Portfolio Question #8 - What are the constraints to delivering the projects in the portfolio?

by Bill Poston

After ensuring that the portfolio is appropriately constructed and aligned to strategy, the portfolio management committee must ensure that the initiatives in the pipeline can be delivered.

To increase value throughput, we must identify and optimize around constraints. Every innovation portfolio is constrained in some fashion; sometimes it is budget, other times it is the availability of technology. Over the past few years, the most common constraint has been skilled resources.

Identifying and eliminating bottlenecks caused by resource constraints is a constant battle. Bottlenecks move and different skill set pools may be overloaded at different times of the year. Leading organizations proactively manage these constraints and use priorities to ensure that the most important work gets done regardless of budget or resource shortfalls.

Using simple productivity measures like expected commercial value per unit of constrained resource at both the portfolio and individual project level can give you a yardstick to measure trends, progress and performance on constraint optimization.

Ignoring this question and expecting the portfolio to be delivered without an analysis of constraints will lead to disappointment.

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 April 17th, 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.