Benefits Management: Realising Benefits from your projects

Professor Liz Daniel
Associate Dean & Professor in Information Management
“The process of organising and managing such that the potential benefits arising from the use of IT are actually realised.”

It is a process which integrates Benefits Realisation with Change Management and can be applied to all types of change programmes as well as IS/IT investments.

Available in all good bookshops..
CHOOSE AND BOOK EXAMPLE

• Part of the NHS Connecting for Health Programme

• Allows GPs to refer patients for diagnostic tests – and patients to choose a date and time that suits them

• Aims to reduce the number of Did not attends (DNAs)

Reduced cost due to lack of referral letters/calls
Improved GP’s ability to track patients - fewer enquiries
Improved patient experience, choice, access and information
Better clinical care Reduced inappropriate X-rays
Reduced unit cost / X-ray due to less DNAs

100% electronic referrals
Reduce rejection rate for inappropriate referrals
Patients can arrange mutually convenient appointment
Improve utilisation of X-ray department

Better clinical care Reduced inappropriate X-rays

Reduce rejection rate for inappropriate referrals

In-patient/out-patient scheduling process

Adopt clinical governance best practice

Referral protocols developed, reviewed and monitored

X-ray Department to run appointment only scheduling system

E-scheduling

IS/IT Enablers

Enabling Changes

Business Changes

Business Benefits

Investment Objectives

BENEFITS DEPENDENCY NETWORK

**IS/IT Enablers**

- **IT assessment of GP practices**
- **Security and Encryption**
- **Interface to medical records**
- **E-scheduling**

**Enabling Changes**

- Initial training of GPs
- IT trainer in primary care
- National Standards for encryption/security
- User involvement and communication
- In-patient/out-patient scheduling process
- Adopt clinical governance best practice

**Business Changes**

- GPs can use NHSnet
- Patient information service to support care
- Patient to telephone for appt
- Electronic posting of results to GPs
- X-ray Department to run appointment only scheduling system
- Referral protocols developed, reviewed and monitored

**Business Benefits**

- Reduced cost due to lack of referral letters/calls
- Improved GP's ability to track patients - fewer enquiries
- Improved patient experience, choice, access and information
- Better clinical care
- Reduced inappropriate X-rays
- Reduced unit cost / X-ray due to less DNAs
- 100% electronic referrals
- Reduce rejection rate for inappropriate referrals
- Patients can arrange mutually convenient appointment
- Improve utilisation of X-ray department

**Investment Objectives**

## BENEFIT MEASUREMENT DEFINITIONS

<table>
<thead>
<tr>
<th>Degree of Explicitness</th>
<th>Do New Things</th>
<th>Do Things Better</th>
<th>Stop Doing Things</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial</strong></td>
<td>By applying a cost/price or other valid financial formula to a quantifiable benefit a financial value can be calculated.</td>
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<tr>
<td><strong>Quantifiable</strong></td>
<td>Sufficient evidence exists or can be obtained to forecast how much improvement/benefit should result from the changes.</td>
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<tr>
<td><strong>Measurable</strong></td>
<td>This aspect of performance is currently being measured or an appropriate measure could be defined and implemented. But, it is currently not known by how much performance will change when the project is finished.</td>
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<tr>
<td><strong>Observable</strong></td>
<td>By use of agreed criteria, specific individuals/groups will decide, based upon their experience or judgement, to what extent the benefit has been realised.</td>
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## Structuring Benefits

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<tr>
<td><strong>Financial</strong></td>
<td></td>
<td>Cost per patient reduced - due to less DNAs</td>
<td>Cost of stopped referral letters</td>
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<td></td>
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<td>Reduced number of telephone calls</td>
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<tr>
<td><strong>Quantifiable</strong></td>
<td>100% of mandatory fields completed</td>
<td>Shorter waiting - faster referrals and earlier results</td>
<td>Reduce unplanned appointments to 0</td>
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<td>Better utilisation of clinic slots - improved scheduling and less DNAs</td>
<td>Reduce numbers of patients using the hand-written referral card system to 0</td>
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<td>Reduce inappropriate X-rays from 20% to 10%</td>
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<tr>
<td><strong>Measurable</strong></td>
<td></td>
<td>Better patient experience</td>
<td>Eliminate errors due to bad handwriting</td>
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<td>Fewer queries for GP</td>
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<tr>
<td><strong>Observable</strong></td>
<td></td>
<td>Less crowding in X-ray waiting room</td>
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# STRUCTURING BENEFITS - BUILDING THE CASE

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- **Pilot**
- **Reference sites**
- **External Benchmarking**
- **Modelling or Simulation**
- **Detailed Evidence (internal)**

Benefits Management: A Plan, Act, Review Cycle

- **Identify & Structure Benefits**
  - Establish explicit links between business drivers, objectives & benefits
  - Use the knowledge gained by stakeholders to identify more value

- **Plan Benefits Realisation**
  - Involve key stakeholders to gain ownership of the benefits & changes

- **Execute Benefits Plan**
  - Changes & revisions to plans are based on the affects on the benefits

- **Review & Evaluate Results**
  - Review the outcome of the investment – were the objectives & benefits achieved & why / why not?

- **Potential for Further Benefits**
  - Establish dependencies between benefits & changes at the start

- **Business cases submitted, supported by a full benefits plan – which explains what benefits we expect & how we can realise the benefits**

AND THEN

- Take remedial action to recover benefits where possible
What distinguishes successful from less successful organisations in realising benefits?

1. Having methodologies in place is not enough - *business managers & specialists using them together*, consistently for all projects is.
2. Including a wide range of stakeholder benefits in the business cases not just financial ones
3. Not overstating the benefits in order to gain funding
4. Integrated planning of benefit delivery with organisational, process and technology changes
5. Business ownership and accountability for the benefits and changes
6. Managing the benefits over the whole investment lifecycle through consistently applied project governance roles & processes
7. Systematic review of the results of investments in terms of the benefits realised or not realised
8. Transferring the lessons learned from successful and unsuccessful projects to others
Questions?