Benefits realisation management: panacea or false dawn?

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Abstract

Benefits Realisation Management (BRM) is becoming an increasingly important aspect of project and programme management. However, commentators have observed that the practice of BRM is often flawed, and have made suggestions as to how practice might be improved. This paper is concerned with the reasons why the implementation of BRM might not be straightforward, by focusing on the underlying assumptions. It will approach the issue by drawing on the author's experience from the 1990's and 2000's in working in the management of government-funded regeneration programmes in the UK. In this field there was a rigid benefits management framework, although it precedes the development of BRM. The paper will argue that there are important underlying conceptual issues in benefits management which have practical implications and need to be recognised in the development of theory for BRM.

Keywords: Benefits Realisation Management; Performance Management; Regeneration Programme Management.

1. Introduction

Benefits Realisation Management (BRM) is an aspect of project management that has received increasing attention in the past few years. The literature on the topic is developing rapidly (see, for example, Ashurst and Hodges, 2010; Bradley, 2006, 2010; Jenner, 2009; Lin et al., 2005; Payne, 2007; Remenyi et al., 1997; Thorp, 2001). The authors come from different backgrounds, including consultant, practitioner and academic, and often are able to draw on experience of more than one of these roles. Benefit Realisation Management (BRM) is now seen as central to project, programme and portfolio management, with it even being suggested that 'BRM is the glue that binds together all the other management techniques' (quoted in Bradley, 2006:24).

BRM originally developed in the 1980's and 1990's because of a need to understand the return on investment from IT spend (Bradley, 2006) and overcome the limitations of traditional investment appraisal techniques (APM, 2009). There is still a strong focus on IT, but BRM is relevant to a wide variety of different disciplines and professions. In the UK, the Association for Project Management (APM) formed a Benefits Management Specific Interest Group (SIG) in 2009. It has grown rapidly since its inception in 2009, and by December 2010 had over 1000 members (APM, 2010b).

BRM may be receiving much attention, but can it radically change management practices, and become a panacea for perceived shortcomings of project and programme management? Alternatively, is BRM just another management fad (Darwin et al., 2002), which gives the illusion of progress,

but actually makes no significant difference to management practice, and turns out to be a 'false dawn'.

The increasing interest in BRM is associated with other ways in which project management has broadened its focus. At the conceptual level, BRM is closely associated with 'value' and with Value Management (VM), which forces projects to be justified in terms of the balance between strategic needs and wants met against resources used up (Morris, 2011).

BRM has also been associated with the rise over the last two decades of programme management (Pellegrinelli et al., 2011; Reiss, 1996) and, more recently, portfolio management (Jenner, 2010a; Jenner, 2010b; Thorp, 2001). Portfolio management is concerned with prioritising the optimum mix of projects and programmes, to maximize impact, within the constraints of risk and affordability (Jenner, 2010a:2). Together with BRM, portfolio management can be viewed as a further step to ensure that not only are projects 'done right', but also that the right projects are selected in the first place.

While Benefits Realisation Management as a branch of project management is relatively recent, the need for organisations to focus on benefits is fundamental to management theory and practice. Branches of management studies which are particularly concerned with benefits include change management (eg Burnes, 2009; Darwin et al., 2002) and performance management (Ashworth et al, 2010; Talbot, 2010). BRM and portfolio management therefore involve closing the gap between strategic

management and project management, and, perhaps more contentiously, incorporating more of the organisation's processes for strategy and change into the project management arena.

In the 1990's and early 2000's I worked in local government, managing community regeneration programmes, while at the same time developing my skills as a reflective practitioner (XXXXXX, 2007 Schon, 1983). The need to account for the effective use of public money meant that benefits realisation was an essential part of the management and reporting systems used in regeneration, although we didn't call it by the name 'benefits realisation management'. I have subsequently reflected on these experiences in presentations to professional audiences and as part of my current role as a university lecturer in strategy and organisational change. The current article is an extension of this process of reflection.

Section 2 will look at definitions of BRM and briefly review guidance available as to how to do it. It will relate BRM and the functions with which it is associated to the 'modern paradigm' of scientific management.

Section 3 of the article will review evidence as to the extent to which BRM is being adopted by organisations, and also how well it is being done. It will consider some of the prescriptions as to how practice might be improved. It will suggest that there are further fundamental issues with BRM at the conceptual level, and hence the constraints on its impact on the success of management practices may be underplayed.

Section 4 will reflect on my own experiences in regeneration programme management, using abduction and retroduction modes of inference (Danermark et al., 2002). I will argue that the imposed benefits management framework was based on the assumptions of the 'modern paradigm' of scientific management, but because of weaknesses in those assumptions, the way that benefits were actually managed in practice was very different from the scientific approach.

Section 5 will address how far experiences from the regeneration field transfer across to the range of contexts where BRM is currently being used, while Section 6 will identify the main conceptual constraints on BRM arising from the discussion, and look at the implications for theory building and for practice.

2. What is Benefits Realisation Management (BRM)?

Different authors use slightly different terms to describe the phenomenon; for example, some use the term 'benefits management', rather than 'benefits realisation management'. Bradley defines a benefit as 'an outcome of change which is perceived as positive by a stakeholder' (2006:18). Conversely, disbenefits are outcomes of change perceived as negative. Bradley defines BRM as 'the process of organising and managing, so that potential benefits, arising from investment in change, are actually achieved', (Bradley, 2006:23).

The APM Benefits Management SIG use a wider conceptualisation of benefits management as a 'strategic business skill for all seasons…centred on using benefits management to align the journey from business strategy to delivery to the embedding of change within organisations' (APM, 2009:1).

Jenner takes a different approach, seeing benefits management as the promotion of 'a different mindset, based on an approach that manages value on an active basis' (Jenner, 2009:2). He views benefits management and portfolio management as complementary aspects of the new mindset (Jenner, 2010a). Other commentators see benefits realisation in still broader terms, such as, for example, Ashurst and Hodges (2010), who refer to a 'benefits realisation capability' as the capability to succeed with transformation and change (in their case in an IT context).

The typical consultancy/practitioner guidance on how to undertake BRM (Bradley, 2010; OGC, 2007; Payne, 2007) will specify how BRM fits into project/programme/portfolio management, and why it is so important. It will suggest how BRM should be undertaken over the course of a life-cycle of a change initiative, starting with the identification of benefits and ending with their realisation. It will propose various documents which should be produced and suggest how relationships between key stakeholders can be managed. Guidance may also be given as to how BRM can be embedded within an organisation.

As it has arisen out of project management, BRM has many of the characteristics of the functionalist, rational model which is dominant within the project management community (Pellegrinelli, 2011). The performance management function with which BRM is associated usually adopts a similar model (Talbot, 2010). Therefore BRM is generally undertaken within what has been termed the 'modern paradigm' of management science (Darwin et al., 2002:16). The scientific approach has seven supporting themes, according to Darwin et al. (2002), each of which can be identified in the guidance on BRM, as follows:

- logic. By applying logic to the decision-making process a good outcome can be derived;

- linear thinking. The BRM process involves a prescribed series of procedures, over the lifetime of a project or programme;

- quantification. To compare different proposals, benefits need to be quantified as far as possible;

- cause and effect. Causal links between activities and the benefits to be gained can be established;

- reductionism. Amongst all the different impacts, some can be isolated as the most important ones for decision-making;

- split between thinking and doing. There is a distinction between the benefits planning process and the implementation of the activities which will lead to the benefits;

- control. The appraisal process is a means of achieving management control over resources.

How far does the scientific approach actually reflect how organisations operate? Schwartz (1990) contrasted two views about organisations. The first was where everything runs like 'clockwork' in a cohesive, mutually supportive way, and managerial problems are technical ones which can be solved with the right skills. The opposite view was that organisations are like a 'snakepit', where everyone pursues their own interests, no one trusts anybody else, and managerial problems are intractable. Schwartz (1990) found that amongst his students most felt that the organisation they knew best bore more similarities to the snakepit model than the clockwork one, but the techniques they wanted to learn about were those for managing a clockwork organisation. His explanation was that the students wanted to believe in the 'clockwork' organisation, rather as a matter of faith. Darwin et al (2002) related this finding back to the need for security which managers find in the scientific approach.

Another way of looking at how organisations actually operate is to study the way that they undertake change. Project and programme management is generally associated with planned approaches to change, but studies of organisations have identified that emergent change is often a much better model for representing how change actually happens (Burnes, 2009; Darwin et al., 2002; Grieves, 2010).

3. The development of BRM

With BRM arising out of concerns with the success rate of projects and the limitations of existing investment appraisal methods (APM, 2009), research

has been concerned to establish to what degree, and in what ways, organisations are using BRM, and whether it has made a difference to the realisation of benefits. A key focus has been on how organisations can improve their approach to BRM, using models which categorise different levels of organisational maturity.

In 2009, the APM Benefits Management SIG undertook a survey across APM members in the UK as part of the launch of the SIG. The survey found that 60% of respondents described their organisation's approach to benefits management as informal or accidental (APM, 2009). The vision of the SIG is to '*develop and promote benefits management as a core driver of successful project, programme portfolio and change management'* (APM Benefits Management SIG website). Its activities are therefore orientated towards practitioners to help them improve their practice in the field. The applied research element of the SIG's work is encapsulated in a report on 'Benefits realisation – what are your chances of success', (APM, 2010a), which identifies a number of themes which are key to effective benefits management, covering governance and ownership, organisational culture, timing and capacity for change, technology and tools, and management information. The SIG aims to produce a number of further practical guides covering these topics in due course (APM, 2010a).

As befits its role within the APM, the focus of the Benefits Management SIG is to try to improve practice. As such, it identifies barriers to effective BRM, and seeks to provide practical advice. It is obviously concerned with the nature of

BRM but it will not always delve deeply into the theories behind management practice. For example, organisational culture is a critical factor in determining how BRM will be viewed and utilised within any organisation. From a practitioner perspective, the SIG paper makes recommendations as to what kind of organisational culture is needed for BRM to be effective; that is a culture where 'value' is commonly understood and incorporated into decision-making. It also suggests that those who promote BRM need to manage stakeholders well and communicate widely (APM, 2010a). An academic perspective on this issue might complement the practitioner view, perhaps investigating the relationship between organisational culture and the assumptions of the 'modern paradigm' (Darwin et al., 2002) where they underpin BRM. Such a consideration of the relationship between organisational culture and BRM would investigate why some types of organisational culture are more compatible with BRM than others, and what the advantages and disadvantages of BRM can be, in different organisational contexts. It would also consider the point made in Section 1 above, that BRM brings more of the strategy and change processes in an organisation into the project management arena, which might well be a source of tension with the strategic decision-makers in that organisation.

Jenner (2009) has developed a linked set of prescriptions for a 'new mindset' for benefits management and portfolio management, drawing from research from a diverse range of sources. His focus is on ICT investments in the public sector, but his conclusions on benefits management are of wider applicability, aiming,

‘1. to ensure that benefits claims are robust and realisable

2. to capture all forms of value created

3. to realise benefits and create value’ (Jenner, 2009:121).

After providing evidence on the failure of many ICT projects to achieve their business objectives, Jenner (2009) provides explanations as to why this might be the case, and puts forward his own proposals for improving practice. However, the organisational behaviour which Jenner highlights may be more deep-rooted and hence more resistant to change than he suggests, if the assumptions of the ‘modern paradigm’ do not hold. In order to substantiate my argument, I will look at the first of Jenner's objectives, to ensure that benefits claims are robust and realisable.

Jenner (2009:13) refers to the phenomenon of ‘optimism bias’ whereby the benefits of potential projects are consciously or unconsciously inflated in order to secure their approval, and hence are neither robust nor realisable. In some cases this amounts to ‘benefits fraud’ (Jenner, 2009:16), where deception is involved, on the assumption that those responsible will never be held to account for knowingly inflating the benefits of their project. Jenner then puts forward his own solutions for combating optimism bias, including more independent scrutiny, greater use of the evidence base and accountability mechanisms across the whole project life-cycle (Jenner, 2009:17-18). However, each of these solutions has a cost attached to it and critics could construct a case to say that they will not work. Scrutiny involves a trade-off between independence and knowledge of the project, the evidence base may

not be reliable in a turbulent business environment, and accountability is often complex and difficult to enforce, particularly where politicians and civil servants work together in Government.

The implications for those who promote BRM are that it may be necessary to look more deeply into underlying concepts, in order to address the many reasons why organisations might behave in ways which fail to meet the approaches being advocated. If 'benefits fraud' is rife, it may not be enough to suggest a different managerial mindset, as Jenner (2009) does, but also to look in more detail into the reasons why managerial processes are subverted by individuals and groups within the organisation. Instead of assuming that this behaviour can be eliminated, the focus would be on how the benefits forecasts have been produced, which stakeholders have been involved in the process, how it might be possible to distinguish realistic forecasts from unrealistic ones, and how the overall decision-making process might be as rigorous as possible while using resources efficiently. Where organisations have some of the features of the 'snakepit' (Schwartz, 1990), the underlying reasons for this would need to be addressed before BRM could function properly.

With BRM having developed out of the information technology/information systems field, there is a huge international literature on benefits management which is specific to IT/IS (see, for example, Ashurst et al., 2008; Ashurst and Hodges, 2010; Lin et al., 2005; Remenyi et al., 1997; Thorp, 2001). There are many different methods that have been developed for realising the benefits of

IT/IS investments (Lin et al, 2005). BRM in IT/IS was developed to counter the technocratic way IT/IS investments were undertaken, and some approaches explicitly claim to embrace alternatives to the 'modern paradigm' of scientific management, such as Remenyi et al.'s (1997) Active Benefit Realisation (ABR) framework, which they promote as a post-modern approach to information systems development. The authors use the term 'post modernism' in a loose sense, 'to suggest new and experimental directions in management thinking' (Remenyi et al., 1997:4). They sought to avoid detailed procedures but saw ABR as providing building blocks and an ethos for realising benefits. They proposed the co-creation of systems development by the main stakeholders, including users, IS/IT developers and others, based on positive relationships between all the partners.

 One of the main themes within the literature has been to research practice amongst organisations and to suggest how organisations measure up against some kind of benchmark for benefits management practice. One approach which ties a model about maturity in practices for benefits management into a wider body of theory about organisations is that which has been promoted by Ashurst and his colleagues (Ashurst et al., 2008; Ashurst and Hodges, 2010).

Ashurst et al., (2008) used a resource-based view of the firm to identify the competences, capabilities and practices associated with benefits realisation, and studied a sample of IT development projects to identify the extent to which benefits realisation practices had been undertaken. They found that few of the benefits orientated practices were being adopted, with the main focus

being on the delivery of the technical IT solution. Ashurst et al. suggested possible reasons as to why benefits-oriented practices were not being adopted more comprehensively and systematically (2008:365-366). One was simply lack of awareness. A second was that in IT developments clients and consultants may both see it as the other party's job to ensure benefits are realised. Third, the complexity of major projects, with unexpected and unintended consequences may mean that organisations see no point in trying to proactively plan for and manage benefits.

Ashurst and Hodges (2010) took this earlier work a stage further, in outlining different maturity levels, on a scale of Level 1(Basic) to Level 4 (Advanced), for key factors in benefits management for IT projects. They also explored the notion of a 'competence' in more detail and incorporated practices, knowledge, relationships, attitudes/behaviours and paradigm/principles as different aspects of a competence. By paradigm/principles, Ashurst and Hodges referred to the move from a technology-centric view of IS/IT solutions to a benefits focused approach (2010:234). However, the arguments made earlier in this paper suggest that it is necessary to explore in more detail the various different ways in which a 'benefits-focused approach' might be undertaken.

As one would expect with BRM being a developing field, there are many different directions for researchers to take. For those whose allegiances lie within the scientific approach of the 'modern paradigm', one important area would be to seek to quantify the impact of BRM on business results. This

might involve collecting data about organisations from before the point at which they begin to use BRM, so that hypotheses based on 'before and after' comparisons could be tested. For those, like myself, whose ideological position lies outside the 'modern paradigm', any attempt to quantify the impact of BRM would be of limited value, for two linked reasons. First, because every organisation is different, any conclusions about the costs and benefits of BRM for one organisation may not transfer across to other contexts. Second, if the assumptions of the 'modern paradigm' do not hold for the practice of BRM, they may not hold for studies into its impact on organisations either. Therefore, I would suggest that there are other directions for research into BRM which are equally valid, such as studies which investigate the assumptions and the ambiguities in the practice of BRM, to help managers to reflect on and evaluate their own practice. Therefore, my own research interest is to explore past practice in benefits management in such a way that the latent tensions and contradictions arising from the assumptions of the scientific approach of the 'modern paradigm' are examined. In this way, I would hope that new insights might be developed relevant to both theory development and management practice, based on how benefits management actually happens.

4. Benefits management in regeneration programmes

In the 1990's and early 2000's my job involved managing programmes which sought to regenerate disadvantaged areas in the north of England, mainly

funded by the UK Government. The umbrella term for these programmes was 'area-based initiatives' (ABI's), and each one had its own name, such as the Urban Programme, City Challenge and the Single Regeneration Budget (Diamond and Liddle, 2005). The overall public sector spend on these policy initiatives was considerable. For example, £5.7bn was channelled through the Single Regeneration Budget by the UK Government over its lifetime (Rhodes et al., 2003). The funds were divided into local programmes, often in the range of between £5m and £20m, spread over five or so years, and managed by local multi-agency partnerships. The programmes operated under a tight benefits management regime (DoE, 1997), imposed by the government to ensure accountability for this discretionary area of public expenditure, within the framework provided by HM Treasury's Green Book. I was not aware of any explicit programme management model for the processes and procedures set down, and, of course, this era preceded the development of BRM as a branch of project and programme management. Nevertheless, the way in which benefits were managed within this imposed framework has lessons which may help to inform current day practice in BRM.

Local partnerships would submit funding bids, perhaps for a disadvantaged area, or perhaps based on a theme, such as employment or education. Part of the bid was a benefits hierarchy, which specified the vision, objectives, outcomes and outputs for the programme (see Fig. 1), with the different levels being inter-related in complex ways, which may or may not have been made explicit within the bid. The structure of the standard benefits hierarchy developed over time, but by the mid-1990's all the elements were required in

any regeneration programme bid (Table 1). If a bid was fully or partially approved by the Government, further negotiations around the targets would ensue, in the form of a detailed Action Plan, which would include targets on a quarterly basis for outputs, regeneration funds spent and other funds levered in. As well as quarterly and annual reporting, independent evaluations of each programme would usually take place mid-way through the programme and at the end. There have also been major national evaluations of some ABI's, including City Challenge (DETR, 1998a), the Single Regeneration Budget (DETR, 1998b, Rhodes et al., 2003), and a more recent ABI called 'New Deal for Communities' (Lawless et al, 2010).

I have access to published national sources and unpublished documents from the local programmes I helped to run, as well as memories of the work I was involved in. My research task was to interpret these experiences from the 1990's and early 2000's in the light of general management theory and the theoretical frameworks associated with BRM. This is essentially a hermeneutic endeavour (McAuley, 2004), while the specific modes of inference I used leaned more towards abduction and retroduction than the more common induction and deduction (Danermark et al., 2002). The thought operations for abduction are 'to interpret and recontextualise individual phenomena within a conceptual framework or a set of ideas' and for retroduction are 'from a description and analysis of concrete phenomena to reconstruct the basic conditions for these phenomena to be what they are' (Danermark et al., 2002:80). I am analysing my work experiences in the light of the conceptual framework of BRM and wider management theories

(abduction), and then using my own perspective on wider management theories to make some suggestions about what the world is like, and hence what the conditions are in which BRM takes place (retroduction).

A fundamental interpretation I have made of my experience is that the approach to benefits management in regeneration was underpinned by the assumptions of the scientific approach of the 'modern paradigm'. The management process was essentially a linear one, over the life-cycle of each programme, with a split between the 'thinking' part in the initial strategy and the 'doing' part in the delivery of the approved programme. Logic was applied to link the hierarchical structure of the levels of benefit, using assumptions about cause and effect. As far as possible, benefits were quantified, but this resulted in a very long list of outputs, so reductionism was used to identify the most important outputs against which performance was mainly assessed. The whole management framework was designed to ensure that control was able to be exercised for the use of Government funds (DoE, 1997).

However, many tensions and issues were experienced in the use of the scientific approach, which led to various responses and adaptations of the management framework. The issues included:

- Defining benefits and collecting data;

- Setting targets;

- Attributing benefits;

- Weighting different benefits and disbenefits;

- Timescales for benefits realisation.

Defining benefits and collecting data

Guidance was provided by Central Government on the definitions of the many outputs that the programme was recording (see Table 2 for the main outputs for the Single Regeneration Budget). The definitions might suggest that output monitoring would be straightforward, but in fact this was often not the case. For example, one might consider it easy to measure 'jobs created', one of the core outputs for most regeneration programmes. However, a number of complications affected recording of this output. Was the job created when the project was completed, a vacancy was advertised, or when the vacancy was filled? How long did the job have to be in existence before it was counted? Does someone moving into self-employment automatically count as a job created? Is the distinction between a job created and a job safeguarded always clear, eg when a company relocates? The total volume of outputs involved was very significant; for example the national evaluation of the Single Regeneration Budget indicated that about 700,000 jobs were forecast to be created through the programme (Rhodes et al., 2003). For our local programmes, the numbers of jobs would typically be in the 100's. They were generated through different types of projects, from infrastructure to open up industrial sites to assistance for people wishing to set up their own businesses. In all cases there were questions about what should be counted as a job created, and when. Rather than simply applying logic to undertake benefits management, the process often involved a high degree of interpretation, and filling in the gaps in the rulebook, generally to count

whatever could be counted without falling foul of independent evaluators or auditors.

A further point on job creation was to what degree the quality of the job created mattered (many of the jobs were low-paid ones in call centres). The relationship between quantity and quality affected many other outputs too. Was numbers participating the best measure, or should there be an attempt to assess the quality of the participation, and the characteristics of the participants? Data on numbers is usually easy to collect, while the more details about participants are added, the more complex the data collection becomes. Therefore, quantification of benefits entailed choices which gave different slants to the achievements of the programme, and was often a source of contention (for example, see DETR, 1998a:23; DETR, 1998b:67).

Setting targets

Targets for regeneration programmes were usually set at the bid stage, which was often a very intensive and stressful time. Within the officer team, the division of tasks meant that the bid writer was sometimes a 'strategy' specialist, separate from the team overseeing delivery, and the compressed timescales in putting the bid together meant that liaison was not always as smooth as it might have been. Furthermore, even with perfect information, setting targets which were pitched at the right level (challenging but not impossible) would still have been extremely difficult, because of the wide range of factors outside the control of the organisations running the

programme. For example, when the amount of leverage from other sources depends upon decisions yet to be made, by people who have no particular interest in the programme you are running, the targets have a high degree of uncertainty. Target setting is even more difficult when it depends upon conditions in the commercial property market or the labour market, several years hence. The split between thinking and doing was therefore a cause of much tension as the programmes were implemented.

Inevitably, there were times when key elements of the programmes turned out to be impossible to deliver. In one programme I was involved in, the main flagship project, due to open up development sites leading to 700 new jobs and 160 new houses, failed to happen, because of local opposition to the scheme. Renegotiation of the content of the programme had to be undertaken. It was still possible to put together a range of other projects using the spare funds to broadly compensate for the lost outputs, although the longer term regeneration impact was reduced.

Sometimes it became apparent early in the programme that targets were unattainable. For example, in one programme the level of matching funding from EU sources proved to be unrealistic when the EU funds were used for different purposes than those assumed. Where the problems were clearly due to factors outside the programme's control they could usually be renegotiated with central government, but this was always a bureaucratic process. The split between thinking and doing was often adapted to reflect the difficulties of setting targets for benefits.

Attributing benefits

One of the most contentious parts of programme management was the attribution of changes in higher level measures of benefit, that is the 'outcomes' and 'objectives'. To take the example from Fig. 1, changes in the economically active population depend upon many different factors. We found that even if programmes designed to assist people into work were operating very effectively, this had a tenuous relationship with trends in the proportion of the population who are economically active, which are affected by a complex range of demographic factors and local labour market conditions. In addition, progress in assisting people into work can sometimes slow down during a programme, as those who are 'work-ready' obtain a job quickly and those with multiple barriers are left (Rhodes et al., 2005). Furthermore, in many policy areas, there can be a number of different programmes funded by the public purse taking place at the same time, so it becomes almost impossible to unravel the effects of an individual programme on higher level targets.

In analysing the performance of public policy, often a choice is made as to whether to focus on outputs or outcomes (Ashworth et al, 2010). The approach taken in early programmes such as City Challenge was to concentrate on the outputs that were within the control of the programme (DETR, 1998). However, in the later programmes, such as the Single Regeneration Budget and New Deal for Communities, there was an attempt to

assess impact by looking at both outputs and outcomes (Rhodes et al., 2005, Lawless et al., 2010).

Development of models to relate cause and effect was a poorly developed aspect of regeneration programmes. There was nothing similar to benefits maps written into the guidance at either programme or project level. Some tools developed in other contexts, such as 'logical frameworks', from international aid programmes (European Commission, 2001), 'theories of change', from US community programmes (Fullbright-Anderson et al., 1998), and 'realistic evaluation' (Pawson and Tilley, 1997) were experimented with, but were not incorporated into the Government guidance.

At the national level, there was an interesting debate about the attribution of benefits from Single Regeneration Budget programmes, in the context of the national evaluation. Rhodes et al. (2005) attempted to evaluate trends in a number of 'quality of life' outcome measures, such as employment, housing and community safety, against regeneration activity in a sample of Single Regeneration Budget areas, using comparisons with national benchmarks. There was a subsequent debate (O'Reilly, 2007, with a response by Tyler and Brennan, 2007) as to whether the positive findings presented were warranted, or whether the authors were guilty of 'optimism bias', and acting as supporters rather than evaluators of the ABI.

Weightings for different benefits and disbenefits

There were many output measures used for Government regeneration programmes in the 1990's (Table 2), but some were given higher status, as 'core outputs'. Some 'core outputs' were mandatory, such as jobs created and private and public sector funds levered in to the area, while others were chosen locally. If the 'core output' targets were met, then underperformance in non-core outputs would generally be tolerated. One of the frequent complaints from project managers concerned the bureaucratic burden of outputs monitoring, especially when they had been encouraged at the outset to include as many different outputs as applied to their project. Reductionism was therefore used to differentiate between the many output targets, but this inevitably led to the question as to why it was necessary to collect information on the non-core outputs.

Related to this was the balance between benefits and disbenefits. Disbenefits tended not to be mentioned as such, but were included in the project appraisal as 'risks'. In extreme cases the potential for disbenefits led to local resistance, for example to major development schemes close to residential areas. In other cases it required sensitive project management, eg to ensure that the disruption for tenants when their homes were refurbished was minimised. Different stakeholders have different interests, and local communities often had a different perspective from those who focussed on what is required for the town or city as a whole (Diamond and Liddle, 2005). This demonstrates how the 'logic' built into the benefits management framework was orientated to the requirements of the dominant stakeholders.

Timescales for benefit realisation

Most of the regeneration programmes I was involved with lasted between four and seven years. They were generally expected to achieve their outputs within that timescale, and there was a final evaluation at around the time that the funding for the programme ended. This was because the programme infrastructure was wound down at the end of the funding period, so if it was left until a year or more after the programme ended there would be no funding for the evaluation, or staff to liaise with the evaluators. Of course, the impact of a regeneration programme cannot be properly assessed until the short-term funding has gone, and it can be seen whether the area can continue to improve without that support. Evidence from the UK suggests that while environmental improvements and new infrastructure have a lasting impact, enhanced local economic opportunities are sometimes short term (DETR, 2001:82). However, when evaluation of the realisation of benefits is undertaken a long time after the programme has ended it is more difficult to attribute benefits to the original investment. This dilemma indicates that even within a prescribed linear programme life-cycle there are issues arising as to how benefits realisation can be related to the timing of delivery.

Evaluation of benefits management in regeneration programmes

The benefits management framework for regeneration programmes in the 1990's and early 2000's was a mechanism for ensuring accountability for the use of public funds, in an area of discretionary involvement for the

government, where risks were perceived to be high. The benefits realisation framework was fundamental to the whole management structure, so it is hard to conceive of a way in which the initiatives could have been organised without benefits being measured and reported. Hence, it would not be feasible to compare the effectiveness of the regeneration programmes using the benefits management framework with a hypothetical situation in which the programmes took place without benefits management being undertaken, to give some kind of quantitative measure of the impact of BRM. National evaluations of ABI's commonly included assessments of the effectiveness of the management frameworks, but these were about the quality of the management arrangements, rather than the principle of benefits management. For example, the quality of the relationship between the regional level of government and the local regeneration partnerships was seen as key to the effectiveness of the programmes (DETRa, 1998:27, DETR, 1998b:123-125).

From my own perspective as a local programme manager, the benefits management framework provided a clear rationale for investment, ensured that there was a focus on beneficiaries and complemented the financial audit process to provide a basis for accountability which was not only concerned with expenditure. On the other hand, the benefits management framework tended to dominate delivery of the programme, so that implementation was skewed to meet the requirements of the system, to the disadvantage of those less adept at 'playing the game'.

The problems with performance management in regeneration programmes, of measurement, attribution, timescales and weighting of benefits, mirror more general dilemmas in theories of public service improvement (Ashworth et al., 2010)

The benefits management framework for regeneration at this time was based on the scientific management approach of the 'modern paradigm'. However, even within this imposed framework, the benefits management process as it actually took place reflected the failure of the real world to match the assumptions of the scientific approach. In benefits management, key factors included:

- interpretations of ambiguity in the guidance;
- latent tensions between different stakeholders on how benefits are valued, sometimes spilling over into overt conflicts; and
- the communication and negotiating skills of different parties.

5. Transferability of experience

How transferable is my experience in managing regeneration programmes to the contexts in which BRM is being applied now? There are a number of different ways in which it might be questioned whether that experience would translate well, because of the field in which I was working and the management tools and methods employed.

Most applications of project and programme management methods are in sectors such as ICT, construction and engineering. While regeneration incorporates work in these sectors, the range of projects is usually very wide, covering both capital and revenue spend, across the economic, environmental and social spheres. The complexity of regeneration programmes is therefore greater than might be found if concentrating solely on projects in one industrial sector. In addition, in regeneration programmes the benefits are focussed externally, on the local community. For projects and programmes undertaken in private sector organisations, the primary focus is usually on benefits for the organisation itself, so experience in public-funded regeneration programme management may not transfer across to the private sector.

There is also a difference in that benefits management was being undertaken without a specific BRM method being utilised. The period in which I was working in regeneration was one where BRM was in its infancy, except in the IT/IS field. This means that the specific methods associated with BRM, such as benefits maps and benefit profiles, were not used.

Despite these differences, it is suggested that there are a number of issues with benefits management in regeneration in this period which are relevant in most contexts where BRM might be used, now and in the future. These include the following:

- Defining and measuring benefits is not a 'neutral' process, but one where there is scope for different approaches, such as the extent to

which quality is incorporated into the definition. Furthermore, there may be ambiguity in the definition, which allows for different interpretations as information on benefits is collected.

- Setting targets for benefits is fraught with difficulty, because the degree to which the organisation can control benefits realisation is low. Rather than admit that this is the case, organisations often tend to overstate the level of control they can achieve.

- Cause and effect relationships along the benefits chain are usually complex, but the assumptions being made at each stage are often not made clear.

- Stakeholders will vary in their interest in different benefits, often leading to tensions between different groups during the benefits realisation process. What is a benefit for one stakeholder may be a disbenefit for another.

- Benefits realisation extends beyond the life-cycle of the programme, so evaluation of impact should ideally incorporate a longer term perspective. It can be especially problematic where capital investments are involved, when the key benefits are only realised after the capital programme has finished.

The applicability of all these factors to even the simplest of projects can be illustrated by an example of the introduction of software into a small business (Fig. 2). It shows that at each stage in the benefits chain there are issues for benefits management which reflect the five points highlighted above. For example, the new software will be expected to lead to higher productivity, but

there are choices as to how this is defined and measured and what targets are set, on which different stakeholders may well have conflicting views. Initially, productivity might even go down, as staff are trained on the new software and become familiar with it.

All investments involve a chain of benefits that rely upon cause and effect assumptions which only hold in given contexts (Pawson and Tilley, 1997). When the business environment is stable, the risks may be low, but in a turbulent economic climate the chances of the benefits chain breaking down at some point are that much greater. After the global financial crisis, many of the causal relationships between business parameters that held during the preceding boom have had to be reassessed in different market conditions, and unintended consequences become even more prevalent (XXXXXX, 2009). For example, in 'Managing Successful Programmes' an example of the legacy of a sports complex is used to illustrate an outcome relationship model which translates into a benefits map (OGC, 2007). The benefits map assumes that new sporting and transport infrastructure will lead to new housing and industry, based on the buoyant markets for residential and industrial development in the mid 2000's. In a depressed economic climate, land might remain undeveloped for a considerable period of time, and the benefits map would need to be reconsidered. There could be further consequences for the package of development proposals and the prospects for local regeneration.

The world in which organisations operate after the global financial crisis is therefore one where the conceptual issues surrounding BRM are even more pertinent to its use than they were in the preceding boom years.

6. Conclusions

The analysis above has implications for the development of theories and models about BRM, which in turn would affect how practice is evaluated.

The analysis of the practice of benefits management in regeneration has demonstrated that where the assumptions of the scientific approach of the 'modern paradigm' underpin the management framework there will be tensions and conflicts, because the assumptions do not hold in 'the real world'. The consequence will be that benefits management (and also related aspects of project management, such as value management) will be played out in an ambiguous and contested manner, reflecting the roles and actions of the different stakeholders, who will vary in the degree of power and influence they wield (Darwin et al., 2002, Hodgson and Cicmil, 2006).

There is a need for theories about BRM to be developed which are based on in-depth analysis of practice, and acknowledge and incorporate ambiguity and uncertainty. The example of benefits management in regeneration in the 1990's and early 2000's adds weight to my proposition that it is helpful to analyse underlying conceptual assumptions to inform current practice in BRM. Assumptions about the seven themes of the scientific approach were

fundamental to the benefits management framework in this example, as they would be in most other cases. A different kind of theory building means looking beyond the scientific approach of the 'modern paradigm', for example to complexity theory (Thomas and Mangel, 2008), to projects as 'states of mind' (Winch and Maytorena, 2011:360) and emergent, rather than planned, models of change (Burnes, 2009). The origins of BRM in attempting to get away from a technocratic approach to information systems show how such an endeavour is consistent with the objectives of BRM, although early approaches, such as that by Remenyi et al. (1997) did not, in my view, give full recognition to the contested nature of benefits management, and the difficulties in achieving consensus. An explicit approach to developing theories for project and programme management using alternatives to the functionalist, rational perspective is already underway (Hodgson and Cicmil, 2006; Pellegrinelli, 2011), and benefits management is a key part of this. For example, Pellegrinelli has suggested that benefits maps could be 'conceived as instantations or articulations of shared intent or meaning, subject to interpretation or revision' (2011:237). At the practical level, an emphasis on in-depth research into how BRM is undertaken in practice, and how the conceptual issues covered above affect this, would link to the projects-as-practice approach to project management research (Hallgren and Soderholm, 2011).

Particularly significant from a practical point of view are those BRM issues where there is no solution to the management dilemma, but instead a polarity to be balanced (Johnson, 1992). For example, there is 'no right' answer as to

the number of different outputs to be claimed against a programme. Instead, a balance has to be struck so that the bureaucratic requirements are not over-burdensome, but the main benefits of the programme are recognised and monitored. This issue applies wherever BRM is to be applied. There are always many different kinds of benefit that could be measured, and a cost involved in the monitoring and management arrangements.

For regeneration programme management there was no choice but to work within an imposed framework for benefits management. Where organisations do have choices, the complexity of benefits management may be a reason for not utilising the methods and techniques available, as highlighted by Ashurst et al. (2008). Despite this, it is likely to be counterproductive for those promoting BRM to ignore contextual complexities, because they will inevitably affect the efficacy of a benefits management framework.

So what are the practical implications for BRM? I would suggest that it is something less than a panacea to resolve the shortcomings of project and programme management. However, the more ambiguous and uncertain the benefits, the more important it is to focus attention on them, and get to grips with the assumptions and risks which may affect their realisation. From this point of view, the current interest in BRM and portfolio management does not represent a false dawn either, but is an important element in bridging the gap between strategy/change management and project/programme management. However, unless theories underpinning BRM develop beyond the scientific approach of the 'modern paradigm' there is a danger that BRM methods will

fail to reflect the complexity of the management challenges facing

organisations.

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