

NextTech Strategic Project Portfolio Report

Prepared for: Executive Steering Committee

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Period: Q1 2025

1. Executive Summary

- **Total Active Projects:** 37 (€210M budget)
- **Portfolio Health:** 72% on track (↓5% YoY due to supply chain disruptions)
- **Key Focus Areas:**
 - Digital Transformation (45% of spend)
 - Regulatory Compliance (30%)
 - Cost Optimization (25%)

⚠ **Critical Alert:** 3 projects flagged for strategic realignment (see Section 4).

2. Portfolio Overview

2.1 Project Distribution

Diagram

Code

Download


50%27%18%5%Project Status (Q3 2025)On TrackPlannedDelayedTerminated

2.2 Investment Allocation

| Category | Budget (€M) | ROI Forecast |
|----------------------|-------------|-----------------|
| Autonomous Ops | 85 | 18% IRR |
| EU Compliance | 63 | N/A (Mandatory) |
| Legacy Modernization | 62 | 9% IRR |

3. Project Highlights



3.1 On Track (Green Status)

| Project | Budget | Progress | Key Milestone |
|-------------------------|--------|----------|---|
| SAP S/4HANA Migration | €28M | 92% | Go-Live: 15 Dec 2025 |
| Digital Twin 2.0 (SaaS) | €15M | 65% | Beta Launch: Oct 2025 |
| Quantum Cybersecurity | €12M | 78% | Pen Test Complete  |

Success Factor:

- Digital Twin achieved 40% faster development via Azure AI pair-programming.

3.2 Delayed/Underperforming (Yellow/Red Status)

| Project | Issue | Impact | Corrective Action |
|---------------------------|-----------------------------|--|------------------------------------|
| IoT Fleet Electrification | Battery supplier bankruptcy | 6-month delay  | New RFP issued (VW partnership) |
| HR AI Chatbot | 32% lower adoption | €1.2M value gap | Reboot with MS Copilot integration |
| Windows Server Migration | Legacy app incompatibility | Security risks persist  | Budget +€4M for refactoring |

Root Cause Analysis:

- IoT Fleet: Over-reliance on single supplier (No contingency in place)
- HR Chatbot: Poor change management (Now requiring 2x training hours)

4. Terminated Projects

| Project | Reason | Lessons Learned |
|--|---|---------------------------------|
| Blockchain Invoicing | Low partner adoption (Only 12% uptake) | Pilot-scale before EU rollout |
| AR Warehouse Glasses | Ergonomics issues (60% staff rejection) | Include ops teams in PoC design |
| Cost Impact: €6.8M write-off (0.4% of annual revenue) | | |

5. Planned Initiatives (Q4 2025 - Q1 2026)

| Project | Strategic Goal | Budget (€M) |
|--|-------------------------------------|-------------|
| AI-Powered Predictive Maintenance | Reduce equipment downtime by 30% | 22 |
| NIS2 Compliance Program | Meet 2026 EU cybersecurity mandates | 18 |
| Manufacturing Automation | 15% labor cost reduction | 45 |
| Approval Requested: €85M for Phase 1 commitments. | | |

6. Key Decisions Required

- IoT Fleet Project:** Proceed with VW partnership (+€7.5M) or pivot to hydrogen?
- Legacy Modernization:** Accept security risks or accelerate budget?
- Portfolio Rebalance:** Shift 15% budget from completed projects to AI initiatives?

7. Recommendations

- Red Flag Projects:** Implement 30-day rescue plans before Q4 budget lock.
- Risk Management:** Mandate dual-supplier strategy for all hardware projects.

3. **PMO Upskilling:** Allocate €2M for agile training (Addressing 42% of delays from methodology gaps).