

Title	Apply benefits realisation to projects		
Level	5	Credits	8

Purpose	<p>This unit standard is for people who are required to identify, analyse, review and assess a project’s benefits from the start to the completion of the project.</p> <p>People credited with this unit standard are able to: determine benefits for projects; monitor benefits for projects; and conduct a final benefits realisation assessment post-project.</p>
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Classification	Business Operations and Development > Project Management
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Available grade	Achieved
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Explanatory notes

1 References

Legislative requirements relevant to this unit standard may include but are not limited to – Health and Safety in Employment Act 1992, Resource Management Act 1991, Human Rights Act 1993, Employment Relations Act 2000.

2 Definitions

Organisational requirements – instructions to candidates on policies and procedures which are documented in memo or manual format. These requirements include but are not limited to – site-specific requirements and any quality management requirements.

Benefits realisation – the practice of identifying tangible financial (increased revenue, decreased operational costs) and tangible non-financial benefits (increased use of a system or procedure, increased staff retention) at the beginning of a project, monitoring these throughout the project life cycle and assessing at the end of the project at a time which allows for the benefit to be generated or realised.

Business case – the justification for the project to proceed including the project estimated costs and anticipated project benefits.

Delegated authority – the process of empowering someone with the complete or partial responsibility and authority for the accomplishment of a particular activity or task.

Financial sensitivity analysis – the variation of a parameter with respect to one or many inputs to visualise the sensitivity of that parameter e.g. sensitivity of New Zealand dollars to United States dollars exchange rate on imported components of a formulation.

Hurdle rates – specific levels set by an organisation to indicate favourable and non-favourable project investment levels.

Project benefits – positive gains obtained as a result of conducting the project. The gains can be financial or non-financial, tangible or non-tangible.

Valuation frameworks – financial models used to identify the value of a project.

Valuation tools – tools used to measure the value of a project versus other projects and to specific organisational hurdles e.g. revenue levels, pay-back period, gross margin.

- 3 To demonstrate competence in this unit standard a candidate must be able to provide evidence they have taken responsibility within projects for benefits realisation of the projects. This will include evidence of managing the work of others within the project team with respect to benefits management of the project.
- 4 For assessment against this unit standard, candidates must provide evidence of the application of benefits realisation to at least two separate projects.

Outcomes and evidence requirements

Outcome 1

Determine benefits for projects.

Evidence requirements

- 1.1 Project financial and/or non-financial benefits are determined, with input from stakeholders and other parties, in accordance with organisational requirements.

Range other parties may include but are not limited to – senior personnel, financial specialists, team members or other personnel.
- 1.2 Project financial benefits are calculated using project valuation tools and frameworks to enable the current financial situation and future financial situation to be identified in accordance with organisational requirements.
- 1.3 Financial sensitivity analysis is conducted on key variables that have a major impact on the budgets project benefit value in accordance with organisational requirements.
- 1.4 Risk assessment is conducted to check for impacts on the budgets project benefit in accordance with organisational requirements.

Range risk assessment includes but is not limited to – mitigation strategies.
- 1.5 Project benefits are analysed against organisational hurdle rates in accordance with organisational requirements.
- 1.6 Business case is developed in accordance with delegated authority and organisational requirements.

Range business case includes but is not limited to – budgets project benefits, on-going management requirements, clarity of information.

Outcome 2

Monitor benefits for projects.

Evidence requirements

- 2.1 Agreed valuation tools and frameworks are selected and used to compare the budgeted against estimated project benefits at points throughout the project in accordance with organisational requirements.
- 2.2 Project reviews are analysed to determine benefit variations, evaluate options and recommend actions to stakeholders in accordance with the project business case and organisational requirements.
- Range stakeholders may include but are not limited to – senior personnel, financial specialists, team members or other personnel.
- 2.3 Agreed actions are implemented, monitored and modified, where required, to maintain agreed benefits throughout the project life cycle in accordance with the project plan and organisational requirements.

Outcome 3

Conduct a final benefits realisation assessment post-project.

Evidence requirements

- 3.1 Project benefit realisation is undertaken upon completion of the project using available records and information in accordance with organisational requirements.
- Range benefits realisation may include but is not limited to evaluations of – the original business case, benefit changes identified and agreed to throughout the project, risk management information, scope changes, delivery of major deliverables; records may include but are not limited to – key project decision documents, reports to a higher authority, recommended and approved course of action, project and/or organisational files and records.
- 3.2 Any benefits realisation issues and recommended improvements are identified, documented and communicated to senior personnel for application to future projects in accordance with organisational requirements.

This unit standard is expiring. Assessment against the standard must take place by the last date for assessment set out below.

Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	20 May 2011	31 December 2018
Rollover and Revision	2	24 October 2014	31 December 2020
Review	3	20 July 2017	31 December 2020

Consent and Moderation Requirements (CMR) reference

0113

This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.

Please note

Providers must be granted consent to assess against standards (accredited) by NZQA, before they can report credits from assessment against unit standards or deliver courses of study leading to that assessment.

Industry Training Organisations must be granted consent to assess against standards by NZQA before they can register credits from assessment against unit standards.

Providers and Industry Training Organisations, which have been granted consent and which are assessing against unit standards must engage with the moderation system that applies to those standards.

Requirements for consent to assess and an outline of the moderation system that applies to this standard are outlined in the Consent and Moderation Requirements (CMR). The CMR also includes useful information about special requirements for organisations wishing to develop education and training programmes, such as minimum qualifications for tutors and assessors, and special resource requirements.

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