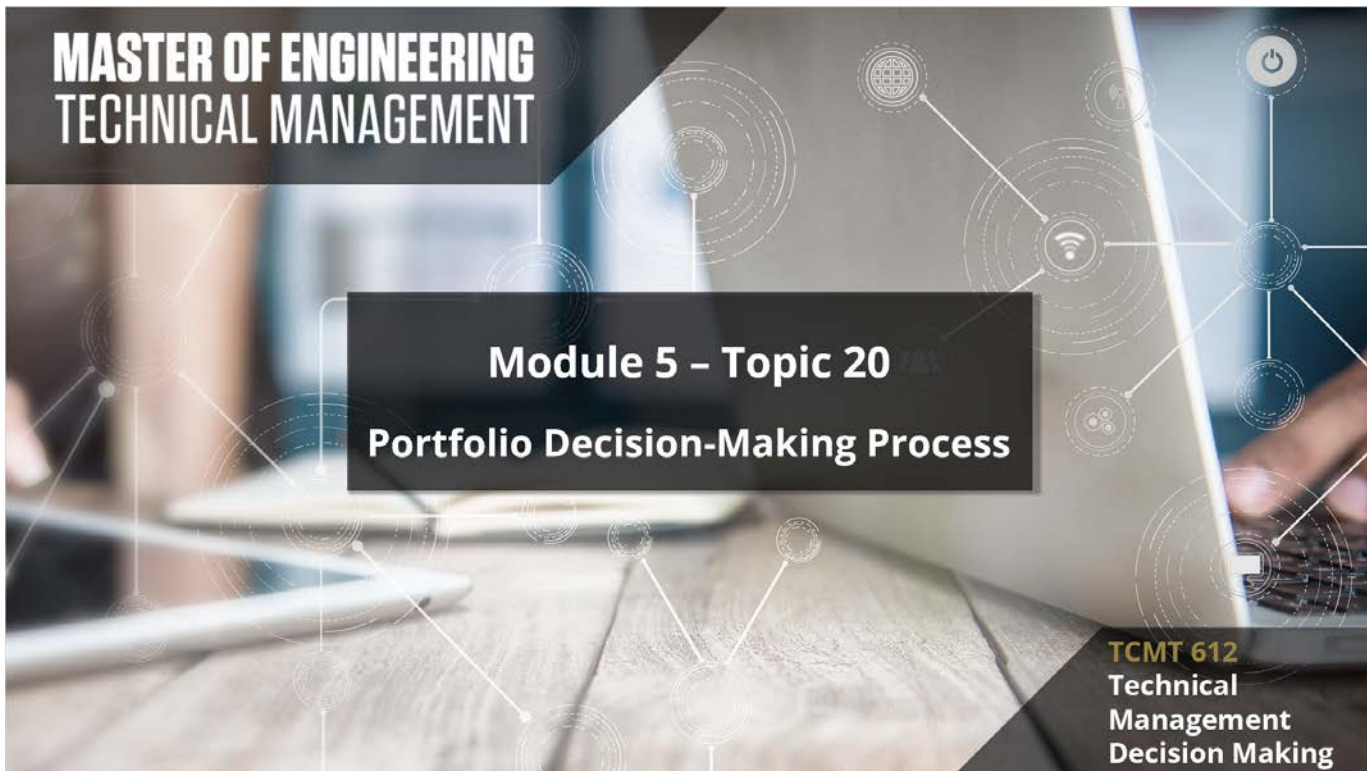# TCMT612_05M_101T_Portfolio-decision-making-process

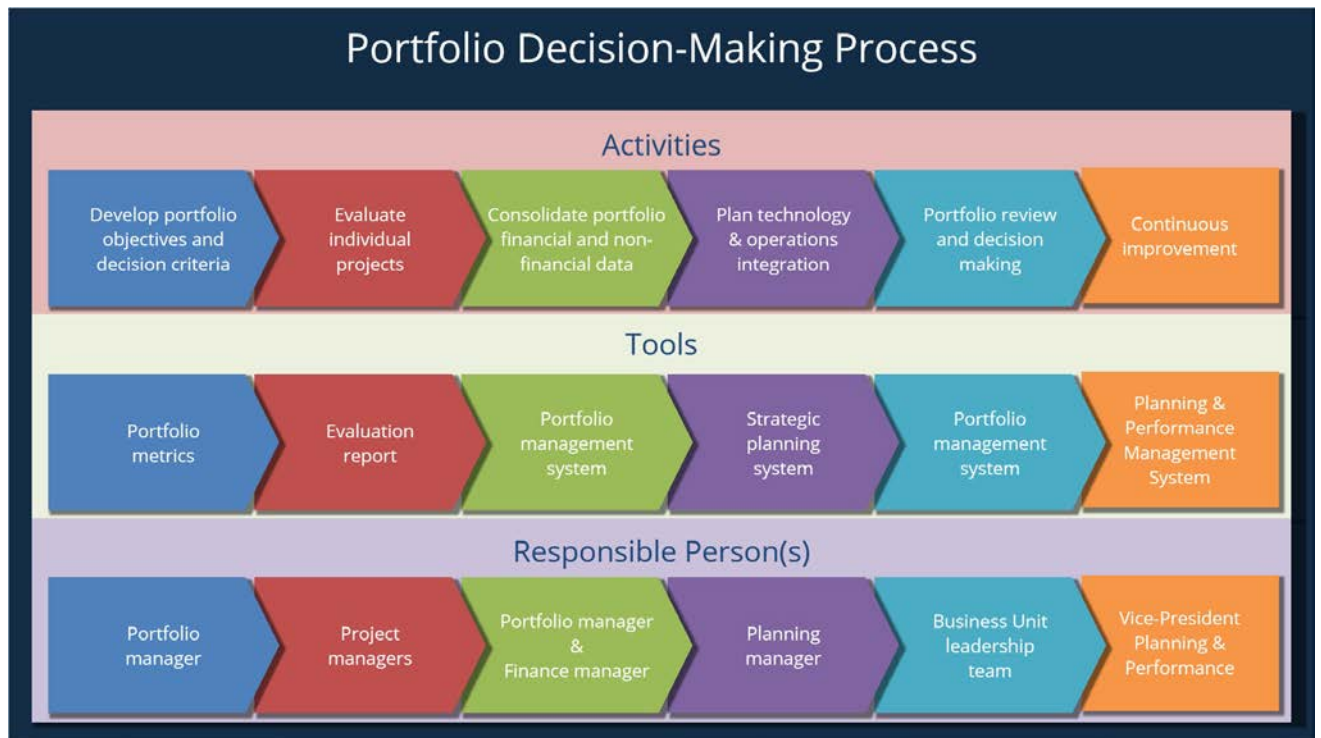## 1. Main

1.2 Topic title

Notes:

In this topic the professor steps through the portfolio decision-making process.
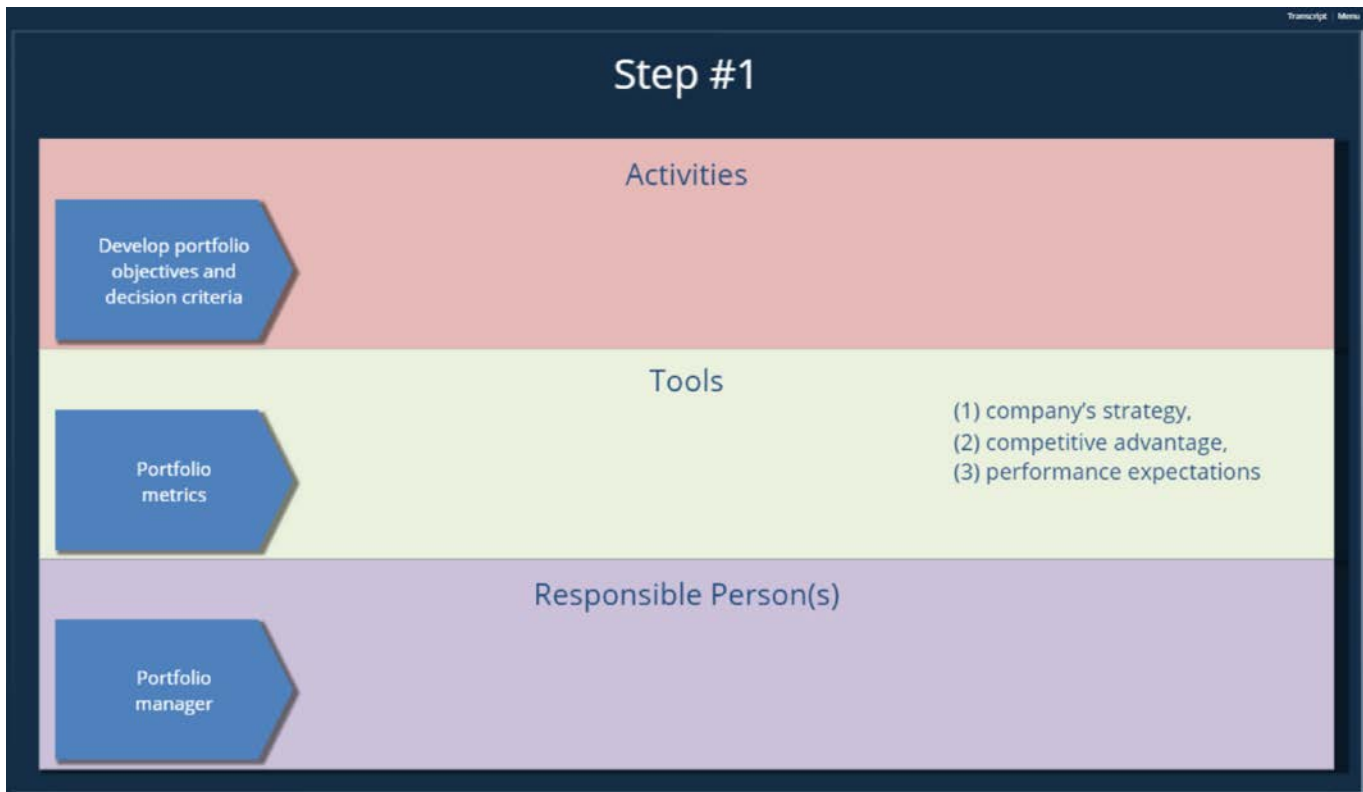
1.3 Introduction

Portfolio Decision-Making Process

Activities					
Develop portfolio objectives and decision criteria	Evaluate individual projects	Consolidate portfolio financial and non-financial data	Plan technology & operations integration	Portfolio review and decision making	Continuous improvement

Tools					
Portfolio metrics	Evaluation report	Portfolio management system	Strategic planning system	Portfolio management system	Planning & Performance Management System

Responsible Person(s)					
Portfolio manager	Project managers	Portfolio manager & Finance manager	Planning manager	Business Unit leadership team	Vice-President Planning & Performance

Notes:

The portfolio decision-making process typically includes the following six steps.

1.4 Step #1

Notes:

(1) First.

A portfolio manager develops a set of portfolio objectives and the decision criteria based on the company's strategy, competitive advantage, and performances expectations.

1.5 Step #2

Notes:

(2) Second.

Project managers follow the evaluation metrics to assess their projects.

Program managers are also involved in this step to support individual project assessment, and compile the program assessment report.

1.6 Step #3

Notes:

(3) The third step.

Portfolio manager of a technology department consolidates the program evaluation reports, and also works with finance manager to combine financial data and non-financial information, to create a holistic view of the portfolio.

A central portfolio management system can help improve efficiency of the portfolio planning.

1.7 Step #4

Notes:

(4) The next step.

Planning manager of a technology department also needs to work with his counterparts in operations departments to plan integration of new technologies with operations activity.

Strategic planning is a key task to accelerate the applications of technology.

1.8 Step #5

Notes:

(5) After all the information is collected, analyzed, business unit leadership team members conduct their portfolio review and make resource decisions.

1.9 Step #6

Notes:

(6) Many organizations follow a continuous improvement process to periodically evaluate and improve the efficiency and effectiveness of project execution to maximize the value of a portfolio.

Also, the department will adjust the portfolio when a company's business objectives change, and typically the vice-president of planning and performance management is responsible for this step.