The Contribution of Benefit Management to Improve Organizational Maturity

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INTRODUCTION

All organizations are interested in finding ways in which they can ensure their long-term viability, whether they are private firms looking to maximize their shareholder value, or public sector and not-for-profit organizations seeking to maximize their effectiveness. Achieving competitive advantages over competitors has always been the focus of organizations, as only this competitive differentiation can guarantee the long-term sustainability of the organization (Jugdev & Mathur, 2006).

The purpose of the maturity models is to provide a framework for improving an organization's business result by assessing their strengths and weaknesses, enabling comparisons with similar organizations, and a measure of the correlation between organizations (Ibbs & Kwak, 2000). The maturity models are designed to enable organizations to understand their current level of maturity, highlighting areas that would give them the most value as well as performance improvement in the short and long terms.

A benefit is an outcome whose nature and value are considered advantageous by an organization (OGC, 2010). Bradley (2006) defines it as a result of change which is perceived as positive by a stakeholder. An important aspect in the above definitions is that advantage is owned by individuals or groups who want to obtain value from an investment (Ward & Daniel, 2012).

The benefits management approach emerges as a complement to traditional management practices and proposes a continuous mapping of business benefits and the implementation and monitoring of intermediate results. The benefits are often identified in the early stages of investments to build business cases and sell the idea to interested parties (Remenyi, Money, & Bannister, 2007).

The decision-making process over IS/IT investments is not as objective and transparent as it is claimed to be, creating significant failures on the benefits achievement process (Berghout et al., 2005).

The assessment procedures help an organization to understand where they have been, where they are, and what processes they need to implement in future.

One of the factors that differentiates a successful IS/ IT deployment process from a company is the ability to assess whether investments in IS/ IT have made the promised investments.

The perception of continued failure in IS/ IT investments has led to a new approach to the way projects are managed. The focus should be on realizing the benefits, since this is the main reason for the organization's investment (Ward & Daniel, 2012).

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BACKGROUND

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Maturity Models

The basic concept of maturity drives organizational processes towards continuous improvement and, therefore, requires a deep knowledge of the organization's current position and what it intends to achieve in the future.

Maturity models are based on the principle that entities (people, organizations, functional areas or processes) evolve through a process of growth or development towards a more advanced level of maturity, through several different stages (Becker et al., 2009). Considering the various best practice references, improving organizational maturity requires a conscious and properly structured action plan (Crawford, 2005).

Levin & Skulmoski (2000) point out that the maturity models provide a framework to help enable organizations to increase their capability to deliver projects on schedule, within budget and according to the desired technical specifications.

There are several reasons why organizations might choose to use a maturity model to assess their current performance, such as: justifying their investment portfolio, program or project management improvements, gaining recognition of service quality in order to support proposals, or gaining a better understanding of their strengths and weakness in order to enable improvement to happen.

The maturity model is an important element of strategic planning, as it provides a methodology, a road map, to determine and compress the gaps in resources and quality (Kerzner, 2019).

Working with different types of projects within an organization requires standard models to deliver successful projects in the future repeatedly, to improve both the quality of future projects and also to gain knowledge and learn from past mistakes.

Measuring maturity in organizations is considered subjective, as the process focuses mainly on what people do operationally (Andersen & Jessen, 2003).

The works of Ibbs and Kwak, (1997; 2000), and Ibbs and Reginato (2002) over the last decade focused on recognizing the benefits of investment in project management competency through measures of maturity in an organization's practice of project management.

We now move on to make a brief description of the three most popular and referenced maturity models, analyses the singularities of each one and find the approach that fits better with the dynamic characteristics of the organization used for the case study.

The CMM for Software was first published in 1991 and is based on a checklist of critical success factors of software development projects, from during the late 70s and early 80s (Chrissis, 2011). CMM has achieved considerable popularity and is now well-adopted and has undergone several revisions and upgrades. Its success led to the development of CMMs for a variety of subjects beyond software. The proliferation of new models was confusing and so the US government funded a two-year project that involved more than 200 industry and academic experts to create a unique and extensible framework that integrated systems engineering, software engineering and product development. The result was CMMI (Chrissis, 2011).

CMMI defines sets of best practices that are grouped into process areas used by product development organizations to implement and improve the predictability of their project costs and schedules (Beynon, 2007). This model consists of transcending disciplines by offering best practices through the pointing out development and maintenance programmers, covering the whole life cycle of the product from conceptualization to delivery and maintenance.