







































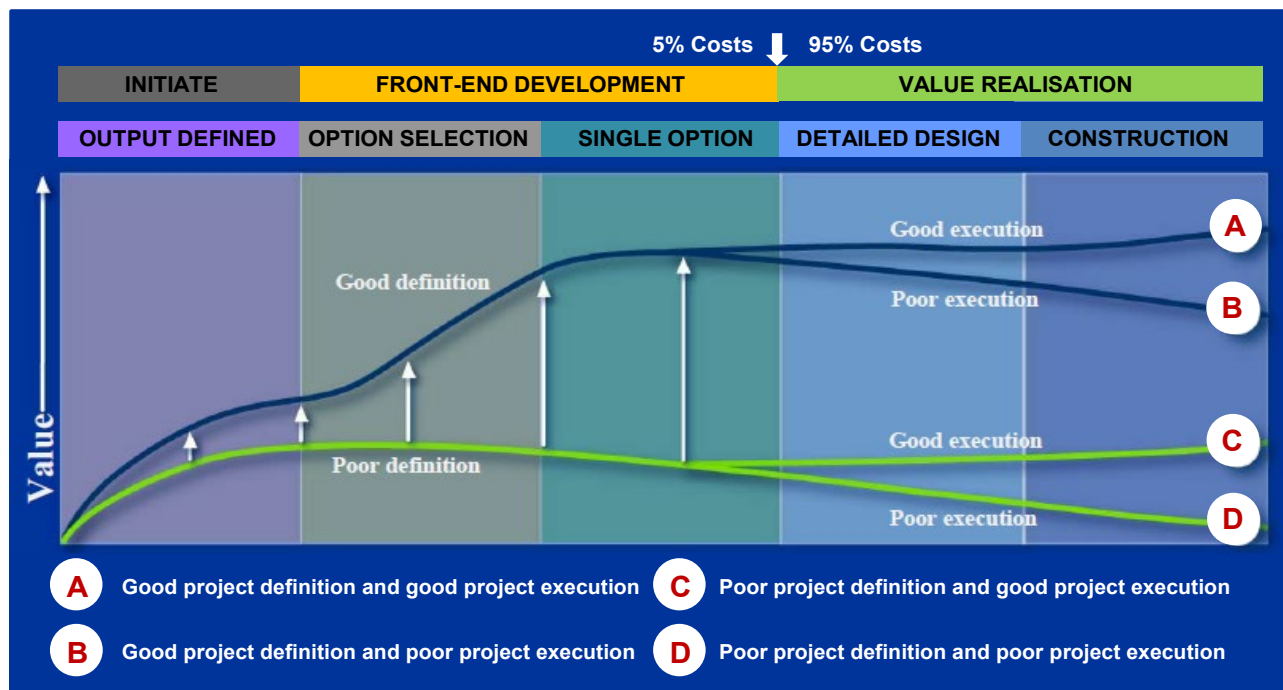


## IMPORTANCE OF OUTPUT DEFINITION AND OPTION SELECTION

Stages 1-3 of the UK Stage Gate Process — output definition, feasibility, and option selection — serve as the foundation for a project. Correctly assessing and identifying a project’s objectives and the outputs needed to achieve those objectives is a key element of any project, but it is critical on megaprojects because they typically have numerous outputs, requirements, risks, stakeholders, and funders.

**Figure 2** demonstrates that clearly defining the output of a project in the beginning and selecting the right option to achieve that output is key to achieving the Business Case’s benefits. Line “B” shows that with a strong definition at the start and by selecting the right option, value can be realized even if the design and construction is poorly executed. On the other hand, line “C” shows that if there is poor definition at the start, it is likely the program/project will not achieve the full Business Case’s benefits even if the design and construction is well executed.

**Figure 2. Relationship Between Objective/Goal Development and Execution**



Source: Network Rail UK

The value gained from spending the time to define the goals, objectives, and outputs required cannot be understated. The greatest opportunity to influence a project’s value is in the development phases, it is the period in the project life cycle where the least money is spent but the greatest savings are achieved. This makes the robust assessment in UK Stage Gates 1-3 critical to the successful realization of a project’s objectives and benefits.