# M5L25. Ford Motor EV Portfolio Assessment

## Slide #1Ford Motor EV Portfolio Assessment

In this topic, we will finish the Ford Motor Electric Vehicle Division example with an explanation of portfolio assessment.

## Slide #2Following the portfolio

Following the portfolio decision guidance, project and program managers can assess their individual projects.

After that, the portfolio manager and the finance manager will consolidate the program evaluation reports and combine financial and non-financial data.

Financial data basically is the budget, a corporate set for different programs for a department.

It may also include the past financial performance of some programs.

By combining the financial and non-financial information together, we are going to create a whole picture about what we are going to achieve and how much resources we have for those objectives.

## Slide #3Technology Projects

Particularly for technology projects, the value of those projects will be released through the applications of the technology by the production department.

So it is very important to integrate technology with the production departments.

So the planning manager should work together with their counterparts in the production departments to plan the integration of new technologies with operations activities.

This planning stage also includes the feedback from production units about their view of the applications of those technologies, whether the technologies are going to solve the problems that they face.

## Slide #4Each company

Each company follows its own planning process to manage the integration of technology and business.

We are not going to discuss the details about how this should be done, but please feel free to talk to your planning departments and colleagues who are handling the planning to understand your company's procedure.

But the bottom line, the principle, is that technology departments need to work together with production departments to plan the integration of new technologies into the business, to ensure that what the technology department is working on will be applied to solving the problems that production units are facing.

## Slide #5After development

After developing the portfolio objective weighting system and evaluation criteria, we will ask each project manager to score their project against those objectives.

This slide shows an example of the consolidated project evaluation report that will be used to help business unit leadership members make resource decisions.

The first row represents the portfolio decision objectives.

Each objective of the technology portfolio is listed on top of the evaluation report.

The weight of each objective is also listed right under each objective.

The clear definition and presentation of portfolio objectives, as well as their weights, provide a transparent guide for everyone in the department to evaluate their projects, present the value of their project with others, and make decisions.

The project managers give scores to their project against each objective listed on top of this report, and the score of each project from different perspectives are also consolidated, presented in one report.

To visualize the report, we can also color code the score.

We can give different colors to different scores.

For example, dark green means a score of 5, light green means a score of 3, and yellow means a low score of 1.

So, the visualization will give people an easy way to interpret the report and analyze the project information.

I used a similar report for the portfolio management of two major oil companies that I worked for, and this kind of report was greatly appreciated by the executives of my company.

I think it would also be welcomed by the executives of your company.

## Slide #6Visualize the Weighted Score and Ranking of Projects

We can further visualize the weighted score and ranking of projects with Microsoft Excel.

This chart shows the overall score, the weighted score, and the ranking of four projects.

It is very clear which project provides more value or ranks higher than others.

## Slide #7Visualize the Weighted Score and Ranking of Projects

The data provides objective support to managers decisions.

We need to point out that when decision makers make their judgment calls, they are still subject to the judgment behavior that we discussed in previous models.

The data-driven decision-making and judgment are complementary to each other.

The decision-making framework, data collection, and analytical process provide solid support for managers who make their decisions.

## Slide #8A diagram of data driven process Description automatically generated

The data-driven process and data collected by different managers and the different levels of the company can help the organization and executives to evaluate options in the light of corporate strategy, business objectives, portfolio value, and execution risk.

## Slide #9Managers can effectively communicate

Also, managers can effectively communicate their decisions and expectations with measurable metrics that are linked to the business performance of a union.