Business Case Bites

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Benefit realisation

As part of the business case approach, it has been identified that more direction and consistency is needed around project benefits and investment objectives.

WHAT IT IS

Benefit realisation is a part of the business case approach and robust investment. Essentially, we want to ensure that projects achieve the benefits and investment objectives that they set out to reach. It is part of the whole activity lifecycle to develop, identify, record, measure. See flowchart diagram below.

WHY USE IT

It is essential for the Transport Agency to follow up on completed projects to ensure that the money spent on achieving project outcomes has in fact delivered on the required objectives. Setting these parameters through the planning phase ensures we know what to monitor and measure.

HOW IT'S APPLIED

Project benefits and SMART investment objectives need to be set for each project and recorded in TIO.

Baseline data, KPIs and measures are to be set as part of the management case at project planning stage.

A monitoring plan then needs to outlined before pre-implementation.

After implementation of the project, benefit monitoring needs to be undertaken to ensure investment has resulted in the required outcomes being achieved.

Specific
Measurable
Achievable
Relevant
Time bound

Questions to keep in mind include what are the project benefits and investment objectives, are they SMART, what are the data / project requirements and what is the process for monitoring.

FURTHER INFORMATION

Further information as well as process guidelines and flowchart examples are available on the Highways information portal website:

https://www.nzta.govt.nz/roads-and-rail/highways-information-portal/processes/project-development/benefit-realisation/

Some overview information and a performance management framework are available on the NZ Transport Agency website.

Contact the Design Practice and Solutions team for further information.

What to cover at each phase:

Point of Entry
B

Legend

B — Benefits of Investment
IO — Investment Objectives
M — Develop Measures
O — Expected Outcomes
C — Monitoring

Strategic Case
B

Programme Business Case
B IO M O

Single Stage / (Indicative) / Detailed Business Case
B IO M O

Preimplementation / Implementation
O

Project Monitoring
C

This guidance is intended for staff/suppliers completing business cases for System Design and Delivery of the NZ Transport Agency