



WBC Training

Building Business Capabilities

Portfolio Management in the Post-Pandemic World

13th April 2021
Webinar



Portfolio Management is a **HUGE** topic

There are many systems, tools, and approaches that have been developed over the years.

The following takes a quick look at some of the **key requirements for successful Portfolio Management system** in the future.

Key “take-aways” are in red on each slide

Let's start with a simple fictional case study.



In a fictional hospital

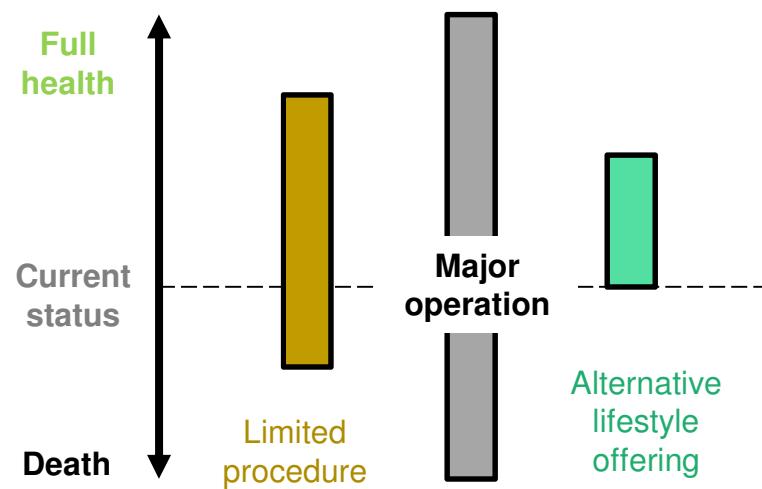


*In a fictional hospital....
on an island, far, far away*

All the lifechanging operations for
the whole area are undertaken



Decisions, decisions ... what does the patient need
and want in order to make the right decision?



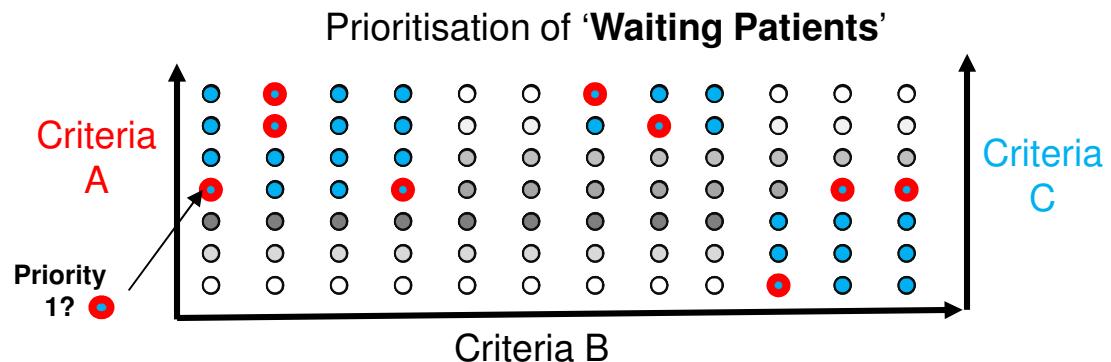
Decision makers should be provided with a full range
of options, and to clearly understand the trade-offs



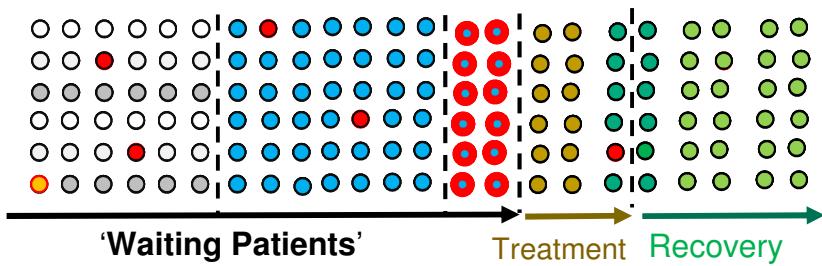
Patients prioritisation & monitoring



100's of patients awaiting treatment
...some more urgent than others



Things don't stay static.... patient health can change quickly at every stage of the pipeline

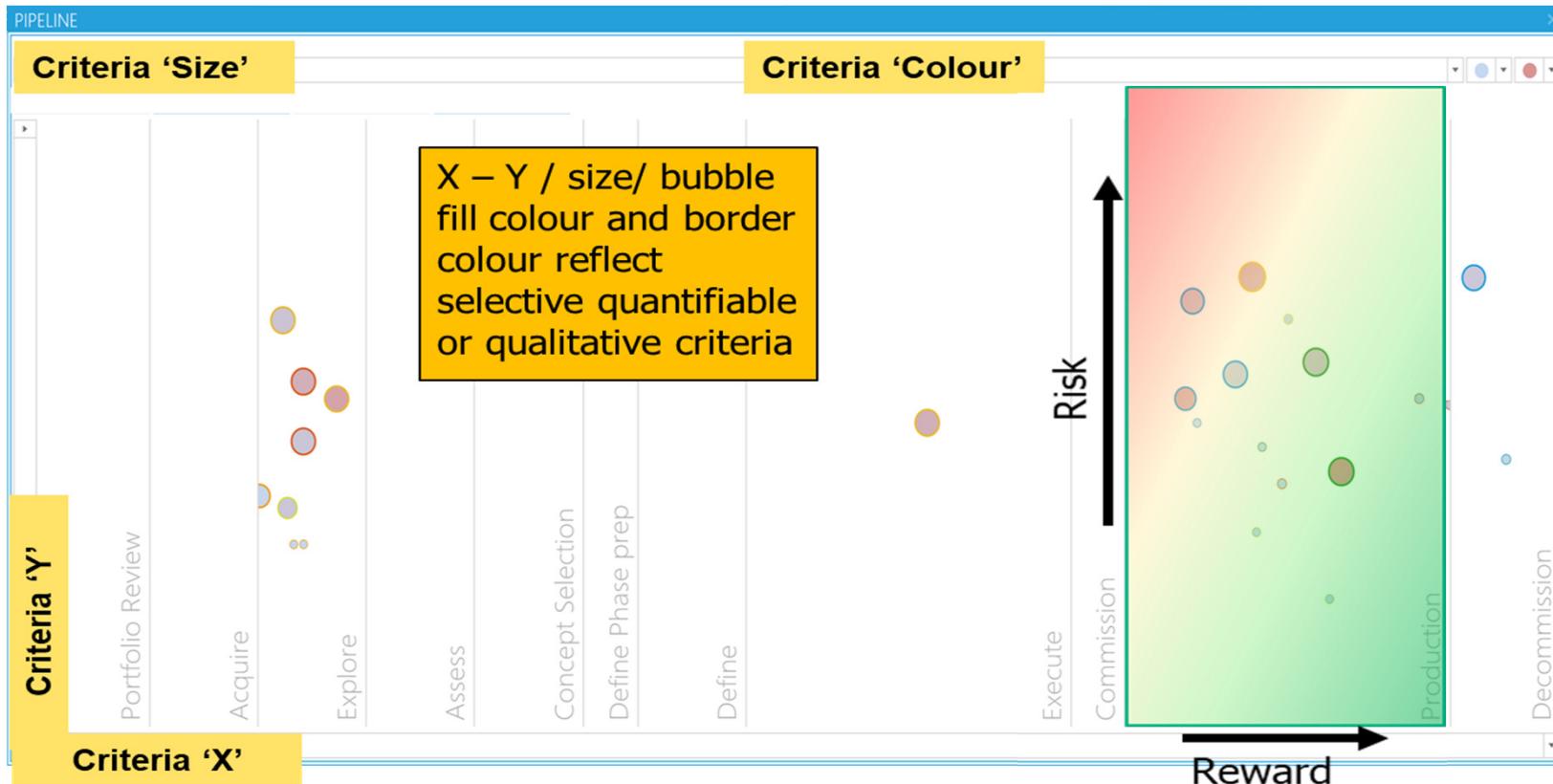


Flexibility, clarity and visualisation of analysis, the ability to track and record change

Monitoring and tracking of patient health (at every stage)
enables rapid, effective patient / portfolio decisions



Prioritising - Oil & Gas example

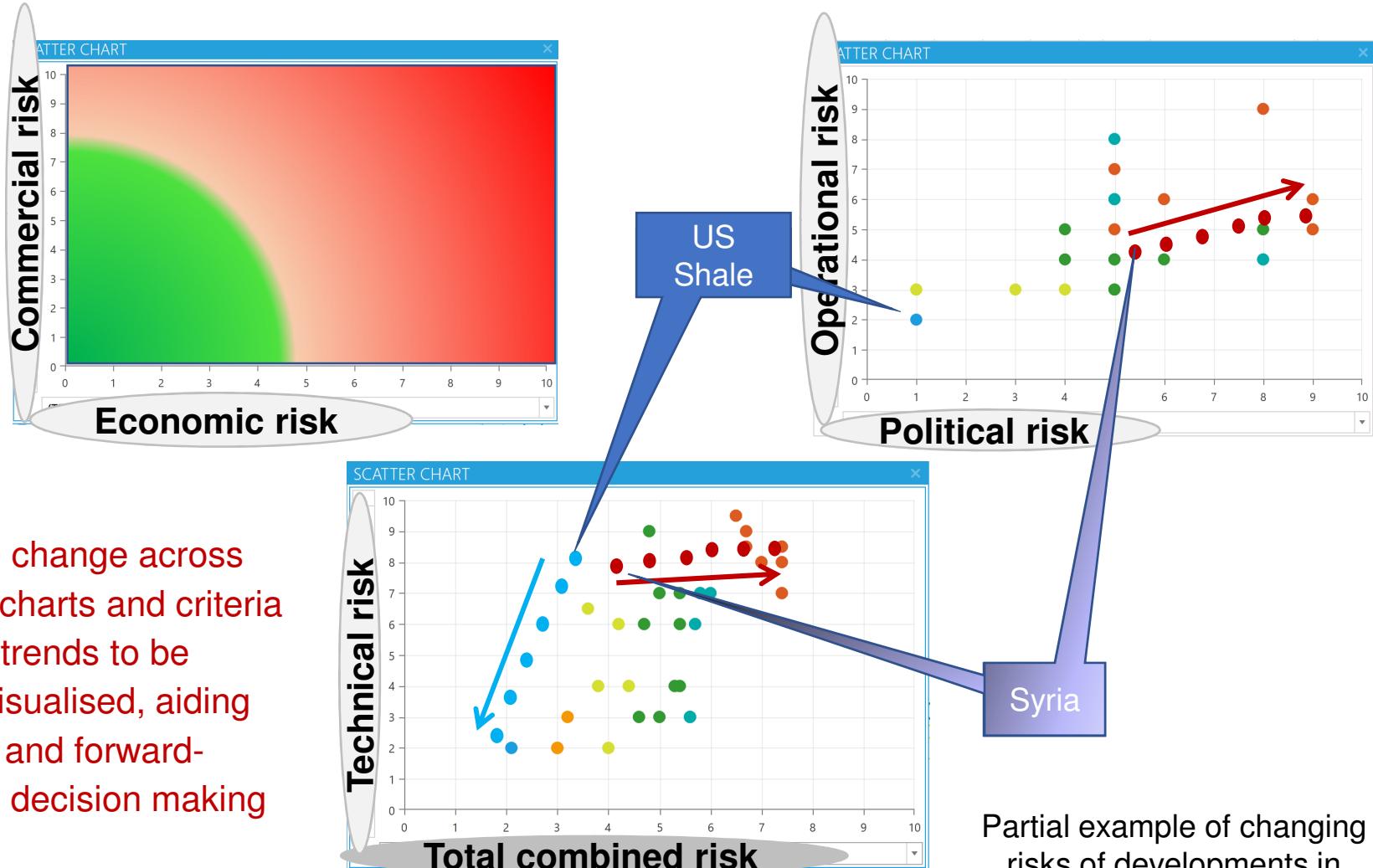


Incorporates asset operational performance as well as project developments

Effective overview and analysis of each stage as well as total portfolio

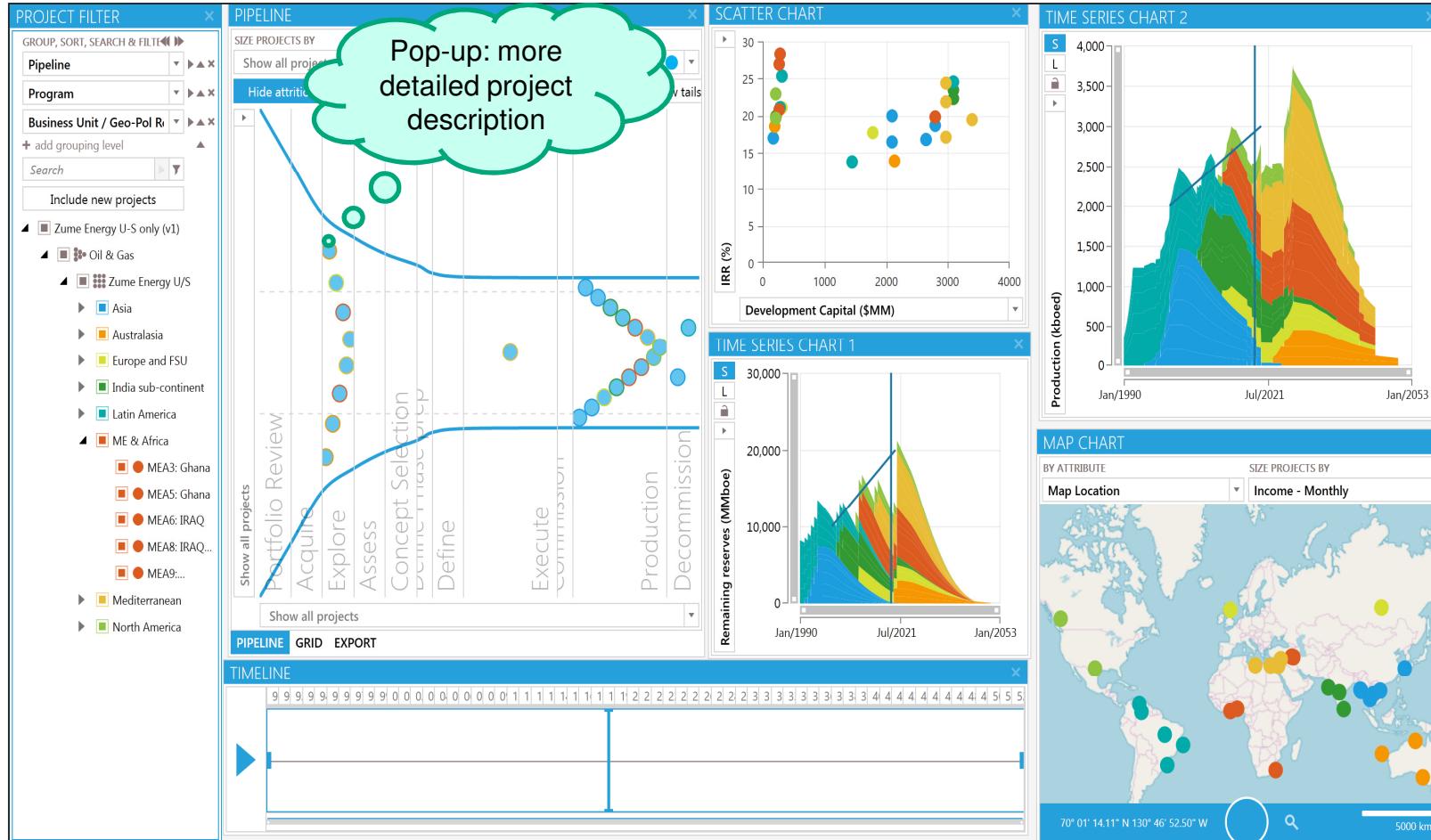


Monitoring - Oil & Gas example





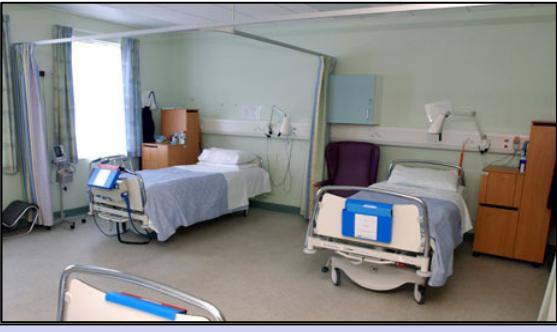
Oversight - Oil & Gas example



Decision makers require clear overview whilst retaining ability to 'drill down' into detail if required



Patient decisions are not made in isolation



Excellent medical support facilities, though not inexhaustible.



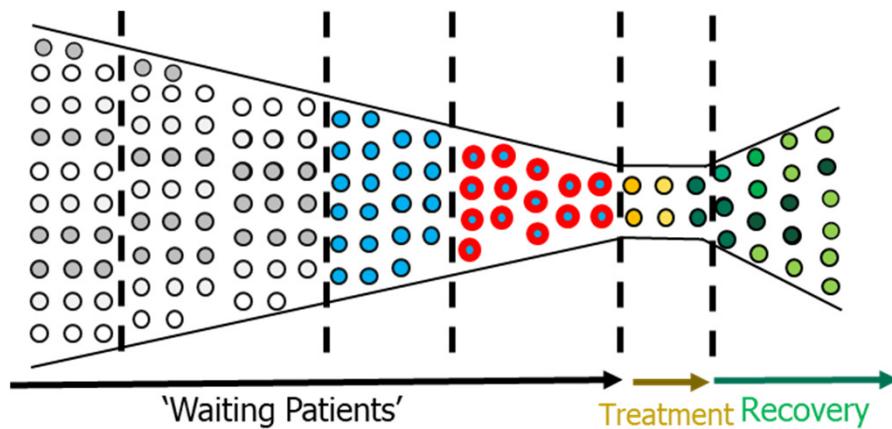
Plenty of capital from Gvm't, charities, and private sector (R&D)

Key limitations:

- only 2 operating theatres
- and 4 top surgeons
 - 1 thinking of starting a family, and 1 prone to illness.



All these resources have an impact on the patient pipeline



Oversight and management of key resources is a vital component

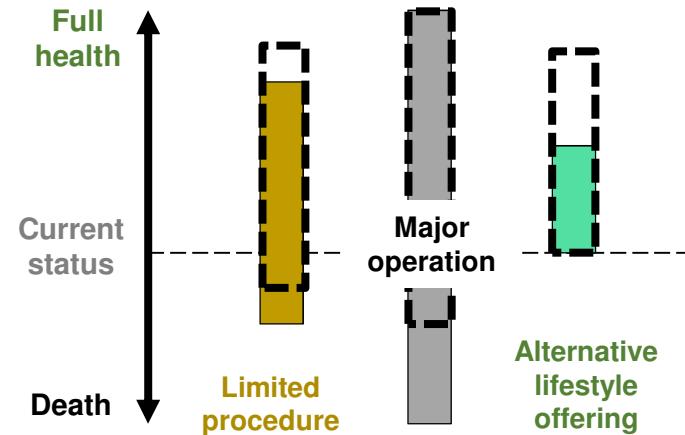
Project decisions must be made in the context of the overall portfolio



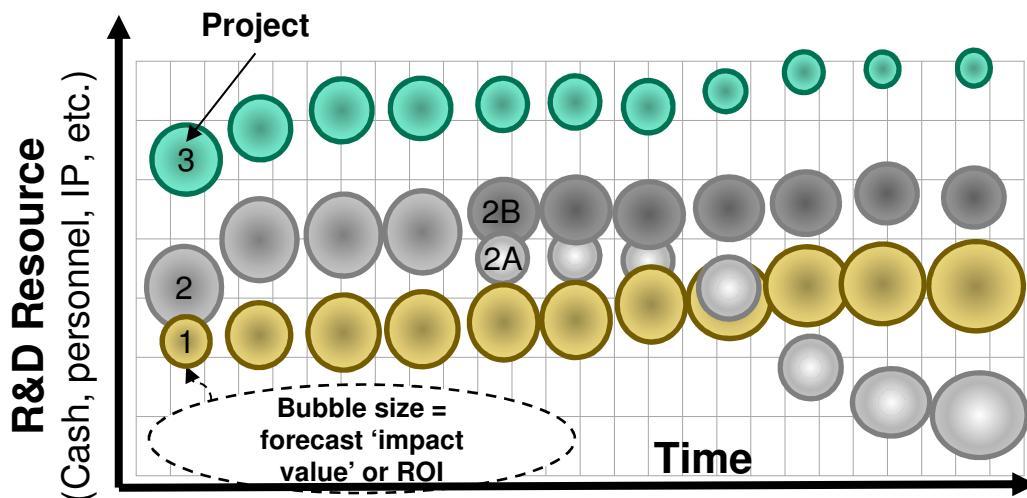
Hospital's R&D offers future opportunities



R&D section runs with a mix of cash, IP and in-kind (lab and tech in-lieu of cash) contributions from Universities, Gvm't and charities



Aim is to reduce risk and/or improve outcomes

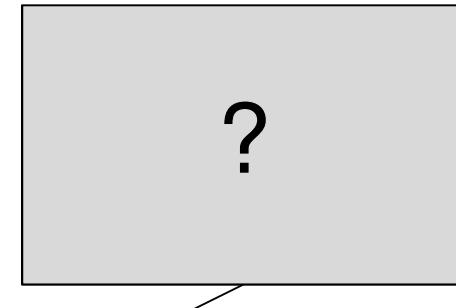
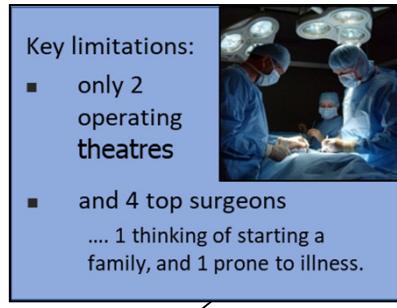
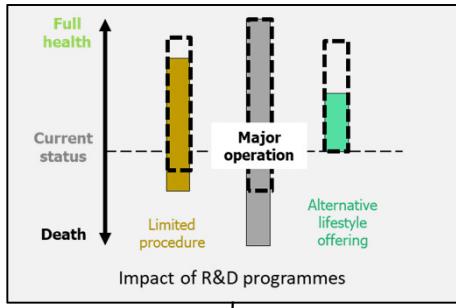


Resource requirements can vary significantly over time
... as can the 'Impact value', which is often overlooked

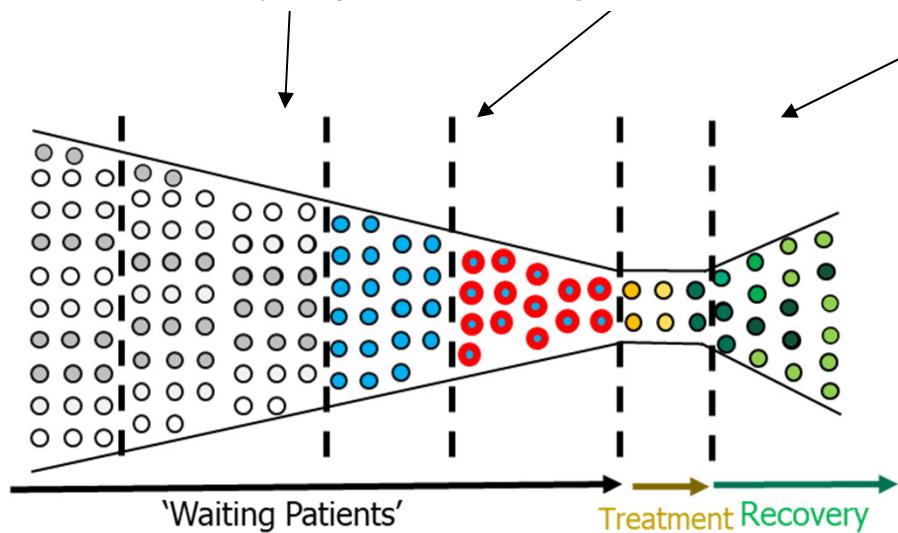
Ensuring effective use of resources – a vital part of demonstrating 'value for money'



Anticipating and preparing for change



The challenge is incorporating and visualising sensitivities and ‘what-if’ scenarios of likely impact of change (either individual change or a combination of)



Preparation for uncertainty:

- ensures better (more robust) decisions and more effective action
- demonstrates effective oversight
- aids strategy development and implementation

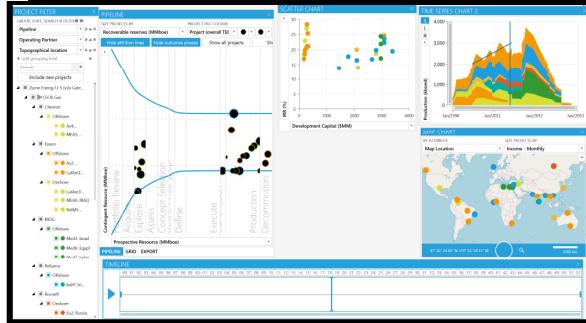


The power of looking back and forwards

Look back: lessons learned



Oversight of today



Look ahead: sensitivity or scenario analysis

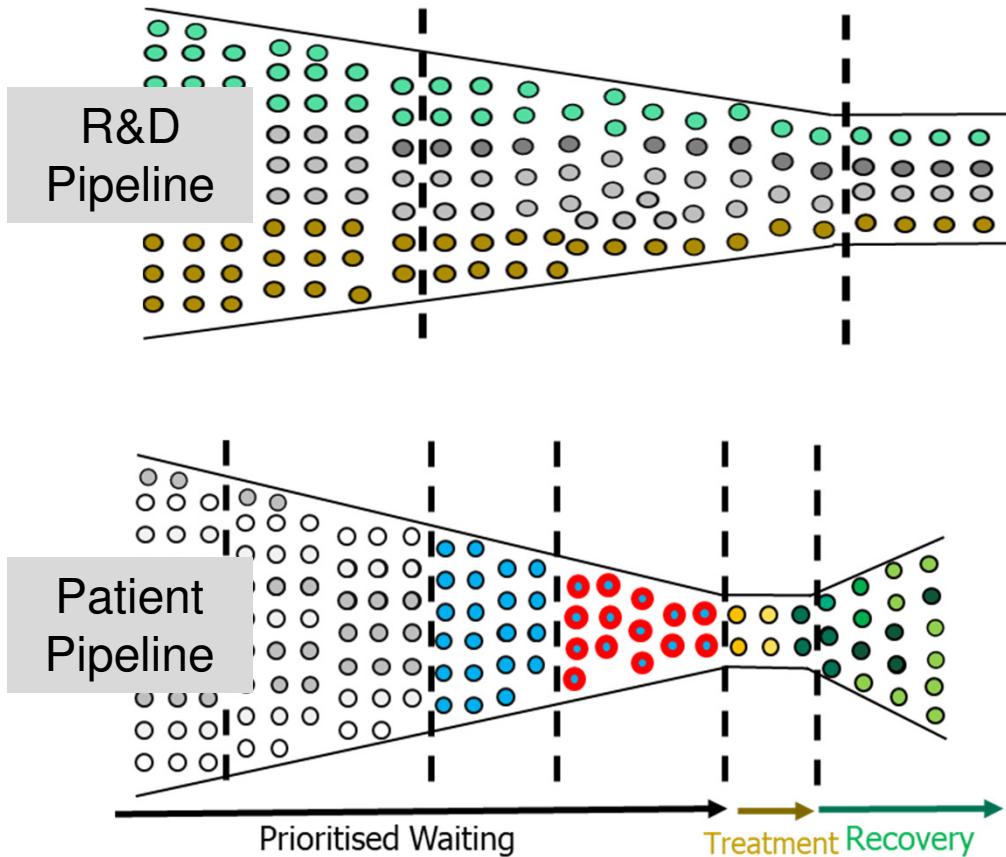


Phase	Looking Back	Looking Forward
Visualise	<p>Past decisions:</p> <ul style="list-style-type: none">as they currently appear with updated and corrected data“wind back the clock”	View risk and reward metrics and trends
Analyse	<p>Carry out “post-mortem analysis”:</p> <ul style="list-style-type: none">can we replicate the success?was the error avoidable?	Forecasting Sensitivity analysis Scenario planning
Outcome	<p>Act on lessons learned</p> <ul style="list-style-type: none">Improve decision-making processReduce riskOptimise portfolio value	Adjust portfolio to optimise risk and reward Mitigate risk

Decisions must be considered within the context and timeframe in which they are made



Managing multiple pipelines



The R&D pipeline has a direct influence on the patient pipeline as a whole (i.e. prioritisation of patients, resource utilisation)

The drivers, criteria, time-lines, decision stages and resource requirements can vary significantly between different pipelines.

An overview of multiple pipelines, and the interactions between them, aids effective scenario analysis, resource utilisation and strategy development

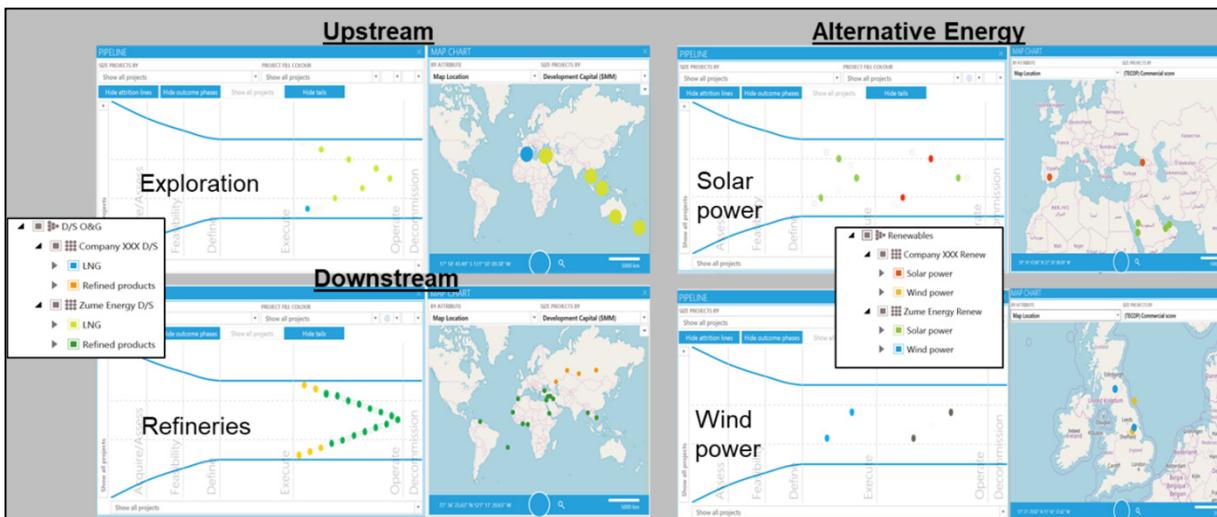
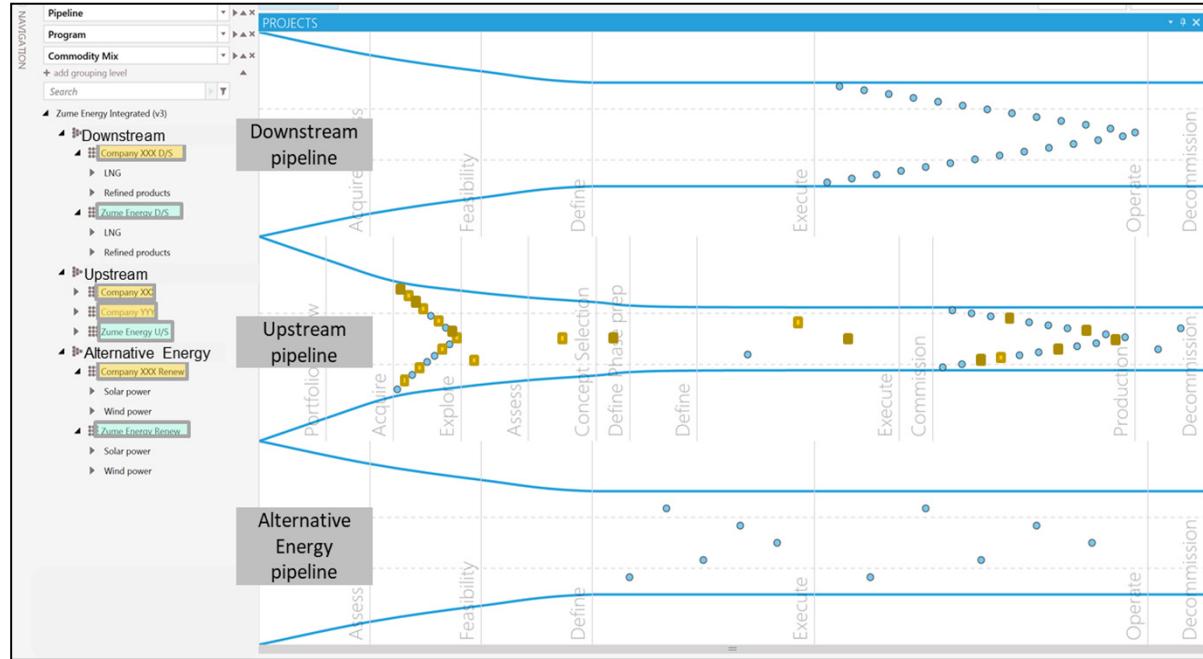


Oil & Gas example – multiple pipelines

An E&P oil major with some refining and limited renewables considers M&A (and possibly partial divestment).

Two potential targets.

One pure E&P, the other also has significant renewable energy assets and projects.



The ability to clearly compare different pipelines enables more robust strategies to be defined



...and some other aspects to consider

Stakeholder management

Demonstrating effective oversight and providing timely and relevant information to external and internal stakeholders...

- that their concerns are being addressed
- gains buy-in to decisions
- builds trust and confidence

Adaptive and responsive

- Advances and expectations re data interfaces and graphical visualisation
- Speed of decision making at portfolio level
 - Incorporating lessons learnt & forward looking
 - AI and optimisation?
- Ensuring a single and secure version of the truth

Complex rather than complicated

- Greater uncertainty...and opportunity?
- Being prepared helps ensure sustainability and achieving goals
- Complexity requires adaptability ... to varying inputs, outputs and even the analytical approach

Governance

- Project and corporate governance ...what about portfolio governance
- Ensuring a strategic plan is in place and being effectively implemented
- Demonstrating decision quality....and integrity...and 'value for money'



How ready is your portfolio management system for the post-pandemic world?

Thank you for listening





Upcoming Courses

- Online Workshops: Stakeholder Management
- Project Governance
 - Online: 14th-18th June
 - Jakarta: 20th-22nd September
 - Lagos: 8th-10th November
- Portfolio Management?
 - Online Workshop
 - Course
- FREE Webinar Series
 - Corporate Social Responsibility – 18th May 2021