

BEYOND ENABLED VALUE

Transformation Keeps Promising Benefits Its Programmes Are Designed to Abandon

A reflective examination of why value is approved in programmes, created in operations and lost between the two



Contents

1. Executive Summary	3
2. The seduction of the approved number	3
3. Why the programme form creates the gap	4
4. A promise assembled from assumptions	5
5. The textbook answer and its limit	6
6. Benefits are made by subtraction	6
7. The convenient ambiguity of capacity	7
8. Ownership without machinery	7
9. The business case must remain alive	8
10. The discipline of saying less	8
11. Closure should not end consequence	9
12. What the unkept promise reveals	10
13. The promise transformation can keep	10

Transformation Keeps Promising Benefits Its Programmes Are Designed to Abandon

Portfolio · No. 14

Originally written May 2006 | Re-edited and re-rendered for the WhereBeyond Edition, 2025

“The promise is made by the programme, but the consequence lives in the business.”

1. Executive Summary

The programme closed on time. The new systems were operating, the process manuals had been issued and the final board pack recorded £31 million of forecast benefit. The programme director moved to the next assignment. The implementation partners demobilised. The programme office archived its plans and risk logs.

Nine months later, finance could verify £7 million. Operations reported that service had improved, but the measures had changed during delivery. A planned consolidation had been postponed. Local teams continued to use the old process beside the new one. Released staff time had been absorbed by higher demand, although the business case still described it as a saving. Several benefits remained green because nobody had formally revised them.

This composite is not an exceptional failure. It is the recurring conclusion of a familiar transformation story: delivery completes, value remains conditional and the organisation loses the machinery that held the promise together.

Benefits realisation is the promise transformation has never kept because the promise is structurally misplaced. Programmes are temporary organisations designed to create capability. Benefits are enduring operating outcomes produced by choices about behaviour, budgets, capacity, policy and management attention. We ask the programme to justify itself through benefits it cannot realise alone, then return accountability to the business after the moment of maximum leverage has passed.

The promise is made by the programme, but the consequence lives in the business.

The usual remedies improve the documentation: benefits maps, registers, owners, profiles and post-implementation reviews. These disciplines matter, but they do not repair the divide. The deeper requirement is to govern benefits as operating commitments from the first investment decision, not as programme forecasts awaiting later confirmation.

That means making the causal mechanism explicit, assigning authority rather than names, placing operational actions in the integrated plan, allowing evidence to change the investment case and retaining decision capacity after programme closure.

The failure is not that transformation cannot create value. It is that organisations repeatedly confuse enabling change with owning its result.

2. The seduction of the approved number

Every transformation begins under pressure to become legible.

A proposal may contain many motives: ageing systems, fragmented processes, rising costs, poor service, weak controls or the desire to operate differently. These motives are difficult to compare. The investment process converts them into benefits. A reduction in handling time becomes a productivity value. Better information becomes lower operating cost. Standardisation becomes fewer roles, fewer suppliers or fewer sites.

The conversion is necessary. Capital and management attention are finite. Leaders need a reason to choose one investment over another.

But the number has a double life. Before approval, it is an argument. After approval, it is treated as a commitment.

The assumptions that made the case persuasive are rarely strengthened at the same rate as the programme plan. Delivery dates acquire owners, dependencies and tolerances. Benefits retain elegant statements and distant milestones. The schedule is reworked every week; the value case may survive for a year without serious revision.

This imbalance is revealing. The organisation behaves as though delivery is real and benefits are narrative.

When the business case is approved, the promised value often exceeds the authority of everyone in the room. A programme director can procure, design and implement. The director may not be able to close a facility, remove local roles, change commercial policy, reduce a budget or compel a business unit to adopt a common process.

The number is approved before the corresponding operating decisions are owned.

3. Why the programme form creates the gap

The modern programme is designed to cross boundaries. It coordinates projects, suppliers, technology, process and organisational change. Its governance creates temporary authority around an outcome that permanent functions could not achieve separately.

That temporary concentration is powerful. It is also the source of the benefits gap.

During delivery, the programme controls attention. Senior forums meet regularly. Risks are escalated. Resources are protected. Plans reveal dependencies. Decisions have deadlines because milestones will otherwise move.

After delivery, the concentration dissolves. Outcomes return to operational management, where they compete with service pressures, annual budgets, local targets and other changes. The benefit owner may still be named, but the owner no longer has the programme's machinery of coordination.

The programme's strongest moment is therefore before benefits mature. By the time value should appear, the organisation has removed the structure capable of forcing cross-functional decisions.

This is why "the business owns the benefits" is both correct and inadequate. The business is not one actor. It is a field of functions with different incentives and authorities. Operations may own service, finance the budget, human resources the establishment, property the estate, procurement the contract and local managers the adoption.

A benefit depends on their combined action. The phrase “the business” hides the joins.

4. A promise assembled from assumptions

Consider a composite transformation in 2006 intended to create a shared service for finance and purchasing across five business units. The approved case forecasts £22 million of annual benefit.

The figure consists of:

- £8 million from consolidating roles;
- £5 million from reducing external processing support;
- £4 million from better purchasing terms;
- £3 million from closing two regional offices;
- £2 million from fewer errors and faster cycle times.

The programme owns the new processes, systems, migration and supplier arrangements. The benefit mechanisms sit elsewhere.

Role consolidation depends on each business unit accepting standard work and not refilling vacancies. External support reduction depends on demand stabilising after migration. Purchasing benefit depends on managers using negotiated agreements rather than local arrangements. Office closure requires property decisions and consultation. Error reduction requires the old processes to stop.

At approval, these conditions appear in the case as assumptions. At implementation, they become conflicts.

One business unit keeps fifteen local roles “temporarily” to protect month-end. Another extends external support by six months because migration quality is weak. Senior managers approve the shared purchasing process but permit exceptions for strategic suppliers. A property decision is deferred because the lease break requires action before the programme board is ready.

The programme delivers. The mechanism does not.

Eighteen months after the first migration, £9.4 million is evidenced. A further £4 million may be realised if operating decisions are made. The remaining value is unlikely.

The board asks why benefits have slipped. The programme explains that business adoption was weaker than planned. The business replies that the programme underestimated operational complexity. Finance reduces confidence but leaves the approved total visible for comparison.

Each account contains truth. None owns the whole chain.

The benefit did not fail at the final measure. It failed when an assumption became a decision and no governing mechanism changed with it.

Transformation loses value in the passage from assumption to operating decision – the place where programme authority ends and permanent authority has not yet engaged.

5. The textbook answer and its limit

The established benefits disciplines respond sensibly. Define benefits. Identify owners. Establish measures. Create profiles. Map dependencies. Review progress. Conduct a post-implementation assessment.

The strongest case for this approach is straightforward: benefits are inherently uncertain, and disciplined management is the best protection available. Without a register, promises disappear. Without owners, nobody is answerable. Without measures, every favourable change is claimed. Without review, leaders learn nothing.

This argument is right. The alternative is not to abandon benefits management because prediction is difficult.

The limit is that the disciplines often sit beside the operating model rather than inside it. The benefit owner receives a profile but not authority over all required actions. The programme maintains the dependency but cannot compel the business decision. Finance validates the evidence but does not control the process. The post-implementation review arrives after the investment choices have become irreversible.

A framework can make the gap visible without closing it.

This matters because documentation creates assurance. A complete register looks governed. A named owner looks accountable. A quarterly review looks active. Yet the artefacts can remain perfectly maintained while value erodes.

The problem is not weak benefits administration. It is governance that stops at the edge of delivery.

6. Benefits are made by subtraction

Transformation language is naturally additive. We implement a system, introduce a process, create a capability, train people and establish a new service.

Benefits usually require subtraction.

To save money, expenditure must leave a budget. To release capacity, old work must stop. To standardise, local variation must be removed. To consolidate, someone must surrender control. To improve service, conflicting priorities may need to be abandoned.

These acts create losers, risks and operational discomfort. They are decisions, not consequences that flow automatically from delivery.

This explains why so many benefits remain “enabled” but unrealised. The programme completes the additive work. The permanent organisation postpones the subtractive work.

A new purchasing capability can make negotiated agreements available. The saving appears only when managers stop buying outside them. A common finance process can reduce duplication. The value appears only when local checking, reconciliation and reporting are removed. An integrated customer record can reduce handling. The benefit appears only when staff trust it enough to stop maintaining parallel records.

The old world must be deliberately dismantled.

Benefits realisation is therefore less about discovering value than about authorising loss: loss of roles, budgets, local discretion, familiar procedures and contingency. Business

cases describe the gain; operating leaders must absorb the loss.

That political economy rarely appears in the benefit profile.

7. The convenient ambiguity of capacity

No category reveals the promise gap more clearly than productive capacity.

A programme forecasts that a new process will save thirty minutes per case across 200,000 cases. The arithmetic produces 100,000 hours. Those hours are converted into an attractive value.

But time is not cash. Its value depends on what the organisation does next.

The capacity may be:

- removed from budgets or contracted expenditure;
- used to absorb rising demand;
- redirected to higher-value activity;
- dissipated through fragmented scheduling;
- retained as resilience;
- lost because old work continues.

Each outcome may be legitimate. They are not the same benefit.

If demand is growing, absorbing volume without additional cost can be substantial value. If the business case promised cash reduction, it is a different result. If released hours occur in small increments across hundreds of people, redeployment may be impractical. If the new process adds controls elsewhere, the gross saving overstates the net effect.

A benefits framework that records hours without governing their disposition is not measuring value. It is describing potential.

The operating decision must precede the claim: what will happen to the released capacity, who can make it happen, and what evidence will prove it?

8. Ownership without machinery

The benefit owner is expected to bridge the divide. In theory, one senior manager becomes accountable for the outcome and drives the required business action.

In practice, the role is often a moral instruction where an operating mechanism is needed.

The owner may be senior enough to sponsor but too distant to manage. A lower-level manager may control the process but lack authority across functions. A finance leader may validate savings but not change operations. A programme sponsor may influence everyone during delivery but move attention elsewhere after closure.

Naming the owner does not align these authorities.

Ownership needs a contract among the owner, programme, finance and investment authority. It should state:

- the outcome and balancing measures;
- the causal chain from capability to value;
- operational actions and their owners;
- authority the benefit owner holds directly;
- dependencies requiring other decisions;
- evidence rules and confidence;
- tolerance for value and timing;
- automatic escalation when authority is insufficient;
- succession after organisational change.

Without this contract, the owner is accountable for a number. With it, the owner is accountable for a governed mechanism.

The distinction is the difference between nomination and ownership.

9. The business case must remain alive

Many organisations treat the business case as the ticket into delivery. Once approved, the plan and budget become the active controls. The case is revisited for major change or at formal review, but its benefit assumptions do not govern ordinary decisions.

This allows value to erode in small, individually defensible increments.

A site closure moves by three months. Local roles remain for one reporting cycle. A supplier extension protects transition. Training is reduced to hold the programme budget. A legacy process continues for “assurance”. Each decision may be sensible. Together they can destroy the return.

The live business case should show three views:

- approved value — the commitment that justified investment;
- current forecast — the value now supported by evidence and remaining actions;
- realised outcome — the result already observed and validated.

Never overwrite the first with the second. Never confuse the second with the third.

When the current forecast weakens, the board must choose. It can invest in enabling action, rephrase, redirect, reduce the forecast, stop remaining work or continue for strategic necessity while acknowledging that the return has changed.

A review that can only change the traffic light is not investment governance.

10. The discipline of saying less

Benefits inflation is not always deliberate. It emerges from the approval process.

One proposal needs to compete with another. Strategic benefits are translated into money to improve comparability. Confidence ranges become point estimates. Enabling effects are counted as if they were cashable. Different programmes claim parts of the same

improvement. The aggregate becomes the headline.

The honest response is not better optimism. It is disciplined reduction.

A credible case may contain fewer benefits, lower values and wider ranges. It may distinguish:

Benefit type	Governing evidence	Typical decision
Cash reduction	Removed budget, expenditure or commitment	Reduce cost base
Avoided cost	Approved forecast no longer required	Prevent future spend
Productive capacity	Measured time released and assigned	Absorb demand or redeploy
Service improvement	Stable operational measure with balancing control	Accept service outcome
Risk reduction	Exposure reduced through a defined control	Accept cost for resilience

These categories should not be added as though they were interchangeable. Their value to the organisation depends on strategy and constraint.

A smaller, governable benefits case is more useful than a large total assembled from unlike promises.

11. Closure should not end consequence

Programme closure is often the moment when the organisation celebrates delivery and weakens benefits control.

The programme director leaves. The office stops reporting. Supplier support changes. Owners inherit residual actions. Measures move into operational reports, if they move at all.

A serious closure test asks:

1. Can operations produce the benefit evidence without programme staff?
2. Are old processes, budgets and arrangements scheduled for removal?
3. Does each owner retain authority over the mechanism?
4. Are unresolved dependencies funded and dated?
5. Is there a forum able to change the investment case after closure?

If any answer is no, the benefit remains at risk. The programme may still close, but the investment owner should explicitly accept the gap and preserve a minimum control mechanism.

This is not an argument for permanent programmes. Temporary delivery should end. The obligation to govern the value should transfer before it ends.

Benefits disappear when the last person who understands their assumptions leaves the room.

12. What the unkept promise reveals

Benefits failure is usually discussed as a problem of estimation, ownership or tracking. It is all three, but the pattern reveals something more fundamental.

Transformation is often authorised as though value were contained within the initiative. In reality, the initiative disturbs the permanent organisation and creates an opportunity. Value depends on whether the organisation is willing to make the opportunity consequential.

That willingness is tested through decisions about budgets, roles, local power, service trade-offs and management attention. These decisions are uncomfortable because they turn an abstract promise into a specific loss or obligation.

The programme form temporarily protects the organisation from fragmentation. Benefits realisation requires the permanent organisation to overcome that fragmentation after the protective form recedes.

No register can do that on its own.

The deepest practical lesson is that benefits should be designed as part of the operating model from the beginning. Measures must enter ordinary management. Enabling actions must enter the programme plan. Authority must be negotiated before approval. Finance must define evidence before performance. Portfolio governance must reconcile competing claims. The investment owner must remain active after delivery.

This is more demanding than tracking benefits because it makes the promise governable.

13. The promise transformation can keep

Transformation should promise less and own more.

It should promise outcomes supported by a visible mechanism, credible baseline and explicit operating decisions. It should separate cash, capacity, service and risk rather than merging them into a total. It should name owners who can act and bind other authorities to respond. It should permit forecasts to fall without treating honesty as failure. It should retain the business case as a decision instrument until the last material benefit is resolved.

Most importantly, it should stop describing capability as value.

A programme can deliver exactly what it was asked to deliver and still leave benefits unrealised. That is not a paradox. It is evidence that delivery and value occupy different systems of accountability.

The promise can be kept only when those systems are joined.

Benefits realisation has not failed because organisations lack ambition, intelligence or frameworks. It has failed because we have asked temporary machinery to make permanent consequences and then acted surprised when the consequence remained optional.

The longer view is simple: transformation creates the possibility of value. Governance turns possibility into commitment. Operations make commitment real.

Until all three are designed as one chain, benefits will remain the promise made at approval, repeated through delivery and quietly abandoned after closure.