

# How Project & Portfolio Management (PPM) Helps Organizations to Successfully Innovate

James Ramsay



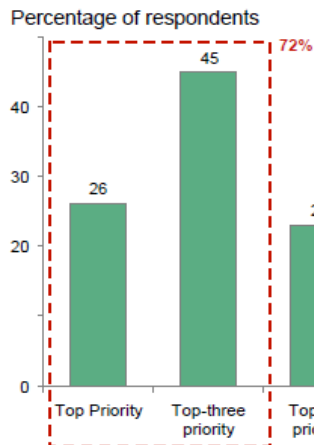
**failure to innovate can have serious consequences**



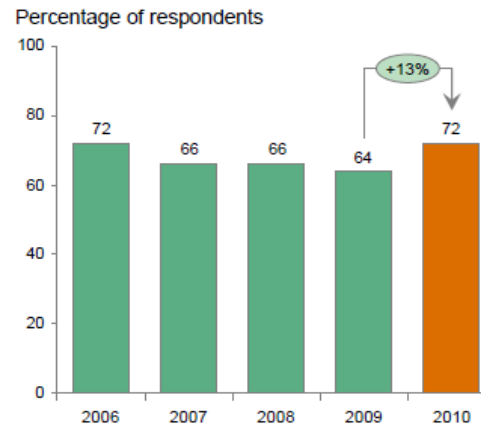
# innovation is important...but success is mixed

## Innovation matters!

Where does innovation rank among your companies strategic priorities?



Innovation as a Top 3 strategic priority higher than previous years



**45%**  
**“dissatisfied”**  
with return on  
innovation  
spending

Source: Innovation 2010 BusinessWeek/BCG Survey Results  
BCG-presentation-UCEC-Kok-off25Oct2010.ppt

THE BOSTON CONSULTING GROUP

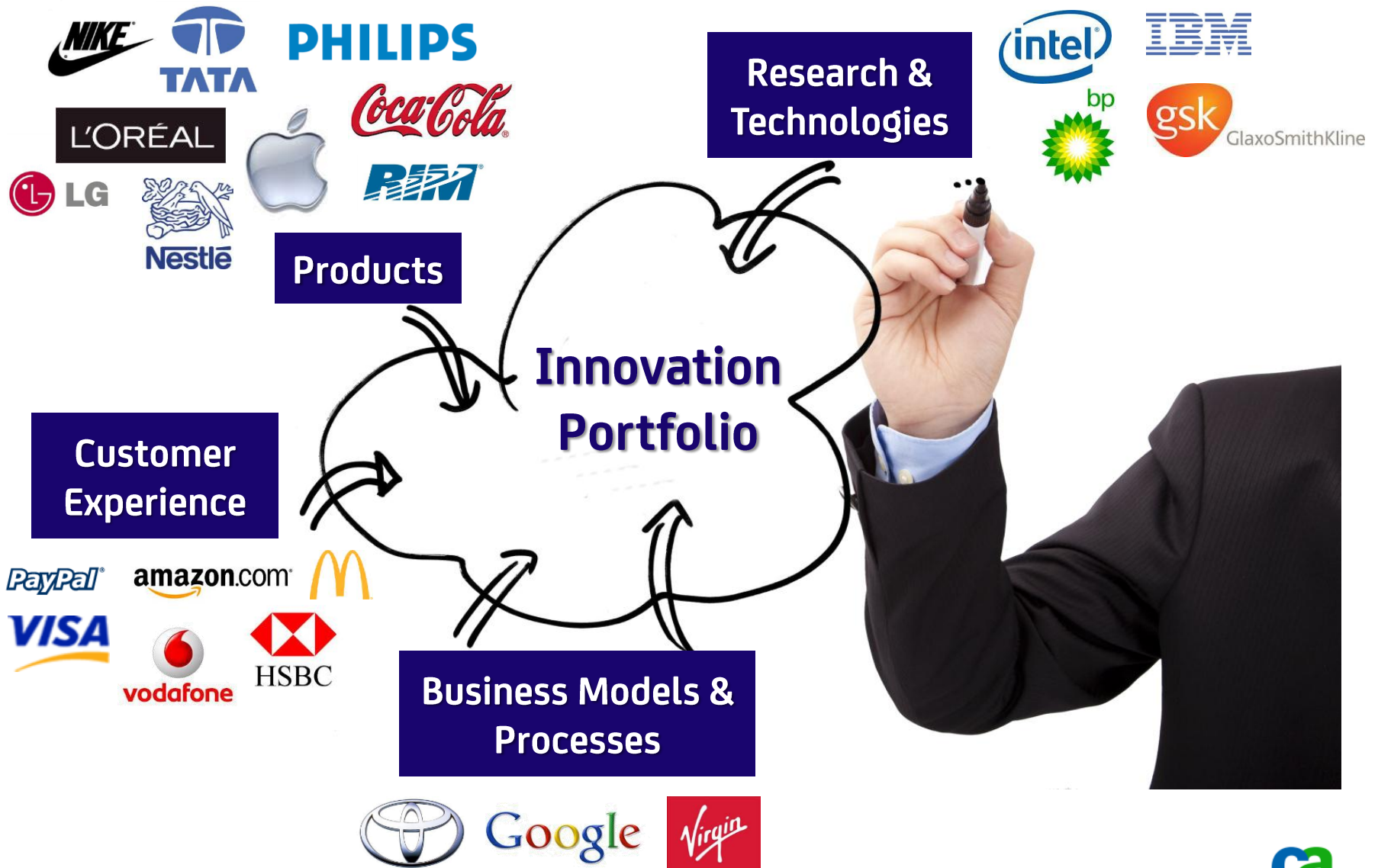
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myth #1: “innovation is just about new product development”





# innovation relates to everything



myth #2: “only happens in R&D”



# innovation happens everywhere

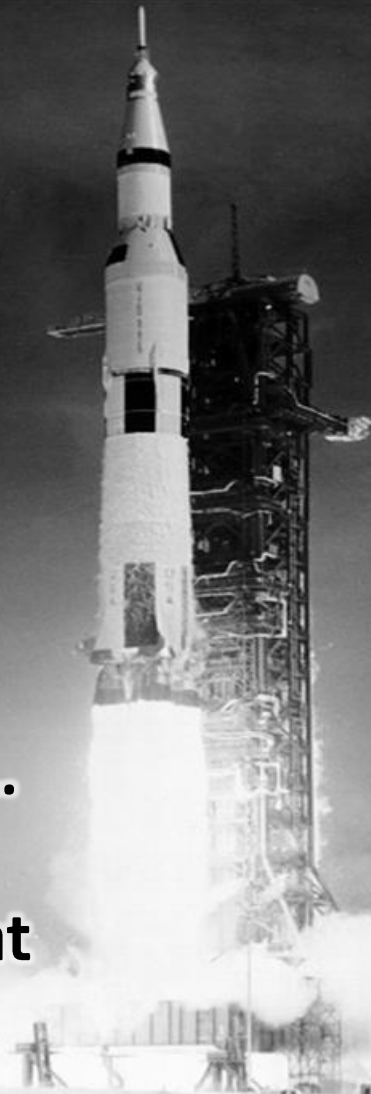


- IT
- R&D
- Marketing
- Purchasing
- Engineering
- HR
- Sales
- ...



## myth #3: “better innovation means more launches done faster”

**“We’re great at launches...  
in fact we do too many.  
We’re just not very good at  
deciding on what to  
invest in.”**

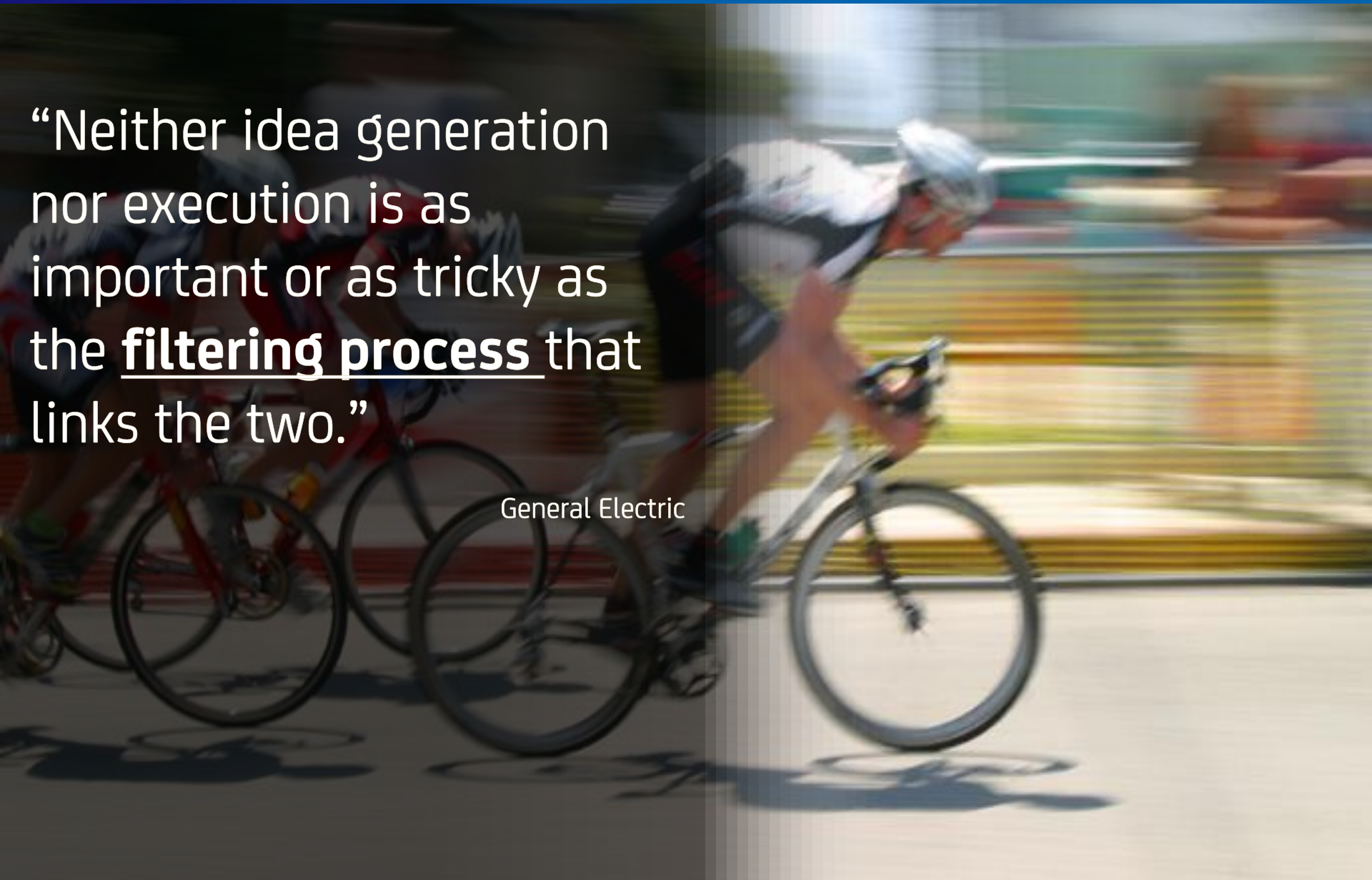




success means holistically managing the innovation lifecycle

“Neither idea generation  
nor execution is as  
important or as tricky as  
the filtering process that  
links the two.”

General Electric





but being successful at innovation is not easy



PPM can help address the challenges



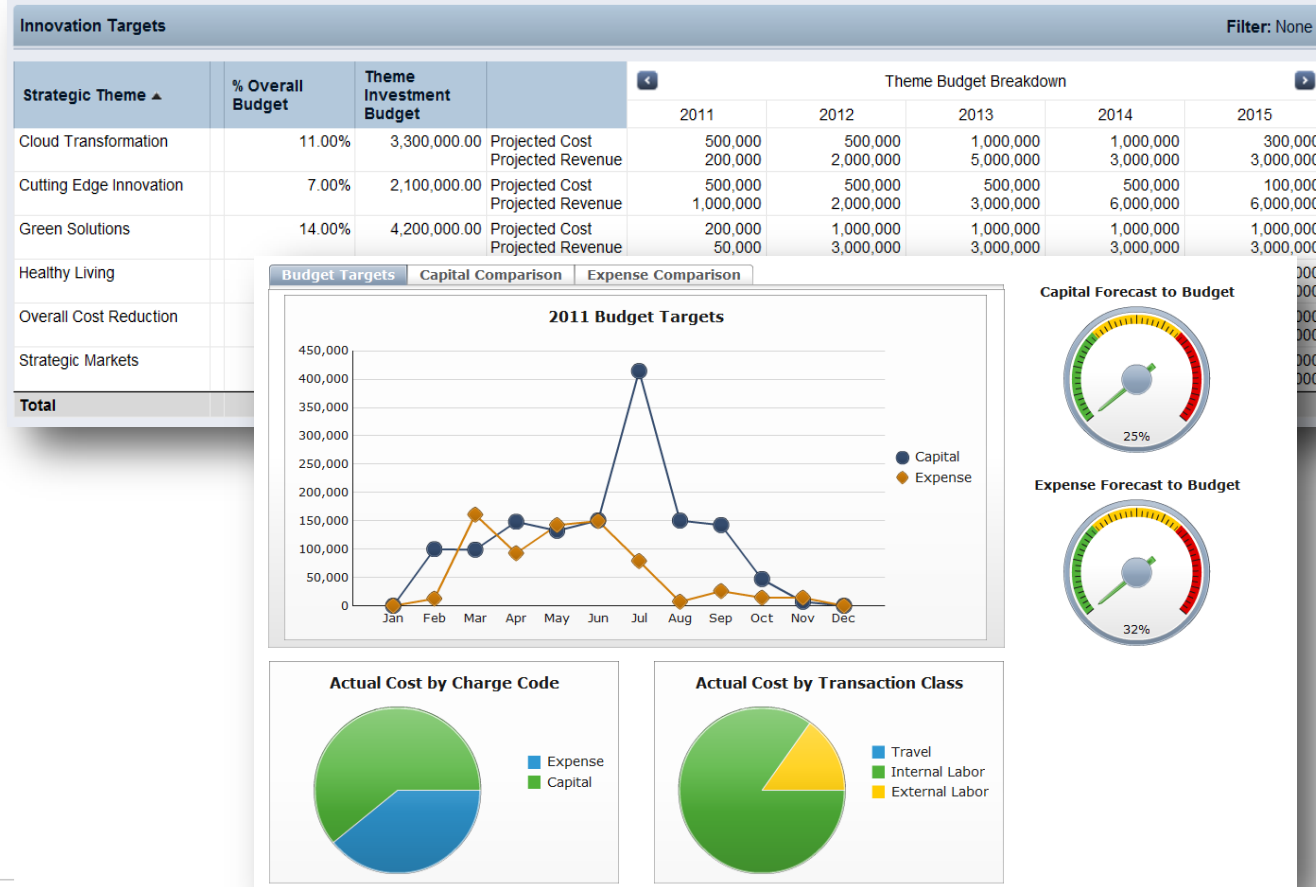
# challenge 1: aligning innovation with business strategy

- What are the goals?
- Where is the business value?
- Is this in-line with corporate strategy?
- What are the metrics to measure?
- Who is responsible?





# with PPM for Innovation you can...



- Define strategy & goals
- Instantly review performance against targets

# with PPM for Innovation you can...



Analyze the strategic alignment of the innovation portfolio

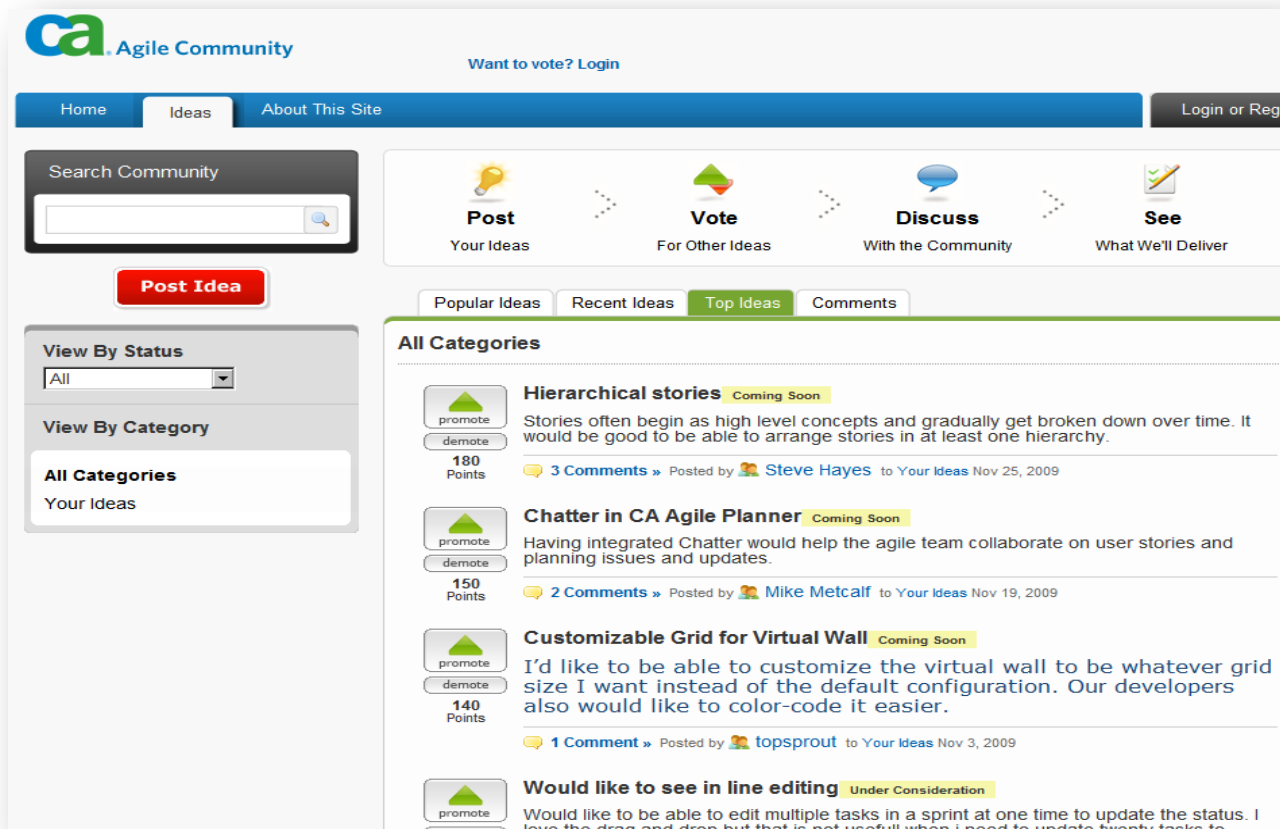
## challenge 2: maintaining a good supply of ideas

- What does the idea pipeline look like?
- Are we really listening to our customers & market?
- Where are the blockbusters?





# with PPM for Innovation you can...

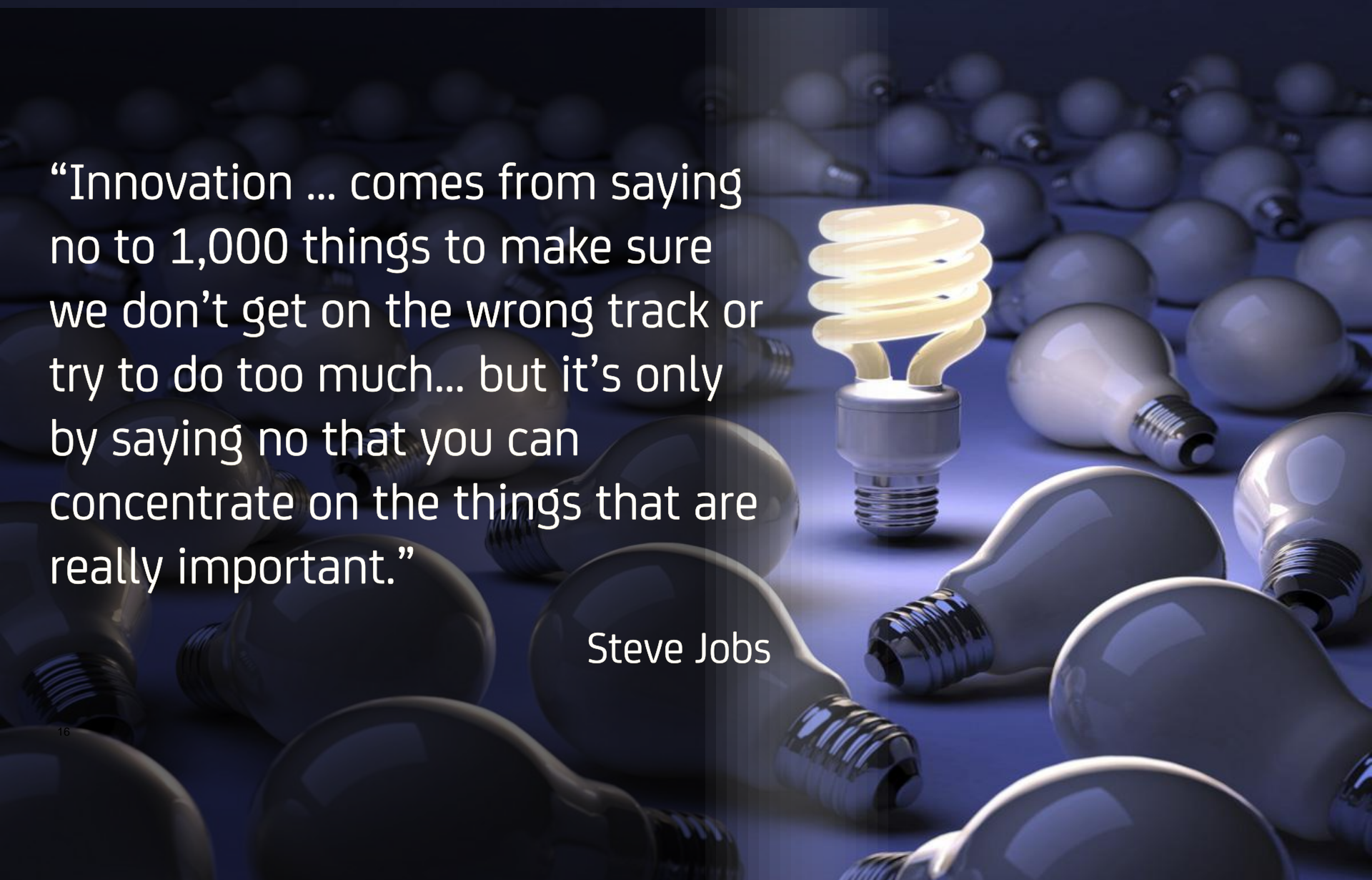


- Capture more ideas from anywhere
- Link idea generation to business strategy
- Use the “power of the crowd” to identify best ideas

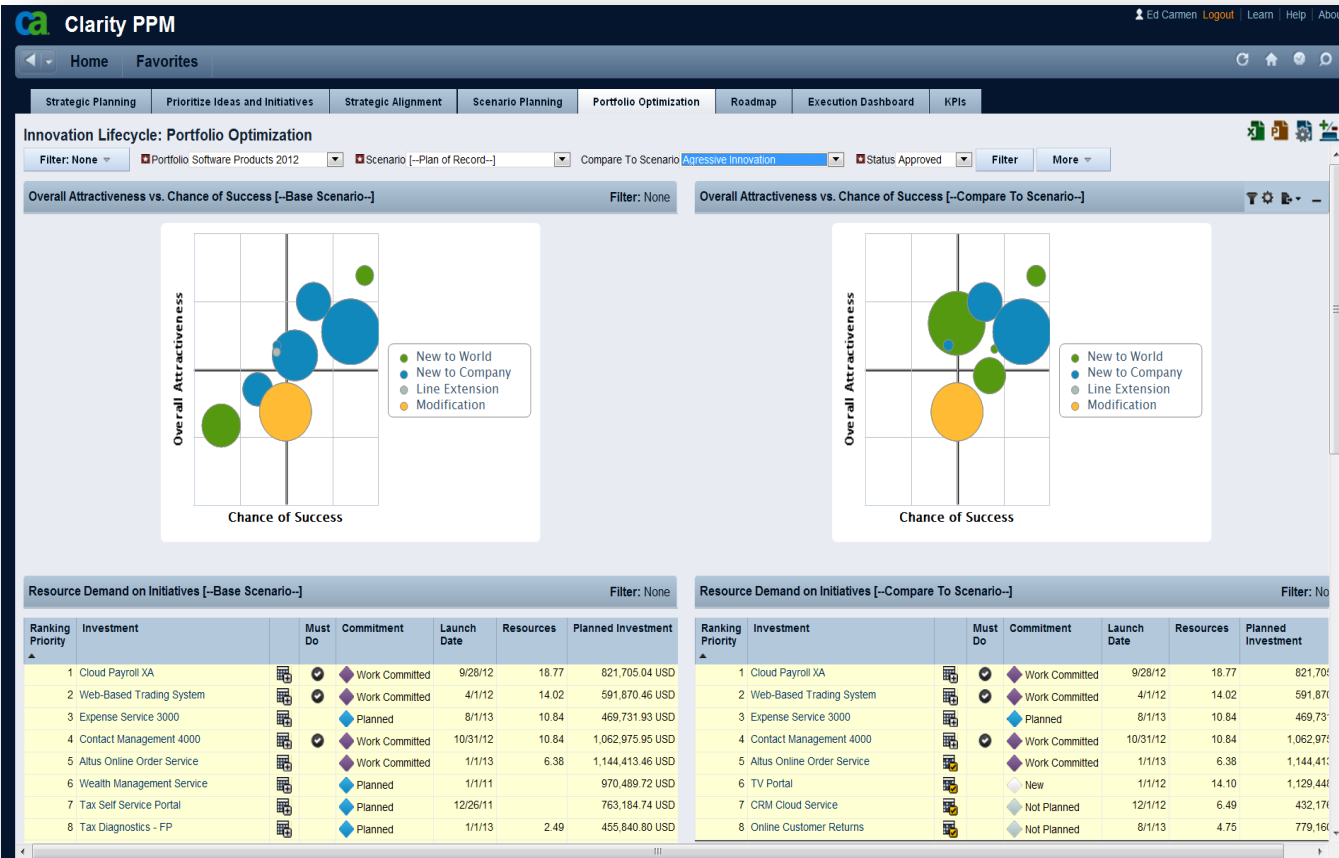
## challenge 3: deciding on the best innovation initiatives to invest in

“Innovation ... comes from saying no to 1,000 things to make sure we don't get on the wrong track or try to do too much... but it's only by saying no that you can concentrate on the things that are really important.”

Steve Jobs



# with PPM for Innovation you can...



- Objectively compare and rank initiatives
- Perform “what-if” analysis to determine optimum portfolio mix



## challenge 4: ensuring your innovations meet the needs and expectations of your “customers”

- What requirements need to be met?
- How do we prevent intrinsic value of original idea from being lost?



# with PPM for Innovation you can...

Product Vision > Detailed Planning > Requirements

View: Requirement Hierarchy Show Filter Show All Current Filter: FileDoc Requirements

New New Child Assign to Release Assign to Feature Save Delete Discard Changes Expand All Collapse All

Show: 100

Requirement ID	Title	State	Priority	Category	Complexity	Product	Release	Feature
REQ-000002	The product shall be translated into our 5 core languages	None	Very High	None	High	FileDoc		
REQ-000008	The product shall be translated into French	None	Very High	None	High	FileDoc		
REQ-000009	The product shall be translated into Swedish	None	Very High	None	High	FileDoc		
REQ-000010	The product shall be translated into German	None	Very High	None	High	FileDoc		
REQ-000011	The product shall be translated into Japanese	None	Very High	None	High	FileDoc		
REQ-000003	The product shall be translated into Spanish	None	Very High	None	High	FileDoc		
REQ-000001	The product shall display document history	None	Very High	None	High	FileDoc		
REQ-000012	The product shall support baselines	None	Very High	None	High	FileDoc		
REQ-000013	The product shall support baseline comparisons	None	Very High	None	High	FileDoc		
REQ-000007	The product shall support document approvals	None	Very High	None	High	FileDoc		
REQ-000014	The product shall support parallel approvals	None	Very High	None	High	FileDoc		
REQ-000015	The product shall support serial approvals	None	Very High	None	High	FileDoc		
REQ-000016	The product shall provide an approval workflow designer	None	Very High	None	High	FileDoc		
REQ-000005	The product shall support Google Chrome	None	Very High	None	High	FileDoc		
REQ-000004	The product shall support IE9	None	Very High	None	High	FileDoc		
REQ-000006	The product shall support the iPad	None	Very High	None	High	FileDoc		
REQ-000017	The product shall be supported in the iPad Browser (safari)	None	Very High	None	High	FileDoc		
REQ-000018	The product shall be accessible as an iPad app	None	Very High	None	High	FileDoc		

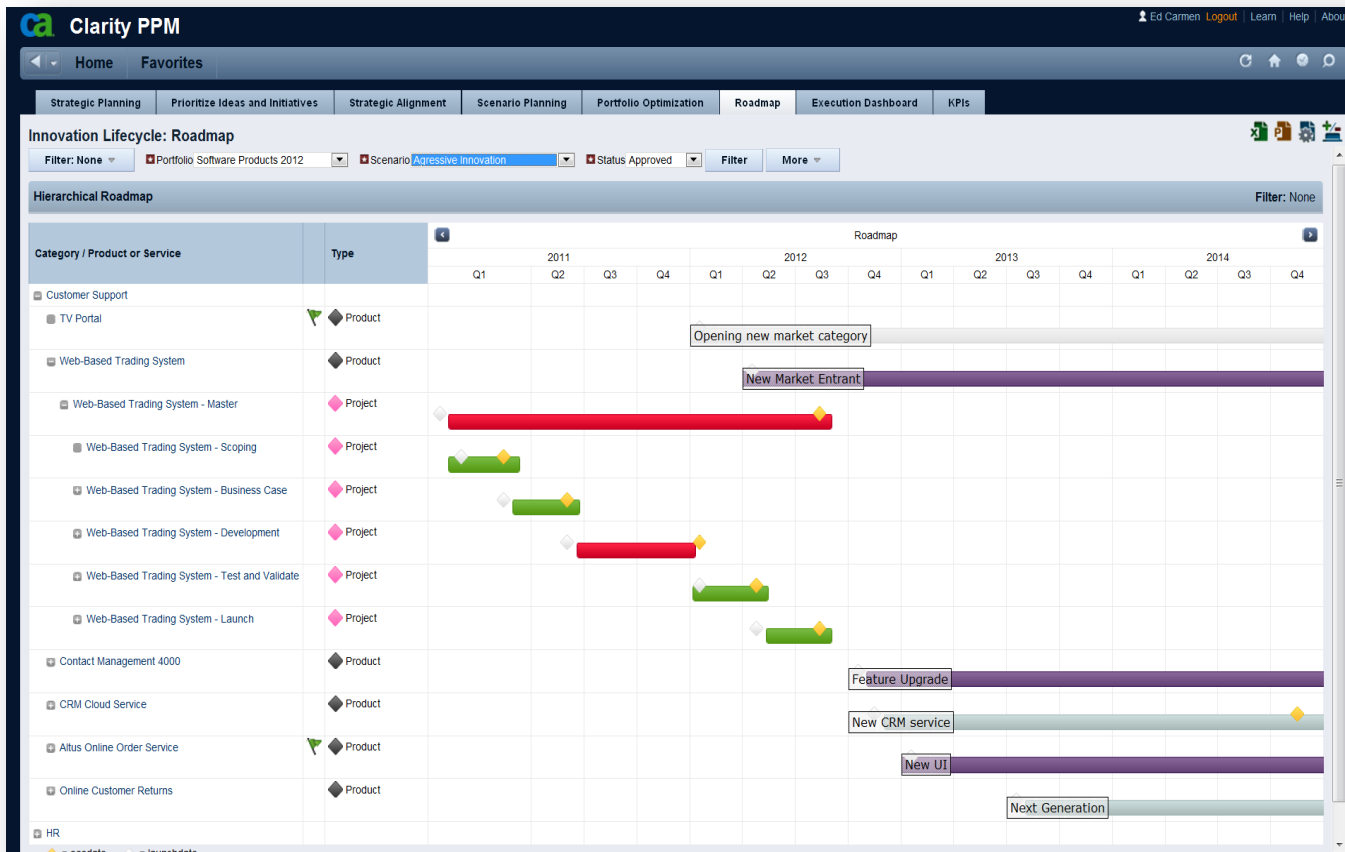
- Capture requirements for best initiatives
- Collaboratively develop business case
- Estimate scope (resources & cost)
- Effectively assess the impact of changes in scope

# challenge 5: defining the roadmap

- What will we deliver, and by when?
- Where are the dependencies?
- Do we have capacity to deliver in time?
- How do we ensure the roadmap is up to date?



# with PPM for Innovation you can...



- Align the promise to the delivery
- More effectively and efficiently produce roadmaps
- Dynamically update roadmaps in-line with portfolio decisions

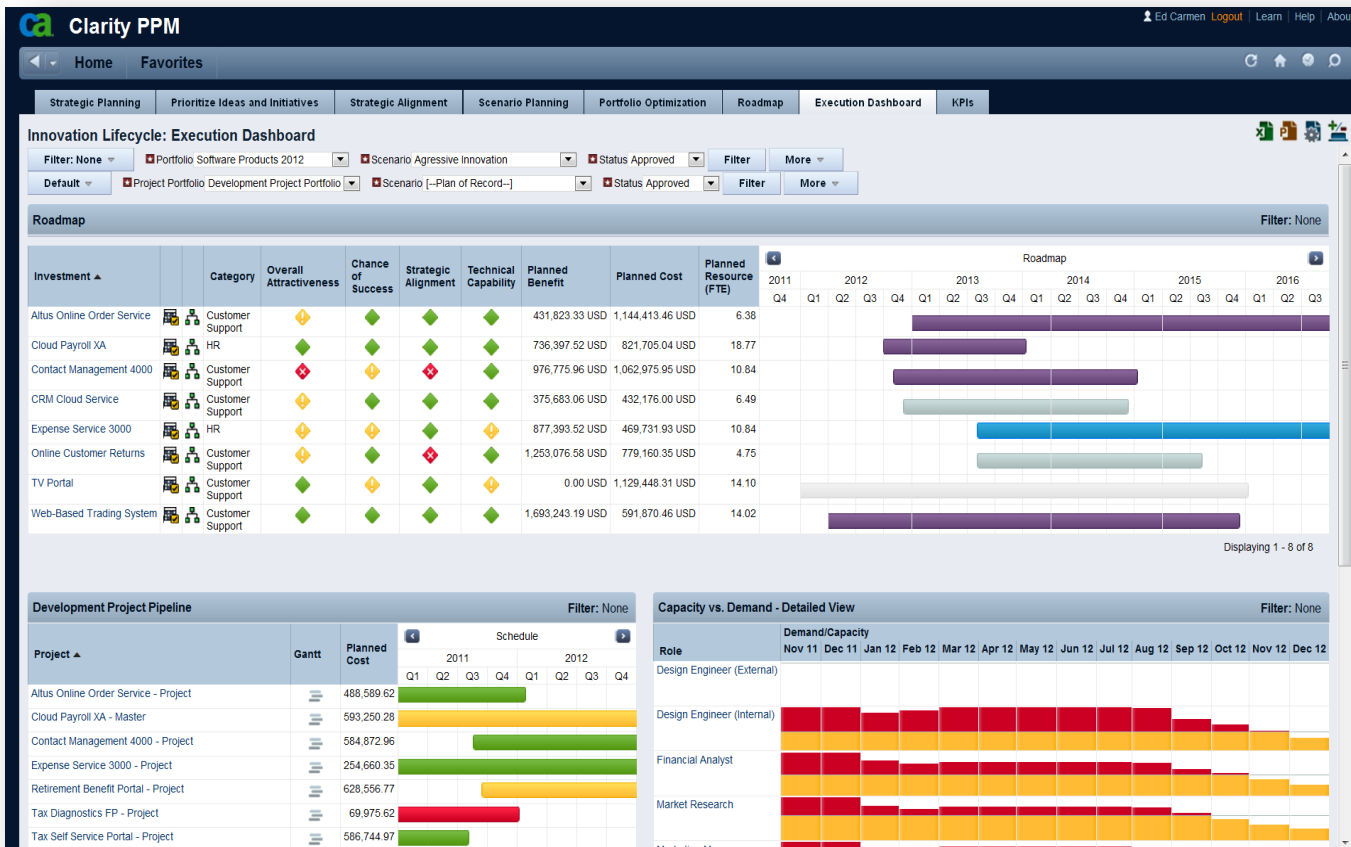


# challenge 6: maximizing value delivered from often scarce resources

- Where are the resource constraints?
- Are our best resources working on the highest value opportunities?
- What would be the impact on ROI of delaying an initiative?



# with PPM for Innovation you can...



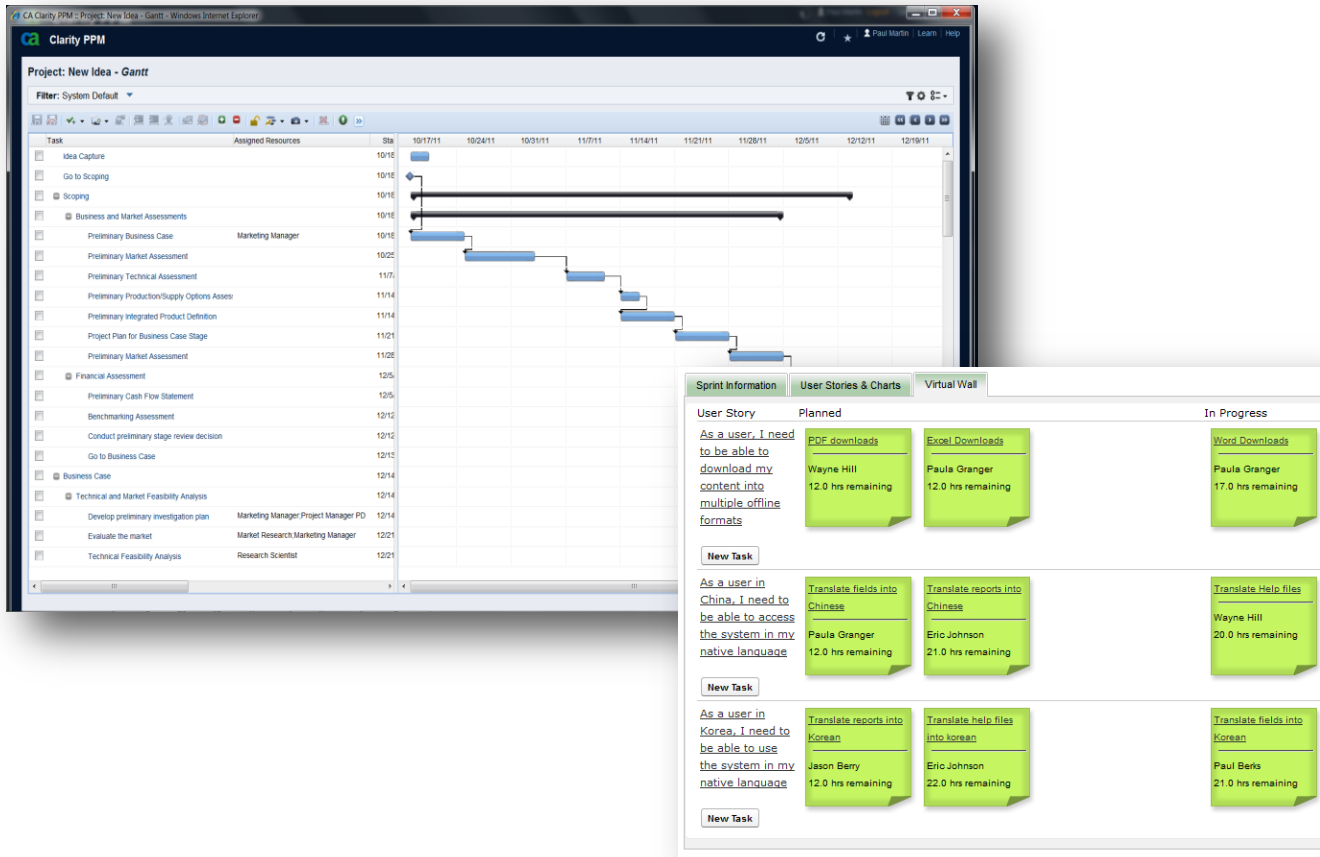
- Dynamically assess the resource situation
- Utilize what-if analysis to optimize resource pipeline planning
- Prioritize right resources to work on right initiatives

# challenge 7: successfully delivering the right innovations at the right time

- How to manage complex mix of programs, projects & resources?
- How to get real-time visibility when information is held in many places ?



# with PPM for Innovation you can...



- Enable your teams to utilize different development methodologies
- Better propagate best practices
- Capture lessons learned



# with PPM for Innovation you can...



- Monitor progress against plan
- Understand the status of projects delivering innovation
- Have more flexibility to adapt to changing business conditions

# summary: project and portfolio management helps organizations to more successfully innovate



- ✓ **Right idea**
- ✓ **Right innovation**
- ✓ **Right time**
- ✓ **Right ROI**

thank you

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