

# The complete guide to buying capital project and portfolio management software

A guide for capital project and portfolio professionals

# Contents

▶ The buying journey.....	2
▶ Engage with your stakeholders.....	3
▶ Map solution benefits to..... business pain points	6
▶ Quantify the benefits.....	8
▶ Use our Capital Portfolio..... Optimisation Calculator	8
▶ Leverage our Business Case for Change process.....	9
▶ Prepare your answers.....	10
▶ Lean on us to help you win over stakeholders.....	11
▶ Why CAPEXinsights?.....	12
▶ The benefits to your people.....	13

You've taken an important step towards connecting the dots across all projects and aggregating data at the portfolio level to improve performance and maximise success. A digital solution that integrates seamlessly with your ERP to power productivity benefits the entire organisation.

### A dedicated capital project portfolio management solution offers:



**Experienced capital project managers** quality information, at the right time, to make early adjustments, improve profitability, mitigate risk and allocate resources better.



**New project managers** guidance to follow consistent best practice, achieve the best commercial outcome and uplift overall project management maturity.



**Capital portfolio managers** the ability to quickly shift from macro to micro views across any key priority including time, scope, cost and risk, so they can rapidly respond to changing markets or dynamic projects for maximum impact and greater investment certainty.



**Finance professionals** the complete capital portfolio financial picture in real time, including cost analysis and aggregated cashflow forecasting.



**The board and C-suite** confidence that capital portfolio governance is robust and capex investment is aligned with business strategy including sustainability goals.

---

Industry research by Forrester suggests the return on investment of a project management application can be as high as 250%. But convincing decision makers can be tough.

Business cases for IT projects are different to those for capital projects. To generate buy-in for a software solution, you'll need to consider new stakeholders and new types of benefits – some of them potentially hard to quantify.

This guide will help you engage the right people, give you confidence to map the benefits to your internal stakeholders and build a sound business case for a digital solution.

We hope you find these insights to be valuable.

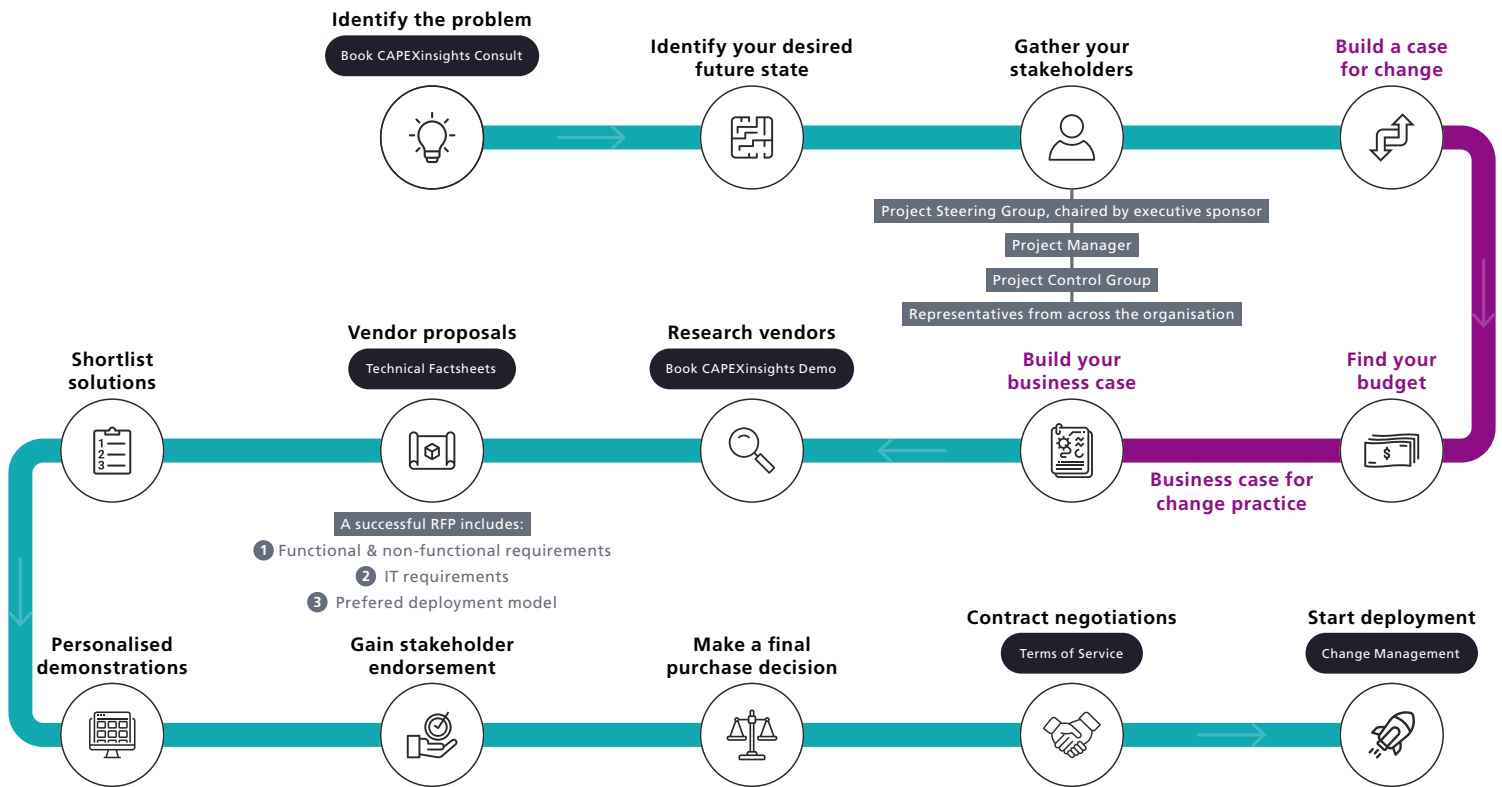


**Mike Duell** |



Founder and Director, CAPEXinsights

# The buying journey



## Building the business case for a digital transformation

1 Identify and engage with your stakeholders through solution demonstrations

2 Identify and prioritise business pain points

3 Quantify the benefits of making a change

4 Construct your business case by preparing your answers

# Engage with your stakeholders

Business cases are often won before the document is written. Engage early with key decision-makers and stakeholders to educate them about the pain points in the business, the material risks to their part of the business and how software can solve these issues.

Opportunities to build buy-in include:

→ Interviewing them about related pain points in their part of the business

→ Asking them to participate in scoping or benefits assessment workshops

→ Inviting them to solution demonstrations

→ Inviting them to sit in the Project Steering Group

## Pitch to your audience



### C-suite Board

When organisations rely on manual processes to manage their capital project portfolio, it can lead to inefficacy. As a result, executives and the board don't know where enterprise risk lies across the portfolio or how to prove to stakeholders if capital projects are business strategy.

A digital solution will give you:

- Visibility across portfolios on all KPIs, opportunities and risks
- Automated cashflow management
- Consistent, strategic guidance across the portfolio
- A central repository for risks and lessons learned
- Environmental and climate compliance within the project lifecycle.

*Continued next page*



## Project Managers

Capital projects come with a huge amount of time-consuming admin and reporting. By simplifying the process, having calculations done for you and automatically populating reports, you are free to focus on other tasks.

A solution that dynamically assesses each project's complexity then builds a relevant lifecycle for that specific project so you only have to complete the relevant gates, activities and control / monitoring tasks.



## Portfolio Manager

Managing a capital projects portfolio strategically requires real-time information and the ability to zoom in and out from projects to portfolio. When you have transparency and insight, you can:

- Make risk-based decisions around portfolio build
- See a portfolio view of cashflow against plan
- Dynamically adjust portfolios in response to changing priorities or to prevent underspend

Flexible views, combined with reliable and trustworthy data, helps you to understand project pipelines, manage resource constraints and achieve strategic outcomes.



## Finance professionals

Unnecessary costs. Value erosion. Lost opportunity. This is what capital inefficiencies are costing the business.

A dedicated solution will help us to find and prevent these inefficiencies, improve cashflow forecasts and identify interventions that will improve profitability and governance. Quickly understand the portfolio and assess the strategic objectives of every project. Detailed cost analysis, cashflow projections and accurate cost estimations will ensure our capital expenditure is invested wisely.

*Continued next page*



## Chief Risk Officer

To improve capital investment performance, we need to understand where risk lies – not just in individual projects but across the entire portfolio. This is challenging as we have hundreds of capital projects on the go – and no portfolio view.

If we can visualise and understand capital portfolio risk at an enterprise level, we'll be able to minimise capital expenditure risk using the application's robust guidelines, gaining complete transparency across every project. We'll be able to mandate projects ask 'Red Flag Questions' as an early warning system so your team are aware of which capital projects to watch.



## Chief Sustainability Officer

Investing in projects that remove carbon from the supply chain is only part of the picture, without full visibility of carbon impact across the portfolio we might discover investment that increases future emissions.

Sustainability impact assessments help us move towards plugging carbon pricing into our capital project decisions. We can understand the implications of the entire capital project portfolio on our future carbon footprint. By building carbon calculations into our capital project decisions we can ensure the capital portfolio aligns with our sustainability strategies.

# Map solution benefits to business pain points

Through interviews or workshops with stakeholders, identify how the solution can take the pressure out of business pain points.

## Which of the following are issues for your business?

Pain Points	Business Impact	Benefit
<b>We have poor transparency across our portfolio</b>	Portfolio information is stored in multiple systems with no effective means for locating it. A significant amount of time is required to manually manipulate data to generate portfolio insights.	CAPEXinsights collates all project and portfolio data onto a single application. From this richer and broader data set, the business can undertake more readily robust analysis and gain insights that it previously could not surface easily. Strategic decisions are made with a deeper analytical backing.
<b>Flawed projects go all the way to the CAPEX gate</b>	You're wasting resources progressing unviable projects for months before they're eventually stopped at the capex gate.	CAPEXinsights progresses projects through an appropriate lifecycle development process, ensuring flawed projects are identified at the first development gate. For a large project this means spending just 0.1% of total project capital – not 4%!
<b>Too much duplication between systems</b>	Project engineers are working in multiple, disconnected applications which results in a lot of manual duplication.	Before you implement CAPEXinsights, we conduct a value mapping exercise to identify and remove duplication and inefficiencies. The new system reduces delivery costs because team members spend far less time on bureaucracy.
<b>Strategic projects are late</b>	The business believes the normal delivery rules – risk management, stakeholder engagement – don't apply because the project is so important.	Strategic projects need to be forecasted several years in advance and progressed steadily over multiple budgeting cycles. CAPEXinsights supports long-term capital planning, helping to forecast strategic projects and allowing them to progress through the required development phases rapidly but with adequate support.

*Continued next page*



Pain Points	Business Impact	Benefit
<b>Too many projects overspend their budget</b>	Multiple reasons including: scope creep, inadequate project definition or unvalidated pricing estimates.	CAPEXinsights helps projects identify and mitigate risks early, increasing the likelihood that delivery success occurs under the allocated budget. At the portfolio level, it significantly reduce the overspend potential, giving business owners confidence in ROIC.
<b>Portfolio underspend</b>	Project approvals take longer than expected. Excessive carry-over from previous years. Unexpected delays in project development.	CAPEXinsights minimises these common underspend factors by streamlining and automating project approvals – using different lifecycles depending on the complexity and risk of the project. This allows smaller projects to be fast tracked, accelerating spend.
<b>Small projects are burdened with too much process</b>	Processes are often designed with large projects in mind. This results in excessive resources being used on unnecessary steps in the lifecycle of a simple project.	CAPEXinsights automatically adjusts project lifecycles depending on the scope of the project and its risk factors, expediting small project delivery. Scarce resources can then be redirected to work on other projects.
<b>We don't validate that we achieved the benefits intended</b>	Projects happen in silos without access to the learnings from other parts of the organisation.	CAPEXinsights offers a single source of truth that allows organisations to continually reviews and improves what worked, what didn't and what was delivered versus promised.
<b>Project reporting takes too much effort</b>	Manual reporting can be time consuming and hard to collate.	CAPEXinsights collates information easily for fast decision-making, with dynamic dashboards and reports to deliver insights instantly. Make early interventions that improve profitability, mitigate risk and provide confidence in project outcomes.

# Quantify the benefits

## At a project level

CAPEXinsights provides the tools to improve business performance and maximise commercial returns. Its robust guard rails and step-by-step processes minimise the chance of overspends, late delivery and unhappy stakeholders. As a result, return on investment comes from:

- Reduced budget overruns from improved visibility into project performance.
- Savings from reduced project management effort and increased project throughput. Projects completed ahead of schedule deliver their benefits faster and allow people to be diverted into other value-adding tasks.
- Further savings due to improved resource management, as those on the shop floor can spend more time on tools and less time filling in paperwork.

All the same benefits exist at the portfolio level – offering even greater value.

## At a portfolio level

The first thing to understand is that there are large-scale financial benefits to be gained from ensuring a high standard of portfolio performance.

Capital portfolios are notoriously inefficient. Industry research suggests that as much as 11% of portfolio investment is lost by some organisations. Beca's experience is that most organisations can reasonably address between 2% to 6% of portfolio losses. Clearly, this is

well worth the effort. Given the quantum of capital invested by organisations, even a small change can have a big impact. Especially when compounded over time.

The second thing to understand is this is not a simple calculation. Organisations with hundreds of millions of dollars invested in capital projects have only a vague idea of whether they are getting the expected return on their invested capital due to lack of visibility.

This is the one of the many issues CAPEXinsights will help you solve. But ironically, until it's implemented, and you can easily drill down across the portfolio to see what's going wrong, it's hard to calculate efficiency gains – especially because not all projects are designed to deliver a positive return.

We need to put a dollar value on fixing the inefficiencies that are currently rife in your portfolio:

- **Avoidable costs** – like gold plating assets or flawed projects going all the way to the capex gate
- **Value erosion** – where poor cashflow forecasting means capital could have been used elsewhere or from too much duplication between systems
- **Lost opportunities** – because strategic projects are delivered late this means the organisation may lose the opportunity to transform the organisation and remain competitive.

# Use our Capital Portfolio Optimisation Calculator

If you're thinking *"that sounds like a lot of work"* – don't worry, we can do the calculations for you.

[Use our calculator](#) to crunch the numbers for your organisation.

# Leverage our Business Case for Change process

Our **Business Case for Change** is a proven process that helps organisations map what opportunities exist to improve capital project and portfolio delivery outcomes. It delivers a qualitative and quantitative assessment based on inputs provided by a range of stakeholders from across your organisation.

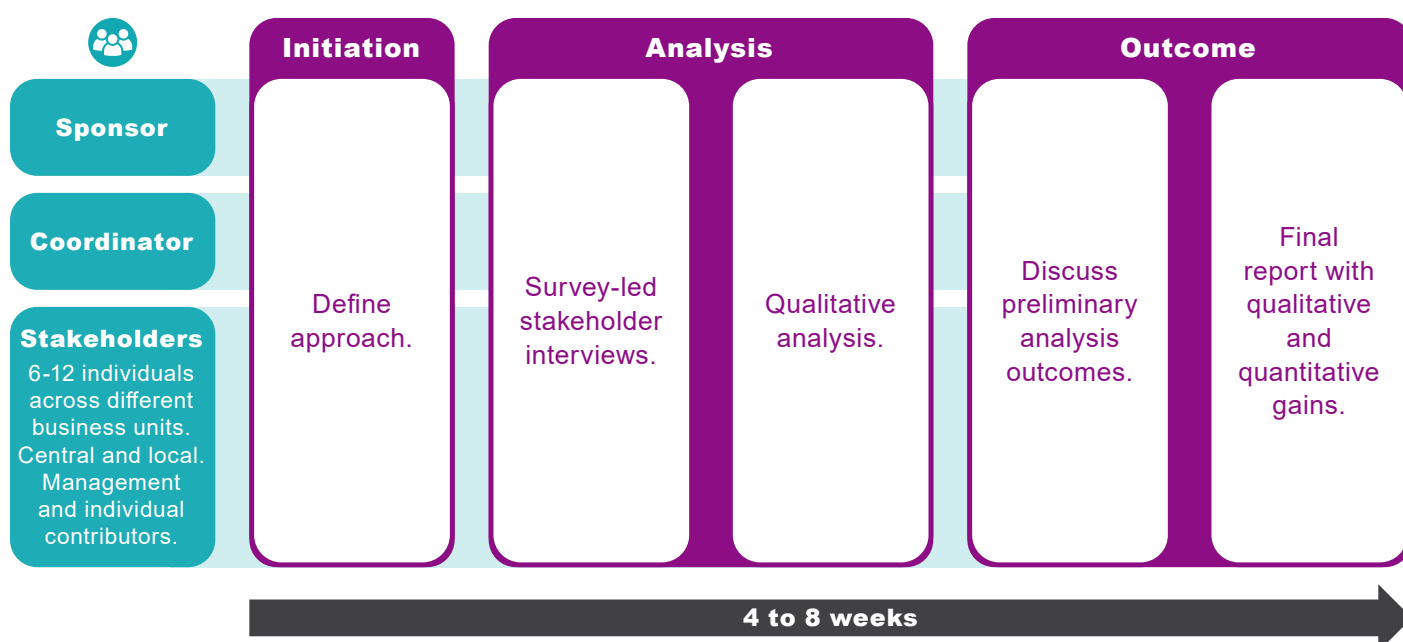
You can use the Business Case for Change to demonstrate to your stakeholders that:

- Change will deliver an attractive return on investment to the business.
- People want change because they know it will lead to improved outcomes and more efficient delivery.
- The path between the current and future state can be successfully navigated while supporting people through the change.

## Four deliverables

As you go through the Business Case for Change process with us, you receive:

1. **Qualitative survey** – capturing the business need for CAPEXinsights across multiple capex management areas, including risk management and portfolio build. This includes a Current state sentiment assessment that summarises the themes coming out of stakeholder interviews, supported by anonymous ‘sound bites’
2. **Prioritised opportunities** – resulting from the current state sentiment assessment
3. **Benefits assessment** – summarising the quantified benefits, including the spectrum of responses and the agreed ‘consensus response’
4. **Business case** – summarising the benefits of change and projected costs overall financial return.



# Prepare your answers

The following are some questions that we've heard from people who worry about how to navigate myriad stakeholders in their organisation.

*How will CAPEXinsights integrate with our existing solution landscape? Our people already suffer from having to manually update multiple systems.*

**Response:** CAPEXinsights can be easily integrated into your existing technology stack and is built on **Microsoft Azure**.

*Our project management maturity is very low and to improve the situation will require significant uplift in capability.*

**Response:** Through in-app prompts CAPEXinsights communicates to people why project management is important and how the underlying business processes work. Plus, there are **control points** baked into the platform for when compliance is mandatory.

*We are thinking of upgrading our ERP and capex project functionality could be delivered as part of that update.*

**Response:** CAPEXinsights is a niche product that supports both finance and engineering stakeholders. It is designed to compliment our ERP system and has end-points for **rapid integration**.

*Because capex is delivered by many different parts of the business, there is no one person that is responsible for making this decision.*

**Response:** Due to the **strategic and financial benefits** of a tool like CAPEXinsights, Finance with Engineering as support will mostly likely be the economic buyers. They will also be interested to learn what CAPEXinsights can do for them.

*Beyond the licence costs, what do we need to invest in time, money and resources to make the change?*

**Response:** The **Change Management Factsheet** details their tailored approach to change management. Designed to suit all budgets and capabilities, we can find an implementation process that is right for us.

*What's the return on investment of this change? We know that we have challenges but is solving them worth the effort?*

**Response:** Present your organisation's personalised **capital portfolio optimisation report** outlining the financial benefits to making the change. **The Business Case For Change process** will give your organisation a complete overview of the hidden inefficiencies costing your organisation time and money.

*Our previous software implementation was a long and painful process? How can they help us do it better?*

**Response:** Having deployed to many leading organisations, the team has a detailed **approach to governance** to deploy your customised solution to a steady state.

# Lean on us to help you win over stakeholders

CAPEXinsights is founded on knowledge and experience across people, process, technology and industry – making us the experts of capital project and portfolio success. Our experienced team can help you create an appealing presentation for your internal stakeholders. Together we can showcase the value to your organisation.

**“CAPEXinsights greatly enhances our Capital Project and Risk Management processes. It supports our engineers to follow a ‘fit for purpose’ process across the organisation. We are already learning about what works and what doesn’t.”**

**Pavankumar HL**  
Engineering Director (Global) – Robotics and Automation, Unilever



→ [Book a demo](#)



**Daan Gooskens**  
Account Director, CAPEXinsights

Let us demonstrate how your business can get better outcomes for your capital projects. Show stakeholders the dashboards, insights and real-time reporting. Compare cashflow with cost estimations for a clearer financial forecast. Make it clear why lifecycle guidance is important. Help your people understand the power of activity and milestone tracking. Explore how you can calculate your sustainability practices and maximise your capital investments.

→ [Book a consultation](#)



**Kim Featherstone**  
Business Case for Change Lead, CAPEXinsights

This proven process will help your organisation understand your opportunities to improve capital project and portfolio delivery and outcomes. Uncover your organisation’s inefficiencies and quantify the benefits of solving them. You’ll end up with confident stakeholders and a robust business case with costed benefits. A blueprint of actionable insights so you can begin to make change.

→ [Who are we](#)



**Mike Duell**  
Founder and Director, CAPEXinsights

Using technology built for your unique processes while leveraging Beca’s over 100 years in project management experience to bring you best-practice guidance. When you engage us to deliver CAPEXinsights into your organisation, we partner with you to maximise your capital project and portfolio success. As leaders in industry and digital innovation, we know the potential you can achieve with our technology when you take the time to consider your capital strategy.

# Why CAPEXinsights?

Without an efficient framework to maximise capital expenditure organisations are likely to under deliver on strategy resulting in missed opportunities and under achievement. To succeed in competitive markets, capital project teams need a single source of truth to underpin their organizational processes and generate insights to drive performance and gain the leading edge.

**Advance your organisation and achieve your capital potential with CAPEXinsights.**

Designed specifically for capital projects

Best-practice approach to project and portfolio management

Integrated capital project and portfolio development

Track sustainability and report on your impact

Scalable across small and large projects

Unified project management and financials

Highly configurable and customer-led design

Streamlined pre-CAPEX approval phases

Extensive support and in-app guidance

Simplified compliance balanced with flexibility

Uplift project management capability

## The benefits to your people



### Engineering

- Visibility of project parameters to manage risk.
- Configure project lifecycles to fit project requirements.



### Project Managers

- Enable consistent outcomes with consistent processes.
- Give guidance to project managers that may otherwise inadvertently expose their organisation to risk.



### Finance

- Access meaningful financial information in real-time to take corrective action.
- Assess cost estimation with cashflow forecasting and build reports effortlessly.



### Executives

- The confidence to know the right projects are undertaken and capital spend is used efficiently ensuring maximum investment certainty.
- Consistent processes give assurance that projects are developed with operational rigor to best-practice standards, mitigating risk and aligning to strategic objectives.



### Portfolio Managers

- Visibility across the entire portfolio from every angle to make decisive decisions.
- Maintain strategic alignment with portfolio optimisation and intelligent portfolio spend.

Learn how CAPEXinsights  
can help you achieve  
your capital potential.

Resources



[capexinsights.com](https://www.capexinsights.com)



POWERED BY  **Beca**

© 2023 Beca. All rights reserved. "Beca" refers to one or more of the Beca group of companies, and/or joint ventures in which they participate. Please note that individual projects and or services referenced in this document have not necessarily been undertaken by the Beca entity with which you may contract. Due to the nature of this publication, Beca has referred to its business sections by discipline, rather than by the Beca company within which they sit. If you are unsure of the Beca company with which you are dealing, please contact Beca or visit [www.beca.com](https://www.beca.com) for further information on the Beca group.

[CONTENTS](#) 