

Embracing Benefits Realization Management—An Essential Element in Achieving Project Management and Business Success

Symcor, a joint venture of Canada's three largest financial institutions—The Toronto Dominion Bank, Royal Bank of Canada and Bank of Montreal—is one of Canada's leading financial processing service providers, employing more than 2,500 people and providing services to more than 100 organizations in the financial services, retail and telecommunications sectors across Canada.

Following a period of disappointing project execution and delivery, low customer satisfaction and the accumulation of certain inefficiencies within its business and project management processes, Symcor's board of directors had decreased confidence in the company's ability to execute projects, which inhibited growth and investment into new products and services.

Symcor took necessary and important steps toward establishing a culture that recognized the value of project management as a strategic core competency, which included the alignment of projects to the strategic objectives of the organization.

Symcor's implementation of a focused approach to benefits realization management has resulted in a cultural shift that has dramatically improved the way it does business and has led the company—including all senior executives—to think about projects and how they are prioritized in a very different manner.

Through its efforts and a company-wide commitment to discipline and accountability, in just three years, Symcor realized significant measurable benefits, canceling more than 80 projects that had poor to no return on investment (ROI) and saving the company more than CDN\$70 million. Equally important, project cancellations are no longer seen as failures at Symcor but rather, the execution of a successful process that has given the company a license to grow.



Symcor underwent a business and cultural shift toward greater transparency, accountability, predictability, positive project execution and strong benefits measurement capabilities that has generated newfound value for the company and its business stakeholders.

A Case for Change

Prior to 2011, the business market opportunities for Symcor were seen as quite positive. Symcor had expanded into the United States and the company was establishing a reputation as a utility for business process outsourcing for banking services. However, a lack of discipline and accountability relating to the management of projects resulted in a build-up of inefficiencies.

“We did have an approach and process in managing projects, but it was neither standardized nor integrated across the company. We utilized project managers, most of whom were outsourced, but we did not look at project management strategically, and our projects were not always aligned to the business objectives of the organization,” stated Symcor CEO, Chameli Naraine.

Ms. Naraine began to realize that the company’s lack of discipline and standardized processes were hindering Symcor’s ability to execute and deliver projects successfully.

“We went through a period where customer satisfaction was low. Our business units were not properly integrated, so projects were being managed in silos,” stated Naraine. “Our lack of standardized project management processes and our inability to effectively prioritize the projects we were initiating led to a culture that disrespected capital. As a company, we didn’t have a common understanding or definition of what a project was, and we didn’t always appreciate the importance of viewing projects strategically, so we had few processes that aligned projects to the strategic objectives of the business,” added Naraine.

It was becoming clear that a significant change was required—company-wide—in order to shift the company’s culture and improve its project execution capabilities. And change is exactly what Symcor did.

A Transformational Culture Shift for Symcor

Benefits realization is a central component of project and program management. It is the means to determine an organization’s ROI. Furthermore, it helps to identify the many intangible benefits that an organization delivers, including risk reduction and customer satisfaction. Most importantly, benefits realization management is less about process and more about culture.

Symcor recognized that an organizational change was required in an effort to better understand the value of project management and properly align identified project benefits to the strategic goals of the organization.

“The development of a formal benefits realization management process has truly been a cultural shift for us,” stated Haresh Desai, Symcor’s vice president, Enterprise Project Office, who was tasked with establishing Symcor’s Enterprise Project Office in 2010. “It has led us to think about projects and their prioritization in a more strategic manner. This shift in thinking has led us to prioritize projects based on key criteria dictated by our corporate objectives for revenue, cost reductions, efficiencies and growth. These are all now captured at the onset of a project and tracked throughout.”

Symcor’s cultural change began with a new focus on transparency, accountability and predictability, and a view that standardizing project and program management processes across all company business units and adopting a disciplined benefits management process would be the catalyst that would increase the value of their investments.

“A critical factor for us as we moved through this transformational change was a recognition that we needed to look at the concept of benefits as a means to determine what projects to invest in, and then manage those benefits throughout the entire life of our projects to ensure those identified benefits remained aligned to our strategic business objectives,” noted Symcor’s CEO, Chameli Naraine.

Another key part of Symcor’s cultural shift required a different way of dealing with projects that no longer aligned to the strategic objectives of the organization. As is typical in many organizations, the idea of canceling a project is usually viewed negatively.

“We knew that there were projects being initiated that were not realizing their intended benefits, but continued to completion nonetheless,” says Mr. Desai. “We recognized that we needed to remove the stigma of project cancellations in our organization. Instead of being seen as a failure, we needed to create a culture where canceling a project that was no longer aligned to our objectives was seen positively, and a reflection that our benefits management process was working.”

Key to Symcor’s cultural changes was a greater emphasis on communication and education to ensure that all company executives recognized the strategic value of project management as a means to drive project and business success.

The Importance of Executive Buy-In and Commitment

Symcor’s CEO recognized the need for change and the importance of leading by example. Reflecting its strategic role, the newly developed Enterprise Project Office reported directly to the CEO. CEO Naraine shadowed Symcor’s cultural and business transformation for 2–3 years. “It was important for me to embrace our shift in culture. I knew I had to live and breathe the entire change of thinking and lead by example. Our entire executive team needed to be educated and efforts to fight the new process were deemed unacceptable. We needed to embed this new culture throughout the entire company,” said Ms. Naraine.

Craig Menzies, Symcor’s senior vice president, Client Services and Operations, recognized that changing the company’s culture would be extremely difficult. “We had a situation where we had no consistent measurement of what project completion meant and no consistent measurement of our identified benefits,” he said. “We started hearing from our clients and stakeholders that we were not adequately delivering our projects and that was a difficult thing for our C-suite to hear.”

It soon became a regular practice for senior management throughout the organization to hear about and be educated on the strategic importance of projects. This ongoing communication and commitment from executives helped the organization gain an appreciation for looking at projects more strategically and ensuring their alignment with Symcor’s business objectives. Each project’s benefits were reviewed every month to ensure the alignment with key business objectives was still in place. “Our cultural shift was taking hold,” added Menzies.

The Importance of an Engaged and Educated C-Suite

Executive buy-in and engagement played an important role in Symcor's cultural shift that led to the development of a benefits realization management process. Symcor's CEO Chameli Naraine knew that in order for Symcor to be successful, educating executives on the value of project management and having support across the entire organization would be critical. While Ms. Naraine anticipated resistance, she recognized that without strong support from the top, Symcor's culture would be difficult to change.

PMI's research reinforces the difficulties in convincing executives of the strategic importance of project management to their organization and adopting benefits realization management as a means to address the misalignment between strategy implementation and an organization's strategic objectives. PMI® Thought Leadership Series report written by The Economist Intelligence Unit (EIU), *Strengthening benefits awareness in the C-suite*, published in November 2016, states that when organizations develop a project management mind set by embracing project, program and portfolio management practices as strategic competencies, they have better results.

The report—which was based on a survey of over 500 senior executives from a wide range of industries and functions—identified four key ways in which the C-suite should lead:

- Aim for cultural, not process change, and be prepared to live with the consequences;
- Embed benefits realization management in strategy making and portfolio management from the start;
- Communicate, communicate, communicate;
- Experiment and persevere.

Establishing the Right Approach—Identifying, Managing and Sustaining Benefits

Symcor's initial focus was to transform the culture of the organization to one which understood the value of project management, and by doing so, recognize the importance of aligning its projects strategically to the company's business objectives. Haresh Desai, vice president, Enterprise Project Office, sponsored the development of a business realization management framework that would enable the company to properly measure how the projects and programs being initiated were adding true value to the organization.

"Working together with the company's C-suite, I needed to get Symcor to look at projects more strategically. With three business units managing projects separately, and with little to no connection or alignment to the organization's objectives, we had no line-of-sight into why many of our projects were failing. We had no process to connect projects to benefits in any strategic manner. We needed to establish a sense of accountability within the organization," stated Mr. Desai. "And to do that, we needed a framework, which the entire organization worked within. It was no longer about separate business units. It was now all about the overall strategic direction of the organization," added Desai.

PMI's Benefits Realization Management Framework

As identified within PMI® Thought Leadership Series Report, *Benefits Realization Management Framework*, published in November 2016, Symcor followed the approach developed by PMI, which included three essential framework components:

Identify Benefits to determine whether projects, programs and portfolios can produce the company's intended business results.

Execute Benefits management to minimize risks to future benefits and maximize the opportunity to gain additional benefits.

Sustain Benefits to ensure that whatever the project or program produces continues to create value.

Identifying Benefits

The first thing Symcor set out to do was establish a process throughout all of the company's business units that prioritized projects based on a set of criteria dictated by corporate objectives, which included revenue, cost reductions, efficiencies and growth.

"Prior to our company's transformation, the business unit that had the loudest voice got its project initiated," noted Craig Menzies, Symcor's senior vice president, Client Services and Operations. "There was very little integration and we weren't always certain how many projects we had on the go at any one time because our projects weren't aligned to our corporate objectives," added Menzies.

As part of the implementation of a benefits realization management framework, prior to project start, the sponsor has to identify the project's potential benefits and estimate high-level costs in a document called an idea charter. Once the benefits are identified, a statement of work (SOW) is prepared, which provides a more comprehensive analysis of a project's requirements and estimates, including notional timelines.

"We recognized that we couldn't just evaluate project success in terms of budget, scope and schedule without looking at the bigger picture of aligning our projects to the company's strategic objectives. This was the missing piece of the puzzle toward accountability and achieving truly successful business outcomes," stated Mr. Desai.

An SOW must be approved by a senior management group before any project is initiated. Once approved and initiated, the project team receives "seed" money, which is used to refine and manage requirements. This analysis is then captured in a document called a business case analysis (BCA), which includes the project's full profit-and-loss (P&L) statements, as well as project benefits. This enables the company to make a fully informed decision whether to proceed.

"Through our benefits identification process, we are able to ensure, in an educated and disciplined manner, that Symcor is investing in initiatives that add to the business's bottom line and equally important, ensures that our projects are now aligned with the company's strategic business objectives," said Symcor's CEO, Chameli Naraine.

“This important process now provides us with the accountability and line-of-sight that was missing,” added Naraine.

The BCA is monitored throughout the project and is reviewed and revised as scope, schedule and costs change. Once the project is completed, monitoring continues to track the benefits and ensure alignment with the business case. Project reports are provided to Symcor’s Operating Committee on a monthly basis throughout the life of the BCA.

The Value of Benefits Identification for Symcor

Symcor’s identification of benefits at the very beginning of the process was critical in that the company can now:

- Ensure the business is investing in initiatives that add to the bottom line of the organization;
- Enable the organization to ensure alignment with the business’s strategic goals and objectives;
- Allow for a more fluid, accurate and real prioritization of ideas and eventual projects within the Symcor funnel that are based on a return on investment or a potential return on investment;
- Allow the organization to improve by looking retrospectively and adding to the company’s lessons learned, in an effort to improve upon future projects.

Executing (Managing) and Sustaining Benefits

Once Symcor’s framework was established to align project benefits with outcomes and capabilities, the company knew that, as part of the process, it required a monitoring and control phase that could report actual results against the plan. To this end, throughout the life cycle of its projects, adherence to strict governance/ change control was essential to maintaining good benefits management practices.

“It wasn’t enough to identify our projects’ benefits,” stated Mr. Desai. “We knew that we also needed to establish controls to monitor benefits throughout all of our five project stage gates to ensure ongoing alignment with our key business objectives and realization of those benefits.”

Symcor’s identified benefits are now monitored monthly to ensure alignment and to deal with any modifications that are required to reflect changing business conditions. At any time, a project sponsor can make a decision to cancel a project if it is determined that the project’s benefits are not being realized or are no longer in alignment with the company’s strategic business objectives. “This was one of our most important culture shifts. There are no penalties for honesty,” added Desai.

Hand in hand with monitoring project benefits was an understanding within the organization of who was responsible for managing and sustaining these benefits.

“We took on an approach where no one person, whether it be the project manager or sponsor, would be entirely responsible for managing benefits,” said Ms. Naraine. “From both an accountability and culture shifting

perspective, we strongly believed that project/business success needed to be a shared responsibility of the entire organization and not simply a particular project team, manager or sponsor," added Naraine.

Symcor began communicating regularly with its clients and stakeholders, during and after the completion of a project, to ensure identified benefits were being optimized. Furthermore, the company's business realization management framework made sure that:

- Benefits were transitioned over to and approved by stakeholders;
- Realized benefits were being measured with appropriate key performance indicators (KPIs);
- Benefits were being delivered within the timeframe of the project plan;
- Lessons learned, both positive and negative, were being captured and communicated to allow for improvement on future projects.

A License to Grow

Benefits realization management is a challenging discipline given the many uncertainties that surround its execution. Equally challenging is the resistance of an organization to embrace a project management mindset, despite supporting research and evidence that recognizes the strategic value of projects to an organization's ultimate success. In just three years, beginning in 2010, Symcor has achieved success with both.

According to Symcor's CEO, Chameli Naraine, "Our benefits realization management process now underpins all aspects of our strategic success from a project perspective. With a culture embedded in discipline, accountability and predictability, the changes we have made have provided us with a newfound respect for capital and have given us a license to grow."

Measuring Success

The establishment of Symcor's Enterprise Project Office and the implementation of a benefits realization management framework has resulted in the company's ability to measure real, tangible success, which has included:

- Overall cost reductions of more than CDN\$72 million since 2011;
- The cancellation of more than 100 projects deemed to have weak or no ROI;
- An increase in the project success rate from 55 percent in 2011 to 96 percent in 2013;
- An increase in return on each dollar of cost, from -30 percent in 2011, to +27 percent in 2014;
- An increase in customer satisfaction scores of 20 percent over a two-year period;
- Process efficiencies (at 5 percent per year or higher).

"We went from a culture of not knowing how many projects we had on the go, low customer satisfaction and little to no recognition of what the actual benefits of our projects were, to establishing standardized project management practices that have given us the predictability to drive successful business outcomes for the company and our client stakeholders," added Ms. Naraine.

Symcor Named Finalist for PMI's PMO of the Year Award®

In 2015, Symcor's efforts were rewarded when the company was named a finalist for Project Management Office (PMO) of the year by PMI.

"Our selection as PMO of the Year Award finalist is a testament to the dedication, commitment and success of the entire organization in taking the steps to better understand the value of project management and then significantly increasing our project success rates by aligning our project execution to the strategic business objectives of the organization," said Ms. Naraine.

"As well as seeing actual project and company results, including a significant increase in customer satisfaction, this recognition from PMI is a clear indication that we have matured as an organization and have positioned our company for future success."

About PMI

Project Management Institute is the world's leading not-for-profit professional membership association for the project, program, and portfolio management profession. Founded in 1969, PMI delivers value for more than 2.9 million professionals working in nearly every country in the world through global advocacy, collaboration, education, and research. PMI advances careers, improves organizational success, and further matures the profession of project management through its globally recognized standards, certifications, resources, tools, academic research, publications, professional development courses, and networking opportunities.

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