

FIGURE 2.6
Priority Screening Analysis

Must objectives		Must meet if impacts	Project number			
			...26	27	28	29
All activities meet current legal, safety, and environmental standards		Yes-Meets objective No-Does not meet obj N/A-No impact	n/a			
All new products will have a complete market analysis		Yes-Meets objective No-Does not meet obj N/A-No impact	yes			
Want objectives	Relative Importance 1-100	Single project impact definitions	Weighted score	Weighted score	Weighted score	Weighted score
Provides immediate response to field problems	99	0 Does not address 1 = Opportunity to fix 2 Urgent problem	99			
Create \$5 million in new sales by 20xx	88	0 < \$100,000 1 = \$100,000–500,000 2 > \$500,000	0			
Improve external customer service	83	0 Minor impact 1 = Significant impact 2 Major impact	166			
↓						
↓						
Total weighted score						
Priority						

2.6 Managing the Portfolio System

LO 2-7

Understand the need to manage the project portfolio.

Managing the portfolio takes the selection system one step higher in that the merits of a particular project are assessed within the context of existing projects. At the same time it involves monitoring and adjusting selection criteria to reflect the strategic focus of the organization. This requires constant effort. The priority system can be managed by a small group of key employees in a small organization. Or, in larger organizations, the priority system can be managed by the project office or a governance team of senior managers.

Senior Management Input

Management of a portfolio system requires two major inputs from senior management. First, senior management must provide guidance in establishing selection criteria that