

What is Strategic Portfolio Management?

What is a Strategic Portfolio?

Successful organisations make strategic choices about which activities should be implemented to deliver their vision. These choices form the strategic portfolio. Decisions at this level can significantly impact the success of the organisation.

Everything an organisation does is potentially part of the portfolio, including business-as-usual activities and transformation initiatives, such as improving customer services, driving growth or entering a new market.

Strategic Portfolio Management

Strategic Portfolio Management is about deciding where best to focus the organisation's finite resources in order to meet strategic objectives, considering the business as a portfolio of activities and making trade-offs across the portfolio.

Vitality this includes making those difficult choices of what not to do, unlocking resources to focus on fewer, better activities – those most closely aligned with strategic success.

Once the portfolio is focused, attention needs to turn to execution. Monitoring performance with metrics consistent with the strategic objectives ensures that operations and strategy stay aligned.

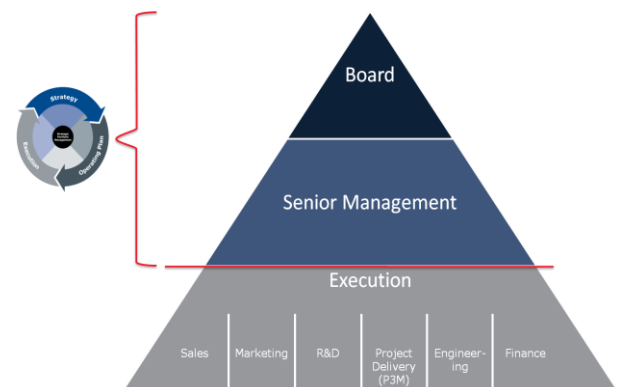


Who is it aimed at?

Strategic Portfolio Management is the responsibility of the senior management team, which needs to ensure that strategy and operations are aligned and integrated.

It is equally applicable to the private and public sectors, and can be used across the whole organisation or a part.

The Catalyze approach provides *visibility* and *control* to senior managers, who typically have too little data in some areas and too much in others. We provide a systematic process, which delivers the focused information required to make key strategic trade-offs.



Where does it fit?

Programme and Project Management is about 'doing things right'; Portfolio Management is about 'doing the right things'. Successful organisations clearly need both.

But sometimes Portfolio Management gets stuck at a level in the organisation where it does not properly connect with the strategic direction of the business; and often it becomes associated with large-scale IT systems and bogged down in detail.

Strategic Portfolio Management provides a robust link between strategy and operations. Building on existing client management information systems it provides the focused business intelligence to enable senior management make the strategic trade-offs that can only be made at that level.

The Catalyze Approach

Catalyze has developed an approach to Strategic Portfolio Management based on structured processes underpinned by Decision Science, and enabled where appropriate by software tools. We can provide and embed custom solutions, or simply advise on best practice.

Results-oriented

- Starting from the purpose and strategic objectives of the organization

Objective

- Data and evidence driven, with 'value' assessed consistently across a diverse portfolio

Focused

- Providing exactly the information needed to make strategic trade-offs

Structured

- Process-oriented; transparent; auditable

Engaging

- Involving the right people at the right time, for better decisions, alignment and commitment

Pragmatic

- Incremental and complementary to existing client information systems



“Catalyze helped us align our investments with our strategy, and optimise the return on investment for the available budget. The expertly facilitated workshops have been very effective at building a common understanding of the portfolio, and allowing rigorous but constructive challenges to the business cases and risks.”

Alvin Wilby, Strategy and Technical Director, Thales UK

Strategic Portfolio Management enables senior management to create, define and manage the portfolio of strategic options that best delivers the organisation’s vision, balancing short and long term objectives, risks and costs

About Catalyze

At Catalyze we help organisations create and execute decision-making processes which focus on the best possible outcome; engaging people, breaking down barriers, creating understanding of different perspectives, and making best use of resources.

Catalyze was founded in 2001 in conjunction with the London School of Economics and Political Science, applying techniques built on robust and validated decision theory. We support global clients from offices in the UK, USA and New Zealand.

www.catalyze.co.uk