

Benefits Measurement Guide

Identifying benefits from the investment in School Infrastructure might just be the easy part of the business case process. Working out measures for the benefits is where the rubber hits the road, in other words, this is no easy task. Often they have never been measured before, therefore baselines need to be established, data sources determined and measurement agreed.

The following Benefits Library provides a starting point. It also provides a category of benefits and a guide to determining what you might measure.

Construction Benefits

Benefit Type	Measurement Method	Benefit Calculation / Metrics
Improved quality of design (future proofing and flexibility of learning environments)	Design Panel review assessment against standards / benchmarks Achievement of educator and learner needs Survey of school leaders, educators, students and parents	Measure against standards for accessibility, air quality, heating, acoustics, lighting, safety & health and sustainability
		Change in survey rating for flexibility and versatility of indoor and outdoor spaces
		Survey results for appropriate use of modern technical advances and materials to support the design and use of learning spaces
Improved quality of vendors and supply (Leads to improved quality of construction)	Post construction audit and surveys Cost avoidance Re-work	Number of defects
		Number of replacement or maintenance required prior to expected product life
		Change in insurance costs
		Dollar value through longer life of material & products
Reduced property running costs	Budgeting	Change in cost of utilities, e.g. heating, lighting etc. Change in annual maintenance budget
Reduced the impact on the Environment	Environmental impact	Carbon footprint tracking
		Number of suppliers with sustainable practice qualifications or certification
		Life of materials

Benefit Type	Measurement Method	Benefit Calculation / Metrics
Improved asset performance	Whole of life costs	Costs of unplanned and unexpected maintenance and refurbishments
	Time spent	Actual time spent by BOT and school management on asset related issues
Reduced cost of design	Design budget	Accuracy of budgeting. Dollar value of % difference in budget to actual
Reduced cost of construction	Contract tender	Dollar value of procurement contract
Total project costs	Project budget	Accuracy of budgeting. Dollar value of % difference in budget to actual

Social Benefits (Schools as a local hub for the community)

Benefit Type	Measurement Method	Benefit Calculation / Metrics
Increased local business revenue	Local business use	Number of contracts for services and maintenance awarded to local business
Increased Community Engagement	School use	Number of community activities
Increased government revenue	Local population Tax take	Population numbers Dollar increase in tax from residents and local business

Assumption

Financial return measures, such as, ROI, Net Present Value, Internal Rate of Return and Payback are not regarded as relevant to EIS

Examples of Dis-benefits include:

- The cancellation of another project's Benefits
- Loss of key or skilled resources to competitors
- Drop in productivity
- Increase in workload
- Increased maintenance or licencing costs
- Increase in operational costs in another area of the business
- Loss of or disruption to service (business sustainability)
- Has a negative outcome for one or more stakeholders
- Damage to reputation
- Increased support / operational cost
- Reduced service levels
- Destroyed community value (lost taxes, declining property values, and lost business)

Example – Business Improvement Benefit

Benefit Description	Benefit Category / Pool	Benefit Owner(s)	Benefit Calculation Method (% , #, \$, time etc.)	Baseline Value (the do nothing)	Measurement Method / Data Source	Measurement Frequency	Measurement End		Financial Impact
							Target Value	Date	
Improved the Efficiency in reporting process through automation			Reduction in the time required to complete a task	16 hours	Time taken	Monthly	8 hours	D/M/Y	

Interim Triggers or Events that will cause benefits to be Realised (key contributors to benefits occurring)

Implementation of automated system or revised process or a reduced number of steps to complete

Underlying Assumptions / Risk to Benefits Realisation

These benefits will not be fully realised unless the saved time or resources are redeployed effectively or banked

Dis-benefits or negative impacts that may occur in achieving benefits, e.g. increased cost to another part of the business

Potential loss of skilled resources unless meaningfully redeployed

Example – Construction Benefit

Benefit Description	Benefit Category / Pool	Benefit Owner(s)	Benefit Calculation Method (% , #, \$, time etc.)	Baseline Value (the do nothing)	Measurement Method / Data Source	Measurement Frequency	Measurement End		Financial Impact
							Target Value	Date	
Reduced property running costs			Budgeting	\$ pa	Change in annual operating budget (e.g. cost of utilities, heating, lighting etc.)	Annually	\$ pa	Financial Year End	\$ savings pa

Interim Triggers or Events that will cause benefits to be Realised (key contributors to benefits occurring)

Material or technology designed and specified

Underlying Assumptions / Risk to Benefits Realisation

Increase in class or roll numbers allowed for

Dis-benefits or negative impacts that may occur in achieving benefits, e.g. increased cost to another part of the business

Example – Community / Social Benefit

Benefit Description	Benefit Category / Pool	Benefit Owner(s)	Benefit Calculation Method (% , #, \$, time etc.)	Baseline Value (the do nothing)	Measurement Method / Data Source	Measurement Frequency	Measurement End		Financial Impact
							Target Value	Date	
Increased local business revenue			Number of contracts for services and maintenance awarded to local business	5 local contracts	Local business use	Annually	10 contracts	Year 2	Value of contracts

Interim Triggers or Events that will cause benefits to be Realised (key contributors to benefits occurring)

Review of current suppliers
Policy in place to support local businesses

Underlying Assumptions / Risk to Benefits Realisation

Quality of supply and/or workman ship will not be compromised
Costs will be competitive

Dis-benefits or negative impacts that may occur in achieving benefits, e.g. increased cost to another part of the business

Existing supplier / vendor relationships negatively impacted