40-50 per cent have a **cost overrun**, time overrun or don't meet requirements.

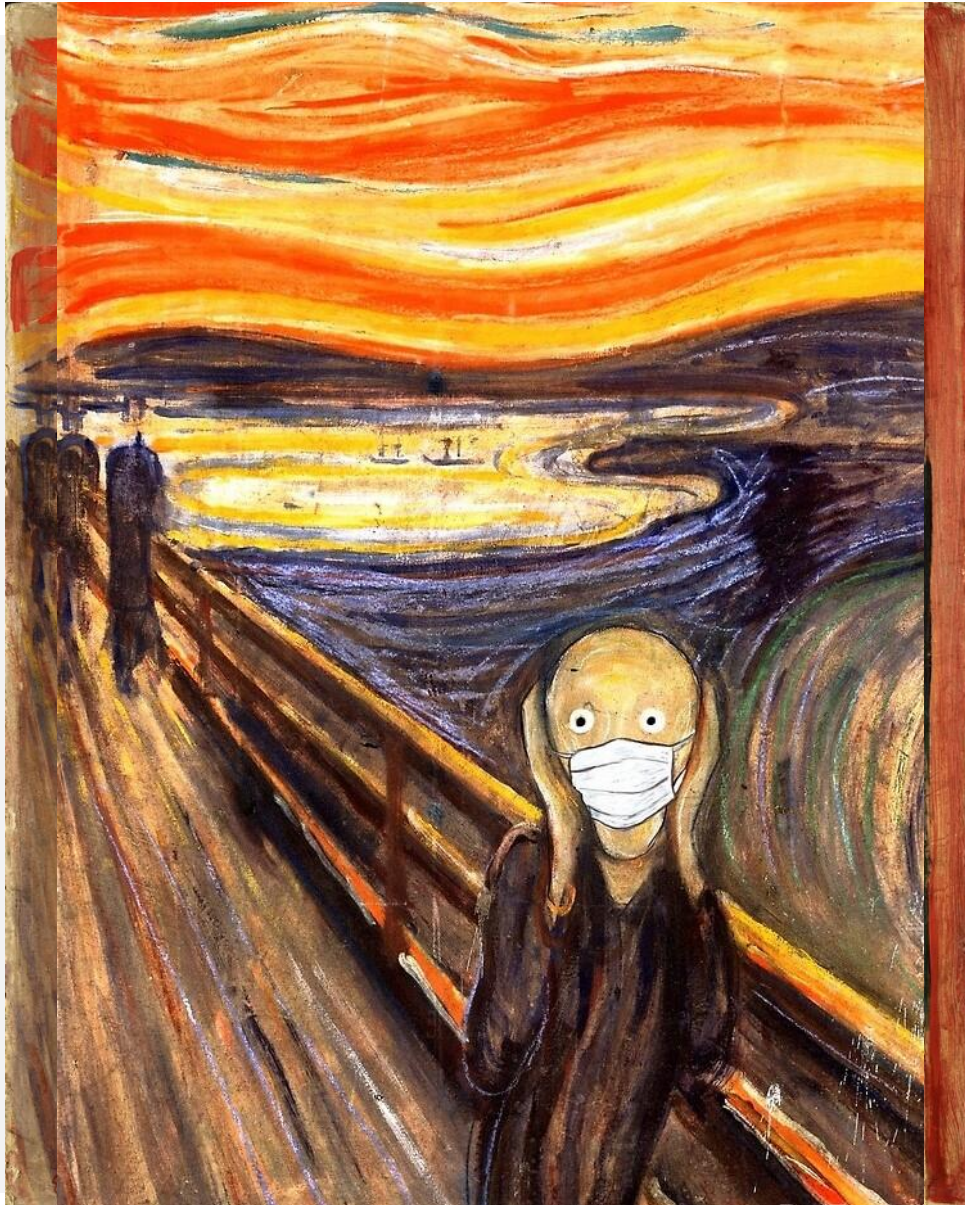
Ralf Dreischmeier, the global head of Boston Consulting Group's IT practice, 2013

The disappointing failure rates of IS projects and the uncertainty of **value realisation** through systems use are still troubling practitioners and puzzling researchers
Cecez-Kecmanovic et al, 2014

20 – 30% of all IS development projects are perceived as overwhelming failures, while 30% to 60% are partial failures

Wright and Capps, 2011

IT'S ENOUGH TO MAKE YOU.....



*With apologies to
Edvard Munch*

WHAT SHOULD BE "GOING ON"?

"1. Introduction

1.1 The vast majority of Government policies are delivered through projects and programmes of various forms. It is therefore vital that we deliver projects successfully in order to realise **their intended benefits** for citizens."

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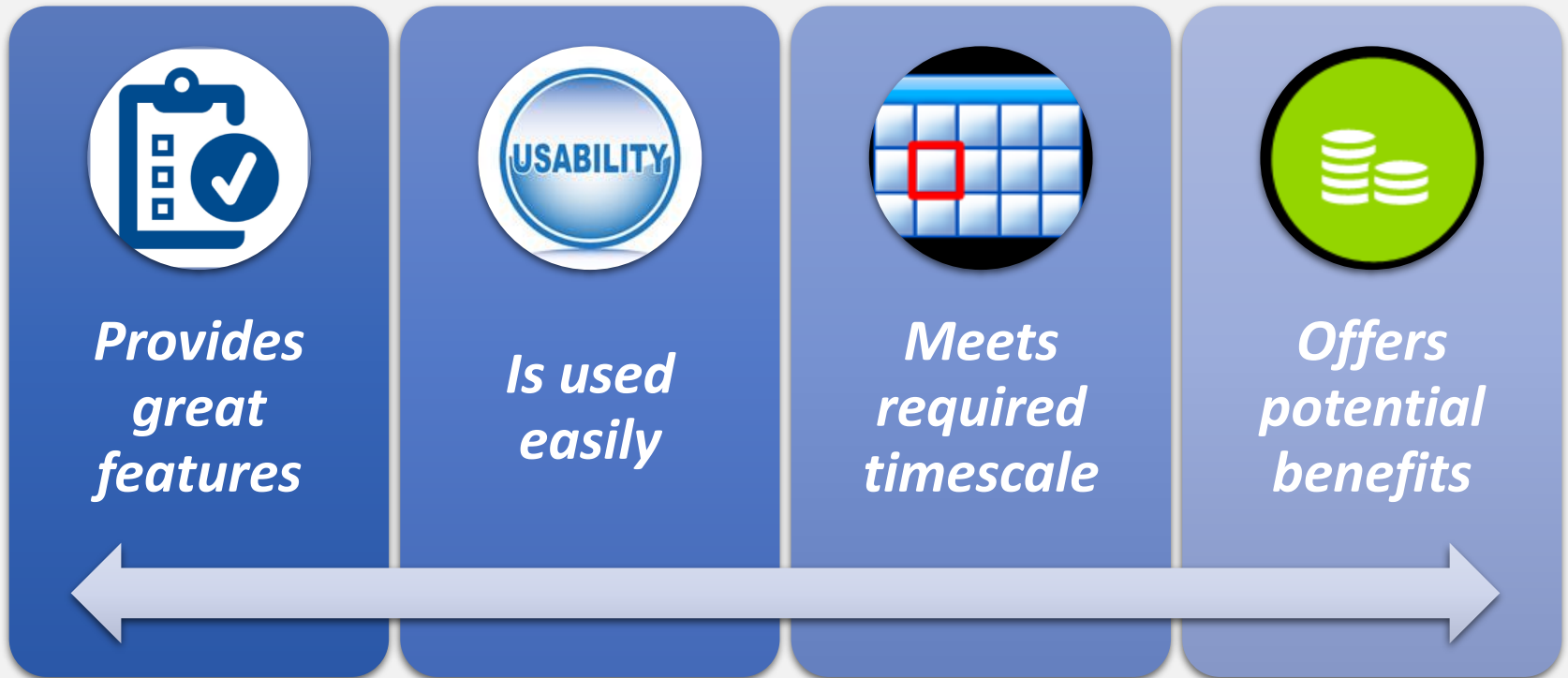
*Guide for Effective Benefits Management in Major Projects
Key benefits management principles and activities for major projects*



Infrastructure
and Projects
Authority

The Infrastructure and Projects Authority (IPA) is the government's centre of expertise for infrastructure and major projects. It sits at the heart of government, reporting to the Cabinet Office and HM Treasury.

Value is determined by the recipient



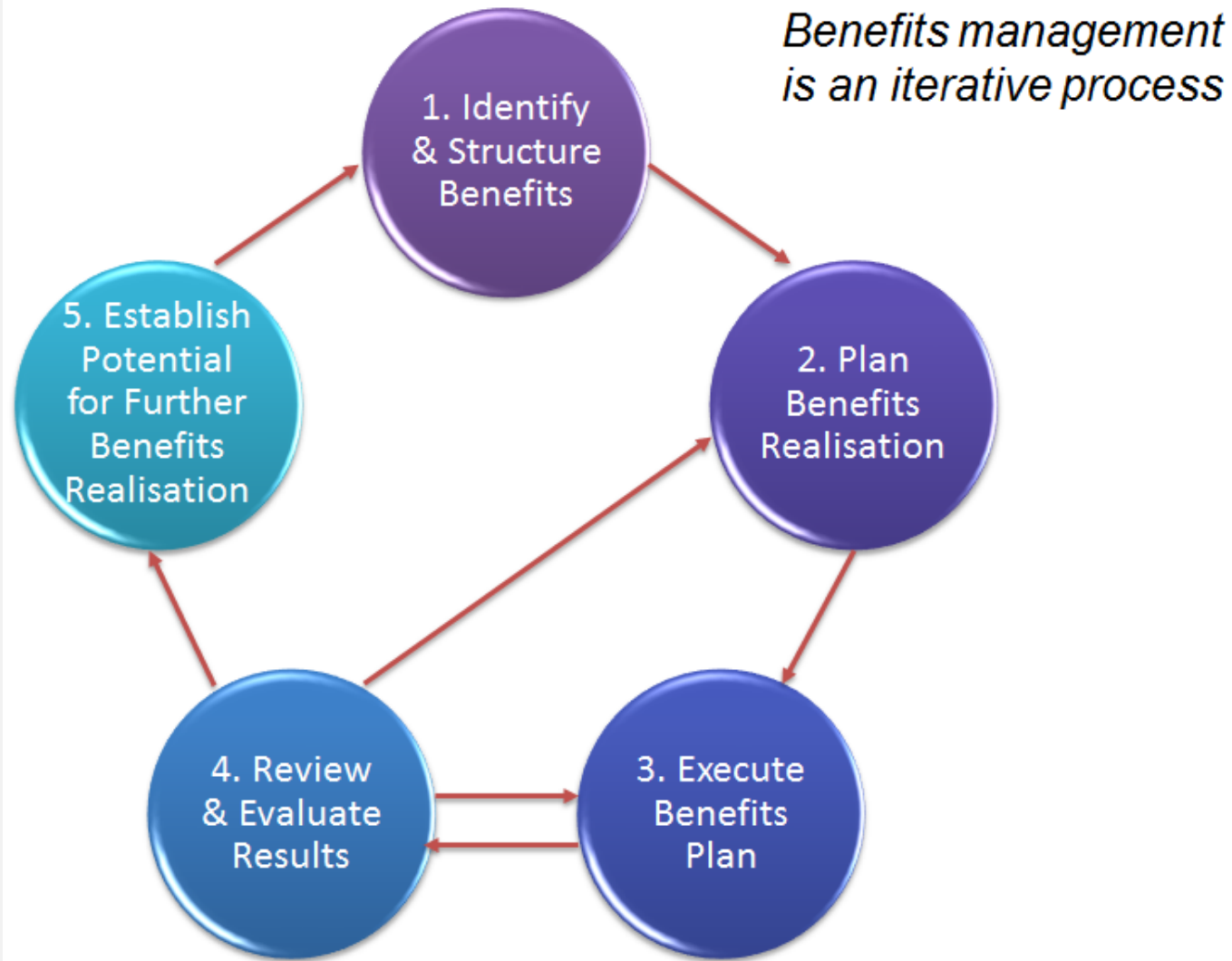
Benefits must be managed to be realised

‘The process of organising and managing such that the potential benefits arising from the use of IS/IT (and Technology) are actually realised’

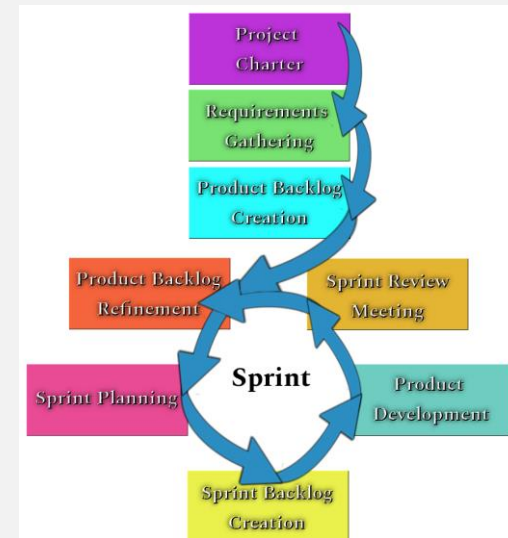
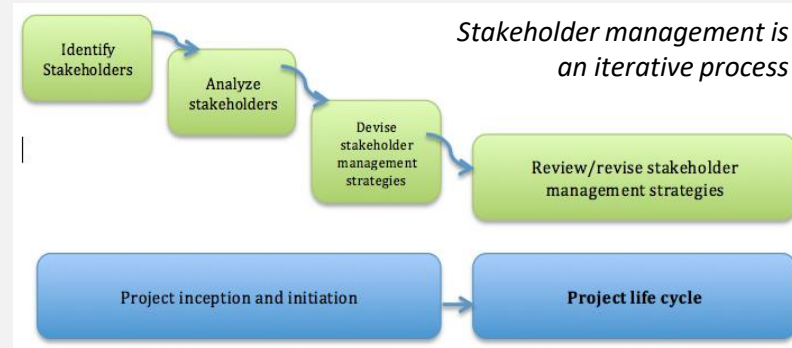
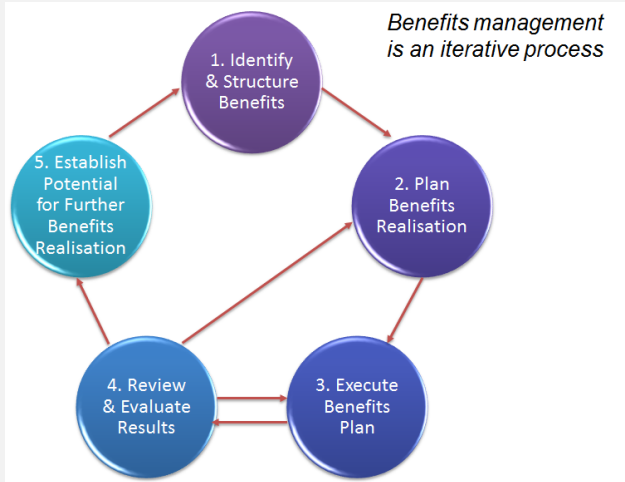
(Ward and Daniel)

Discuss the following in your groups:

- The objectives of benefits management
- Why benefits management may fail to ensure benefits realisation



OTHER ITERATIVE LIFECYCLES?





Discuss the following in your groups:

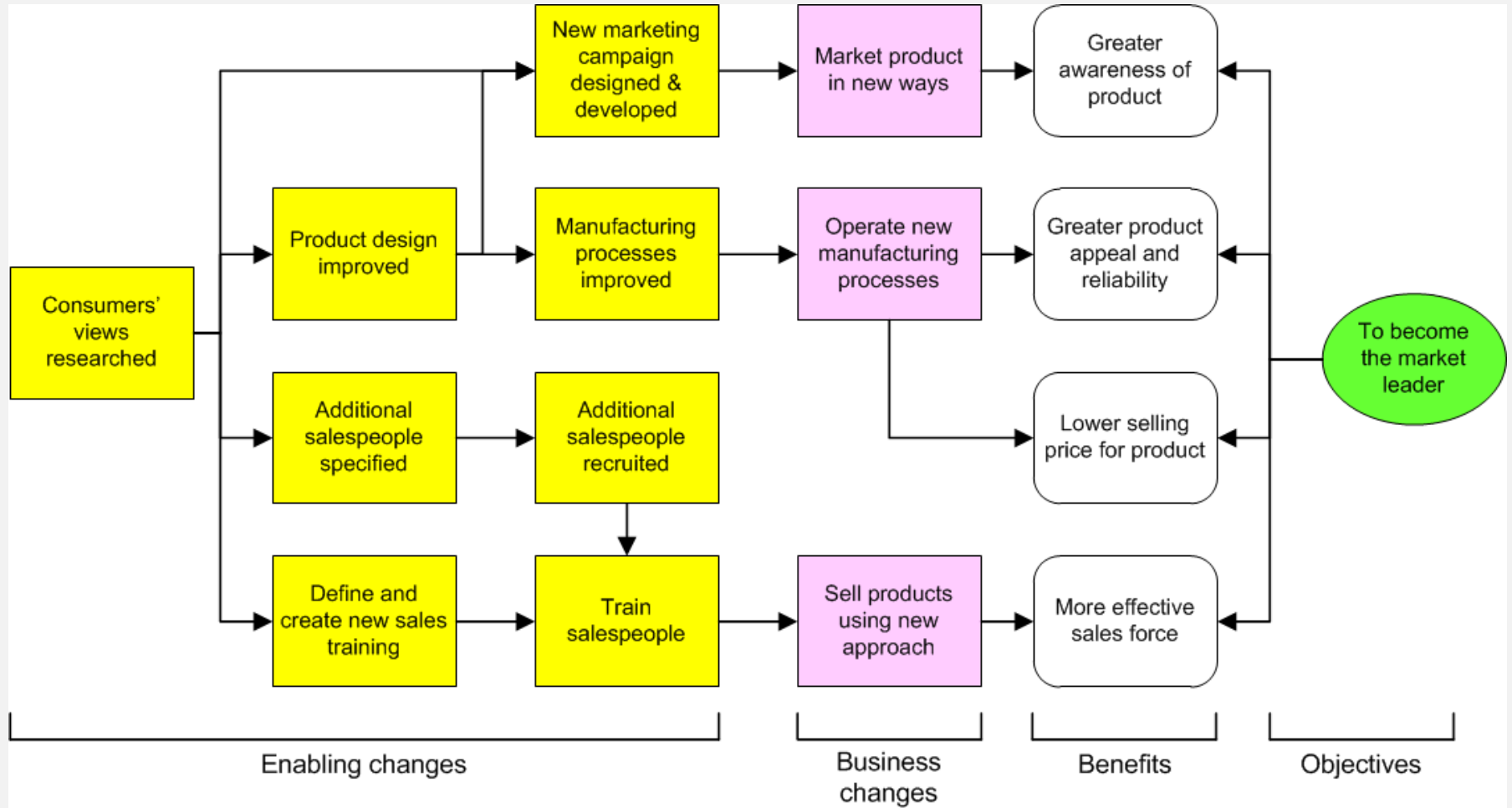
- What is the role of the business analyst within the benefits management lifecycle?
- What would prevent the business analyst from supporting benefits management?

Consider:

What is our USP?

What is the VP we offer?

BENEFITS DEPENDENCY NETWORK



Discuss the following in your groups:

- Which business analysis techniques help with benefits management?
- What has your organisation done to achieve successful or improved benefits management?



**Situation investigation &
problem analysis**

Investment objectives
business benefits



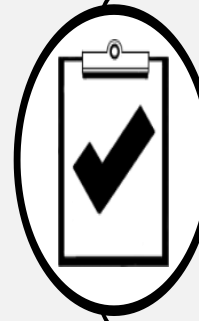
**Requirements
definition**

IT and Enabling
changes



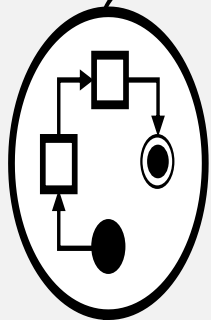
**Feasibility assessment &
business case development**

Investment objectives
business benefits



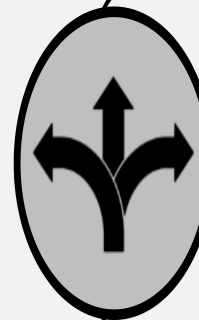
**Business acceptance
testing**

IT and Enabling
changes



**Business process
improvement**

Enabling changes



**Business change
deployment**

IT, Enabling and
Business changes

Questions and Answers

A review of any
questions raised in
this session



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