Project/Portfolio Selection and Prioritization

Vertical

Manufacturing | Pharmaceutical | Healthcare | **Portfolio** | Logistics | Financial | Government | Business

Genre

Case Study | **Project Review:** | White Paper | Technology Overview

Client

Manufacturer of LCD Display Films for Electronics

Situation

In any industry, having the right portfolio of products is critical to making a profit and beating the competition. The Display Films Division of a large manufacturing company is no different. They develop LCD display films for advanced performance in consumer electronics; including smart phones, tablets, laptops and large screen televisions; a high-risk/high-reward market.

Using Microsoft EPM for portfolio project and resource management, this manufacturer establishes project priority via MS Project business drivers and selects projects, for the portfolio. This worked great for short-term (1-24 months) planning, but something was missing.

They felt they needed to take their planning to the next level by having the ability to accurately predict project portfolio performance over the long term (5 years). They wanted to more accurately analyze risk and variability as well, so they could experiment with and evaluate various product combinations and schedules to determine how to improve overall portfolio performance.

Objective

To be able to more accurately predict their overall portfolio's performance.

Results

New Product Development Leadership now has more confidence in their planning forecasts and can make more informed and insightful decisions such as:

- Which of their potential future projects should they actually invest in, and when?
- What combination and sequencing of projects will maximize long term portfolio profitability?
- What changes are required to stay within budget and on track for revenue goals?
- How to ensure 40% of revenue over the next 5 years comes from new products?

Solution

This manufacturer now uses EPS to combine current projects and potential future projects into one portfolio and can easily:

- Simulate the addition of future potential projects and their impact on the portfolio
- Analyze multiple cost categories; such as resource skills, development investment and target manufacturing costs
- Add revenue projections over the commercial life cycle of the project which can vary from 6 months to over 3 years
- Test various resource constraint profiles (internal or contract)
- Add the reality of attrition
- Apply variability to task project phase durations

Nimble what-if scenario experimentation is used to predict how all these factors will come together to effect portfolio performance. With EPS, They can now simulate multiple scenarios in minutes and their executive team can view critical comparitive charts and reports, and make strategic decisions from the data.