Debunking Five Myths of Effective Strategic Portfolio Management

Findings from Gartner’s “Portfolio Management in the Digital Business” survey demonstrate that aligning, adapting and adapting to business (and portfolio) changes is more critical than ever. Flexibility and take-action devices make business. It’s time for CIOs to leverage digital portfolios and achieve high effectiveness in all three attributes of SPM. Here are these myths – debunked.

**What is effective Strategic Portfolio Management (SPM)?**

Ongoing Portfolio Flexibility

Portfolio Alignment

Value-Driven Decision Making

Strategic Portfolio Management

Large business disruptions are the biggest source of misalignment between enterprise and portfolio strategies.

In the long run – small, more frequent changes incrementally add up to be a bigger source of misalignment between enterprise and portfolio strategies.

**MYTH**

**FACT**

Establishing the right processes (e.g., portfolio review conversations) enables responsive portfolio reprioritization.

Reprioritization processes are successful only by enabling business leader mindsets shifts toward responsive reprioritization.

**MYTH**

**FACT**

Portfolio reviews and reprioritization should occur at a pre-established cadence.

To address change as it occurs, business leaders need to take reprioritization actions beyond calendar events.

**MYTH**

**FACT**

Misalignments between enterprise and portfolio strategies should be tracked centrally.

Portfolio decision-makers should be empowered to self-identify misalignments as they occur.

**MYTH**

**FACT**

Top-down portfolio reprioritization decisions are more consistent, efficient and faster.

Including solution delivery teams in portfolio re-prioritization decisions increases an organization’s ability to meet digital outcomes by 2.7x.

**MYTH**

**FACT**

To take action:

1. Establish quick and frequent strategy alignment “pit stops” to help business leaders develop the habit of capturing and sharing all changes to their strategic plans and priorities.

2. Create a manifesto with required business leader behaviors to instill mindsets that support responsive portfolio reprioritization.

3. Implement a trigger-based approach to reprioritization (i.e., review and adjust portfolios based on internal and external triggers such as leadership change, missed strategic milestones, etc.)

4. Identify self-reflection questions that enable business leaders to find gaps between their execution plans and the overarching strategy and adjust their execution in the moment.

5. Embed delivery team perspective early and more often (e.g., proxy voice through applications leader) to surface potential roadblocks and interdependencies during reprioritization conversations.