Benefits - The real purpose of projects webinar Question and Answers Tuesday 21 May 2019	
Questions	**Answers**
Aren't measurable benefits based on observable benefits?	Yes, the two are related. Observable means that there is a change which can be established by moving performance from a recognised level. Observable - there must be a baseline established which can be used as a comparison for the future state performance levels. Measurable - there must be a method established for measuring the benefit.
What about ownership - one issue is that people are unclear who is responsible?	This is a very important issue. Generally, the Project Manager is responsible for the delivery of the outputs. There needs to be a benefits owner who will have operational responsibilities who will be responsible for actions required to realise the benefits. There also needs to be a senior leader (Sponsor or SRO) who is accountable for the full delivery of the business case. It is important that these roles and their relationships are fully understood.
Aren't many of those actual KPIs that translate into the financial benefits targeted?	Financial benefits should support the departmental/organisational KPIs. If they do not, why would anyone invest in something which is not valued at an executive level?
Do you have any further suggested reading for identifying the benefits that are not quantifiable. i.e. staff and customer engagement and how you would measure success of change that has been implemented in an organisation?	I would direct you to my book which discusses this issue - http://bit.ly/Kenns_book. Also, I would suggest mapping the benefits to understand the entire system within which your organisation operates. Staff engagement may be an outcome. The benefit may be reduced staff turnover, which would lead to reduced recruitment costs. Similarly with customer engagement, there may be proxy measures such as loyalty and connections on Facebook which may show some engagement, but the real longer term benefit probably relates to returning customers and repeat orders. It is cheaper to retain a customer than it is to get a new one, so this benefit lower the costs of sales too.
I would argue that without a good description, how do we know if the benefit is measurable?	I would support that view wholeheartedly. This is the reason I believe that the benefit profile is such an important document. It forces the team to fully describe the benefits and the methods for measuring the baseline and the future performance.

Where should accountability for benefits management sit? PMO? Finance? The business?	The simple answer to this is, "it depends…" However, because the question specifically refers to accountability, the answer is the Sponsor or Senior Responsible Owner (in effect, the lead investor - the one who gains most from the change). The role of the Sponsor will change depending on the scale and impact of the investment, but this single appointee is accountable for the success of the business case. They may delegate some responsibility to Benefit Owners or Business Change Managers with respect to specific benefits but ultimate accountability must rest with a single person who has the authority to make decisions about the investment.
How do you measure a benefit that can't be baselined because there is no baseline in place in a new organisation?	Research. There may be information available from other sources, comparisons with organisations which have undertaken similar projects. Reference class forecasting, I believe, will become a major factor in the analysis of benefits and the compilation of business cases. It takes time and resource to establish reference class data but it will pay dividends in making major investment decisions. Remember - the quantification of benefits is based upon assumptions, estimates and forecasts and can be impacted by external events. The accuracy of the baseline and the benefits must be good enough to base decisions upon.
Who is responsible for managing the benefits i.e. client or deliverer?	Generally, the client (as the investor) will be more interested in the generation of benefits overall.
In terms of 'positive risks'; i.e. a risk something will improve; is this better treated as a potential benefit, a risk or both ?	I am in favour of a proactive approach to management so I would ensure that it was raised and monitored. A positive risk or opportunity is one way to manage uncertainty and raise its profile so that action is taken to ensure realisation. Another approach would be to identify the benefit (or emerging benefit if the benefit is identified after the business case is written) and take actions to ensure its success. Either approach is valid in different circumstances and will depend on the definition or description of the risk/ benefit and the organisational appetite for each.
It's very easy to launch into answering "what do we want to do" before satisfying "what do we want to achieve?" What is the best way to park ideas about the latter question, so you can focus better on the question of what we want to achieve?	This is a tricky issue because people may have pre-conceived ideas about what needs to be done. Understanding the Context of the investment is so important. It ensures that the initial focus of the team is on the key issues. The only way to understand the context is to spend time with the key stakeholders. This may be in individual meetings or small groups and takes time. However, it is an effort which will pay dividends later.

Can we get more content on the unintended consequences slide? Thank you	I would direct you my book which discusses this issue - http://bit.ly/Kenns_book where this is discussed in some detail. For other reading (and this is not necessarily the view of APM - it is my thought) I would recommend some works by behavioural economists such as Kahneman and Tversky, Pink and Thaler. For some lighter but thought-provoking reading I would recommend "Freakonomics" by Levitt and Dubner.
We tend to shy away from disbenefits... how can we ensure we bring these in to the mix?	A dis-benefit is a negative result (a negative benefit) arising from the project/ programme. They should be managed in exactly the same way as a benefit. Highlighting them enables the impact of them to be managed and measured. Ignoring them provides a erroneous business case and some unpleasant surprises if they do arise, and especially, if they exceed the expected values.
Business cases tend to talk about "counterfactuals" rather than baselines. But the two are not exactly the same thing?	Great point and an important and subtle distinction. By definition, I would make the point that a baseline is a performance measure at a specific point in time and a counterfactual would be modelled based upon what would have happened without the intervention. For example, the current baseline journey time from A to B is 60 minutes. As traffic volume grows, it is anticipated that the journey time will increase by 10 minutes per year (so in 6 years time the journey will take 120 minutes). The installation of a good train service may reduce road traffic making the journey time (in 6 years) 70 minutes. Measuring against the baseline shows 10 minutes added to the journey-time. Using the counterfactual tells a very different story. I believe that the counterfactual is the correct approach - but many people would refer to that as a baseline (the do-nothing approach). I completely agree with you and we should strive to make this distinction.
One of the reasons for project failure is cited as due to lack of appropriate and effective assurance - what assurance of benefits do you advocate?	Assurance is a very important function. It should be planned in advance in relation to the risk of the project. I would start with ensuring that independent assurance roles had been identified. Strong stakeholder engagement is also important. Stage gates are also a useful approach to assurance and this must continue after the project closes. Having an independent function established allows for a common approach across the organisation - but it needs to resourced with the right people and skill sets.

Is there any specific guidance on realising safety benefits?	There is no specific guidance, but I was sent an article from McKinsey today (http://mck.co/McKinsey_Safety). I do know that Dr Roy Duff has undertaken a great deal of research regarding the measurement of safety on construction sites. His work, which will be ongoing at the University of Manchester, has linked increased safety standards with higher productivity. This is an important and really interesting area and one which is full of difficulties such as reducing safety to overly-simplified metrics such as "time since last lost time incident" which is not always a successful metric. Similarly, measuring the improvement in productivity as a factor of safety may be tasteless.
If a new product is being created and there is no baseline as it did not previously exist, is it acceptable to not include a baseline?	A new product may be measured against a baseline of no previous sales. Care must always be taken to ensure that there are no similar or substitute products already in the market. So for example, sales of the first smart phone was a brand new market (with no previous sales). However, if mobile phones were already on the market, there could be some early adopters who would leap to the new product and others would stay with mobile phones with improved features. Similarly for electric cars.
What is included in a benefit profile document?	The benefit profile is a specification for each specific benefit and describes its key attributes. It should be limited to a 1-2 page document. The information contained varies from organisation to organisation and there are some templates which can be googled, but the key information should be: Description of the benefit Projects upon which the benefit depends Business changes required Timeframe over which the benefit will be realised Method of measurement for the Benefit Baseline metric
Should the project manager be responsible to benefits realisation (given that there is likely to be a significant time lapse between project completion and benefits realisation)?	In many instances, especially if the Project Manager is contracted, they will have left the project and the organisation. Somebody else should be responsible for the realisation of benefits. Ideally, this will be somebody with operational responsibility, because the benefits will be realised in the operational arena.