



Information Sharing Lessons Learned from Gateway Reviews: Gate 5 – Benefits Realisation Review

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The purpose of this document is to share lessons learned to support agencies to better identify opportunities to improve productivity and efficiency and to help make project teams more aware of alternative approaches to project delivery that may increase the realisation of benefits.

This document presents the lessons learned from Gate 5 – Benefits Realisation Reviews held since the Australian Government's implementation of the Gateway Review Process in 2006 and are drawn from the three project types: ICT, Infrastructure and Procurement. Regardless of their origin, the lessons learned are beneficial and provide good practice that can be applied across all project types.

The Gate 5 – Benefits Realisation Review focuses on ensuring that the project is delivering the benefits and value for money identified in the Business Case and Benefits Realisation Plans. It takes place after the agency has carried out a post-implementation review or similar major review. It makes use of findings from that internal review, together with an assessment of organisational learning, as evidence of good practice but may or may not include a full review of plans for the future.

The lessons learned provided in this document are a subset of all recommendations and are grouped into the Gate 5 Key Focus areas. The percentage distribution for all recommendations is as follows: Business Case and Benefits Management (20 per cent); Review of Operating Phase (21 per cent); Plans for Ongoing Improvements in Value for Money (13 per cent); Plans for Ongoing Improvements in Performance (14 per cent); Readiness for the Future (20 per cent); and Review of Organisational Learning and Maturity Targets (12 per cent).

Business Case and Benefits Management

Update the Business Case and Benefits Management Plan - ensure that the Business Case and Benefits Management Plan remain dynamic documents.

Effectively using the Business Case and managing benefits involves:

- considering a review of the Benefits Realisation Plan to ensure that:
 - the nature of each benefit is expected and linked to key project objectives;
 - existing benefits and their measures remain valid;
 - any additional benefits identified during implementation are included with appropriate measures;
 - the realisation of benefits in terms of interim, direct, indirect and disbenefits are described;
 - the project owner of each benefit is identified;
 - the relationships and dependencies between benefits, including cross-agency benefits are mapped;

- the means by which the realisation of each benefit will be measured and benchmarked and the metrics to be used for describing and quantifying benefits are identified, including the comparative analysis, where appropriate for determining success;
- a schedule detailing when each benefit is expected to be realised is included;
- the planned collection methods and timing for benefits assessment data is outlined;
- the timeframe for measuring progress and realisation of each benefit is appropriate; and
- the processes to be used to improve benefits realisation if required is outlined.
- ensuring that the current planning process clarifies project objectives and scope, and defines requirements in sufficient detail to achieve quality outcomes;
- incorporating reporting on progress towards the project benefits outlined in the Benefits Realisation Plan into project performance reporting; and
- considering the benefit of developing a high-level project close-out report that includes:
 - quantification of the financial and non-financial benefits achieved to date;
 - measurement of the extent and quality of the enabling capability delivered;
 - measurement of the benefits achieved by partner agencies;
 - confirmation of the actual expenditure against budget;
 - confirmation that the project objectives and outcomes have been achieved; and
 - identification and circulation within the agency of lessons learned.

Review of Operating Phase

Actively manage the Project to maximise benefits realisation –review relevant documents and ensure they are appropriate and that stakeholders are engaged and focused.

Review risk management practices – update risk documents to be current and ensure that ongoing risks are mitigated.

Active project management involves:

- specifying and prioritising enhancements and ongoing training needs for all operational staff;
- considering the benefit of engaging business stakeholders in business process workshops to improve business processes, streamline workflows, and improve operational and administrative capability;
- as required, updating and maintaining any relevant contract management guide (ensuring it remains current with service level agreements and recognises inter-agency complexities);
- expediting the transition of outstanding contracts and arrangements;
- monitoring, at senior management level, the effectiveness of project structures to ensure resources focus on the project plan and achieving outcomes;
- to maintain momentum and to maximise benefits realisation, reinvigorating the formal planning processes to include provision for the implementation of end of program report recommendations;
- conducting annual post project reviews with all user agencies/stakeholders and jurisdictions to facilitate the continuous improvement of operations and supporting documentation; and
- incorporating the project's change management capabilities into agency business as usual operations at the end of the project.

Improving risk management practices involves:

- updating the key service delivery and risk management documentation to take into account the operational phase of the project;

- conducting a benefits and business change risk-workshop to identify any new risks and issues that may limit the maximum realisation of benefits;
- ensuring that ongoing risk mitigations are addressed through an appropriate governance framework together with relevant work area plans; and
- undertaking a comprehensive review and analysis of risks that may affect take-up and any potential impact on business as usual functions.

Plans for Ongoing Improvements in Value for Money

Achieve best value for money – develop and maintain a Benefits Realisation Plan that includes KPIs and assigns responsibilities.

Achieving best value for money involves:

- developing a Benefits Realisation Plan/Methodology that continuously identifies and measures actual and forecast benefits to guide the completion of the current implementation;
- identifying KPI measurements being monitored that are capable of being linked to "claimable" business and government benefits that demonstrate that the project is progressively delivering the expected benefits;
- centralising benefits into one document for routine monitoring, ongoing review and stakeholder-wide distribution;
- assigning responsibility within the project for the current and whole-of-government sponsorship of opportunities that will continue to be identified;
- undertaking and documenting a formal lessons learned activity that is fed into new initiatives, projects and business as usual planning;
- including quantifiable cost and benefit measures in all future investment proposals;
- in particular for ICT projects, where appropriate, considering who owns data entered into/captured by ICT systems and establishing clear data entry rules to improve data quality that will inform useful recommendations about cost-effective improvements; and
- also for ICT projects, where appropriate, creating a formal combined business/IT forum that provides a feedback loop to capture innovation and proposed enhancements.

Plans for Ongoing Improvements in Performance

Improve performance – monitor, review and evaluate for continuous improvements.

Planning for continuous performance improvement involves:

- developing a business benefit and performance-monitoring framework that includes appropriate performance monitoring and reporting tools, and conducting regular user surveys of both internal and external stakeholders;
- reviewing stakeholder engagement mechanisms to improve expectation management, where necessary;
- reinforcing and maintaining the project planning and management disciplines to the end of the project. For cross-functional and cross-agency projects, this will provide for consistent management of scope, milestones and communication of changes, together with comprehensive risk and financial management;
- refining the current project reporting arrangements to provide a succinct written analysis of key performance data and trends to date;
- considering the benefit of maintaining the project steering committee for the duration of the project, and based on the original terms of reference, give particular attention to:
 - developing and monitoring the Benefits Realisation Plan; and

- ensuring that the existing knowledge and skills are maintained and utilised for ongoing improvements in performance.
- considering the benefit of establishing an advisory group, potentially through the expansion of the terms of reference, to provide strategic advice on the operations of the project and future enhancements and/or modifications; and
- implementing a formal succession planning process for key project appointments.

Readiness for the Future

Ensure a smooth transition – focus should be directed towards change and risk management that is communicated to all stakeholders.

Undertake a post-implementation review – focusing on learnings and the broader benefits and applicability of the project to Government.

Ensuring a smooth transition involves:

- senior and line management focusing on the business change impact to ensure that it is understood and that it will be appropriately managed on an ongoing basis;
- updating risk management planning to include the identification and treatment of future risks;
- considering the benefit of establishing an agreement such as a memorandum of understanding or service level agreements, between involved agencies. Elements of such an agreement would include:
 - service level catalogue (for ICT projects);
 - engagement procedures for work between agencies;
 - escalation procedures;
 - roles and responsibilities; and
 - end of term provisions.
- for ICT projects, leveraging an enterprise business strategy to maximise the foundation built by the project and ensure it links to enabling strategies such as IT and people strategies.

Undertaking a post implementation review involves:

- reviewing the effectiveness of the project;
- considering the organisational structure and responsibilities framework required to implement the project;
- integrating across agency reporting and performance monitoring;
- focusing on lessons learned and how these can be leveraged across the agency;
- identifying any broader business benefits; and
- assessing how the project capabilities could be further leveraged.


Review of Organisational Learning and Maturity

Make the most of the knowledge and experience gained – identify, implement and embed lessons learned.

Continued inter-jurisdictional engagement – engage early and continuously with inter-jurisdictional partners.

Effectively using knowledge and experience gained involves:

- identifying lessons learned covering communications, project governance, risk management, handover, stakeholder management, support and training, and project management;

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- taking strong action to ensure that lessons learned findings and independent review recommendations are implemented in a coordinated fashion;
 - actively socialising lessons learned with project managers within the agency;
 - developing and adopting better practice guidance;
 - coaching and training relevant staff to increase capability and understanding of the project and to underpin the necessary behavioural changes for effective project delivery;
 - promulgating the strategies and capabilities developed in the project across other agencies;
 - implementing a benefits management framework at the departmental/portfolio level that addresses both financial and non-financial benefits at the corporate, program and project levels;
 - embracing a benefits-led approach for future initiatives where benefits are identified in outline early and progressively defined and subsequently managed through supporting key performance indicators to drive change through the business;
 - recruiting an Organisational Change Manager to assist business areas in managing change to support the realisation of benefits, where appropriate; and
 - for large scale initiatives, introducing a user centred design approach across the capability lifecycle, including:
 - need for change;
 - Business Case;
 - requirements definition;
 - sourcing strategies;
 - design, build and test activities; and
 - roll out, transition, realisation of benefits and feedback.

Continued inter-jurisdictional engagement involves:

- engaging early and continuously with inter-jurisdictional partners, for example, on COAG initiatives;
- benchmarking existing systems and identifying the optimum solution;
- identifying implementation strategies that minimise reputational risk to all jurisdictions;
- multi-jurisdictional benefits realisation; and
- ongoing reviews.