

# Debunking Five Myths of Effective Strategic Portfolio Management



## What is effective Strategic Portfolio Management (SPM)?

Findings from Gartner’s “Portfolio Management in the Digital Business” survey demonstrate that achieving effective SPM entails a mix of portfolio alignment, ongoing portfolio flexibility and value-driven decision making. However, only 16% of organizations simultaneously achieve high effectiveness in all three attributes of SPM because of the myths around these. Here are those myths — debunked.

# 1

MYTH



**Large business disruptions** are the biggest source of misalignment between enterprise and portfolio strategies.

FACT



In the long run — **small, more frequent changes** incrementally add up to be a bigger source of misalignment between enterprise and portfolio strategies.



**Take Action:** Establish quick and frequent strategy alignment “pit stops” to help business leaders develop the habit of capturing and sharing all changes to their strategic plans and priorities.

# 2

MYTH



**Establishing the right processes** (e.g., portfolio review conversations) enables responsive portfolio reprioritization.

FACT



Reprioritization processes are successful only by **enabling business leader mindsets shifts** toward responsive reprioritization.



**Take Action:** Create a manifesto with required business leader behaviors to instill mindsets that support responsive portfolio reprioritization.

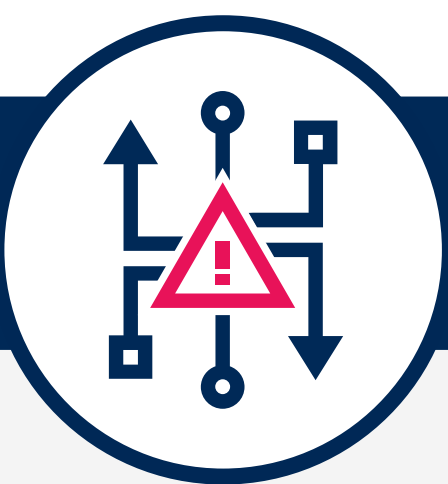
# 3

MYTH



Portfolio reviews and reprioritization should occur at a **pre-established cadence**.

FACT



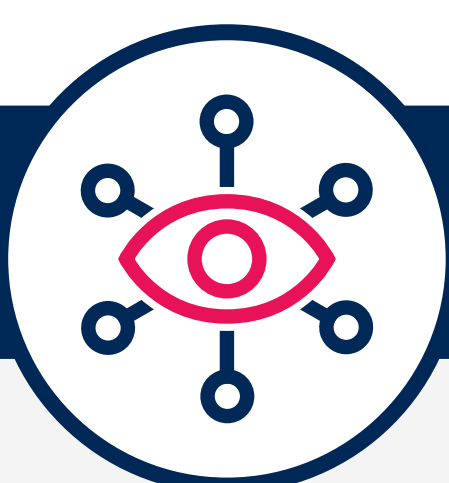
To address change as it occurs, business leaders need to **take reprioritization actions beyond calendar events**.



**Take Action:** Implement a trigger-based approach to reprioritization (i.e., review and adjust portfolios based on internal and external triggers such as leadership change, missed strategic milestones, etc.).

# 4

MYTH



Misalignments between enterprise and portfolio strategies should be **tracked centrally**.

FACT



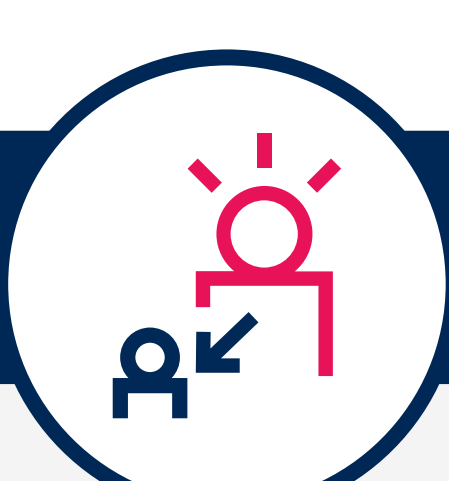
**Portfolio decision-makers should be empowered** to self-identify misalignments as they occur.



**Take Action:** Identify self-reflection questions that enable business leaders to find gaps between their execution plans and the overarching strategy and adjust their execution in the moment.

# 5

MYTH



**Top-down portfolio reprioritization decisions** are more consistent, efficient and faster.

FACT



**Including solution delivery teams** in portfolio re-prioritization decisions increases an organization’s ability to meet digital outcomes by 2.7x.



**Take Action:** Embed delivery team perspective early and more often (e.g. proxy voice through applications leader) to surface potential roadblocks and interdependencies during reprioritization conversations.