

Portfolio decisions

2 days course

The increase of competition and the market dynamism make the correct choice of projects more important now than ever. This course gives the necessary tools and knowledge to be able to prior projects through portfolio management techniques, selecting the optimum combination and maximizing value. We will work on optimization tools to understand the potential impact of each Project on the portfolio, rank the projects according to the different parameters, incorporate the effect of uncertainty on the evaluation mechanisms and allow a sustained decision optimizing the resources allocation. An industry case will be used in the workshop to facilitate the later application of the revised concepts.

At the end of the course attendees will be able to

- Tackle the projects prioritization.
- Value a project according to the strategic objectives of the company.
- Avoid indecision and projects accumulation.
- Gain confidence using common evaluation metrics.
- Evaluate the synergy of projects on the business portfolio.

The course is directed to

- People in charge of making projects selection decisions in the company.
- People that take part in budgets and resources allocation.

Any of the application areas of Portfolio administration:

- *Management of Products or Marks Portfolios*
- *Priorization of Innovation and Development Projects*
- *IT Projects Management*
- *Channels mix Optimization*
- *Resources and budgets allocations and optimizations.*

Course content

Introduction to the portfolio approach

- Advantages and disadvantages of the approach.
- The most common mistakes in the portfolios evaluation.
- Correlations, restrictions and synergies among projects.

A portfolio's value

- Project value and incremental value.
- The incorporation of risk in the value estimation.
- Measuring a portfolio value.

The optimization through simulators

- Decisions framing.
- The use of simulators for the optimization.
- Understanding the results for the decision.

The interpretation of benefits

- The concept of efficient frontier.
- Graphic supports and statistics.
- Commitment and communication.