Guide to Good Practice in PSP Benefits Management

ReadyforBusiness

Embedding Social Value in Procurement

contents

section 1

introduction

The benefits management guide is designed to support you in realising anticipated benefits for both the PSP and your newly designed service. By defining the key stages and guiding you through the benefits management process, this guide will enable you to build a framework for defining and managing benefits through the life-cycle of the PSP.

This guide is intended to provide a broad view of benefits management and although it is not specifically focussed on the sustainability aspects of the PSP model, its content is aligned to and supports the advice provided in the Sustainability Toolkit.

This document can either be used as a standalone guide or in conjunction with the Sustainability Toolkit to support your approach to managing PSP benefits. Readers using both resources should be aware of some overlap in content, and take this into account when planning your approach to benefits management and/or sustainability

The stages described in this guide can be applied not only to any PSP – whether that PSP was created as a response to the availability of funding or whether the PSP has developed "organically" – but also to any project or programme that individual organisations are embarking upon.

Before continuing with the details on how to create a benefits management process it is worth pausing to establish some definitions with regard to benefits management, as well as looking at why its application is so important and how the various stages align with the PSP model.

Instructions for use: *Accompanying this guide is a Resource Pack which includes tools and templates to support the development of benefits management. References to the resource pack will be made throughout the guide. This symbol indicates when a supporting resource is available in the resource pack.*

challenge points

Throughout this document there will be various Challenge Points which will underline key challenges facing you throughout the benefits management process. At times the challenges posed will require decisions to be made before further progress can be made. It is important that these decisions are endorsed at the sponsor level before next steps are taken.

1.1. What is a benefit?

A benefit can be defined as the positive consequences of change.

More formally, the Office of Government Commerce defines a benefit as:

"A quantifiable and measurable improvement resulting from an outcome which is perceived as positive by a stakeholder and which will normally have a tangible value expressed in monetary or resource terms. Benefits are realised as a result of activities undertaken to affect change".

1.2. What is benefits management?

Benefits management is the process by which planning, tracking and realisation of benefits is facilitated within a change project. Its aim is to increase the likelihood of success in delivering measurable and meaningful benefits to an organisation.

As shown in the following diagram, often, the full realisation of benefits will continue beyond the life of a project. Therefore focusing on benefits and how they are managed provides a mechanism to ensure benefits will continue to be realised beyond the life of the change project and into the 'business as usual' environment.

Benefits realisation

During the project

Post implementation

Target X

Performance with benefits realisation
Performance without benefits realisation

Performance

Time

- Early focus on benefits during the project may result in benefits quick wins being realised during the project.
- With focus in the post-implementation phase, benefits are realised and measured.
- Provides the ability to recognise and incorporate unplanned benefits.

- Project/post-implementation performance may actually decrease in the early post-implementation period adversely affecting the benefits realisation.
- Unless costs and benefits are tracked and actions taken (e.g., further training, more capacity) not all benefits may be realised.
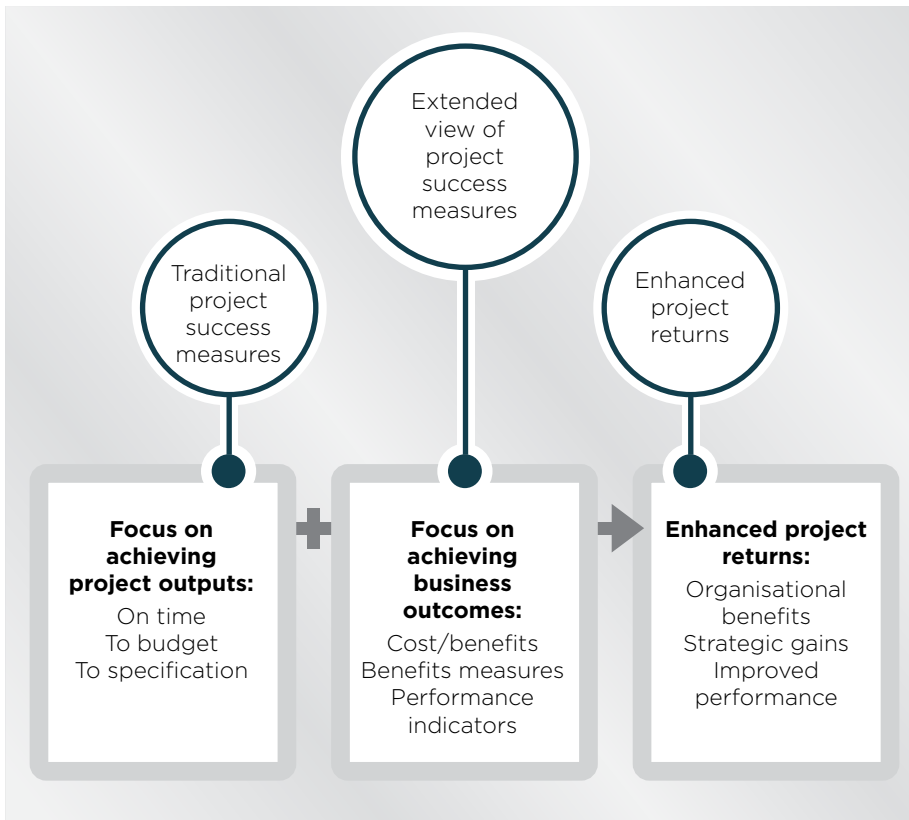
1.3. Why is benefits management important?

Traditionally, projects tended to focus on achieving project outputs on time, within budget and to an agreed specification and level of quality. However not all project outputs are benefits in their own right and given the ever growing economic pressures on finance and resource, it is increasingly important that any change initiatives undertaken within an organisation deliver beneficial outcomes. Benefits management helps to achieve this by extending that traditional focus on project success measures and connects project outputs to the delivery of organisational benefits, strategic gains and improved performance. It does this by providing a framework to allow continual assessment of how well benefits realisation is progressing and facilitates early intervention in projects when necessary.

introduction cont...

Extended view of project success

Focus on achieving project outputs:
On time
To budget
To specification

Focus on achieving business outcomes:
Cost/benefits
Benefits measures
Performance indicators

Enhanced project returns:
Organisational benefits
Strategic gains
Improved performance

1.4. Types of benefits

1.4.1. Financial versus non-financial

At the highest level, benefits are often separated into financial and non-financial.

Financial benefits are anticipated benefits which can be measured in monetary terms (e.g. savings in license fees, reduction of procurement expenses, working capital improvements), or which can be measured in other terms that can be translated to monetary value (e.g. process efficiency/effectiveness improvements).

Non-financial benefits are measureable and/or non-measurable (intangible) benefits that cannot be translated to monetary value e.g. perceived improvement in service quality. They may still be considered an important part of the business case. These benefits usually represent some of the "softer" aspects of change, even though the measurement cannot be precise.
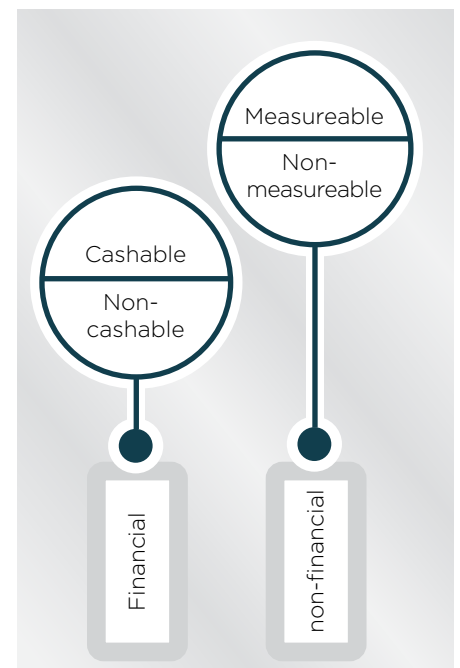
1.4.2. Cashable versus non-cashable

Financial benefits are usually further divided into 'cashable' and 'non-cashable' benefits.

Cashable benefits are those in which budgets could be reduced or revenue targets could be increased, to extract the value of the benefit, while the level of service would be sustained.

Non-cashable benefits are those in which benefits could not be extracted financially. An example of a non-cashable benefit would be where, through reducing bureaucracy and improved tasking, the amount of time that administrative staff could spend on other activities was increased by, for example, 5%. However, because this change was not sufficiently large to allow administrative staff to be extracted from the total of work to be performed, the benefit cannot be translated into reduced administrative staff.

1.4.3. Recurring versus non-recurring

The difference between recurring and non-recurring benefits is that non-recurring benefits happen once and recurring benefits occur periodically. It is important, particularly with financial benefits, to identify whether a benefit is recurring or not as this may impact on any return on investment decisions proposed in a business case.

1.4.4. Status of benefits in the project

Another way to categorise benefits is to label them with a status, which can help support tracking of benefits. Benefits of any type can have different statuses. One way to label the status of a benefit is: Identified, Defined, Secured, Realised and Delivered benefits.

Identified benefits are the benefits identified at the early stage of the project and consist of the list of benefit opportunities including first estimates of potential benefits.

Defined benefits are the benefits that are analysed in detail in the business case. The expected benefits are clearly defined and can be used for project budgeting purposes.

Secured benefits are the benefits for which implementation plans are in place (e.g. new processes agreed but not yet delivered). Benefits should be formally recognised at this point.

Realised benefits are benefits realised during implementation/execution. (e.g. budgets have been amended, processes have been implemented).

Delivered benefits are benefits that are actually achieved, confirmed by a retrospective report (from the accounting system) of actual spend vs. forecast and budget. Any loss of benefits should be investigated and explained.

Please note that the benefit types provided above are standard and commonly used descriptions but it is perfectly acceptable to define other benefit types or categories that are more suited to the project provided these are used consistently.

1.5. Benefits management within the PSP model

1.5.1. Benefit realisation timescales

PSPs are strategic partnering arrangements, based on a co-planning approach, through which the public sector can connect with third sector organisations to share responsibility for designing services based around service user needs. Once designed and trialled, such services can then be commissioned for the longer term through a competitive tendering process.

Given the nature of the PSP model, it is highly likely that the realisation of some benefits may not occur until well after the service is in a business as usual state. Furthermore, the measurement of benefits may only be partially complete by the end of the PSP lifecycle due to limited time for testing of the new service in the pilot stage.

These are important points that require deliberation and planning. PSP partner organisations and future funders need to agree what would be acceptable in terms of 'proof of benefits' that can be assimilated during the PSP service delivery pilot. In addition, future funders need to give careful consideration to the ongoing management of benefits once the new service has transitioned to a business as usual situation, to ensure that the benefits originally expected are fully realised.

introduction cont...
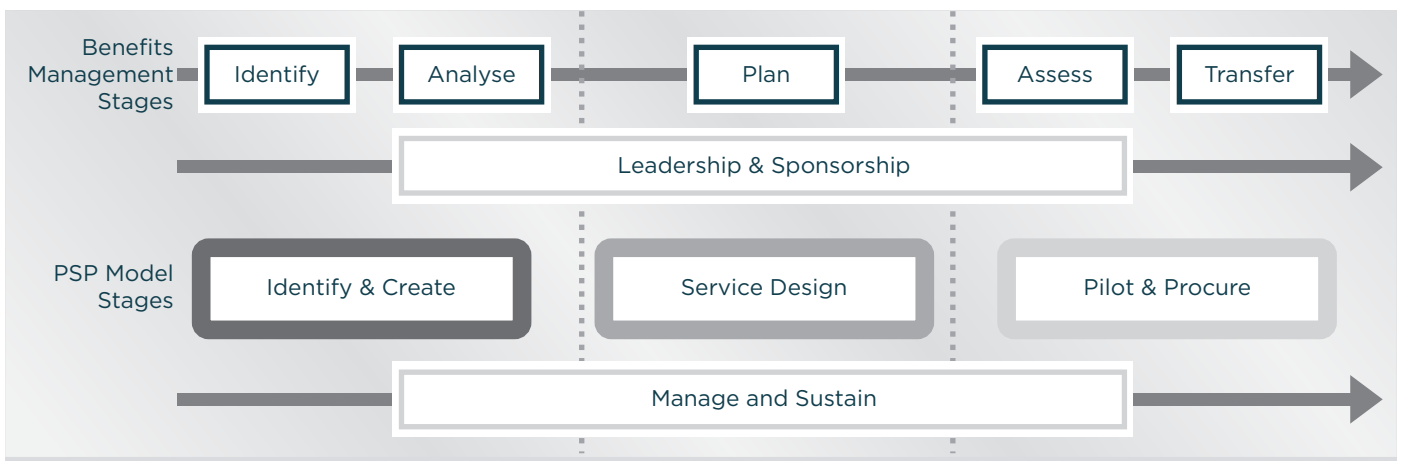
1.5.2. Alignment with PSP model stages

The diagram below highlights the various stages of the benefits management process and how these stages align to the various stages of the PSP model.

The guide assumes that benefits management is undertaken from inception of the PSP, with identification and analysis of benefits coinciding with the setup and creation of the PSP.

Planning for the measurement and monitoring of benefits then aligns with the activities that take place during PSP service design, with assessment of benefits realisation progress running in parallel with the service delivery pilot. Finally, transfer of benefits, or ongoing benefits management, into a business as usual environment is assumed to take place as part of the procurement and ongoing delivery of service.

Although the best time to initiate benefits management is at the beginning of the PSP, benefits management can still be implemented once the PSP has commenced – it is better to start late than have no framework at all for managing benefits.

Before commencing benefits management, it is worth considering what skills and resources are needed for its effective application and administration.

Benefits Management Stages	Identify	Analyse	Plan	Assess	Transfer
	Leadership & Sponsorship				
PSP Model Stages	Identify & Create	Service Design		Pilot & Procure	
	Manage and Sustain				

section 2
preparing for benefits management

2.1. Skills requirements

In addition to a good understanding of the service, a number of key skills are recommended to manage your benefits management process – these are described below. As a service provider or commissioner these skills are unlikely to be completely new to you. However, to ensure success in realising benefits it is important that sufficient focus is given to benefits management and, more often than not, a benefits manager is normally appointed to set up and run the process.

However, the skills required for benefits management are similar to those employed when running a project and therefore, depending on the size of the project, it may be appropriate for the PSP project manager to undertake the benefits management activities, assuming they have the time to do so.

Either way, it is important to identify the individuals within your PSP (i.e. all partner organisations) that demonstrate the requisite skills. If these skills are unavailable within your organisations you will need to look outside of your organisations for additional resource.

Stakeholder management:
A clear appreciation of the aim of the PSP is essential and the ability to engage and communicate with stakeholders to understand expectations is vital.

A key part of benefits management is being able to clearly identify the benefits that will realised through service delivery along with the benefits that will be experienced by the partners engaging in the PSP model. This needs to be supported by a clear identification of how those benefits will be measured and the risks that may impact the realisation of the benefits. This process often requires facilitation of workshops or meetings to tease out the necessary detail.

Project management:
Administering the benefits management process requires an ability to plan, monitor and report on the progress of benefits realisation. It is important to have an individual who is well organised and can manage and deliver tasks within timescales, whilst understanding the need to integrate the benefits management activities with the overall project and project plan.

Financial and analytical:
It is likely that the benefits you anticipate through delivery of the new service may include financial benefits and as such financial metrics will need to be put in place to allow monitoring of those benefits. Good numerical skills are therefore needed and, depending on the complexity of the financial benefits, financial or accounting skills may also be required.

Written and verbal communication:
There will be an ongoing requirement to report and feedback on benefits realisation progress. Clear communication skills will be required to convey that progress in the appropriate form to a variety of stakeholders.

2.2. Timing

Benefits management, like project management, will continue throughout the duration of the PSP life-cycle. Running in parallel with project management, effort is required in the planning stage of the PSP to ensure that benefits are properly identified, adequate measures are defined, a benefits realisation plan is established and a benefits model is created. Time commitment for the initial stage should not be underestimated. Once planned and initiated, time then needs to be allocated for monitoring and reporting of benefits.

Business case development forms a critical aspect of the PSP model, and as discussed in the Sustainability Toolkit, cost benefits analysis for the business case may need to be undertaken and sufficient time allocated to complete this.

2.3. Availability

As discussed above, once you have identified the individuals who have the skills required to undertake benefits management, it is important to confirm time availability. Depending on the size and complexity of your project, you may find that once established, the ongoing monitoring of benefits does not require full-time input and therefore it is important to consider this when allocating resource, whilst still ensuring that resource is available at the critical reporting points.

Instructions for use: *Now turn to the skills and time requirements template (page 2 of the Resource Pack) and complete the template to assess firstly, whether the required skills are available within the PSP and secondly, what availability each resource has.*

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section 3

getting started

Once resources are in place, work can begin on developing your benefits management process, with the ultimate aim of supporting your case for change by ensuring that mechanisms are in place to build a robust evidence base that verifies the benefits and improvements in service design and delivery.

3.1. Benefits management roadmap

The roadmap identifies the key stages involved in setting up a benefits management system.
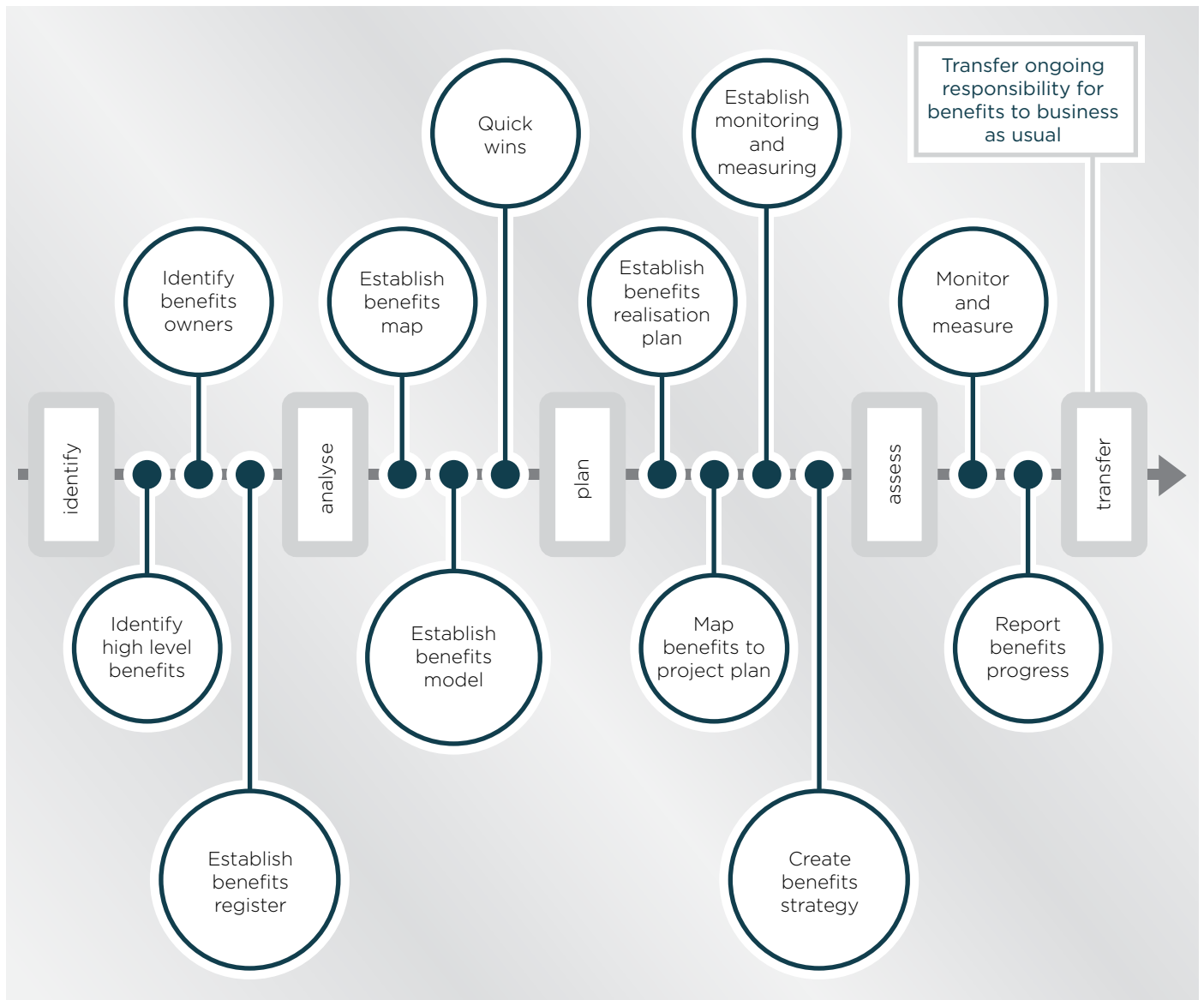
challenge points

Once you have completed the **Skills and Time Requirement** within the accompanying Resource Pack, you should be in a position to determine what capabilities you have in your team to meet the skill requirements to set up and manage the benefits management process. If all the requisite skills cannot be identified within your organisation and the decision is made to proceed with only internal resource, i.e. you do not want to seek external support, this carries inherent risks for the project in terms of benefits realisation. It is key to capture such risks and decision points within your PSP risk log.

3.2. Identify

3.2.1. Identify high level benefits

The first stage in the benefits management process is to undertake an exercise to establish at a high level what benefits you anticipate will be delivered as a result of the PSP and when. This ought to be a reasonably straight forward exercise as the benefits should align with the vision that has driven the formation of the PSP in the first place and may be similar to the outcomes already defined in collaboration with your partner organisations.

The exercise should take a broad view of benefits and should consider any gains delivered to individuals or organisations (including those organisations that are not part of the PSP) as a consequence of the new service being delivered. In addition, non-service specific benefits associated with use of the PSP model should be included in this exercise.

example

Examples of benefits associated with using the PSP model include:

- Increased partnership working

- Improved skills – e.g. service design and development

- Improved knowledge management

- Increased networking

challenge points

This exercise will provide a high level indication of when the benefits are likely to be realised along with who will be impacted. As mentioned above, in terms of service delivery, the PSP also needs to think about and identify any cost benefits that will occur annually for the next three, five or 10 years as these benefits (and their anticipated savings) will feed into the business case for sustainability. A key challenge is to ensure that future funders are aware that some benefits will not be realised until after the service has transitioned to a business as usual service.

This high level exercise, typically a workshop exercise, is normally conducted by the benefits manager and should involve partner representation from the PSP and/or the PSP Governance Group. If possible, input from service beneficiaries should also be sought to help ensure that all service benefits are clearly identified. The information used to facilitate the session will include the PSP vision, goals, objectives, deliverables and timescales.

getting started cont...

When trying to determine what is or is not a benefit, think of associating words such as 'improved', 'better', 'more', 'less', 'increased' etc. If these can be used to describe the benefit then it is likely to be a benefit and one that can be measured.

One important point to remember when thinking about benefits is that they need to be **measurable**, either quantitatively or qualitatively – e.g. number of service users has increased from x% to y% over the course of the service pilot or the recent user survey conducted suggests an increase of z% in users experiencing an improvement in service quality. Otherwise the benefit cannot be 'claimed' by the project.

3.2.2. Identify benefit owners

To ensure effective benefits realisation it is important that the project team works closely with those responsible for the business area that is being impacted by the change. Doing so provides an opportunity for business representatives to input to the development and shaping of future benefits and early involvement will encourage ownership of ongoing benefits realisation after the project has finished.

Typically, with the PSP model, many of the benefits anticipated will only be completely realised once the new service is fully up and running. It is therefore particularly important to engage the future benefit owners early on in the benefits management process – in the case of the PSP, this is likely to be commissioners/procurers of the new service.

The benefits manager along with the project team should identify who the 'business' benefits owners are and ensure those individuals are engaged in benefits discussions.

3.2.3. Establish benefits register

The output from this initial stage is a benefits register that includes the list of high level benefits identified together with the benefits owners as discussed above.

Instructions for use:
Now turn to the benefits register template on page 5 of the Resource Pack and complete columns A to E with the high level benefits information.

3.3. Analyse

During this second stage of the benefits management process, the benefits are analysed in more detail and where necessary, further benefits are added to the initial high level list. This section describes the steps and tools to help you analyse those benefits.

3.3.1. Establish benefits map

Public sector initiatives are driven by or connected with the attainment of public sector outcomes. Therefore it is important to understand the relationship between the deliverables of the PSP project, the identified benefits and the related outcomes. To help with this understanding, it is worthwhile undertaking an exercise to produce a benefits map that visually reflects that connection.

The benefits map helps to:

1. Confirm that the outcomes defined in the Memorandum of Understanding (MoU) are being met by your identified benefits; and

2. Link benefits management with the project plan by showing how the benefits are being enabled by the project deliverables. See section 3.4.
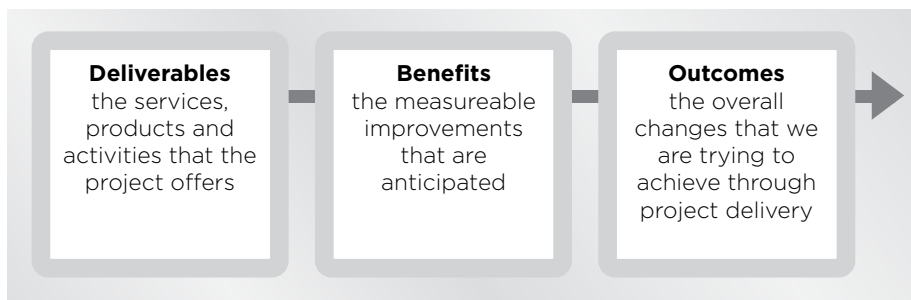
The map can be constructed by the project team with help from the benefit owners and is best done through discussion sessions or workshops.

It is important to understand the relationship between PSP deliverables, benefits and outcomes.

Deliverables the services, products and activities that the project offers	**Benefits** the measureable improvements that are anticipated	**Outcomes** the overall changes that we are trying to achieve through project delivery

Mapping is often an iterative process and should also used to identify further benefits and indeed remove benefits that are not appropriate. Flexibility is key and the map should be amended as often as necessary.

Instructions for use: *Refer to the template on page 6 of the Resource Pack and complete a benefit map showing the link between project deliverables, benefits and outcomes.*

3.3.2. Establish benefits model

Once the benefits map has been produced, the next step is to collect further details on the benefits and document relevant information which will help facilitate subsequent prioritising and planning of benefits management – see section 3.4.

This activity is usually undertaken by the benefits manager with support from the benefits owners and project team. The information to be added includes the following:

Benefit type – depending on the project or, in the case, of the PSP the service delivered, there may be a need to realise certain types of benefits e.g. to justify the investment being made. Having the benefits grouped by type will help to clarify this for the business case. Please refer to benefit types discussed in section 1.4.

example

Example – benefit type: An example of a measurable and cashable benefit might be 'reduced A&E alcohol admissions'. For this type of benefit the service can measure the quantity of the benefit in cashable terms i.e. 10 less A&E admissions related to alcohol each week can have a monetary value attributed.

An example of a measurable, non-cashable benefit would be 'increased independence for individuals' through the removal of sleep-overs from service provision for those with learning disabilities supplemented by on-call support.

- Benefit measure – what measure(s) and/or methods will be used to determine whether the benefit is progressing e.g. an increase of x% in the baseline value or use of a survey to test perception of changes.

- Benefit ranking – the benefits should be assessed in terms of their importance. This allows the benefits to be ranked or prioritised and ensures that resource is applied effectively to managing and monitoring benefits, particularly where resource is limited.

getting started cont...

Instructions for use: *Refer to the example of benefits ranking template on page 8 of the Resource Pack as an example of how to prioritise benefits.*

- Benefit status – as described in the introduction it is useful to track the status of the benefits to assist with progress reporting. Please refer to section 1.4.4.

- Dependency on other benefits – in the same way that project activities and deliverables are assessed for interdependency, you need to consider the links between benefits and whether or not one benefit is dependent on the achievement of another.

- Benefit risks – what potential risks would prevent the realisation of the benefit? It is important to identify risks and rank them, as you would do for the project, in terms of likelihood and impact. You may wish to include benefit risks as part of the PSP project risk register.

Remember, this is a 'live' document that will require constant refreshing (e.g. the status of the benefits will change over time) and as the PSP progresses you may find that more benefits emerge which need to be taken into consideration.

Instructions for use: *Now turn to page 10 of the Resource Pack and complete the benefits model.*

3.3.3. Quick wins

A key advantage of following a benefits management approach is that early focus on benefits during the PSP may result in benefit 'quick wins' being identified and realised during the life-time of the PSP.

Any quick wins should be highlighted, implemented and reported back to stakeholders as soon as possible as they are an excellent way of demonstrating early effectiveness of the PSP.

3.4. Plan

3.4.1. Establish benefits realisation plan

Once the initial identification and analysis of benefits is complete, the next stage is to construct a plan as to how the benefits will be tracked and measured. This planning stage runs in parallel with the PSP stage of Service Design, during which the planning and design of the new service is undertaken and the baselining of benefits is established.

If benefits have been ranked and a shortlist of benefits drawn up, then planning only needs to be done for those benefits. The plan is usually developed by the benefits manager with support from the project team and benefits owners and should consider the following:

- Baseline value – this is essentially the starting point or 'as-is' situation and is used as the base measure against which progress will be determined.

challenge points

It is important that the baseline value is confirmed before pilot of the service commences, otherwise measuring of benefit progress is severely hindered. Examples of baseline measures are: cost of current service; current number of service users; current service user satisfaction.

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- Activities – the measures that will be used to determine benefits progress will have been defined in the analyse stage – now, in a similar way to a project plan, you need to determine a series of activities that will be undertaken to continually manage and measure the benefits.

- Dates – dates assigned to activities should be included.

- Assigned to – you need to allocate someone in the project team (or the benefit owner) who will be responsible for conducting the activities.

- Risk mitigation – At this stage you need to put in place any risk mitigation actions necessary for each of the potential benefit risks identified earlier and allocate owners to each of the risks and mitigating actions. You may wish to include mitigating actions as part of the PSP project risk register.

Instructions for use:
Now turn to the benefits realisation plan template on page 12 of the Resource Pack and complete columns C to F to formulate a benefits realisation plan.

3.4.2. Map benefits to project plan

Having considered the benefits realisation plan and setting out what needs to be done to measure and track the benefits, you need to ensure that what you are incorporating aligns with the PSP project plan.

The relationship with PSP deliverables and key milestones needs to be shown and reflected in the benefits realisation plan – this has already been considered in the exercise to create the benefits map in section 3.3.1. Use the benefits map and the key milestones from the PSP project plan to ensure that benefits activities, project timescales and project deliverables are co-ordinated and in synch.

Instructions for use:
Refer back to the benefits realisation plan on page 12 of the Resource Pack and complete columns G and H to indicate the link to PSP project deliverables and key milestones. The link to deliverables will have been considered during the benefits mapping exercise.

3.4.3 Create benefits strategy

The final step in the planning stage is to create a benefits management strategy which is essentially a document pulling together all of the information, analysis and plans that has been done to date.

In the same way as a project charter outlines the governance, approach, milestones, deliverables etc for a project, the benefits management strategy should include but is not limited to the following:

- The background to the PSP, its vision and goals.

- The purpose of benefits management.

- The approach that is being taken e.g. the methodology being followed.

- The governance structure for monitoring benefits – likely to be the same governance structure for monitoring the PSP.

- What benefits are expected to be realised along with the benefits map.

- A description of the benefits, how they will be measured and the benefit owners. Further details of each of the benefits could be included in an appendix.

- The benefits realisation plan and the associated roles and responsibilities.

On completion, the benefits management strategy should be signed-off by the PSP partners or the PSP Governance Group.

getting started cont...

Like the PSP MoU and Governance documentation, the benefits strategy is an important governance and control document to help ensure that the aims of the PSP are achieved and as such the benefits strategy should be signed off by the PSP Governance Group.

3.5. Assess

3.5.1. Monitor and measure

Monitoring of benefits progress can begin as soon as the analysis and planning is completed. Certainly, monitoring of service delivery benefits should at least begin at the same time as the pilot stage of the PSP. The benefits realisation plan forms the basis for the monitoring schedule and should be reviewed regularly to determine progress of benefits realisation against key milestones of the PSP.

The responsibility for overseeing this lies with the benefits manager, although collection of data for analysis purposes is likely to be done by the project team.

Instructions for use: *See page 14 of the Resource Pack for an example benefits progress report template.*

3.5.2. Report benefits realisation progress

Reporting of benefits realisation forms a key aspect of benefits management as it informs key stakeholder groups of benefits progress.

Report formats need to be considered in light of the stakeholder community, along with timing of reports to meet various meetings or forums, and the format of the report tailored accordingly. Report scheduling should be incorporated into the benefits realisation plan.

3.6. Transfer

3.6.1. Transfer ongoing responsibility

As discussed above, the likelihood is that benefits emerging from the PSP's new service model may not be fully realised for sometime after the PSP pilot.

Consideration therefore needs to be given as to how the anticipated benefits will be managed in the future and a transition plan should be constructed to hand over benefits management and benefits realisation to benefits owners and/or their teams.

Aspects to be considered are:

- The relevant receiving owners need to be prepared for implementation of the deliverables from the PSP.

- The transition plan is reviewed and updated to reflect the activities for benefits transition.

- Transition may be achieved through a single change or a series of changes to the receiving organisation and new processes/procedures are implemented.

- Training is considered to support any changes required in the receiving organisation.

- Communication plans are constructed to support any necessary change and stakeholders are kept informed of progress.

3.7. Conclusion

The PSP is a conduit for driving service delivery change, which can be time consuming and complex, requiring a project type environment to focus on designing and delivering enhanced services under time and budget constraints. Often in this type of project environment, when a great deal of time can elapse between project start and completion, changes will occur along the way to overcome obstacles or adapt to shifting requirements, impacting ultimately on project deliverables. Such changes in execution of the project can often affect whether the benefits that you set out to achieve are actually attained and, if the connection between the aims of the PSP and project delivery is weak, there is a serious risk that benefits will not be delivered.

This is where benefits management comes into play and provides a critical tool for making that connection. It shifts the overall focus from attainment of project deliverables to keeping the spotlight on the end goal of achievement of benefits. It does this by providing a framework to connect project delivery with expected benefits and allows continual assessment of how well benefits realisation is progressing throughout the project and beyond into business as usual. It promotes facilitation of early intervention in the PSP project when necessary and provides a mechanism for communicating with stakeholders on how the benefits are progressing as the project unfolds. Its ultimate aim is to increase the likelihood of success in delivering measurable and meaningful benefits from new service design and delivery.

For ease of implementation, it is recommended that benefits management is initiated at the beginning of the PSP in order to allow parallel planning with the project, integration with PSP governance and controls and to establish a clear connection with expected benefits and project delivery. However, if this is not the case, there is nothing to prevent benefits management being set up retrospectively, and our recommendation would be to undertake a retrospective launch of a benefits management process in order to mitigate the risk of failure in terms of benefits realisation.

This provides comprehensive guidance with regard to the set up and management of a benefits management process. Depending on circumstances, each individual PSP will be required to adapt the guidance provided to reflect their situations. This may mean undertaking additional activities or, where necessary, eliminating suggested activities that are felt unnecessary. Either way, the importance of benefits management cannot be stressed enough and should form a core tool of the PSP model.

section 10
glossary

Benefit	Any gain delivered to an individual, organisation and/or society as a consequence of the service being delivered.
Benefits management	Process by which planning, tracking and realisation of benefits is facilitated within a change project.
Benefit realisation	Actual occurrence of the anticipated benefit.
Financial benefit	Anticipated benefits that can be measured in monetary terms.
Non-financial benefit	Measureable and/or non-measurable benefits that cannot be translated to monetary value.
Cashable benefit	Benefits whose impact can reduce budgets or increase revenue targets.
Non-cashable benefit	Benefits that cannot be extracted financially through budgets or revenue targets.
Recurring benefit	Benefits that recur periodically.
Non-recurring benefit	Benefits happen once only.
Identified benefit	Potential benefits identified at the early stage of a project.
Defined benefit	Benefits that are analysed in detail in the business case.
Secured benefit	Benefits for which implementation plans are in place.
Realised benefit	Benefits realised during implementation/execution.
Delivered benefit	Benefits that are actually achieved and confirmed by a retrospective report e.g. from the accounting system.
Cost benefit analysis	This is a tool used to decide whether to implement a change. This is done by comparing the benefits that arise from the change with the costs incurred to deliver the change.
Baseline value	The value of a measurable benefit at the commencement of the project prior to any change. Used to measure benefit progress.