



DELIVERING SUSTAINABLE SOLUTIONS

VALUE ASSURANCE

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The Globe Urban Offices
Waldorpstraat 13E
2521 CA The Hague
Netherlands
KvK: 272721280000



www.businessminds.eu
[e]: info@businessminds.eu
[t]: +31 70 392 78 94
[f]: +31 70 392 78 95
BTW: NL8139.46.074.B01

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Having an independent and balanced overview of your opportunity, project or venture at key points in its lifecycle is essential for making the right decisions on how to progress to the next stage. The quality of the decision will create sustainable value, even if the decision is not to proceed any further. This review should be constructive and add value rather than merely be an audit. Close cooperation between the project team and the reviewers to deliver joint development and planning of improvements is key.

WHY SHOULD I BE INTERESTED?

Various factors have been found to drive the growth and success of many companies and organisations; while many have also experienced unexpected failures, particularly in project delivery. These failures have driven a realisation that a structured, rigorous approach is required in all projects in order to ensure their successful delivery. Having independent Value Assurance is part of this approach.

WHAT ARE THE TYPICAL COMPLICATIONS?

A project team will typically perform under a tight schedule and with constrained resources, requiring a strong focus from the team. This focus, whilst essential for success, also carries risks as the team can overlook new or changing aspects of their operating environment or not realise when a key assumption or premise has changed. Either will lead to sub-optimal delivery or, potentially, even project failure.

Some typical experiences from a variety of real-life projects further describe the complications:

- "... organisation structure and interface management plans are unrealistic and need to be updated to reflect the reality of the project and its environment and the complexity of the inter-relationships ..."
- "... alignment of stakeholders and effective relations with government and partners are not in place..."
- "... plans are incomplete and not fully integrated across project elements and work streams and the project schedule needs to be less ambitious to improve probability of success ..."
- "... projects do not have sufficient local knowledge, ... no substitute for having "feet on the street" ..."
- "... Inadequate attention was paid to laying the foundations for the venture prior to financial close..."

When this learning is reported, typically following an internal or shareholder audit, it is often too late for the project to be restructured or improved. The Value Assurance approach concentrates on looking forward, thereby allowing the team to be proactive and avoid situations such as those highlighted above.

HOW CAN BUSINESSMINDS HELP?

BusinessMinds has experience in developing and applying cutting edge processes to assure value delivery throughout the entire lifecycle of sustainable development projects.

Our approach to Value Assurance brings a fresh and independent perspective to the status of an opportunity, delivered via structured review and assist processes. We will focus on all BusinessMinds "SEFCOPT" attributes (Social, Environmental, Financial, Commercial, Organisational, Political and Technical) of the opportunity to help deliver a fully sustainable venture. The reviews will add value, by testing the robustness of the objectives and the alignment of key stakeholders.



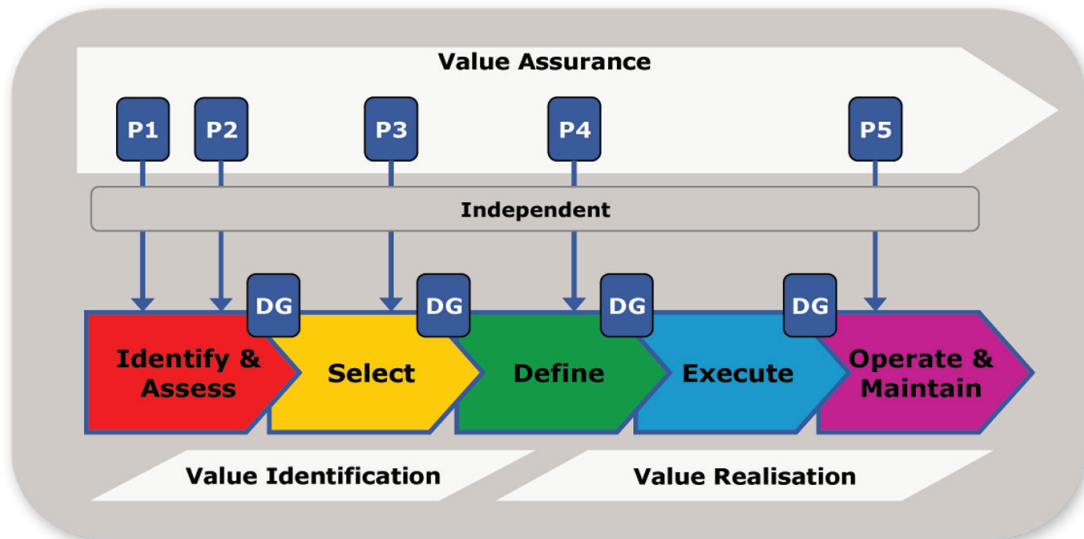
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HOW DO WE DO THIS?

The heart of our approach to Value Assurance is a series of review and assist “Points”, prior to key decision points or gates “DGs” that are to be passed through during the maturation and development activities of a project or opportunity. The key objectives at each of these Points are twofold:

- firstly to assess the readiness of the project to make key decisions and whether maximum sustainable value has been secured before proceeding to the next phase and;
- secondly to assist the team in preparing for the key challenges lying ahead in this next phase.

Ensuring that a balanced SEFCOPT view is taken across the full range of elements is essential to achieve “sustainability”. The figure below shows the typical review Points across the opportunity lifecycle.



Opportunities or projects should have positive impact on the ecosystems and people they affect, (or at least neutral, and definitely not negative), and its goal should be to create and leave behind a sustainable commercial enterprise with positive impacts on all it affects. The key questions that we would ask at each Point are listed below:

1. **Identify:** “Do we understand what we are starting and the issues associated with this?”
2. **Assess:** “Has the full range of scenarios been identified? What else could/should be considered?”
3. **Select:** “Have we selected the optimal alternative? What do we need to do to excel in the next phases?”
4. **Define:** “Is everything in place to ensure success?” “Is the project defined and the execution planned?”
5. **Post-Implementation / Investment:** “What have we learned? How good have our decisions been and what do we need to do to make better decisions in the future? ”

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BusinessMinds can design, organise and lead a Value Assurance Review & Assist team that typically consists of a range of people (two to eight) with experience / knowledge of the relevant subject areas, but that are not directly involved in the project under review. An independent perspective is essential to deliver maximum value to the opportunity. Our approach is to add value to the project jointly with the incumbent team – this avoids negative perceptions of the review as an audit. The process is tailored to the specific project/opportunity and the stage at which the review takes place.

WHAT ARE THE BENEFITS?

- Provide external challenge at each key decision point in the project lifecycle; help to assess the validity of decisions taken to date and the robustness of the work done and to identify key areas requiring focused attention during the next stages
- Capture lessons learnt for dissemination across other projects and, where appropriate, to facilitate best practice transfer into the project team from other projects.
- Provide assurance to management and shareholders/investors that, for major projects, the economic, environmental and social impacts of the opportunity have been properly assessed.
- When considered early on, the Value Assurance process can be tailor-made for specific opportunities and/or organisations and be carried out in an efficient and appropriate fashion.
- If done on a portfolio of opportunities and projects, it ensures consistency in assessment of risks/ value of opportunities across the business.
- The process aims to add value to the project and do this jointly with the team – it is therefore NOT an audit (neither is it a “Spanish Inquisition”, “witch-hunt” nor a project killer).

WHO DO I TALK TO?

Helping put your business on a sound footing and ensuring value is identified, captured and extracted begins with a call to BusinessMinds to further discuss the Value Assurance process on + 31 70 392 7894 or send an email to us on info@businessminds.eu



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