

# Case | Portfolio Management | Financial Services Company

## Accelerated strategy execution through efficient strategic portfolio management

### Situation

While the company experienced significant growth, the growth put tremendous strain on resources supporting the growing list of strategic initiatives to meet the ever increasing demands of business growth. Meanwhile, the company were in midst of an agile transformation.

### Challenges



#### Strategic Alignment

- Alignment of portfolio of initiatives with **strategic objectives and financial targets** of the corporate strategy not in place – neither at Business Segment, BU or ART-level
- **Capital and resource prioritization and allocation** not explicitly correlated with the strategic priorities



#### Organization & Governance

- **Governance setup and organization** differed significantly across the organization
- **Governance principles** for traditional projects and agile ways of working were not aligned



#### Portfolio Management

- Inconsistent approach for **prioritizing and selecting the portfolios** – hence allocation of funds
- **Resource bottlenecks** related to specific and scarce capabilities

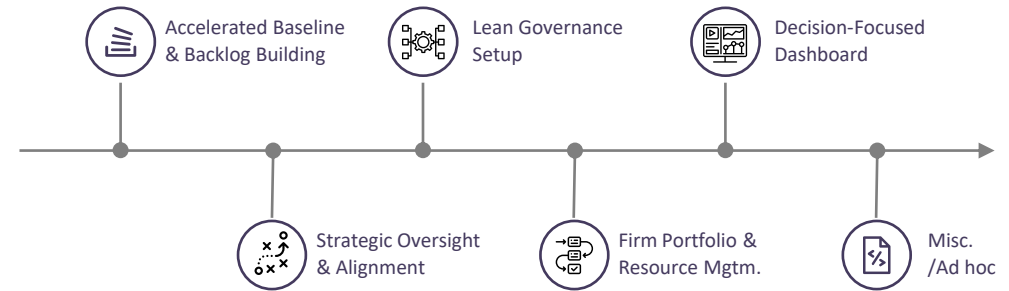


#### Reporting & Financial Management

- Key strategic **metrics** to track portfolio performance at Segment, BU and ART-level were indistinct and lacked revenue/value dimension
- Varying approach for allocating and follow-up on **operating and development costs (OpEx/CapEx)**, combined with different methods for capitalization

### Approach

Based on a fast-tracked baselining and “backlog building” exercise with key stakeholders, below key areas was identified, planned and executed upon:



### Benefits

- **Strategic oversight and visibility** enabling proactive monitoring of realization of strategic and financial targets, at Corporate, Segment, BU and ART-level
- A **clear and transparent governance structure** ensuring appropriate delegation of authority, clear decision-making structure etc. across Business Segments – irrespective of delivery models (agile/SAFe and stage gate model)
- A **continuous and iterative portfolio process** and capital stewardship model that facilitate continuous alignment of initiatives with the strategic objectives, given groupwide capital and resource constraints and risk tolerances
- Ability to **compare and prioritize strategic initiatives** of different delivery models, lengths, styles etc. across business segments
- Aligned and consistent **reporting and tracking** supporting strategic realization of portfolios
- Tailored setup for adopting **agile budgeting and funding** principles