

Thermo Fisher Scientific

focus for success

Client background

Thermo Fisher Scientific Inc. is a world leader in serving science. Their mission is to enable their customers to make the world healthier, cleaner and safer. In 2009 they enjoyed revenues of more than \$10 billion with approximately 35,000 employees.

Client challenge

Chuck Kummeth, the newly appointed VP at their Laboratory Consumables Division (LCD), was appointed to help the division improve revenue growth. Financial returns at the division had always been impressive; in fact they were the best performing division in the group. This success, rather than igniting growth, became a constraining factor due to the importance of the division's contribution to group profits.

Chuck chose to adopt corporate portfolio management to understand the opportunities for growth and to help develop the division's 5 year corporate plan.

Enabling Effective Decisions

A hierarchical approach was adopted where each of the 10 business areas was tasked to develop their own portfolio of existing and growth related projects. This bottom-up approach ensured the valuable contributions and perspectives from the teams in each business area could be considered.

These individual business portfolios, once optimised, were then combined to produce an overall portfolio for the division. By explicitly considering the value the projects deliver to the business, resources could be allocated across the business to deliver the best value for money; striking a balance between short-term revenue and long-term growth.

The portfolio management approach also enabled the team to examine the portfolio against a number of future scenarios that gave further confidence of the robustness of the final portfolio.

This collaborative, team based approach ensured that people across the organisation were engaged, aligned and committed to the resulting corporate plan.