



HEFCE LGM Fund
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Benefits-led IT at Newcastle

Final Report

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Executive Summary

We are engaged in a project to develop university senior managers as leaders of IT-enabled transformation. The project is producing practical resources to help individuals and organisations as they seek to develop their transformation capability in an increasingly financially aware business environment.

The resources include a management 'toolkit' for IT-enabled transformation, case studies and a web site. The project draws on existing good practices and focuses on testing out a practical, workshop-based process for enabling individuals and teams to use the tools.

Newcastle University led the project, working in collaboration with a small group of partner HEIs over a period of 1 year, with the aim of building each organisation's capability to realise the transformational power of IT for higher education.

We want to highlight four things:

- Firstly, the time is right for a focus on benefits realisation. The general economic environment and the challenge to do more with less is an important factor. In addition, at Newcastle the foundation of good systems, skills and processes provides the basis for looking beyond technology delivery and management to benefits realisation.
- Secondly, the agile and benefits-driven approach adopted by this project has been valuable. There is a balance between a clear vision and flexibility to develop and adapt the detail as the project progresses.
- We have seen the value of people from different areas of the organisation working together using simple, but powerful tools. The focus is increasingly on the skills of individuals and teams to work with and influence others to gain benefits from IT-enabled innovation and change.
- Finally, other organisations can learn from the approach we have taken and build on the resources we have produced.

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Original Objectives

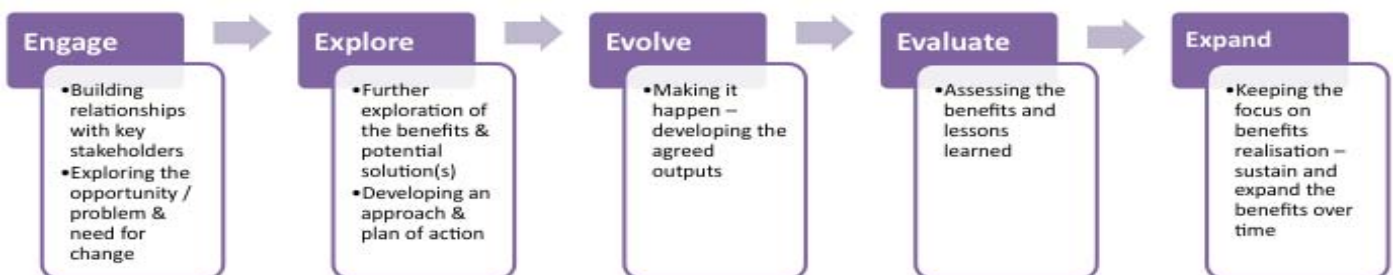
- Develop and Deliver a management 'toolkit' for IT-enabled transformation.
- Contribute to real projects, using them as case studies for improved learning as well as making substantive improvements on the projects themselves.
- Deliver some exploratory projects
- Deliver a web site as a repository both for the learning from projects and for the toolkit and other resources.
- Test out the toolkit process and develop the transformation capability both of ISS staff in Newcastle and of an initial group of 'partner' HEIs.

Have the objectives been met?

Toolkit

The key challenge we are tackling in this project is putting knowledge into action to develop the transformation capability of HEIs. In the design and delivery of the project, we are applying good practices for benefits-driven project planning and delivery. This approach of 'practicing what we preach' is very important for us. In particular, we have adopted the e⁴⁺¹ project framework to provide a flexible (agile) foundation for the project that enables innovation and learning. More detail on each of the phases is available in the full report, on the project website.

e⁴⁺¹ project framework



Benefit to actual projects

The initial projects were chosen to reflect different sizes and degrees of complexity, and different stages in the project lifecycle.

We had:

- Implementation of a business process re-engineering project (P2P)
- Moving from experiment to live, production service (ReCap)
- Integration of a 'non-central' system (NESS)
- A technology project (testing disaster recovery)
- An international project where IT is one of many risky 'planks' (NuMed)

ReCap

The lecture recording system is now in place in 50 lecture theatres (Summer 2010) to provide automatic recording of lectures and is being widely adopted.

For ReCap, a key opportunity is to get more staff recording lectures and more students using the recordings. The main action is to market the existing capabilities to new users by sharing some of the staff and student stories of the benefits they have gained from the system. We ran a Benefits Review session with the RECAP steering group and the learning was shared at workshop 5. This allowed the learning, both expected and unexpected, to be shared in a reflective and upbeat environment.

With such innovations, the precise benefits only emerge as people start to *use* the technology. Unexpected benefits come as staff and students start to use the technology to work in different ways. ReCap provides a good example of the importance of what we refer to as Benefits Exploitation. The quest to leverage benefits from software should not cease as soon as it has been implemented. Continued focus is required over the life of the investment.

NESS

NESS was developed outside ISS, by a team in the Computer Science department. It has evolved to play a key role in the student assessment process across half the University and is gradually being integrated with other core systems. NESS supports marking assessment and exam board activities: taking the marks from the academic markers through external examiners to final classification. The NESS team adopted key aspects of the toolkit developing a benefits realisation plan and stakeholder analysis. They have found that the "benefits approach is very clear" and that as a result "people are thinking differently". "Its' a very clear language that is helping communication with people and contributed to better working relationships".

P2P

Procure to Pay (P2P) is sponsored by the Finance Director with the goals of achieving more effective procurement and more efficient processes. The project is challenging as it affects the jobs of a large number of people across the university. During the benefits-led project, initial work on P2P has formed a steering group, a project team and progressed system selection.

The P2P team have adopted many of the benefits-led ideas and found the work on stakeholder mapping extremely valuable. Key learning points from the project include: the challenges of actually 'banking' benefits even in an apparently clear-cut situation. Success will depend on continued engagement and the willingness and ability of the different Schools and Departments to manage the changes locally in order to realise important aspects of the overall benefits.

NuMed

NuMed is a major University initiative to set up a new medical school on a campus in Malaysia in new buildings. The ISS element is a critical, but limited, part of the overall project. Teaching on the new campus will depend on getting the right IT capabilities in place and having good links with Newcastle.

A number of learning points have emerged. Firstly the value of the stakeholder mapping exercise, which quickly revealed that action was required to draw together the different strands of activity (HR, Estates, ISS, Medicine, UK, Malaysia) and establish more integrated programme management with sponsorship related to the overall benefits and strategic goals rather than specific components. NuMed also highlighted the importance of non-financial benefits. Although clearly strategic for the University, the direct financial impact is relatively small because of the financing arrangements, so the project has not triggered the enhanced focus reserved for 'large' projects. From a portfolio perspective, the project has absorbed considerable senior management time and highlights that this is a key issue in terms of capacity for change. These impacts on a small number of senior individuals are often underestimated.

Testing Disaster Recovery

The aim of the Testing Disaster Recovery project was to respond to Audit Committee and carry out a test of existing contingency arrangements. This was seen as the start for a longer-term programme of work to develop enhanced backup and recovery capabilities.

A key challenge for the project was to bring together different stakeholders and establish a shared understanding of the goals. Although apparently clear, it revealed, as with other projects, the major challenges of getting a good, shared understanding of goals. The benefits approach plays an important role because of the emphasis on stakeholders working together in well-designed workshop sessions.

Exploratory Projects

Three projects were undertaken on crosscutting issues. The aim is to start to explore a number of areas where there is little existing good practice to refer to. During the initial planning work (Engage) a number of possible areas were identified. As part of Explore, the priorities were refined based on further assessment of the priorities at Newcastle, as well as emerging opportunities to engage with the wider IT management community.

Work was carried out in the following areas:

- Overcoming the 'IT attention deficit': successfully engaging senior management as leaders of transformation and equipping them with a language, people skills and toolkit to play this role effectively.
- Practices related to the management of the portfolio of IT projects and services.

- Exploitation of existing IT systems and services.

In each of these areas, we are seeking to explore and evolve good practices based on research and engagement with a range of stakeholders.

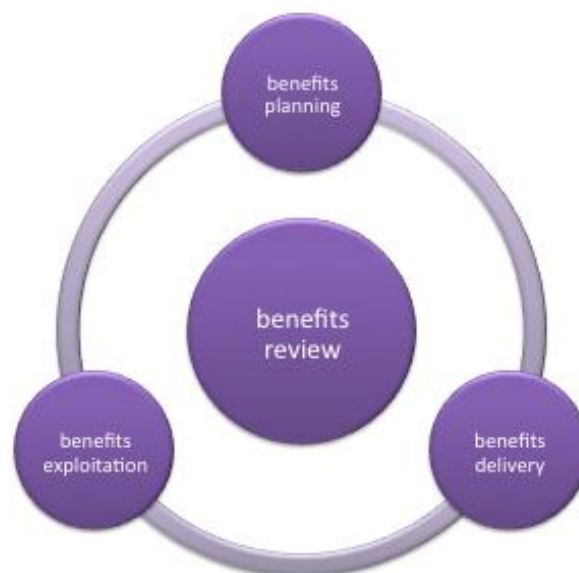
Web Site

See the final section for a list of project resources.

Development of a skilled team

Much has been done to develop the skills of the ISS team in Newcastle. The following model outlines the different skillsets developed.

Benefits realization competences



Benefits Planning: benefits do not simply emerge, as if by magic, from the introduction of a new technology, their realisation needs to be carefully planned and managed from the very beginning of thinking about any investment in change. Benefits Planning includes a strategic perspective, enabling innovation and deciding which projects to undertake, as well as benefits-focused planning of individual projects.

Benefits Delivery: benefits primarily arise from the organisational change that accompanies an IT implementation, rather than directly from the technology itself. The benefits and related changes need to be the focus of activity.

Benefits Review: organisations must monitor and evaluate results on an on-going basis. This will improve the results of individual projects, and ensure that the organisation's ability to deliver business value improves over time.

Benefits Exploitation: the quest to leverage benefits from business software should not cease as soon as it has been implemented. Continued focus is required over the life of the investment.

A further important element of the overall benefits realisation capability is the ‘mindset’ and associated language.

‘I knew this was working when people started talking about ‘driving out the benefits’ in project meetings.....’

Steve Williams, November 2010

Approach to the project

Action research provided a foundation

The project focused on the development of organisational competences for benefits realisation rather than the adoption of a specific method. It involved participatory action research to explore how the competences required for benefits realisation can be developed; and it tested out the possibility of sharing practices between organisations to contribute to the development of the required competences. Finally, it examined what is required to help organisations to develop the required competences themselves.

Engagement with senior management

The ISS Senior Management Team agreed before commencing this work that it would be one of the priority areas for the year. Support was also gained from the Russell Group IT Directors (RUGIT) and from the Registrar in Newcastle.

The five day-long workshops

Engage Day 1	Explore Day 2	Evolve Day 3	Evolve Day 4	Evaluate Day 5
<p>Introduction to the benefits approach.</p> <p>Patterns and practices as a framework for capturing lessons learned and knowledge sharing.</p> <p>Benefits review.</p> <p>Introducing the investment portfolio.</p>	<p>Benefits planning: benefits principles / overview of the framework and introduction to driver analysis.</p> <p>Stakeholder engagement and analysis: developing a rich stakeholder map for key projects.</p>	<p>Review of key projects from a benefits perspective.</p> <p>Consulting skills: exploring approaches to engage with key stakeholders.</p>	<p>Benefits delivery: a range of practices related to benefits delivery including benefits measurement as a driver of change.</p> <p>Adapting the approach to different projects: exploring agile approaches and the implications of the investment portfolio to enable innovation.</p>	<p>Review of key projects and planning further action for benefit realisation.</p> <p>Review of the programme – lessons learned and reinforcement of key messages and skills.</p> <p>Looking ahead to make a benefits approach business as usual.</p>
Feb	March	May	July	Oct

What was disseminated, and how?

- ISS colleagues

The following table summarises the learning shared from the ISS Assistant Directors:

What does success look like?

- | | |
|--|---|
| <ul style="list-style-type: none">• Develop a straightforward, common language across different layers of the organisation (in and out of ISS)• Common, embedded approach: transferable across all projects• Clear, documented, easy to translate across all audiences• Transparent, blame-free approach to post project reviews• Include lessons for all business perspectives (not just ISS centric)• Transparency around project planning (benefits planning)• Getting more from what we have | <ul style="list-style-type: none">• Set of common criteria applicable across the board for projects / programmes to enable decisions for resource allocation• Benefits not Features as language of project initiation• AGILE model: 'incremental development' – sensible bite-sized chunks going forward (this project and all ISS projects)• Value in 'no-go' decisions as well as committing to get involved• People involved have an increased sense of moral and feel more motivated• Actively learn by using the process. How we use this to feedback and learn |
|--|---|

- RUGIT and Local Government CIO Council

Sessions shared the material and invited contributions from members of the two IT Directors' Fora. Materials are available on the website.

- Final Conference

A conference was held in Newcastle on 3 March 2011. Proceedings of the conference are available on the website.

- Educause, October 2011

Colin Ashurst and Steve Williams have been invited to present the material at Educause in Philadelphia in October 2011. This is the most prestigious global event for Higher Education IT.

Outcomes – what have we learnt?

Pilot adoption of the benefits-led approach

Key members of each of the project teams attended the 5 one-day workshops run as part of the Benefits-led IT project. At each workshop, we introduced part of the benefits toolkit and participants had the opportunity to apply the ideas to their projects with input and feedback from their colleagues. At workshops 2 and 5 each project team provided an update on their project including progress, challenges and the contribution of the benefits toolkit. We also had feedback sessions with individuals to get their views on the benefits-led project and to explore their progress in adopting the toolkit. These sessions took place after workshops 2 and 4.

Be innovative in how you run these things

The following innovations were developed during the project:

- Piloting the workshops as a coherent five-day leadership development programme rather than as individual activities.
- Taking a benefits-driven approach to the project itself – as suggested by one of the IT senior management team.
- Extending the Benefits Workshops outside IT – as suggested by a workshop participant.
- The extent of focus on ‘consulting skills’ during the workshops.
- Not overloading the workshops with theory, instead using the time and participants’ skills to reinforce learning by direct application of the ideas to live projects.

Involve many brains

The Russell Group IT Directors had a most robust debate of these issues, summarized in this table:

- | |
|---|
| <ul style="list-style-type: none">• It’s about the exploitation of the technology, not the technology itself.• Sometimes IT can and <u>should</u> tell people what should be done – we have specific key skills. And the issue here is about building credibility, using influence, evidence and proven wins.• The problem is that benefits are rarely measured accurately, and over time as things change, it is really hard to work out whether things have been delivered at all! Incremental change is the norm, and people miss the consideration of ‘standing back’ and looking at the benefits from a step change.• A business area or academic department has to identify what the benefits are – and it is really hard to get some areas (particularly academic departments) then to understand how to articulate the business improvements for their area.• The benefits depend on business process change – benefits have to be got by the business with the help of ICT. Note – exploitation is key, and you shouldn’t embark on the project if there is not real business sponsorship. |
|---|

- Most benefits are actually realised much later than the completion date of the project – ongoing exploitation over several years is the issue. Work in this area, therefore, needs to major on how to inculcate concentration on exploitation.
- Benefits may or may not be causal – how will we know that THIS action had THIS benefit? Answer – we won't know completely – but by identifying and tracking benefits, we can get much closer to a causal understanding. It's similar to risk management – one can't be certain that action X has mitigated risk Y but one can gain better understanding. Another advantage is that this works well for qualitative as well as quantitative benefits.

General learning points

A number of general points emerged from the work with the specific ISS projects.

- Firstly, the benefits-led approach resulted in a significant shift in thinking and focus. Stakeholder engagement and organisational change were emphasised. The benefits perspective brought people together and provided valuable insights into how different elements of the projects fitted together.
- The approach required, and encouraged, more collaborative working based on an understanding of the benefits and the cross-department team effort required to realise them. Perhaps more importantly in the longer term, the interactive approach helped build relationships between people, teams and departments and encouraged people to have fun. This is a very promising start for an increasing focus on innovation enabled by IT.
- In many cases, there were important unexpected benefits, which were a major driver of value in new phases of work.
- There was strong support for the Benefits Review activity – which provided space to think. The sessions were an important enabler of new insights and shared learning.
- In several cases benefits realisation was an ongoing process of learning, as people worked with the systems and discovered opportunities. A key challenge, and opportunity, is to facilitate this learning across the organisation, for example as individual lecturers or programme teams find ways to use ReCap to enhance student learning and experience.
- The team and individual learning gained from this exercise needs to be seen as part of a programme of organizational development.
- Finally, many of the projects, even an apparently transactional project such as P2P, required considerable learning and change at a local level in Schools and Departments. This highlights benefits realisation as an organisation-wide capability.

How will Newcastle and other Universities continue to benefit into the future?

Future activity will continue to embed the benefits-led approach in ISS and its relationships across the University. Line responsibility for this work has been given to a member of the CIO's senior management team, the Assistant Director (Governance.)

Implications of the work to date for other HEIs and IT management practice in general include:

1. The importance of the initial assessment to confirm that the time is right – that relevant foundations are in place for a focus on benefits and business change.
2. The need for sponsorship at a top level and a high level of commitment from the sponsor in terms of time and energy.
3. The importance of taking an agile, phased, benefits-driven approach to the project (with all that implies).
4. That, if conditions are right (see 1 above), the changes are likely to be welcomed by IT and business participants in enhancing their role and enabling them to make a more effective contribution to the organisation.

An important barrier to the adoption of a benefits-led approach is the perception that 'we do all this anyway'. From our wider research we know this very unlikely to be the case and that very few organisations are yet at the stage of having an well developed, organisation-wide benefits realisation capability. It is a mistake to equate having a business case to a benefits-led approach. A robust business case is important, however all too often it will focus on financial benefits rather than the wider picture and on what the benefits are rather than *how* they will be realised. The real value of the benefits-led approach has been in building engagement, collaboration and creativity in the groups working to bring about the potential benefits.

Publications from the project

See the project web site at: <http://research.ncl.ac.uk/transform/>

The web site provides a number of resources including copies of the reports produced from the exploratory work and the resources for the three toolkit workshops:

- Benefits review.
- Benefits assessment (initial review of the opportunity for a project).
- Benefits and change assessment (development of the benefits realisation plan).

Further, a comprehensive project report, covering the material and learning in greater deal of detail, is available for download from the website. The project report also contains a range of references to other work on the subject.