

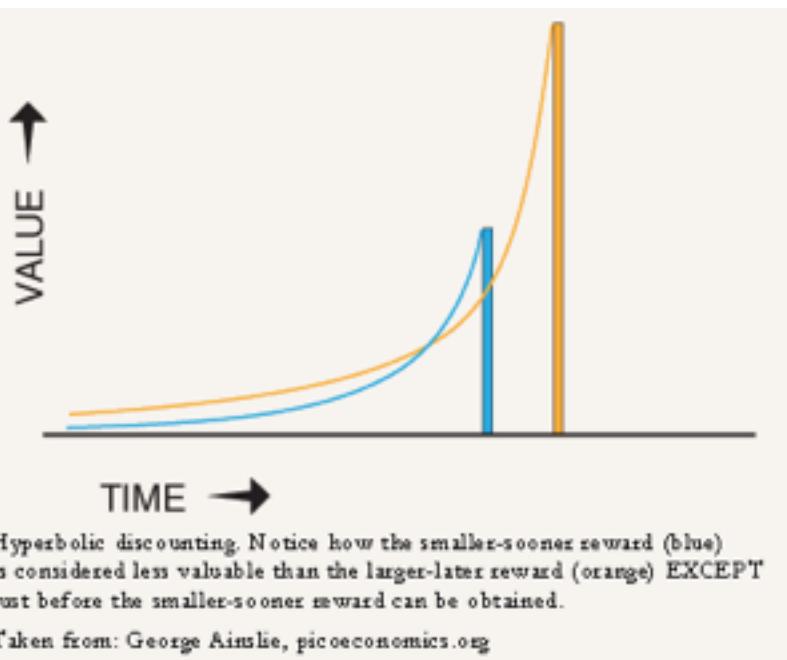
Summary of tactical suggestions; Go straight to value

1. Couple benefits to the **risk** process
2. Make benefits **progressive** wherever possible
3. **Define** with the Client what benefits Support functions provide
4. **Map** benefits
5. Close any benefit **gaps** whilst still delivering
6. **Fit the Organisation** to the agreed framework of benefits
7. Even lay the ground for **barter** if necessary

..judge actions/projects by their contribution to value

Why ? Benefits tend to be back-loaded

Hyperbolic discounting



Fear, incentive and presenteeism

- A programme team is temporary
- But we have tribal instincts
- So our fear is front-loaded

...that goes against the grain

The actual benefits are often never intended

UK Student loans

£46bn	£55bn	35%
total value of outstanding student loans, March 2013	total student loans paid out since scheme introduction in 1990	the proportion of new loans (65) that do not expect to be repaid
£200 billion	projected value of outstanding student loans by 2042	
£21,000	earnings threshold for new loans above which borrowers begin repaying	
£1.4 billion	total repayments collected in 2012-13	
£27 million	total spent by the Student Loans Company and HM Revenue & Customs on maintaining and collecting repayments in 2012-13	
82 per cent	proportion of repayments collected through the UK tax system in 2012-13 (the rest is collected by the Student Loans Company)	
△ 0 per cent	estimated proportion of borrowers with new student loans who will not fully repay	
8 per cent	gap between forecast and actual repayments collected, 2011-12	

Source: NAO report Nov 2013

- Student loans
 - Benefits to the customer
 - Dis-benefits to the Economy
 - (Risk of instability)
- Common consequences
 - Perverse incentives
 - Unintended consequences
 - Moral hazard
- Common behaviours
 - It doesn't matter if someone else takes the hit?
 - Conventional Systems thinking
 - Claim accidental benefits
- Rare behaviours
 - Contextual system thinking
 - Adjacency
 - Reporting forecast accuracy

..and are claimed by an adjacent or future programme

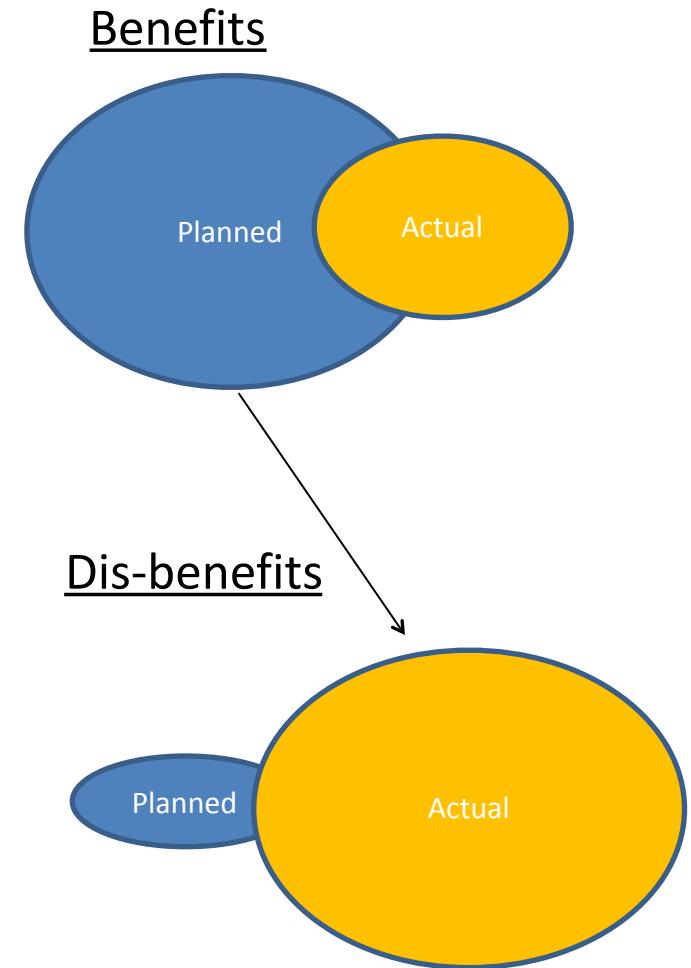
No-one plans all the bad-fall out either

- A programme without benefits....
 - is worse than useless
 - It is a liability
 - But we all have them

 - Consequences are not benefits
 - which are not outcomes
 - which are not outputs

 - Too much talk of benefits can be a signal
 - Without consequences, or eventualities

 - Intended and unintended, good and bad
 - Ongoing fall out
 - Universal credit
 - *Downstream security focus*
 - *WCML re-base-lining*
- ...but it comes all the time**



Cui bono? Day 1 of intervention

1. Dig into the risk model

2. Find the buried assumptions

1. Does the dashboard look the same each week ?

2. Does Ops conflicts with programme on the matrix ?

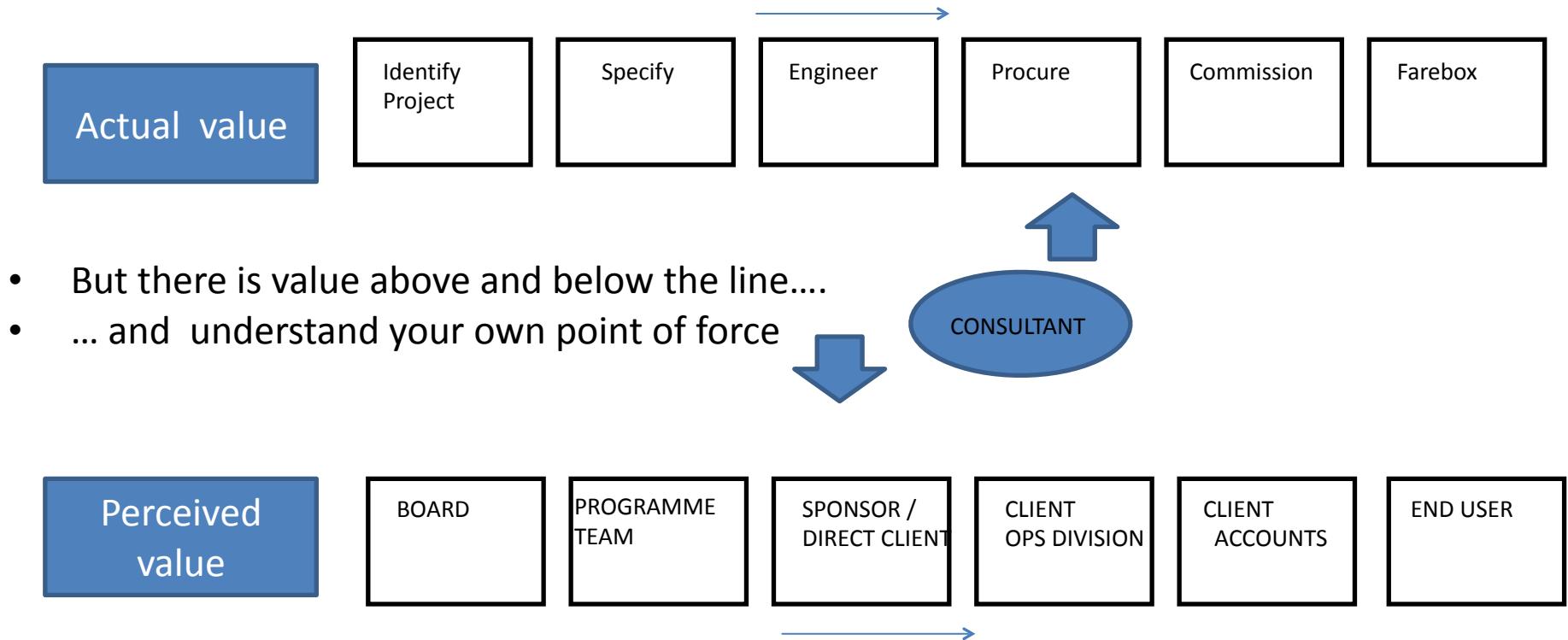
Implied Scope

Governance

Do the end user, the client, and the programme benefit?

Go straight to value, what else is there to do ?

Example Metro value chain



Bonorum !
Straight to value

Steady state: If the leadership is good, and the process is okay, then its just time to work

Check the mission / intent has bedded down deep

- Have you considered and negotiated a goal for example?
- Do you have a review cycle ?
- Have you looked at outcomes ?
- Will you be looking at outcomes again ?
- Is it under-pinned by a good enough process /work-flow

Leadership
(Process)

Then can quit fiddling with outcomes and do the work

- Things will resolve themselves in the practice

Work

Dan John: Keep the goal, the goal.

END

The case for discussion:

Can we actually get benefits by:

1. Going straight to value
2. Intervene by asking Cui bono ?
3. Implement by ensuring all benefit: Bonorum !