Project → Business case → Approve → Review

Investment Portfolio Management

A managed way of growing

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* Investment Portfolio Management is a structured, continuous process to ensure that benefits are sustained and returns on investment are maximized.
* Key for effective Investment Portfolio Management is that all investments should be managed as an portfolio.
* Stakeholders need to produce a business case articulating the purpose and strategic fit before new Investments can de added to the Portfolio.

* What is Investment Portfolio Management

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* Companies are focusing now on surviving and are not very ambitious to invest in growth now
* Investments in an uncertain market are high risk per definition
* They only want to invest if they can be certain they get the benefits out of an investment project forecasted
* Investment Portfolio Management wants to be sure a management realizes successfully the benefits were promised in the Investment Business Case

*Why Investment Portfolio Management

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* Investment Portfolio Management has the aim of achieving the desired business change or outcomes which are:
  * clearly defined & measurable
  * proven by a compelling business case for investment
  * ensured that the change of outcomes are actually achieved
* Only those Investments with properly defined strategic benefits should gain approval!

Objective Investment Portfolio Management

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* Investment Portfolio Management starts with first getting a clear view on the current Investment Portfolio before new investments initiatives can be defined accepted by Management.
* The identification, tracking and realization of cost and benefits off Investments by a Dashboard is key for implementing Investment management
* A clear Investments Portfolio Management structure should be implemented whit clear responsibilities and top level management commitment

How to start

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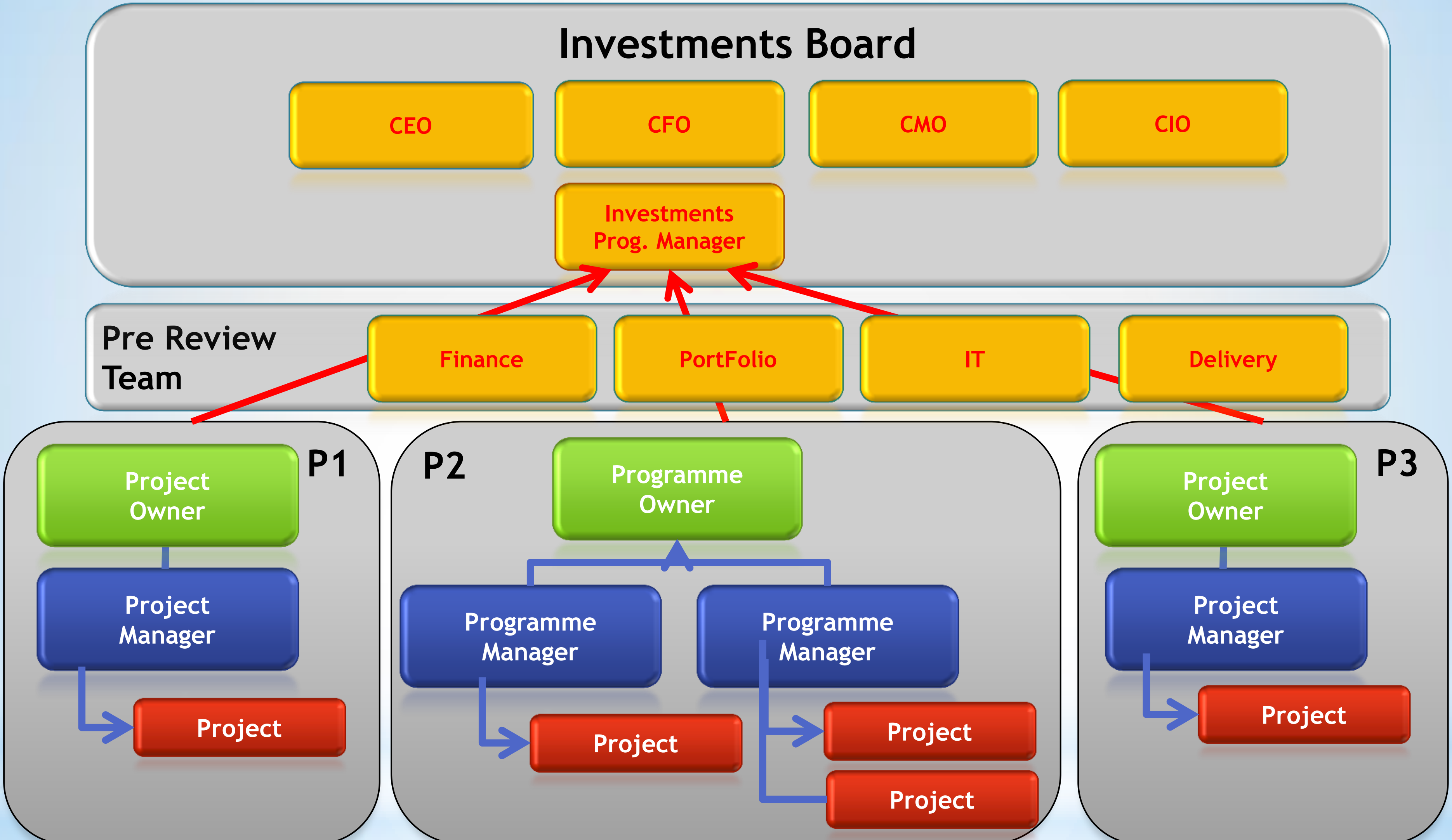

*Management commitment

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*Investment Business Case

0 Summary

- management summary
- proposition summary
- interlock summary

1 Environment

- context
- market and demand analyses
- our position

2 Ambition

3 Proposition

4 Implementation plan

5 Financials

- investment overview
- Cost, Benefits, Payback, ROI

8 Assumptions, dependencies and risks

9 Attachments

Investment BC Financial summary

£k	2013	2014	2015
Investment requested			
Order incr. growth			
Revenue incr. growth			
Indirect benefits			
ROI			
Payback (years/months)			

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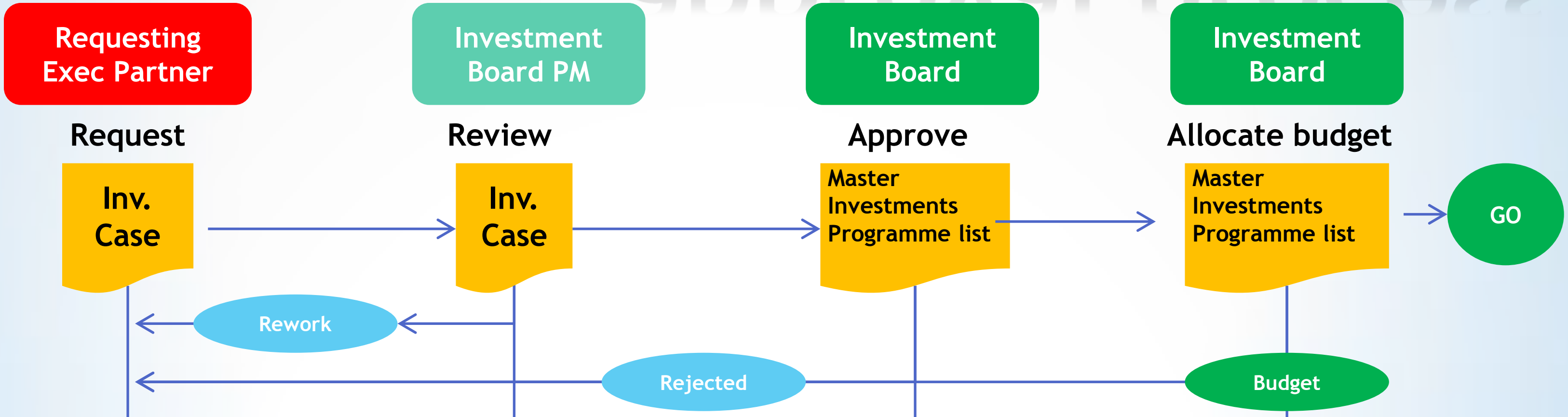
*Investments Case approval process



Request
Detailed investment request, incl.:
- Scoping
- Metrics
- WBS
- Benefits & Cost spec.
- Interlock with countries an service lines
- GoToMarket validation
- Financial, Commercial & Technical review

Submit 14 days prior IB

Review
The Inv. Case is checked by the Investment Board PM on consistency, financial guidelines, project control, dependencies with other programmes etc.

If needed feedback will be given to the requester, when OK submitted to the Investment Board

Submit 7 days prior IB

Approve
The Investments Board will review the cases based on transparent quantitative and qualitative criteria and balancing risk and ROI and add these to the Master Investment Programme list when approved.
If rejected the requester will be informed

Monthly

Allocate budget
The Investments Board will review the Master Investment Programme List with the approved programmes and allocate budget for the first tranche (90 days cycle),

Next tranches need to be approved based on the 90 days In-Life review

Monthly

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	Milestones	Decision	Benefits
1	Decision to fund	Management Decision	
2	Decision to develop	Approval Project Plan, Work Breakdown, Planning, Resourcing etc.	Commitment clients needed regarding proposed solution
3	Decision to implement	Approval to start preparations for implementing the solution developed including a Marketing Plan, Communications Plan, should include a plan which clients will be targeted both existing clients and new clients	We need to create references by producing client cases or organize pilots for clients otherwise we cannot sell this to the market
4	Decison to communicate internal	Approval to communicate internal that we are going to market the solution / proposition	Generate leads and managing these through the sales pipeline so we create order intake
5	Decision to market	Approval to execute marketing plan	
6	Decision to handover	Handover to Portfolio as part of their Portfolio and implement ongoing support	

*No Benefits: No Progress!

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* Investment Portfolio Management

* All Investments should be managed as an Portfolio
* The outcomes of these investment should be reported against the companies business plan or as part of achieving its targets.
* This should involve identifying and prioritizing tangible and intangible benefits.
* Generating ownership and commitment to the benefits from business stakeholders
* Develop measures and quantify opportunities.

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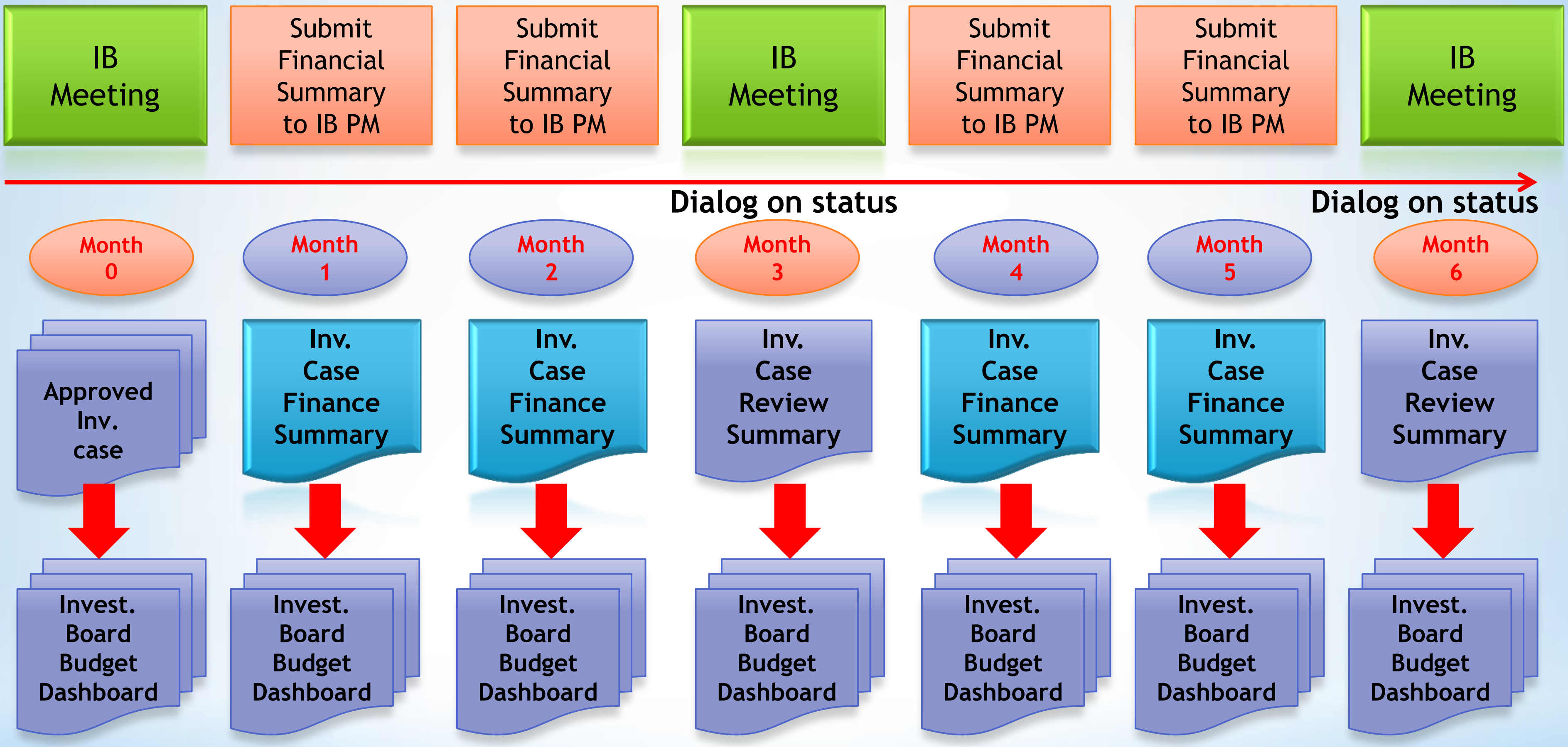

Investment Board Monthly Review Process

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* Effective management of investments allows management to make strategic adjustments in resources (people, tools, process etc.) to ensure strategic objectives are achieved.
* It also enables to make data-driven decisions by comparing each portfolio investments relative cost and business value.
* By comparing the risks, costs for each investment explicit decisions can be made about which to terminate and which to amend.

Summary Investment Portfolio Management

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Questions?
Workshop?
Consultancy?

Contact me by e-mail!

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