Portfolio Question #7 - Have we clearly defined and communicated the portfolio priorities?

by Bill Poston

Clearly defined and communicated priorities enable program and resource managers to make decisions regarding the appropriate allocation of resources in the event of a conflict or schedule slip. Getting “I want it all” executives to define priorities is often a challenge, but being clear about priorities ensures that the most important work gets done.

Priorities are not about what to do first or what to kill. In portfolio management, priority has a specific definition. The definition is: If the timeline or scope of a high priority project is in jeopardy, and if the problem can be solved by temporarily taking resources from a different, low priority project, then those resources should be temporarily re-tasked to the high priority project to keep it on track.

Rather than force ranking all of the projects in the portfolio, I suggest forcing a distribution of projects into quartiles or quintiles. The lowest classification of projects in either scenario are still important. If they are not, then they shouldn’t be in the pipeline in the first place. By forcing a distribution, you ensure that all stakeholders are clear on the priorities and can act accordingly without intervention.

More in this series:

- Portfolio Question #1: How are our recently launched innovations performing in market?
- Portfolio Question #2: Will our current portfolio deliver our organic growth goals?
- Portfolio Question #3: Does the portfolio reflect our business strategy? By business unit?
- Portfolio Question #4: Does the portfolio contain a diverse mix of innovation types?
- Portfolio Question #5: Is the portfolio balanced? More than just risk/reward?
- Portfolio Question #6: Is the portfolio balanced by phase and by expected launch date?
- Portfolio Question #7: Have we clearly defined and communicated the portfolio priorities?
- Portfolio Question #8: What are the constraints to delivering the projects in the portfolio?
- Portfolio Question #9: Which projects should we accelerate, delay, or kill completely?
- Portfolio Question #10: How can we shift key resources around to deliver the portfolio?
- Portfolio Question #11: What is the impact of loading proposed projects into the pipeline?
- Portfolio Question #12: What’s missing from your portfolio?

Originally published on www.thechiefinnovationofficer.com?

Originally published on March 4th, 2014

What’s your view? Add your question or comment
About the Author

Bill Poston
bill.poston@kalypso.com
For the past 30 years, Bill has helped executives in technology-driven industries transform their competencies to deliver results. He is a highly regarded consultant, speaker, and writer on the topics of innovation strategy, product development, portfolio management, technology commercialization, and the software systems that enable innovation. Keep up with Bill's latest research and thoughts on innovation and the rising role of the Chief Innovation Officer at www.TheChiefInnovationOfficer.com.