ICT
Benefits Realisation Framework

Document status & history

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Acknowledgement of Country

The Government of Western Australia acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community.

We pay our respects to all members of the Aboriginal communities and their cultures; and to Elders past, present and emerging.

Contents

1. Introduction

The ICT Benefits Realisation Framework (the Framework) is a strategic tool to help agencies improve benefit realisation. It is designed to:

»   Align ICT initiatives with the WA Government's strategies and priorities.

»   Promote a uniform approach to the realisation of ICT benefits across all agencies.

»   Improve outcomes by encouraging agencies to design initiatives around benefits.

»   Implement baseline and benefit measurement and reporting practices.

1.1 Defining Benefit

A *benefit* is defined as "The measurable improvement, perceived as an advantage by one or more stakeholders resulting from an outcome."[1] or, put simply, "a positive and measurable impact of change."[2] Benefits can be used for declaring the success of an initiative.[3] Other terms applicable to this document are defined in Appendix 3 – Terms and Definitions.

To effectively measure such improvements, establishing baselines for current operations, services, and processes is essential. These baselines should be directly aligned with the benefits being measured, as they provide a reference point for comparison. Without this foundational understanding, it would be challenging for an agency to accurately forecast or assess improvements.

Benefits are quantifiable enhancements derived from a specific initiative. Benefits may be tangible or "hard", which are more easily measured, such as increased revenue or reduced costs. Benefits may also be intangible or "soft", which are less easy to measure and may require multiple measures to quantify effectively. Examples of the latter may include enhanced user experience and increased customer satisfaction. The following diagram (Figure 1) illustrates how benefits may be classified, with examples of how they might be measured (far right):

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1   Axelos. Managing Successful Projects with PRINCE2, sixth edition. (6th edition). London: Axelos, 2017.

2   APM. "Project Management Glossary | Terms Used by Project Professional." Accessed August 30, 2023. *https://www.apm.org.uk/resources/glossary/.*

3   Benefits realisation management is generally considered an activity that belongs within the scope of program management rather than project management, but this may be viewed differently at agency level. For the purpose of this framework, the terms "project" and "program" are referred to as "initiative". This aligns to the Digital Capability Fund reporting requirements.
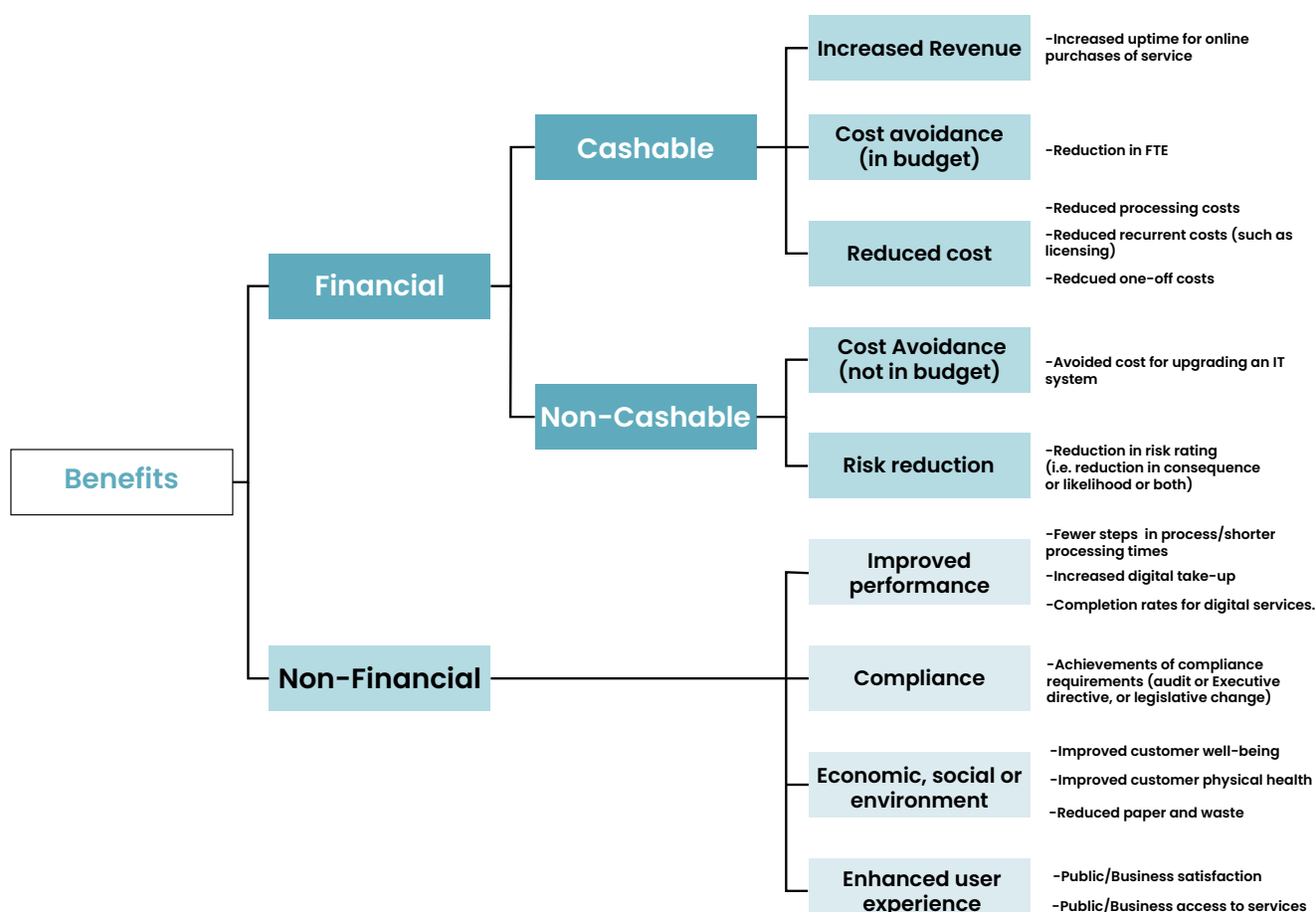
Benefits

- **Financial**
  - **Cashable**
    - **Increased Revenue** — -Increased uptime for online purchases of service
    - **Cost avoidance (in budget)** — -Reduction in FTE
    - **Reduced cost**
      - -Reduced processing costs
      - -Reduced recurrent costs (such as licensing)
      - -Redcued one-off costs
  - **Non-Cashable**
    - **Cost Avoidance (not in budget)** — -Avoided cost for upgrading an IT system
    - **Risk reduction** — -Reduction in risk rating (i.e. reduction in consequence or likelihood or both)
- **Non-Financial**
  - **Improved performance**
    - -Fewer steps in process/shorter processing times
    - -Increased digital take-up
    - -Completion rates for digital services.
  - **Compliance** — -Achievements of compliance requirements (audit or Executive directive, or legislative change)
  - **Economic, social or environment**
    - -Improved customer well-being
    - -Improved customer physical health
    - -Reduced paper and waste
  - **Enhanced user experience**
    - -Public/Business satisfaction
    - -Public/Business access to services

Figure 1 Generic Benefit Classification Model[4]

When implementing this Framework, it is recommended that agencies, where applicable, include KPIs that measure benefits to the community and businesses.

When developing an Application for Concept Approval (ACA) or a Business Case, you are required to articulate and establish proposed measures for your identified benefits. It is also important to keep in mind that while financial benefits are central to funding consideration by the government, non-financial benefits also hold significant value and contribute to the overall success and justification of the initiative.

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4   Adapted from the NSW Government Benefits Realisation Management Framework 2018

1.2 Principles

This framework is underpinned by the following eight guiding principles:

1. Benefits should align with strategic objectives.
2. Benefits should be attributable to the outcomes of that initiative or program.
3. Benefits must be measurable to demonstrate value.
4. Benefits must be owned by the appropriate sponsor or business area rather than the project or program manager.
5. Benefits must be achievable, limited to a manageable number, and time-bound.
6. Benefits management should be visible to and integrated into other organisational processes, including Project Management, to ensure the activities necessary for delivering benefit realisation are carried out.
7. Benefits must be dynamic, regularly reviewed and updated.
8. Benefit realisation activities should occur throughout an initiative's life cycle and beyond.

1.3 Target Audience and Objectives

This Framework has been developed to assist agencies in fulfilling the following three objectives:

1. Developing measurable KPIs prioritising benefits to WA people, businesses, and communities.
2. Ensuring that reporting requirements and processes for benefits realisation are proportionate to the initiative's scale.
3. Reinforcing the alignment with the WA Government's strategic priorities.

1.4 Scope

It is recommended that all WA Government agencies apply this Framework to all of their ICT initiatives.

1.5 Basis of the Framework

The Framework is based on current best practice approaches and complements governance arrangements that are already in place. It will assist agencies in carrying out their internal and external reporting responsibilities and ensure that initiatives deliver benefits over the longer term.

> When developing a Benefits Management Plan, it is important to remember that ICT alone delivers few benefits – benefits mainly arise from changes made in processes, activities, working practices, structures, etc., that ICT enables.

The Framework provides best practice principles and concepts drawn from the Benefits Realisation Management approach within Managing Successful Programmes by the UK Office of Government Commerce (2012), Managing Successful Projects with PRINCE2, sixth edition (2017), studies by Ward et al. (1995, 1996 and 2007), and the NSW Benefits Realisation Management Framework[5]. Further resources on benefits realisation management are provided in the "References and Further Reading" appendix at the end of this document.

1.6 Complementary Frameworks and Guides

The *Strategic Asset Management Framework (SAMF)* is a comprehensive policy framework that enhances asset management and capital investment within the state's public sector. The SAMF underpins the process of developing business cases for government initiatives and the Gateway Review process. The Strategic Asset Management Framework (SAMF) is a comprehensive policy framework that enhances asset management and capital investment within the state's public sector. The SAMF underpins the process of developing business cases for government initiatives and the Gateway Review process. The *Gateway Review Benefits Evaluation* is the last in a series of six reviews an initiative may undergo. This review confirms that the benefits set out in the business case are being achieved and the operational service (or facility) is running smoothly.

The Department of Treasury (Treasury) has developed a *Program Evaluation Guide*, which provides practical guidance on evaluating benefits. The Evaluation Guide has been designed to provide consistency across evaluations, improve the cost-effectiveness of programs, promote accountability, and provide a platform for continuous learning.

To assist agencies in identifying benefits and developing KPIs that align with the strategic priorities in the *Digital Strategy for the Western Australian Government 2021-2025 (the Digital Strategy)*, the Framework recommends aligning benefits with the Outcome Indicators established in the Digital Strategy Outcomes Framework.

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5   NSW State Government. Benefits Realisation Management Framework. Accessed July 3, 2023.
    https://www.nsw.gov.au/departments-and-agencies/department-of-customer-service/publications-and-reports/benefits-realisation-management-framework.

2. ICT Benefits Realisation Management

This Framework aligns with best practice benefits realisation management approaches by adopting the four phases[6] described in Figure 2.
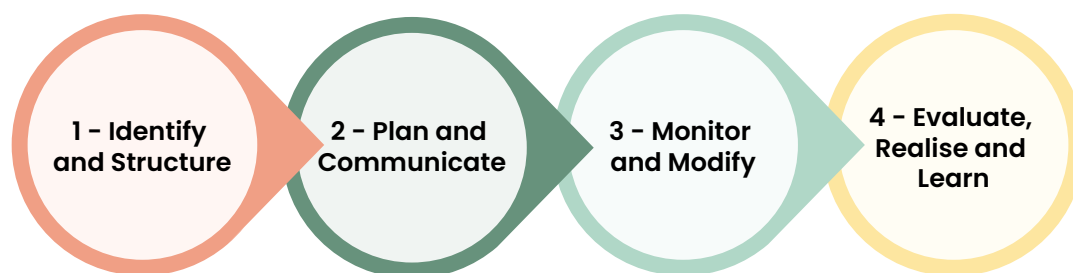

Figure 2 Benefits Realisation Management Phases.

Effective benefit realisation begins with identifying potential benefits early, establishing baseline measurements and desired targets for these potential benefits, and aligning them with initiative objectives and broader strategic goals. At a minimum, identified benefits should be recorded in a Benefits Register, Benefits Realisation Strategy, and a Benefits Realisation Plan. These are living documents that are critical for monitoring progress, adjusting strategies, and controlling risks. Regular reporting on benefit realisation, using defined metrics, ensures transparency and progress tracking. The final phase is evaluation, where outcomes at benefit-ready milestones are assessed against initial objectives and documented in Benefit Realisation Reports. This final phase also includes recording any lessons learned, invaluable for future initiatives or subsequent stages of the current initiative. This approach ensures benefits align with initiative goals, enhancing overall initiative value. Figure 3 provides an overview of the standard documents associated with Benefits Realisation, mapping their expected completion timelines to the corresponding project phases.

Benefits Realisation Phases	Identify and Structure	Plan and Communicate	Monitor and Modify	Evaluate, Realise and Learn
Key Documents	» Benefits Realisation Strategy » Benefits Map » Benefits Distribution Matrix	» Benefits Profiles » Benefits Plan » Benefits Register	» Benefits Plan » Benefits Register* » Benefits Reports*	» Benefits Register » Final Benefits Report » Lessons Learned Report

Figure 3 Typical Benefits Realisation Documents

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6   While the titles adopted for each phase in this framework are more descriptive than those used elsewhere, they align in form and function.

Delivery of ICT initiatives within the WA Government is required to align with and report progress based on a number of initiative stages.[7] The Benefit Realisation Framework phases can be mapped to the Project Delivery Framework stages in the following way (Figure 4):

ICT Project Delivery Framework	Pre-project	Initiation	Planning	Delivery	Implementation	Close	Post-project
Benefits Realisation Phases	Identify and Structure		Plan and Communicate	Monitor and Modify		Evaluate, Realise and Learn	

Figure 4 Framework Alignment to Project Delivery Stages

3. The four phases of the ICT Benefits Realisation Management Framework

This section introduces the benefits realisation process, providing further detail on how the four key phases can enable an agency to realise benefits.

3.1 Identify and Structure

In the Identify and Structure phase, the goal is to articulate a clear vision and set specific objectives. This phase also focuses on identifying potential benefits and stakeholders and ensuring a strong alignment with overarching strategic drivers. As described above, this Framework is designed to work with the Digital Strategy Outcomes Framework to assist agencies in aligning benefits with whole-of-government strategies.

Benefits Identification

The initial identification of benefits should commence as early as possible in an initiative. Later, benefits can be explored and refined through investment benefits mapping or logic mapping techniques. These techniques enable the visualisation of cause-and-effect mechanisms by displaying how program inputs, activities and outputs will lead to specific outcomes for stakeholders. In this phase, it is also useful to critically analyse why a particular output is anticipated to result in a specific change, how this change might be measured, and what other factors may influence this change. These factors might include external influences, such as other ongoing initiatives, or broader economic trends that could impact the indicators. The culmination of this activity is a comprehensively identified list of benefits, which will then be subject to further refinement in subsequent activities.

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7   Information on the stages can be found in the *ICT Project Delivery Framework*.

During this activity, it will become apparent that not all benefits are realised at the same time. Establishing categories of short-, intermediate-, and longer-term benefits can assist agencies in better understanding the influencing factors and establishing appropriate measures. For short-term benefits, the focus is on immediate impacts and quick wins that can be achieved soon after the implementation of the initiative. Intermediate benefits often manifest as the initiative progresses and stabilises, reflecting ongoing improvements and efficiencies. Longer-term benefits accrue over an extended period, often becoming evident only after the initiative has been fully integrated into everyday operations.

Recognising these varied timelines is important for accurately assessing and tracking benefits, allowing for a more strategic approach to planning and evaluation. This temporal categorisation will help agencies set realistic expectations and better align the benefits realisation process with the agency's broader strategic objectives.

Below (Figure 5) is a sample Benefits Map. Further information on developing a Benefits Map is available in Managing Successful Programmes (See Appendix 3 – References and Further Reading).
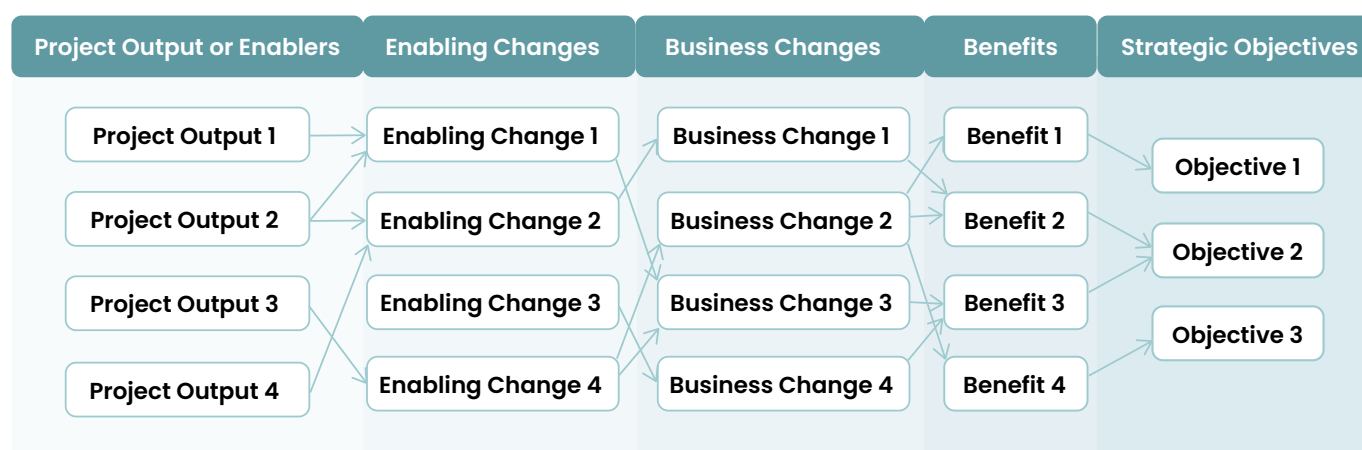
Project Output or Enablers	Enabling Changes	Business Changes	Benefits	Strategic Objectives
Project Output 1	Enabling Change 1	Business Change 1	Benefit 1	Objective 1
Project Output 2	Enabling Change 2	Business Change 2	Benefit 2	Objective 2
Project Output 3	Enabling Change 3	Business Change 3	Benefit 3	Objective 3
Project Output 4	Enabling Change 4	Business Change 4	Benefit 4	

Figure 5 Sample Benefits Map

Stakeholder Identification

What is considered a benefit to one might be seen as a disbenefit to another (a measurable decline resulting from an initiative perceived as negative by one or more stakeholders). To ensure initiative deliverables are relevant, first identify key stakeholders and then classify the benefits and disbenefits according to the stakeholders who will experience their impact. A Benefits Distribution Matrix may be a useful tool for this activity. The sample Benefits Distribution Matrix (Figure 5) below is based on work by Bradley (2010). This product can be created during benefits identification and quantification activities, and can be used to identify appropriate benefit owners within the organisation and ensure that benefits are more evenly distributed.

	Stakeholder 1	Stakeholder 2	Stakeholder 3	Stakeholder 4	...
Key Benefits					
Benefit 1					
Benefit 2					
Benefit 3					
...					
Key Disbenefits					
Disbenefit 1					
Disbenefit 1					
...					

Figure 6 Sample Benefits Distribution Matrix

Strategic Alignment

Agencies are encouraged to review the Digital Strategy Outcomes Framework to determine where benefits may align with the WA Government's strategic priorities for digital transformation.

Seek agreement of baseline data and benefit targets

The final step in this phase is to seek agreement with stakeholders on the baseline data and benefits targets. A Benefits Distribution Matrix will assist in identifying and prioritising your stakeholders as relevant and essential people to include in regular benefits meetings or incorporating them as part of a broader ongoing communication plan. Through the process of consulting with stakeholders, it is likely that those benefits that were initially identified will need to be reconsidered and refined, and new benefits may also emerge.

3.2 Plan and Communicate

The goal of the Plan and Communicate phase is to develop the initial findings from the Identify and Structure phase into a Benefits Management Plan. During this phase, the recommended steps are to define how the impact of the initiative will be measured, establish the benefits targets, identify how data will be collected, designate the benefit owners, and outline what activities need to be planned to realise the benefits. The Benefits Management Plan should be the culmination of two core activities:

1. Develop benefits profiles: This activity generally comprises the creation of a detailed table that describes a single benefit along with its associated measurement attributes on one page.

During this activity, for high-value initiatives, it may be beneficial for agencies to consider engaging statistical experts. Leveraging such expertise can provide valuable insights and guidance on methods or options for causal impact analysis and help ensure that the Benefits Management Plan is evidence-driven, robust and reliable.

When establishing Benefit Targets, it is important to ensure that targets are underpinned by a clear rationale and are specific and quantifiable, including defined timeframes. They should also demonstrate a direct correlation with baseline measures, initiative objectives, and the principle of value for money.

Below is a possible Benefit Profile template that may be included in a Benefits Management Plan (Figure 6).

<Benefit Type> <Related Strategic Outcome/Outcome Indicator> <Benefit Description>		
KPI:	<KPI Description>	
Measure:	<Measure Description>	
	Baseline	Value (date)
	Target	Value (date)
	Interim target	(if any) Value (date)
	Data source	What is the source of data to be used to measure this KPI?
Reporting	Forum	Where will this KPI be reported?
	Start Date	When will the reporting start?
	Frequency	How frequently will it be reported?
Responsibility	Name	
	Position	
	Business Unit	

Figure 7 Sample Benefit Profile Template

2. Establish a governance process for evaluating benefits: This activity should determine who will be accountable for realising benefits, define the necessary governance structures, outline required processes and resources, and specify information needs. For information on program governance structures, refer to the *ICT Project Delivery Framework* as well as Appendix 1 – Roles and Responsibilities and Appendix 2 – Governance Bodies of this document.

3.3 Monitor and Modify

The *Monitor and Modify* phase establishes the ongoing monitoring and reporting of benefits beyond the life of the initiative into the business operations of the organisation. Reporting of benefits should commence as soon as delivery of the initiative commences. This should occur in accordance with the reporting cycles established in the Benefits Management Plan. This role is the responsibility of the relevant business area consuming the expected initiative outcome.

It is important to note that benefits can change throughout an initiative's life cycle. During this phase, it is therefore essential to regularly review and update the Benefits Management Plan and Benefits Register and remain adaptive to shifts in investment outcomes.

3.4 Evaluate, Realise and Learn

Benefits are not often realised until well after an initiative's completion – please refer to Appendix 1 for assigning ownership of the benefits. Ensuring that benefits realisation occurs will require ongoing attention until parties agree that the benefits have been fully achieved and no further actions are necessary. It is crucial that this responsibility, along with ongoing benefits realisation management and reporting, transitions seamlessly to the regular business operations of the agency. This can be achieved by recognising and documenting this function as a part of the relevant team's business plan, and, where appropriate, an individual's job description (Benefit Owners). The following three key activities in this phase provide a practical approach to managing and delivering benefits.

Evaluate: Before being able to measure success, agencies should first be clear on what they are trying to measure and what constitutes success. As a part of this process, agencies should review the data collected in the Benefits Register against baseline data and forecast targets.

Other documents that form part of this evaluation include the Benefits Map and the Benefits Distribution Matrix. Key actions at this stage include:

Clarify the Purpose and Scope of the Evaluation Phase
 » What are you trying to achieve in the Evaluation Phase?
 » Which benefits will be assessed and what criteria will be used for the assessment?

Review the Benefits Deliverables in the Benefits Register
 » How do the actual outcomes compare against the planned benefits?
 » Are there any gaps or overachievements?

Realise: Agencies should review the Benefits Management Plan and Register on an ongoing basis to compare the data collected on actual performance with the baseline data and forecast targets. An agency may opt for an independent benefits assurance report as part of an external validation of the benefits realised. Key actions at this stage include:

Conduct a post-implementation review considering questions including:
» Were the intended program outcomes realised?
» Do the benefit management deliverables provide sufficient evidence to evaluate the program?
» Has the transition to business as usual (BAU) been managed?
» Did the stakeholders realise the benefits they expected?
» Were there any areas the initiative did not meet its objectives or where benefits were not fully realised?
» Are there any insights from successful programs within the agency to inform any corrective actions?

Learn: Benefit Owners are expected to identify learnings from the initiative to inform an agency's strategic decisions and priorities going forward. The findings from this phase will inform decision-making on whether a more in-depth review is required, or if improvements or corrective action is needed. Depending on the governance and reporting arrangement of each agency, these findings could be documented in a "Business Case Variation Report" or a "Lessons Learned Report". Key actions at this stage include:

» Capture lessons learned to inform continuous improvement.
» Include both successes and failures.
» Report the results.

Appendix 1 – Indicative Roles and Responsibilities

Please note that since the organisational structure can differ between agencies, the purpose of the below table is not to offer a comprehensive list of roles and responsibilities. Instead, it serves as a general guide that should be adapted to fit the specific requirements of each agency.

Position	Responsibilities
Benefits Realisation Manager	» Owns the Benefits Register and Benefits Profiles. » Supports key stakeholders with the adaptation and implementation of the benefits management process to align with their operating environment. » Provides objective challenges of benefits, dependencies, measures, targets, and the defined approach to benefits management. » Ensures Benefits Management Plan aligns with the Business Case(s). » Produces a Benefits Register. » Reports periodically on benefits realisation status. » Escalates any issues relating to benefits realisation to the relevant governing body.
Senior Responsible Officer (SRO) Project/ Program Sponsor	» Owns the agency's business case(s). » Accountable for the effective identification, quantification, management, and communication of benefits throughout the project. » Owns the Benefits Management Plan and is responsible for its adjustment, improvement, and enforcement. » Leads benefit reviews involving relevant stakeholders, business managers, and possibly internal audits. » Approves, along with the Sponsoring Group, all benefits claimed by the program and described in the benefit profiles. » Typically, accountable for the realisation of benefits. » Assigns responsibility for achieving the planned benefits. » Ensures links are maintained with other projects and broader strategic alignment to maximise benefits.
Benefit Owners (Generally, the relevant business area consuming the expected project outcome)	» Accepts responsibility for realising assigned benefits. » Identifies and maps benefits with the Benefits Realisation Manager. » Identifies how the benefits are distributed between the stakeholders. » Identifies suitable benefit measures and targets with the Benefits Realisation Manager. » Confirms and validates benefit measures. » Approves the Benefit Profile(s). » Measures and monitors the progress of realising the benefit, ensuring the Benefits Register is kept up to date. » Encourages workplace behaviour to support benefit realisation. » Ensures the financial budgeting planning includes the expected outcomes of the realisation of each benefit.
Project Manager	» Delivers the initiatives which enable the realisation of the Benefit Realisation. » Plans on behalf of the SRO with the relevant stakeholders. » Ensures any follow-up or corrective actions are taken to maximise benefits opportunities.

Appendix 2 – Governance Bodies

Body	Roles
WA Government	» Decision-making body on ICT investment proposals in line with Government priorities and the State Budget process. » Reviews progress on initiative delivery, including delivery of benefits.
Office of Digital Government	» Owns the Benefits Realisation Management Framework. » Supports agencies with the adaptation and implementation of the Framework.
Agency Project/ Program Board (Sponsoring Group)	» Oversees the distribution of investment across the agency in order to create and maintain a strategically balanced high-value portfolio. » Shows visible commitment to the realisation of the end benefits. » Approves the Benefits Management Plan. » Receives periodic reports to monitor the status of benefits realisation across the Department.
Program/ Project Control Groups	» Ensures Gateway Reviews are organised when required, including Benefits Realisation Gateway Reviews. » Receive periodic reports to monitor the status of benefits realisation within the program.

Appendix 3 – Terms and Definitions

The following are the agreed definitions that are applicable to this document:

Term	Definition
Baseline	A reference level against which an entity is monitored and controlled and allows the ability to assess performance against forecasted targets.
Benefit	A measurable improvement resulting from an outcome perceived as an advantage by one or more stakeholders, which contributes towards one or more organisational objectives.
Benefits Management	The approach to supporting the successful achievement of the intended value adds from projects and programs. It involves identifying and quantifying benefits and assigning ownership of benefits, tracking and evidencing achievement.
Benefit Mapping	A process used to identify and map initiative outputs and outcomes to benefits and strategic objective KPIs
Benefits Realisation Strategy	An overview of the main milestones for each benefit profile showing how they will be achieved.
Disbenefit	A measurable decline resulting from an outcome perceived as negative by one or more stakeholders, which reduces one or more organisational objectives.
Outcome	A result or effect that is caused by, or attributable to, a project or program (the result of change).
Output	A specialist product (the tangible or intangible artefact) that is produced, constructed or created as a result of a planned activity (project or program) and handed over to a user.
Target	The ideal state that the project or program is working to deliver to.