



Center for  
Creative  
Leadership

NORTH AMERICA EUROPE ASIA

[www.ccl.org](http://www.ccl.org)

## Portfolio Planning and Evaluation

Integrating Practices from the  
New Product Development and  
Evaluation Fields

CDC/AEA 2008 Summer Institute Session

Dr. Jennifer Martineau  
In partnership with  
Kris Downing  
Center for Creative Leadership

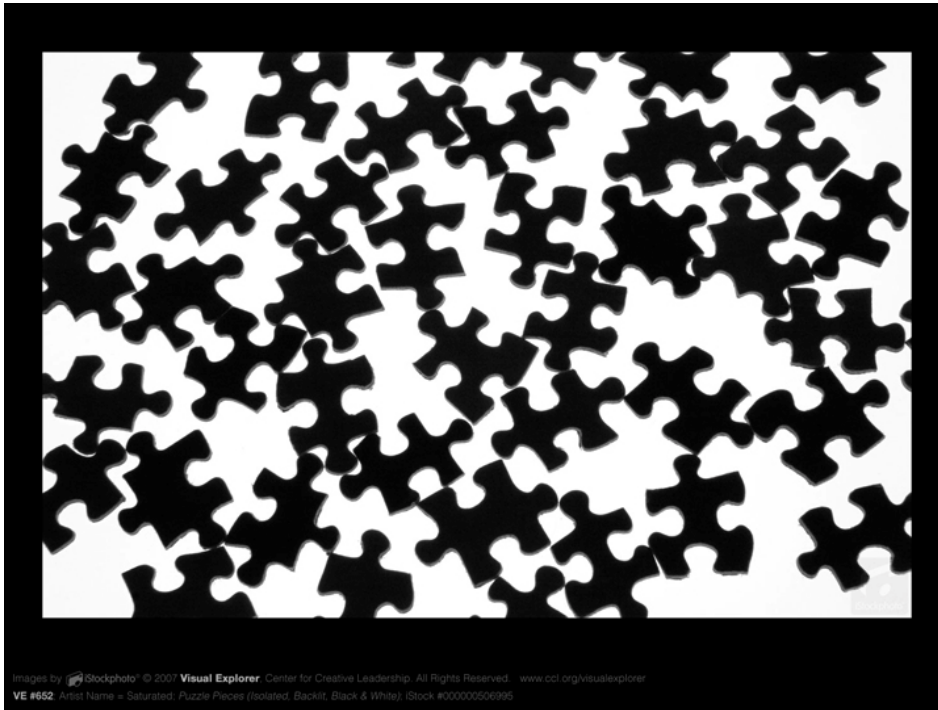
# Session Objectives

Through the case of one organization, participants will:

- Learn about the creation of a new portfolio planning and evaluation process that is based in both new product development and evaluation practices
- Learn about potential methods to use and what types of data the methods will produce
- Learn about how to use the data within an organizational context
- Learn from each other to improve our collective understanding and practice in the area of portfolio planning and evaluation



# Why portfolio planning and evaluation?



Why is it an issue for you?

What brought you to this session?



# What is CCL?

501 (c) (3) nonprofit educational institution

Founded in 1970

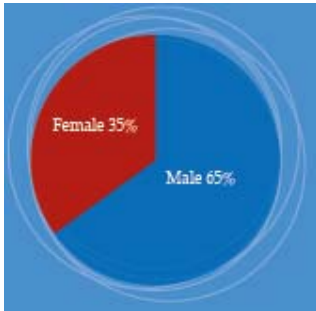
Our mission: to advance the understanding, practice and development of leadership for the benefit of society worldwide

Research, publication, educational and coaching services

5 campuses, 14 Network Associates, numerous partnerships



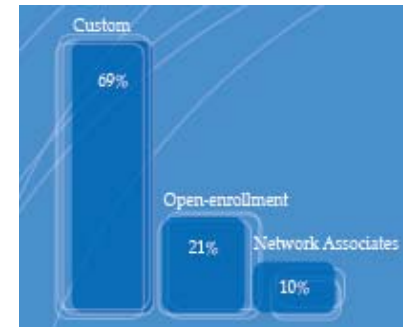
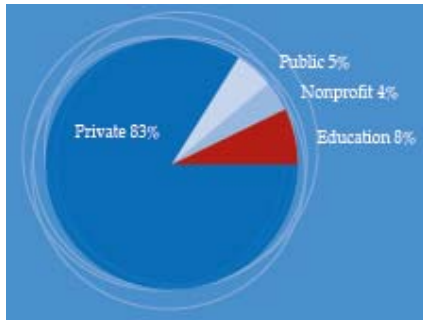
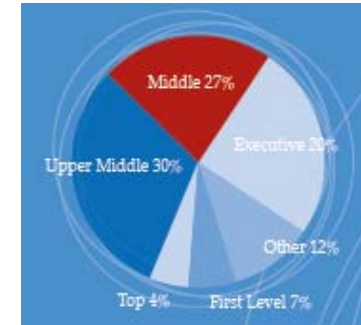
# Who participates in CCL programs?



## Organizations Served

Among the more than 2,000 client organizations CCL worked with in 2007 - 2008:

- |  |   |
|--|---|
| Alstom Power                               | Prudential Insurance Company              |
| ASSA ABLOY                                 | Rabobank                                  |
| Aviva                                      | SC Johnson Company                        |
| AXA Financial                              | Singapore Economic Development Board      |
| Bank Negara Malaysia                       | Singapore Workforce Development Agency    |
| Bayer Corp.                                | Sonoco Products Company                   |
| Bharti Airtel                              | South Carolina Department of Education    |
| BBVA                                       | Surbana International Consultants Pte Ltd |
| Catholic Healthcare Partners               | Syngenta                                  |
| EADS (European Agency for Defence Systems) | The Ryland Group                          |
| ENDESA                                     | Titan Petrochemicals Group Limited        |
| Fortis                                     | Tata Management Training Centre           |
| General Dynamics Corporation               | U.S. Air Force, Army, Navy                |
| Kohler China                               | Wells Fargo                               |
| Lee Kuan Yew School of Public Policy       | Xerox                                     |
| Methanex Corporation                       |   |
| Pfizer Inc.                                |   |



# What are we looking towards?

## Reaching New (to CCL) Populations

The Global Voice of Leadership Initiative will “**democratize leadership development.**”

This vision requires moving beyond our own world view, moving **up and down the pyramid**, voicing our own perspectives and values and **giving voice to alternative perspectives and values inside and outside CCL.**



Nairobi: Building Trust



US: Youth Leadership



Mumbai Slum:  
Community Leadership



# Why portfolio planning and evaluation?

For CCL, it was a matter of “from” and “to”



# Why portfolio planning and evaluation?

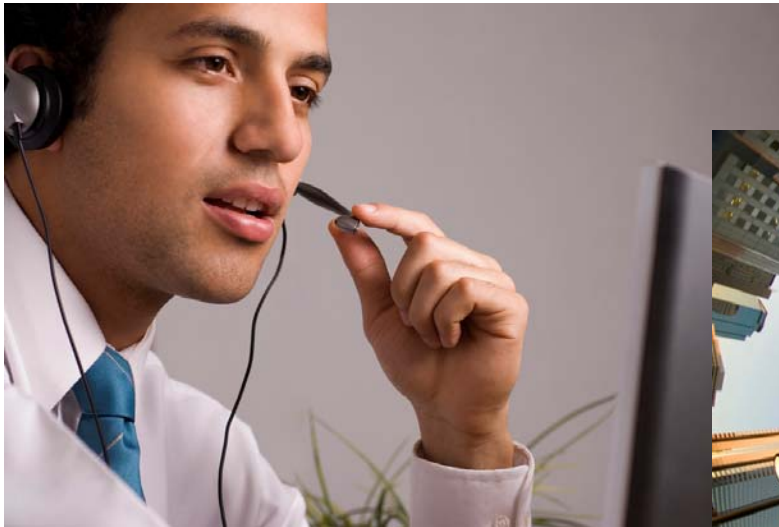
## What were CCL's clients saying?

- Annual Quality & Innovation Study
  - Participants and buyers/decision makers of CCL offerings
  - Over 3,000 responses; 31% response rate
- Program evaluations
  - Thousands of participants, all open enrollment programs, some customized programs; nearly 100% response rate
- Financial Times rankings
  - Surveys of organizations and individuals from around the world who rated leading executive education providers for quality and impact
- Client-based evaluation studies
  - Dozens of multi-source, multi-method evaluation studies focused on outcomes, process, and quality



# Why portfolio planning and evaluation?

From...



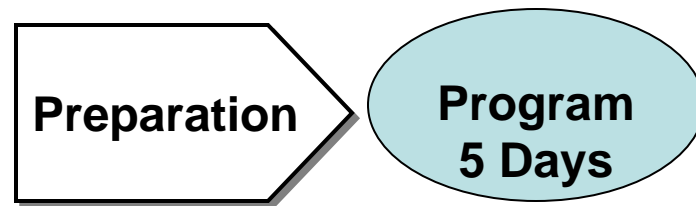
# Why portfolio planning and evaluation?

To...



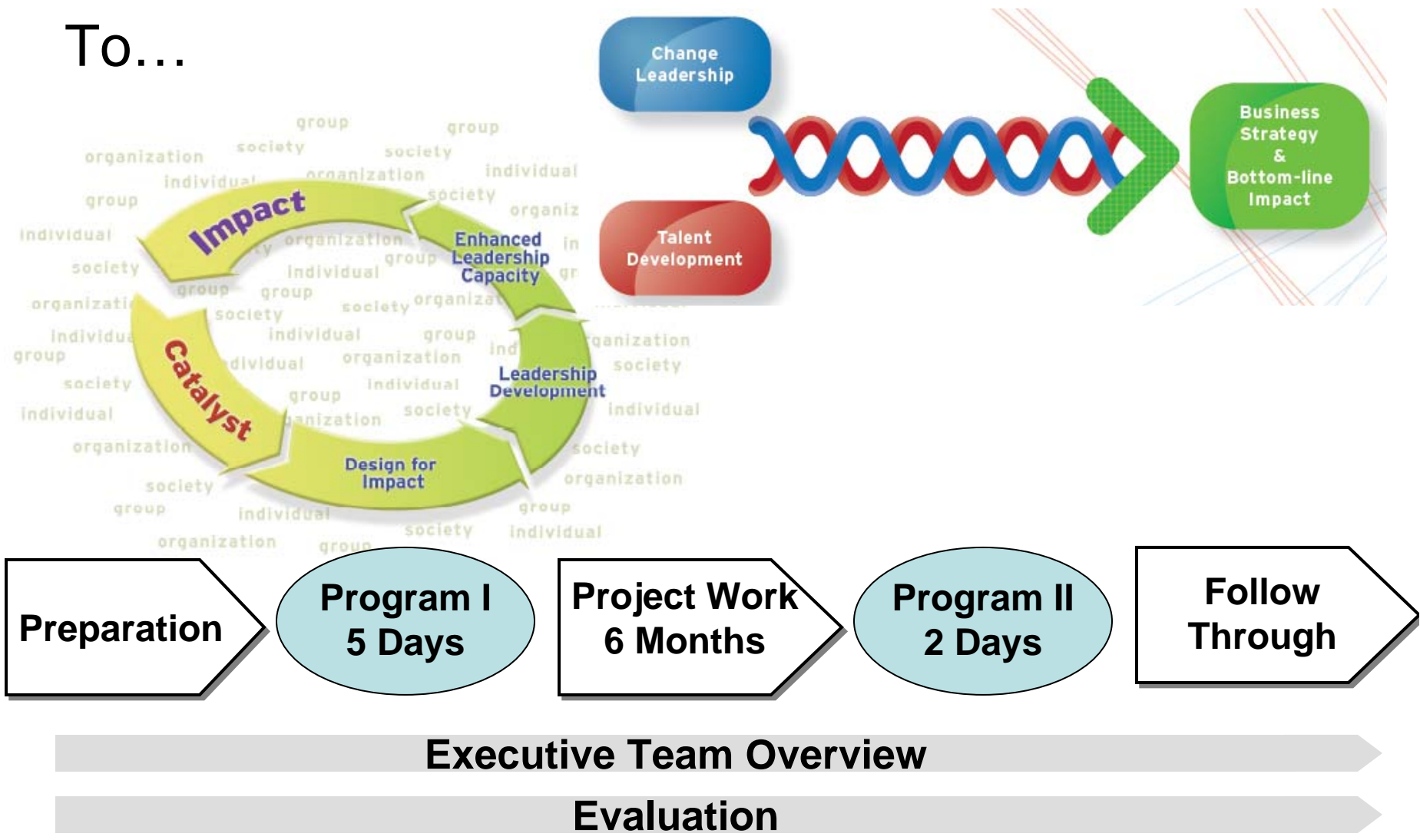
# Why portfolio planning and evaluation?

From...



# Why portfolio planning and evaluation?

To...



# What are your clients saying?



# Why portfolio planning and evaluation?



“New products are vital to the success and future prosperity of the modern corporations. Witness the stunning successes that have been achieved in just the last decade in everything from wireless Internet and genetic engineering through to Pfizer’s Viagra and Heinz’s green ketchup. While some executives still look to cost cutting as the way to improve bottom lines, these periodic downsizing exercises have proven ineffective in the long run. Senior executives are finally sobering up to the reality that no corporation ever shrank itself to greatness.

As we begin this new millennium, the growth game is still on – faster and more competitive than ever. Front and center is the desire for new products—successful, significant, winning new products. Driven by rapidly advancing technologies, globalization of markets, and increasing competition at home and abroad, effective new product development is emerging as the major corporate strategic initiative of decades ahead. Corporations that succeed at new product development will be the future Pfizers, HPs, 3Ms, and Microsofts; those that fail to develop excellent new products will inevitably disappear or be gobbled up by the winners.

A vital question in this new product battleground is, **“How should corporations most effectively invest their R&D and new product resources?”** That is what portfolio management is all about: resource allocation to achieve corporate new product objectives. Much like stock market portfolio managers, senior executives who optimize their R&D investments – define the right new product strategy for the firm, select the winning new product projects, and achieve the ideal balance of projects – will win in the long run.”

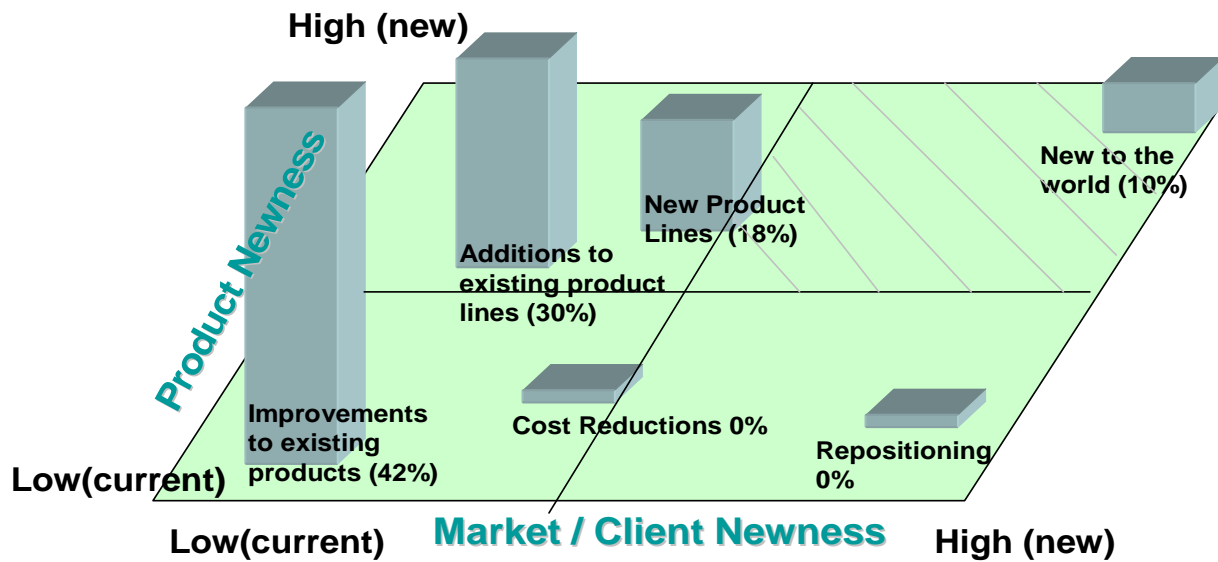
Cooper, Edgett, and Kleinschmidt: Portfolio Management for New Products (2001)



# Targeting portfolio investments

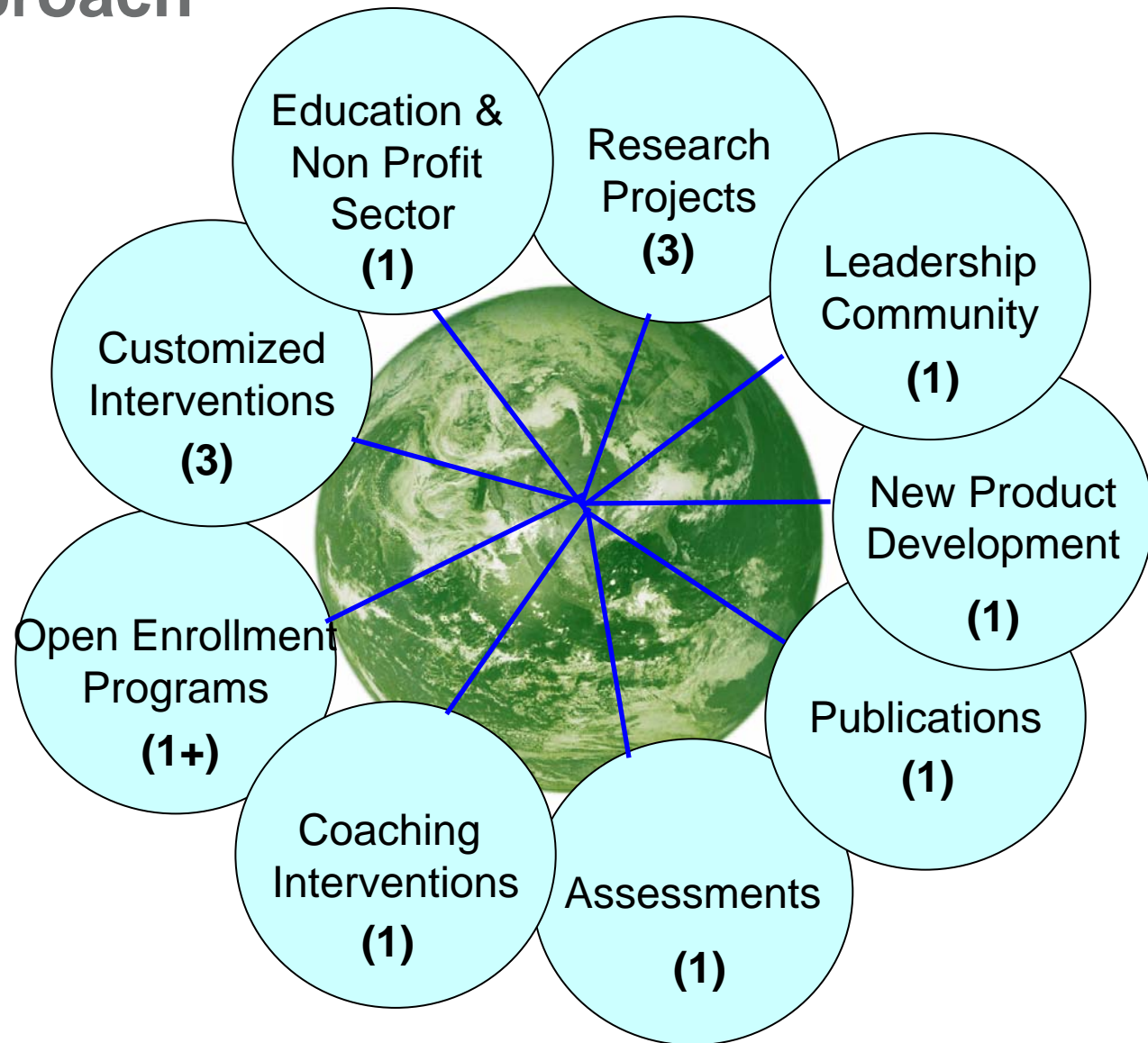
## A Previous Assessment.....

Current FY07 CCL Portfolio Investments (Strategic Buckets)



# CCL's Approach

Step 1: Identify  
Key Internal  
Stakeholders

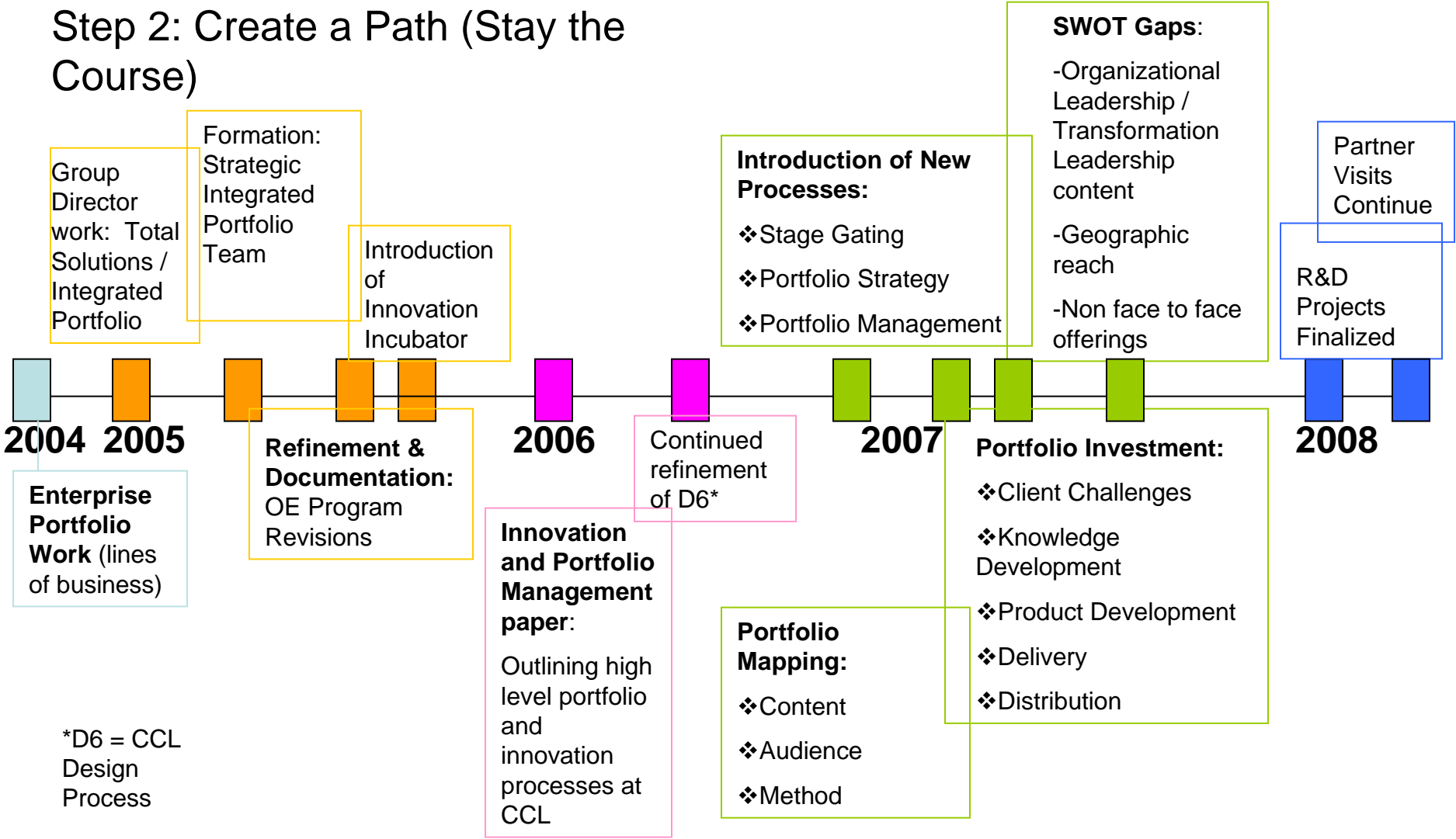


# Who are your portfolio's key stakeholders?



# CCL's Approach

## Step 2: Create a Path (Stay the Course)



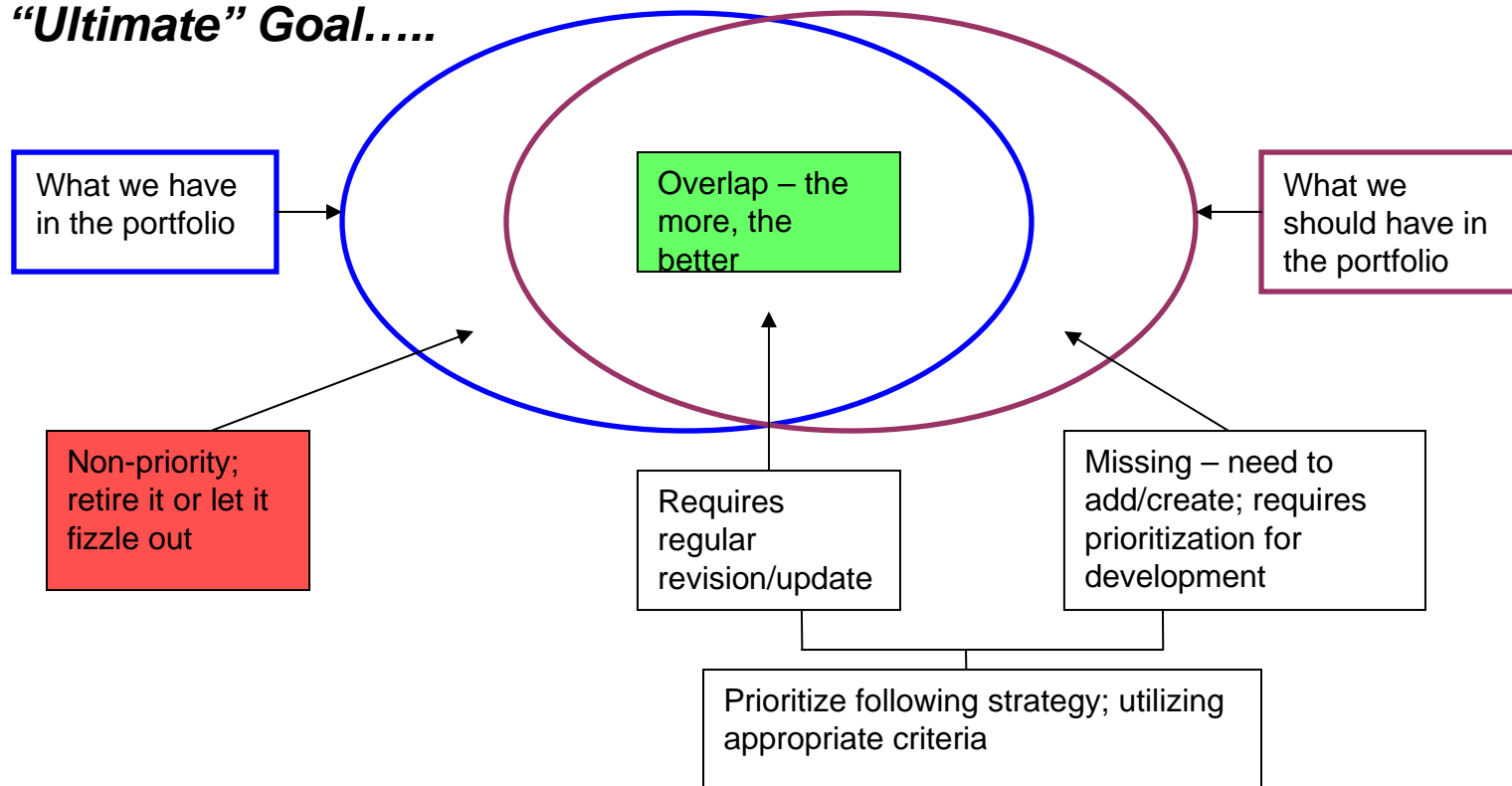
\*D6 = CCL Design Process



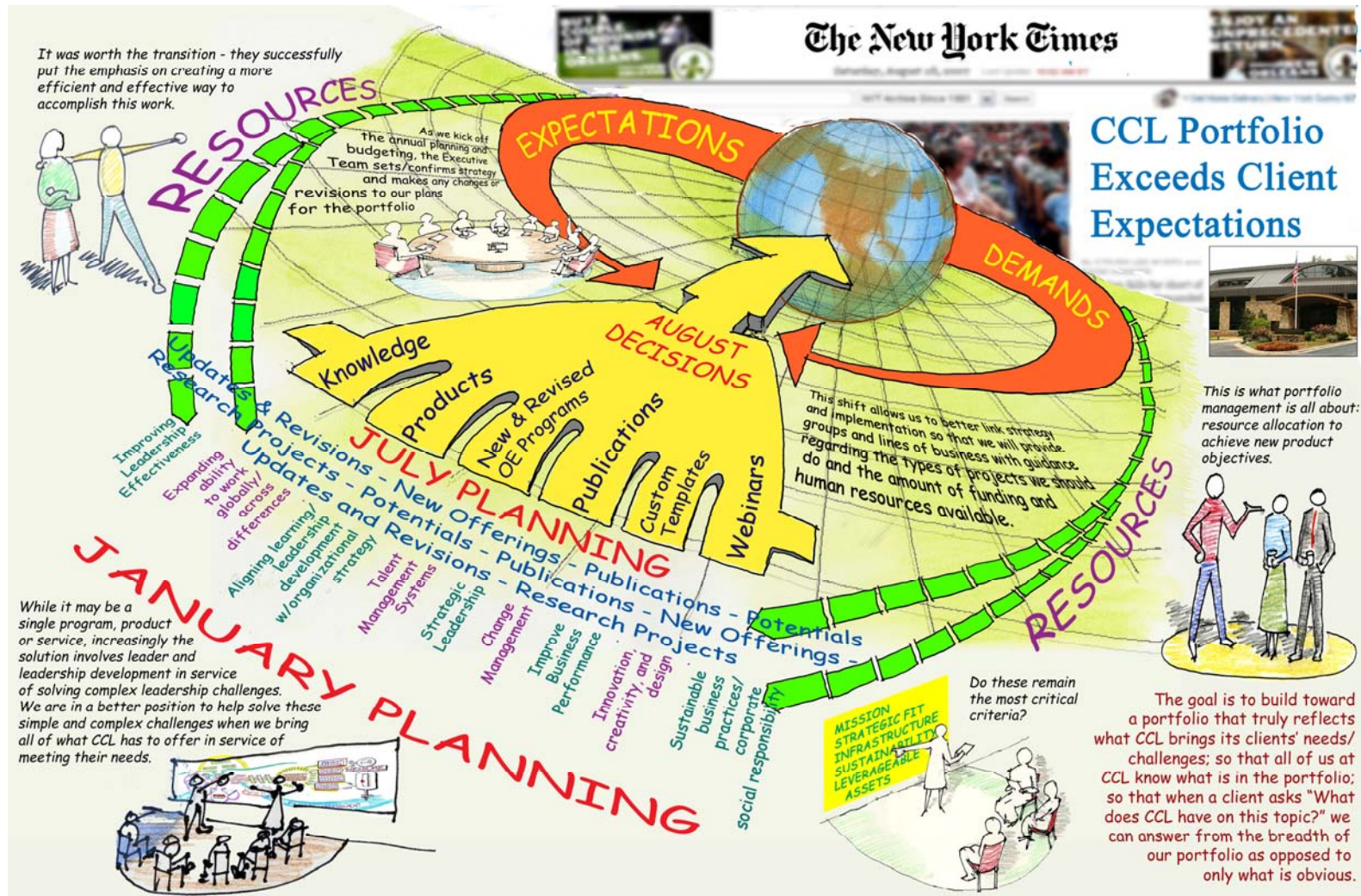
# CCL's Approach

## Step 3: Create Portfolio Management Strategy

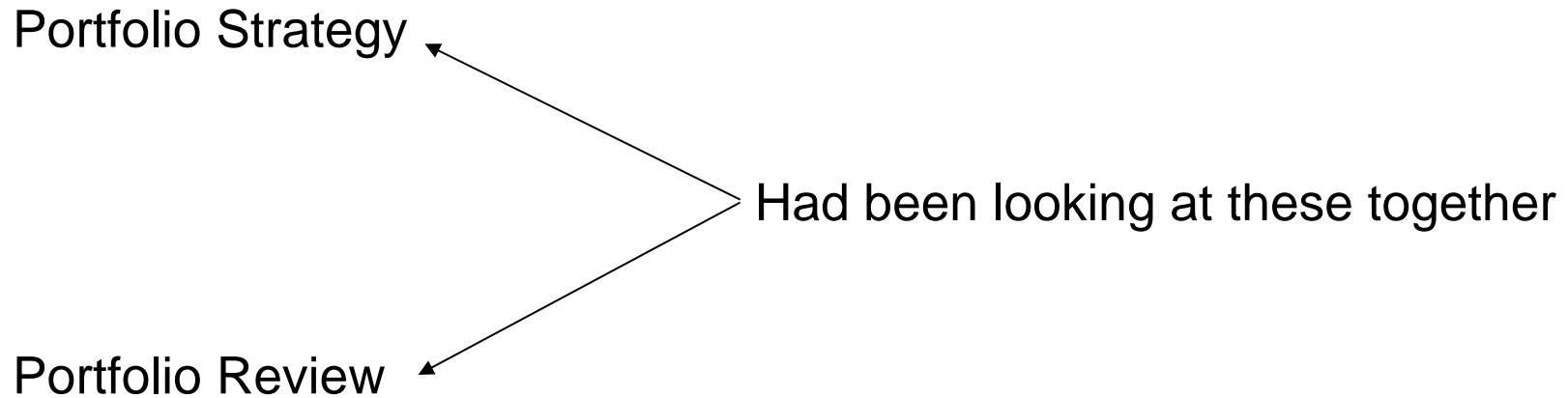
### The "Ultimate" Goal.....



# Create a motivating story...



# Portfolio Management Process: 3 Parts



Stage Gating/Milestones



# Enterprise Portfolio Strategy

- *Strategic fit and importance*--all portfolio work must be within a market (including the academic “market” as well), product, or technology area defined as an arena of strategic focus.
  - Ex. adult leaders in all segments of the global society
- *Breakdown of spending* – strategy should also define spending across markets, product types, technologies as well as project types (extensions versus new products, long term versus short term, etc.)
- *Strategic Imperatives* - any “must do” project or initiative with time sensitivity



# Portfolio Review Process

- *Review of all the portfolio projects together*—whereas the stage gate process is looking at each portfolio project in isolation to determine whether it's on track given its unique milestones and deliverables, the portfolio review looks at all the projects together. Ideally, this is a time where re-prioritization might need to occur—either because a project is behind schedule, a new market opportunity emerges, etc.
- *Confirm that the portfolio is mirroring the strategy* – does the allocation of time, effort, and money mirror what was put forth in the strategy? Are there minor course corrections needed to ensure alignment?
  - While the overall strategy covered a three-year period to create a certain amount of stability, we initiated a bi-annual review of the portfolio to capitalize on opportunities that may arise, as well as incorporate mid-course corrections should we pick up on changing external environment shifts.

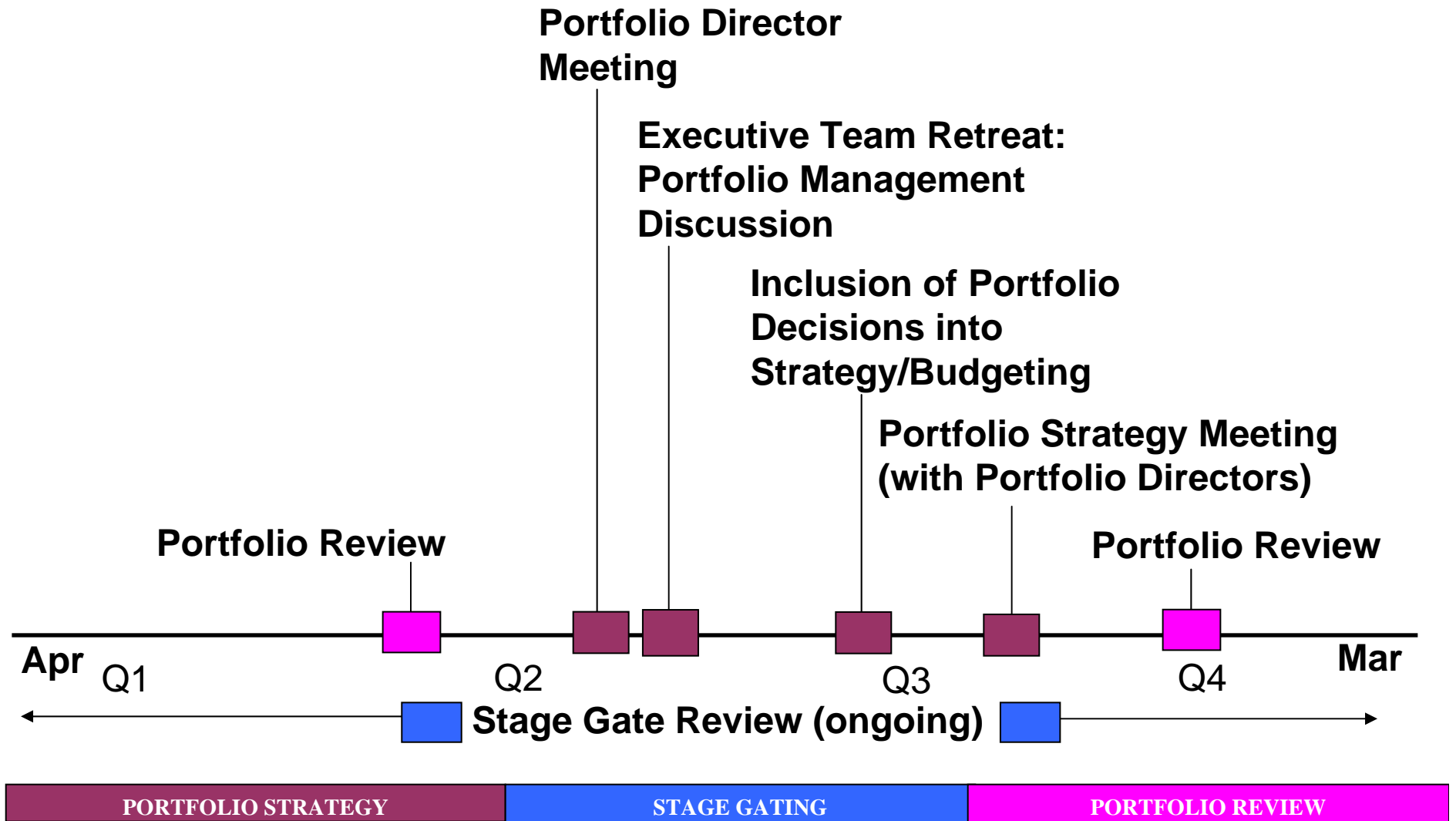


# Stage Gating Process

- The Stage Gating process should address:
  - *Well defined portfolio projects* that have been identified for revision/updating. The Gates are “Go/No Go” decision points that are jointly made by a small, cross functional team.
  - *Well defined portfolio projects* that have been identified as new offerings. The Gates are “Go/No Go” decision points that are jointly made by a small, cross functional team.
  - *Emerging portfolio projects* that show potential but are not ready for strict Gate criteria.



# Annual Steps and RACI



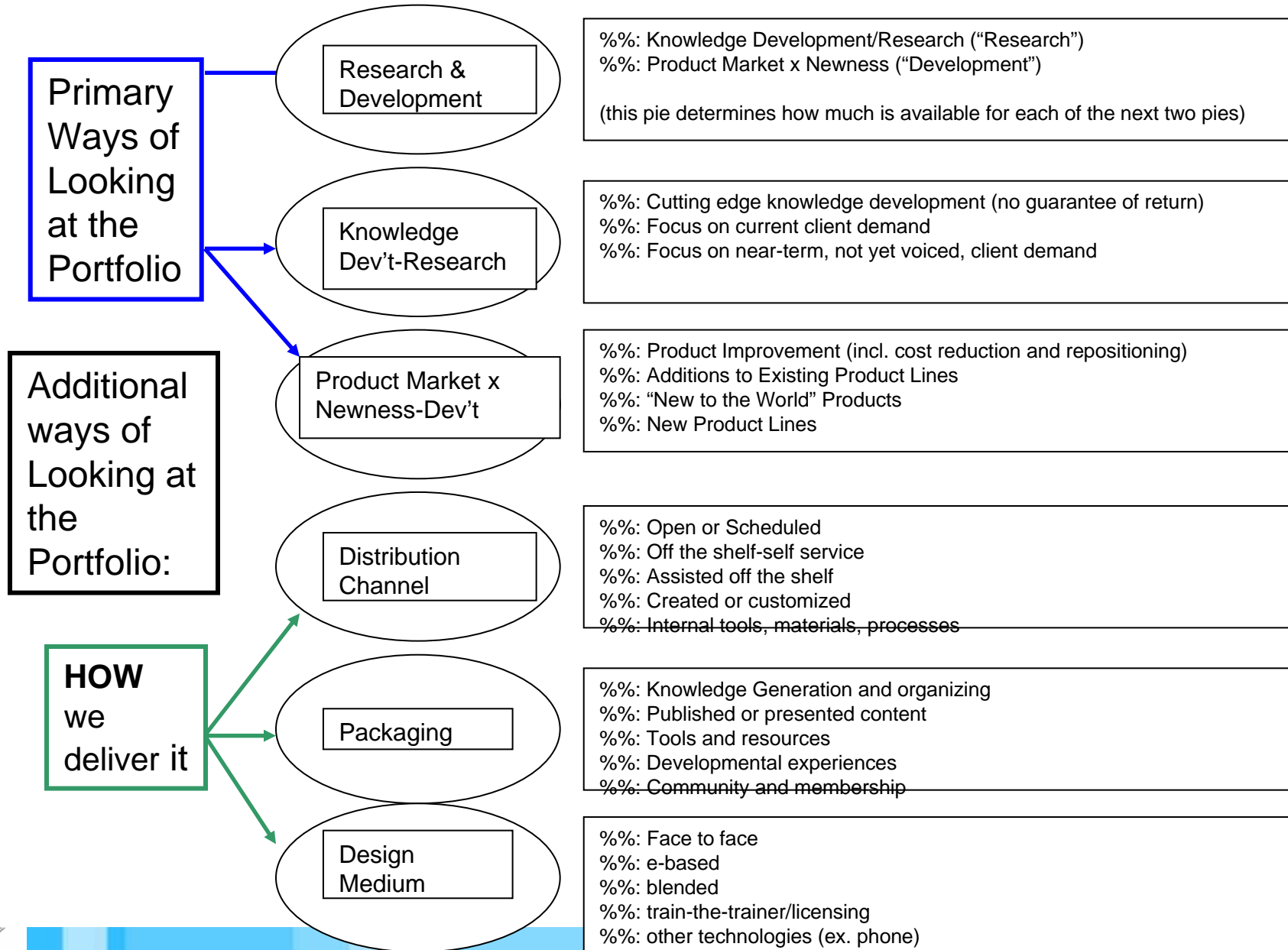
# CCL's Approach

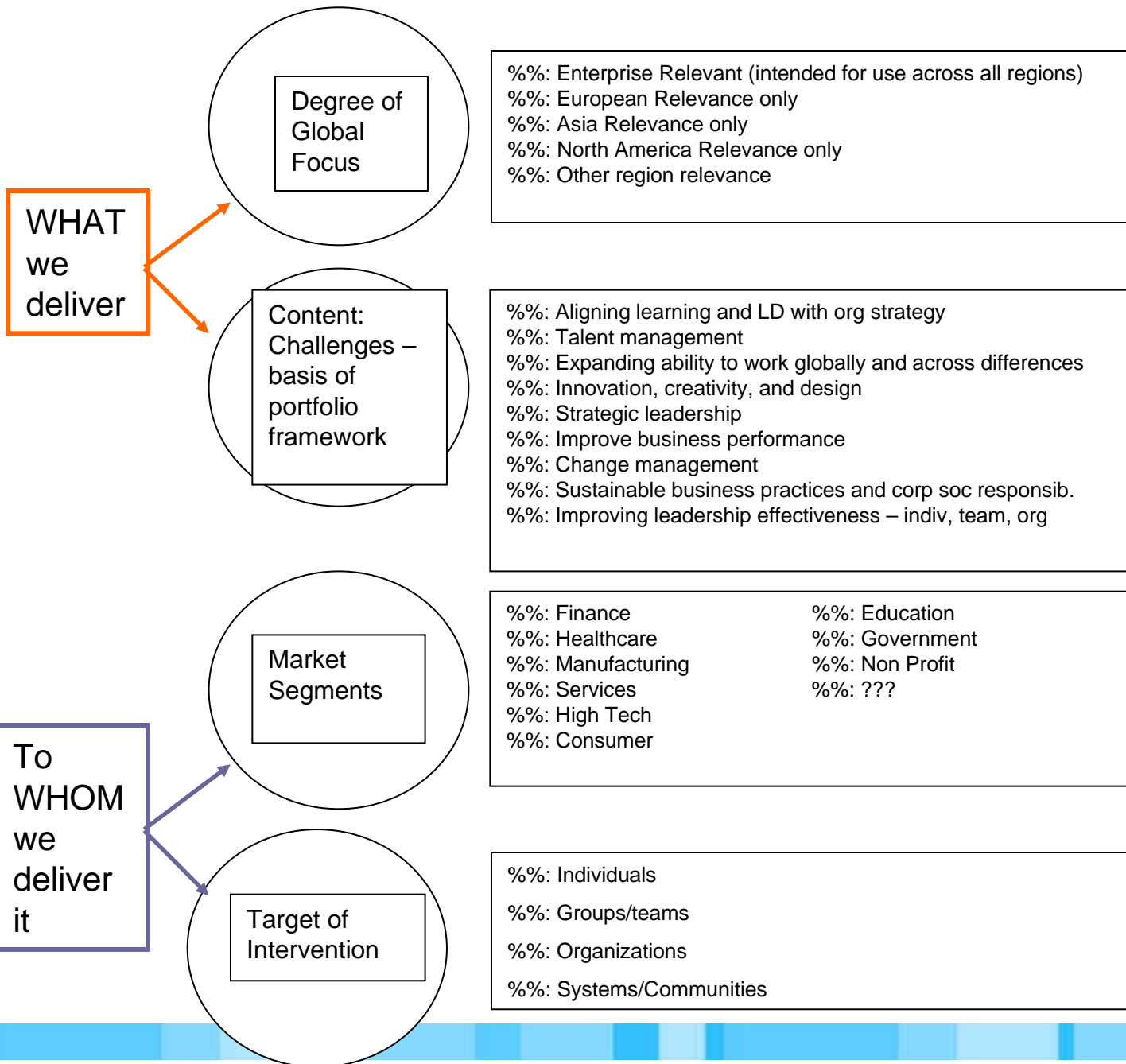
## Step 4: Identify Critical Client Challenges

1. Aligning learning and leadership development with organizational strategy
2. Talent management
3. Expanding the ability to work globally and across differences
4. Innovation, creativity, and design
5. Strategic leadership
6. Improving business performance
7. Change management
8. Sustainable business practices and corporate social responsibility
9. Improving leadership effectiveness – individual, team, organization

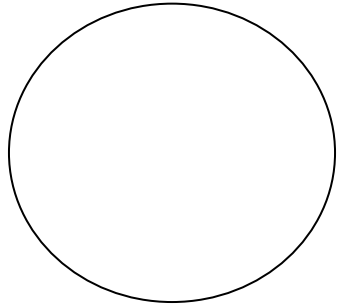
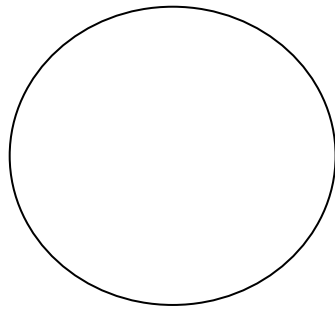
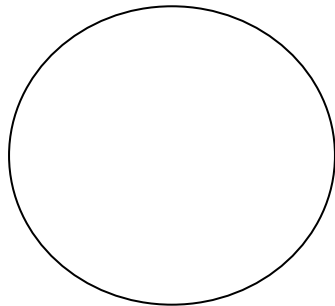


# Step 5: Identify Portfolio Lenses and Targeted Investments

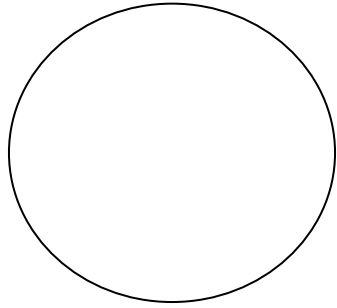
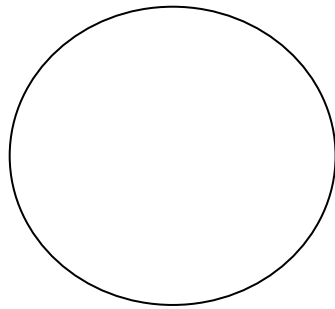
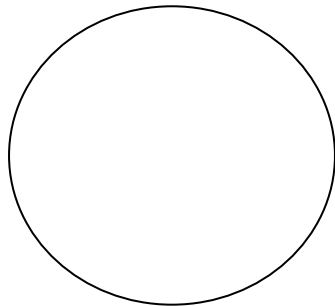




# What would your lenses and investments be?

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# What would your lenses and investments be?

A large, empty rectangular box with a thin black outline, positioned to the right of the first circle.A large, empty rectangular box with a thin black outline, positioned to the right of the second circle.A large, empty rectangular box with a thin black outline, positioned to the right of the third circle.

# CCL's Approach

## Step 6: Map the Existing Portfolio

Microsoft Excel - Portfolio Work Combined.xls

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	A	B	C	F	G	H	I	J	K	L	P	T	X	AB	AH	AK	AN	AW	AX	AY	AZ	BA	BB	BC	BD	BE	BF	BG	BH	BI	BJ					
1	2			Aligning learning and leadership	Developing world-class talent competencies	Designing and effective leadership development	Creating a coaching climate	Aligning Culture & Leadership behaviors with Organizational Development	Talent Management	Expanding your ability to work globally and across innovation, creativity, & design	Strategic Leadership	Improve Business Performance	Change Mgmt	Sustainable business practices & corporate social responsibility	Improving Leadership Effectiveness - individual, team, organization	Leading the Organization	Understanding and influencing business systems	Enhancing business skills and knowledge (12)	Managing the work (11)	Setting vision and strategy	Taking risks and inventing	Managing policies and procedures (8)	Solving problems and making decisions (7)	Managing Change (6)	Leading Others	Managing effective teams and work groups (11)	Building relationships (includes conflict) (2)	Valuing diversity and differences (3)	Developing others (4)							
1	360 BY DESIGN	Assessment Tools	Key Individuals - #1 (unhide to add #2 and #3)															X	X	X	X	X	X	X	X	X	X	X	X	X						
2	360 Bydesign Setup	Assessment Tools																																		
3	ASG Service charge Benchmarks	Assessment Tools																		X			X	X												
4	BMK Group Report	Assessment Tools																																		
5	Campbell Development Assessments	Assessment Tools																								X										
6	Campbell Interest and Skill Survey	Assessment Tools																																		
7	Campbell Leadership Descriptor	Assessment Tools																		X	X	X	X													
8	Campbell Leadership Index	Assessment Tools																																		
9	Career Blockers	Assessment Tools																																		
10	CDP	Assessment Tools																																		
11	CDP Group Report	Assessment Tools																																		
12	CISS	Assessment Tools																																		
13	CLD	Assessment Tools																																		
14	CLD Answer Sheet	Assessment Tools																																		
15	CLD Facilitator's Set	Assessment Tools																																		
16	CLD Workbook	Assessment Tools																																		
17	CLI	Assessment Tools																																		
18	CLI Feedback	Assessment Tools																																		

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# CCL's Approach

Step 7: Recommend High-level Areas of Focus Based on Gap Analysis

**CONTENT** – focus on 9 recurring client challenges and build integrated, well-reasoned, and well-articulated responses:

**Maintain and enhance content for:**  
(content areas)

**Invest in and grow content for:**  
(content areas)

**Evaluate specifics of market demand and expectations for content from the Center for:**  
(content areas)



**METHOD** – invest significant resources in better understanding client/market expectations from the Center in delivery method. Greatest opportunities for growth are in honing our “methods” and finding what the client values.

**Distribution:**

Maintain and find more cost effective and efficient ways to deliver (method 1)

High growth needed in both (method 2) categories.

Some growth needed in certain topic areas for customized/created, with the emphasis on creating a more efficient and effective way to accomplish this work



**METHOD** – invest significant resources in better understanding client/market expectations from the Center in delivery method. Greatest opportunities for growth are in honing our “methods” and finding what the client values.

**Packaging:**

Align an appropriate amount of our Knowledge Generation efforts with Portfolio needs.

Create a translation/conversion/packaging process for published content and tools and resources – address the lack of a development process for assessments.

**Medium:**

Focused and significant investment in a (medium) – commit the resources and strategic leadership to developing the means to deliver CCL content through that medium.

Do not reject low-tech and inexpensive options that are available, such as (medium).



# CCL's Approach

## Step 8: Evaluate Existing Portfolio by Critical Lenses

Microsoft Excel - Portfolio strength evaluation.xls

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Type a question for help

Reply with Changes... End Review...

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	A	B	C	D	E	F	G	H	I	
1		Improving Leadership Effectiveness	Expanding your ability to work globally and across differences	Aligning learning and leadership development with organizational strategy (including evaluation)	Talent Management Systems	Strategic Leadership	Change Leadership (includes Culture work)	Improve Business (or Organizational or Social Group) Performance	Innovation, Creativity, and Design	Subsidiary practices
2	Face to Face									
3	ADR	8.00	3.00	4.00	4.00	1.00	2.00	2.00	3.00	
4	Coaching	10.00	10.00	8.00	6.00	10.00	10.00	10.00	6.00	
5	Community									
6	ENP	8.00	1.00	6.00	4.00	2.00	7.00	1.00	3.00	
7	Incubator	9.00	5.00	6.00	6.00	5.00	8.00	6.00	5.00	
8	Publications	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
9	Research	5.67	3.67	2.00	1.67	2.67	2.00	1.33	1.67	
10	OE - NA	8.00	4.00	2.00	1.00	5.00	1.00	2.00	2.00	
11	OE - EU	7.50	5.00	4.00	1.00	1.50	1.00	1.00	1.00	
12	OE - Asia	5.50	4.00	1.50	1.00	1.00	1.00	3.50	1.00	
13	Custom - NA	7.00	3.00	3.00	3.00	6.00	4.00	3.00	3.00	
14	Custom - EU	9.00	7.00	7.00	1.00	4.00	1.00	1.00	3.00	
15	Custom - Asia	8.00	8.00	6.00	4.00	3.00	3.00	6.00	1.00	
16	AVG	7	4	4	2	3	3	3	2	
17										
18	Self serve									
19	ADR	6.00	1.00	1.00	1.00	1.00	2.00	2.00	3.00	

Custom - EU / Custom - NA / ENP / Incubator / OE - Asia / OE - EU / OE - NA / Publications / Research / Totals

Ready

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# CCL's Approach

## Step 9: Review Proposed Projects (70+) in Light of Gaps

### Aligning Learning and LD with Organizational Strategy

- HR Certificate Program
- Direction-Alignment-Commitment (DAC) Research Project
- Connected Leadership Case Studies (related to DAC)
- OLD/OT Evaluation Capability and Knowledge Building
- Leadership Culture Project

**Commentary:** In reviewing these projects related to this content area, it will be critical to integrate across them as much as possible. Look for ways in which the research findings coming from these projects can be infused into the HR Certificate Program, as well as DLT and other similar offerings.



# CCL's Approach

## Product Development

- Global Leader View
- NGO leadership certificate program
- Third Space Exploration: World leadership forum
- Leadership beyond boundaries program (previously Leadership Essentials)
- World leadership survey

**Commentary:** In this area, we need to focus on NOT creating interventions that require ongoing, CCL-facilitated F2F delivery. We encourage the potential integration of the NGO Leadership Certificate Program and the Leadership Beyond Boundaries program in a two-part delivery mode, where the LBB program comes first followed by the NGO Certificate program focusing on more HR issues.



# CCL's Approach

## Step 10: Prioritize and fund projects

### Knowledge Development

Bridging Cultural Boundaries

Senior Executive Research

CSR/Leadership For Sustainability

### Prototyping

Global Leader View Instrument

Leadership Beyond Boundaries Program

e-Based Portfolio Experiments

### Product Development

Transforming Your Organization Offering

Visual Explorer Series

Lessons of Experience Products Suite



# Metrics for success

## Step 11: Evaluate success and lessons learned

### Data Sources

- Annual Quality & Innovation Study
- Program evaluations
- Financial Times rankings
- Client-based evaluation studies
- Academic journal and conference acceptances
- Grants and third-party funding
- “Share of mind”
- New product sales



# What will be your metrics for success?



# Lessons

This takes time – have patience

Start somewhere, make adjustments, and keep going

Remind people of their role – it may be different than they are accustomed to doing

Make tough decisions and stick with them

Don't be afraid to make mistakes

Listen to your customer(s) – let their needs guide you

Diversify your portfolio – build a pipeline of projects

Create a picture or story that motivates people

Use a combination of data (sources, methods, timing, etc.) to plan and evaluate

Communicate, communicate, communicate



# THANK YOU!

We hope you have learned something useful!

We want to learn more from you!

Contact information:

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336-286-4419

