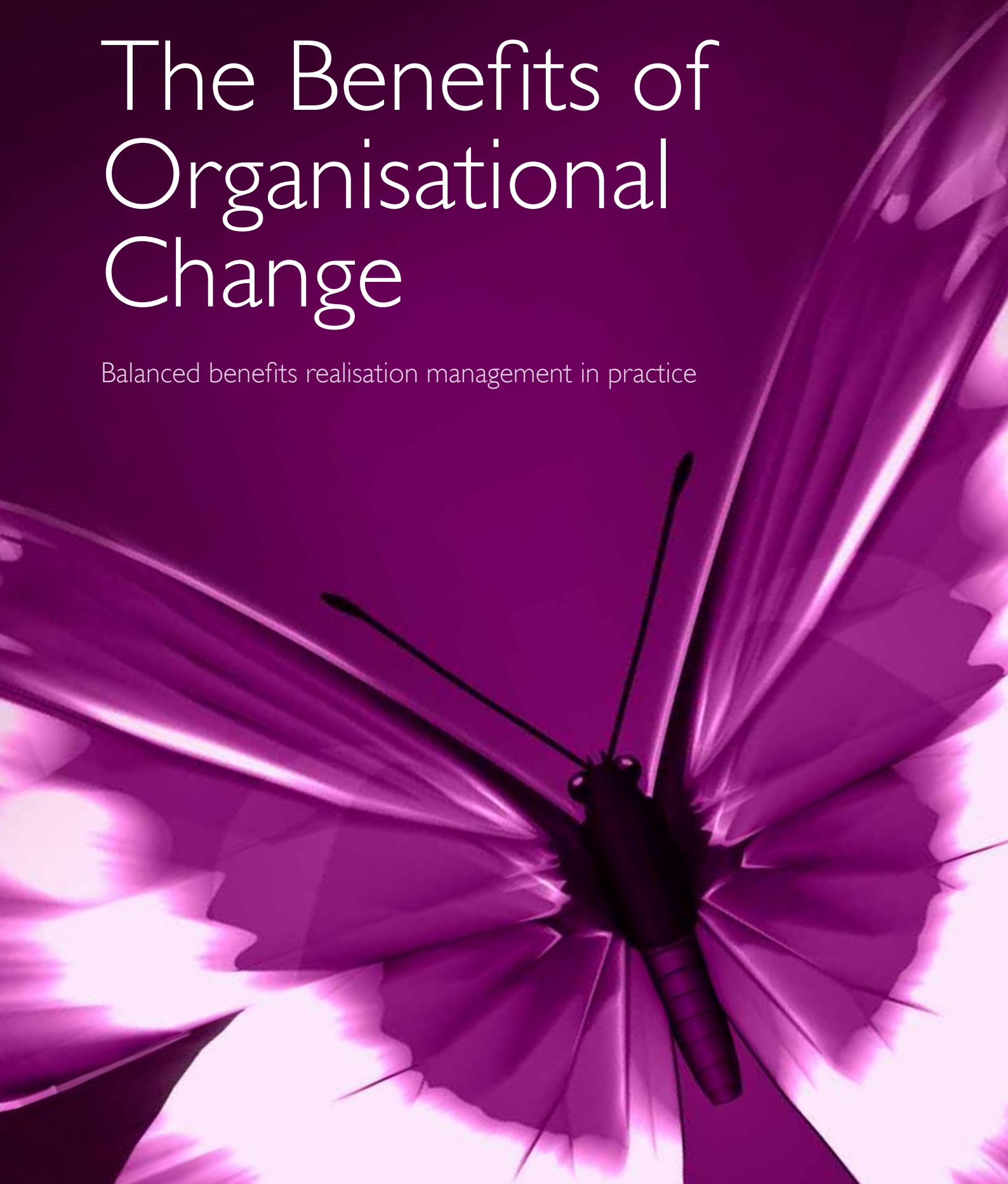


# The Benefits of Organisational Change

Balanced benefits realisation management in practice



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# Foreword



This paper represents the culmination of a joint effort between Moorhouse Consulting and the FT dating back to the summer of 2009, when we undertook a joint survey aimed at understanding how organisations approach the question of managing change. The survey results and subsequent discussion at an FT breakfast meeting with business leaders helped to develop our thinking. The Moorhouse team then applied their change management experience to addressing the identified challenges.

This is the result of that work, and it provides some great insights into what can be done in a practical way to improve the chances of organisational change succeeding. I hope you enjoy reading it.

A handwritten signature in black ink that reads "Stefan Stern". The signature is written in a cursive, slightly slanted style.

Stefan Stern, Management writer  
Financial Times



This thought leadership is the conclusion of an endeavour that has extended over many months; it also draws on experience gained over many years before that. Our recent work started with the survey conducted jointly between Moorhouse and the FT to which Stefan refers above. This reinforced many of our perceptions and views which were then shaped further at an executive level seminar hosted by the FT. To this we added the collective Moorhouse experience developed from working on a wide variety of programmes and other change initiatives in many organisations across all sectors. We therefore believe our insights are grounded and well tested at all levels. We hope they will prove helpful to those seeking to add value to their organisations through structured change.

A handwritten signature in black ink that reads "Bob Hendicott". The signature is written in a cursive, slightly slanted style.

Bob Hendicott, Director,  
Moorhouse Consulting

# Abstract

Despite the need for change to be delivered more effectively against the pressures of increasingly stringent financial targets, we still see most organisations struggling to deliver sustainable benefits from their change programmes. There is also scant evidence of any maturation in the discipline of benefits realisation generally. We find this strange given that the whole reason for undertaking change programmes is to deliver benefit. We witness this expectation 'gap' so frequently that we regard it as 'the last bastion of programme leadership still to be conquered'.

In order to corroborate our perception and experience we undertook a survey in 2009 in conjunction with the Financial Times. It was aimed at gaining a broad spectrum of perspectives ranging from Board level to middle managers, and from those involved in the formal management of change programmes to those working elsewhere in the business. This confirmed our view, with only 20% of the 150 respondents believing their organisations succeed in consistently delivering the planned benefits of change. More alarmingly, there was a marked disconnect between Board members, where 37% felt their organisations delivered planned benefits most of the time or more, and middle management, where only 5% could say the same.

Our analysis exposed a range of challenges and we then considered how best to confront them in a way that would enable a greater proportion of required benefits to be realised. The result was our balanced benefits realisation management approach - which aligns traditional methods with the need to address the issues identified in the survey.

Balanced benefits realisation management uses a **benefits-led approach** to programme definition, ensuring programmes are shaped from the start with the end in mind. It is based on the premise that programmes enable the business to realise benefits, rather than being deliverers of benefits in their own right, and is supported by:

- **A clear routemap** which ensures the desired benefits around which the programme is defined can be owned by the business
- The use of **appropriate tools** to promote the measurement and tracking of benefits against expectations, and support the business and its programme during the journey
- **Proactive communications** starting from the outset of the programme
- **Recognition of the psychology** that plays a significant part in this aspect of programme leadership.

Our experience is that focusing on these dimensions with the support of a Business Change Manager - a critical role within the programme team - and reinforcing the approach across the organisation via a network of change champions significantly improves the chances of the forecast benefits of change programmes being realised.





Moorhouse Consulting is a programme and project management (PPM) advisory specialist that helps organisations to deliver their complex programmes in order to realise organisational benefits and thereby achieve strategic goals. Moorhouse is committed to sharing its knowledge and improving the quality of Programme and Project Management in the UK. As part of this commitment, Moorhouse has produced several publications and articles which can be found in our Knowledge Centre at:

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