



# INNOVATION PORTFOLIO MANAGEMENT

WEBINAR – NOVEMBER 17<sup>TH</sup> 2022



# WELCOME TO THIS UPDATED WEBINAR!

\* WATCH OUR OTHER PREVIOUS WEBINARS ON OUR WEBSITE:  
<https://www.revelx.co/previous-webinars/>



# THE 3 INNOVATION CHALLENGES

## THE IDEATION CHALLENGE

- » Spotting and creating innovation opportunities
- » Balancing the long- and short-term perspective
- » Selecting the most promising innovations

## THE VALIDATION CHALLENGE

- » Assessing the true potential of new ideas
- » Avoiding unjustified investments in bad ideas or hobby horses
- » Beating the competition on time-to-market

## THE SCALE UP CHALLENGE

- » Turning on the right growth engines
- » Creating the right conditions for growth
- » Balancing management of core business and innovations



# FOLLOW UP TO OUR **PLAYBOOK** SERIES

- » INNOVATION PLAYBOOK
- » INNOVATION **STRATEGY** PLAYBOOK



# **BEST-IN-CLASS INNOVATORS**

- » **Have a well-defined innovation strategy & roadmap**
- » **Manage their innovation portfolio professionally**
- » **Embed innovation in their organization**
- » **Continuously develop their innovation competence, culture and leadership**



# INNOVATION SPECIALISTS AND CREATIVE STRATEGISTS

<https://www.linkedin.com/in/marc-douma-revelx/>

<https://www.linkedin.com/in/matthijsrosman/>



# IN TODAY'S WEBINAR

1

**Designing your  
innovation  
portfolio**

2

**Managing your  
innovation  
funnel**

3

**Reporting on  
your  
innovation  
portfolio**

4

**Making stage  
gate decisions**



# INNOVATION **PORTFOLIO** MANAGEMENT

*Portfolio management is the art of developing and successfully managing a roadmap of innovation projects that will enable you to deliver your innovation strategy*

- » **PROJECT STATUS AND PROGRESS REPORTING**
- » **STAGE GATE DECISION MAKING**
- » **RESOURCE ALLOCATION TO INNOVATION PROJECTS**





# INNOVATION **READINESS** BENCHMARK

Gain valuable insights into how to increase your innovation power.  
Our Innovation Readiness Benchmark will help you to assess your innovation strengths and weaknesses and to improve your innovation performance.

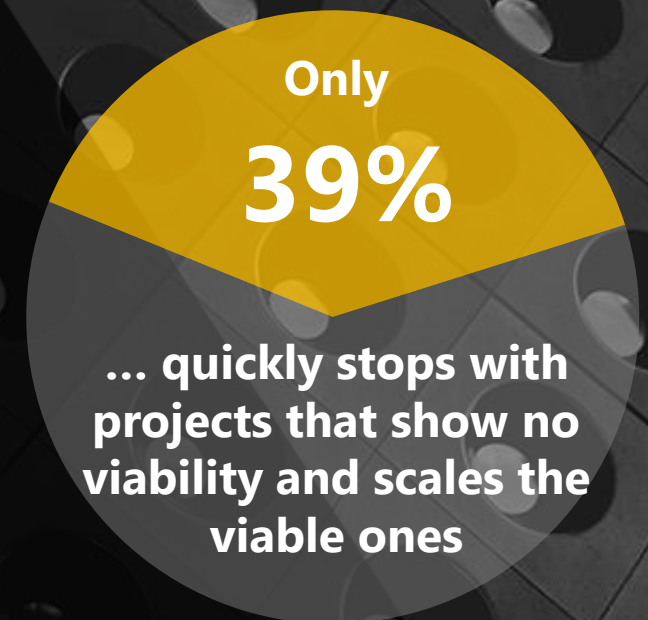
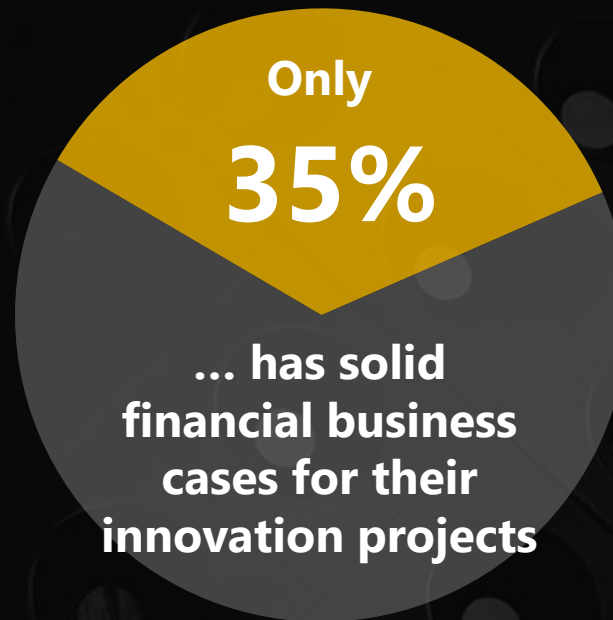
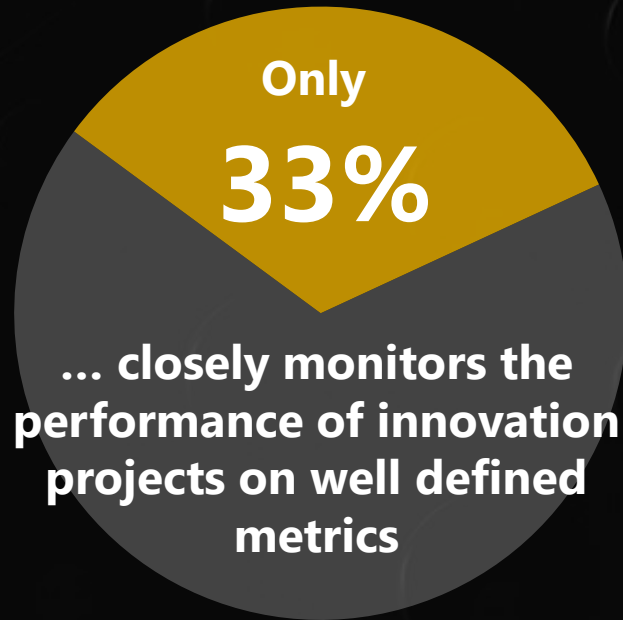
START THE BENCHMARK

**BASED ON 7**  
**INNOVATION **BEST****  
****PRACTICE** AREAS**

**>400 COMPANIES IN**  
**OUR BENCHMARK**  
**DATA**



# WORK TO BE DONE ...



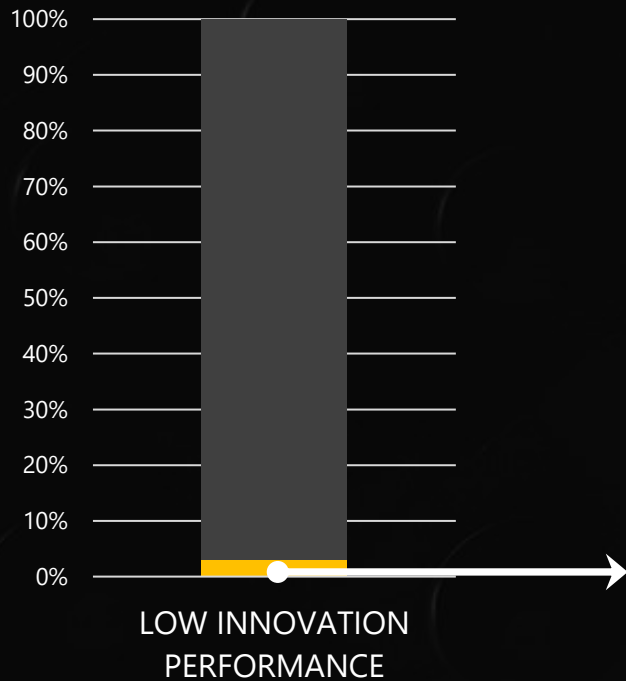
SOURCE: REVELX IRB 2018 - 2022



**WHY BOTHER ...**  
**WITH INNOVATION**  
**PORTFOLIO**  
**MANAGEMENT?**



# WHY BOTHER ...

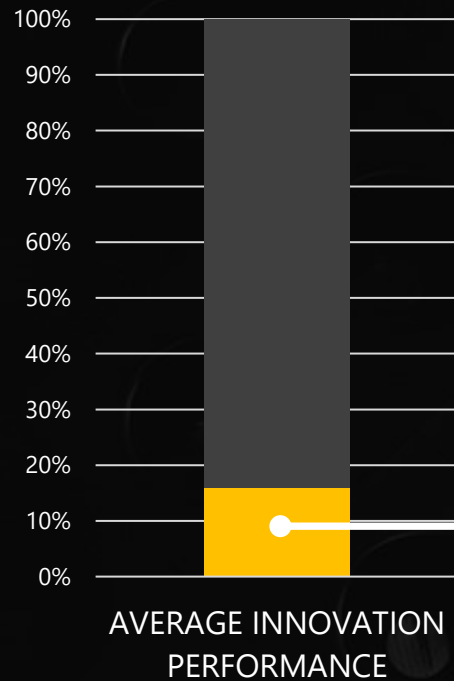
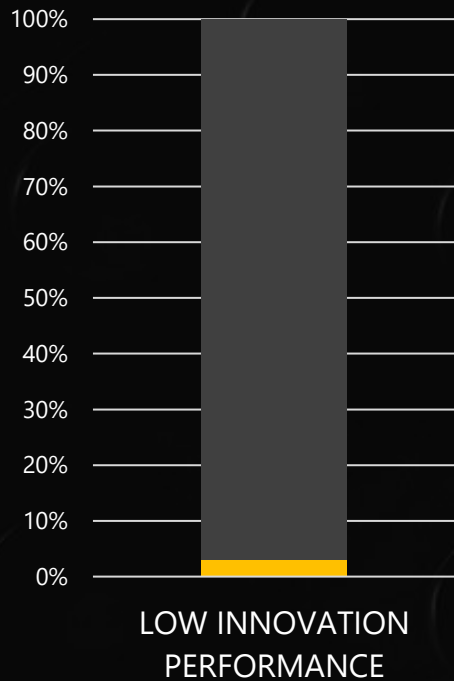


SOURCE: REVELX IRB 2018 - 2022

**3%**  
**OF THE**  
**LOW PERFORMERS**  
**IS GOOD AT**  
**INNOVATION**  
**PORTFOLIO**  
**MANAGEMENT**



# WHY BOTHER ...

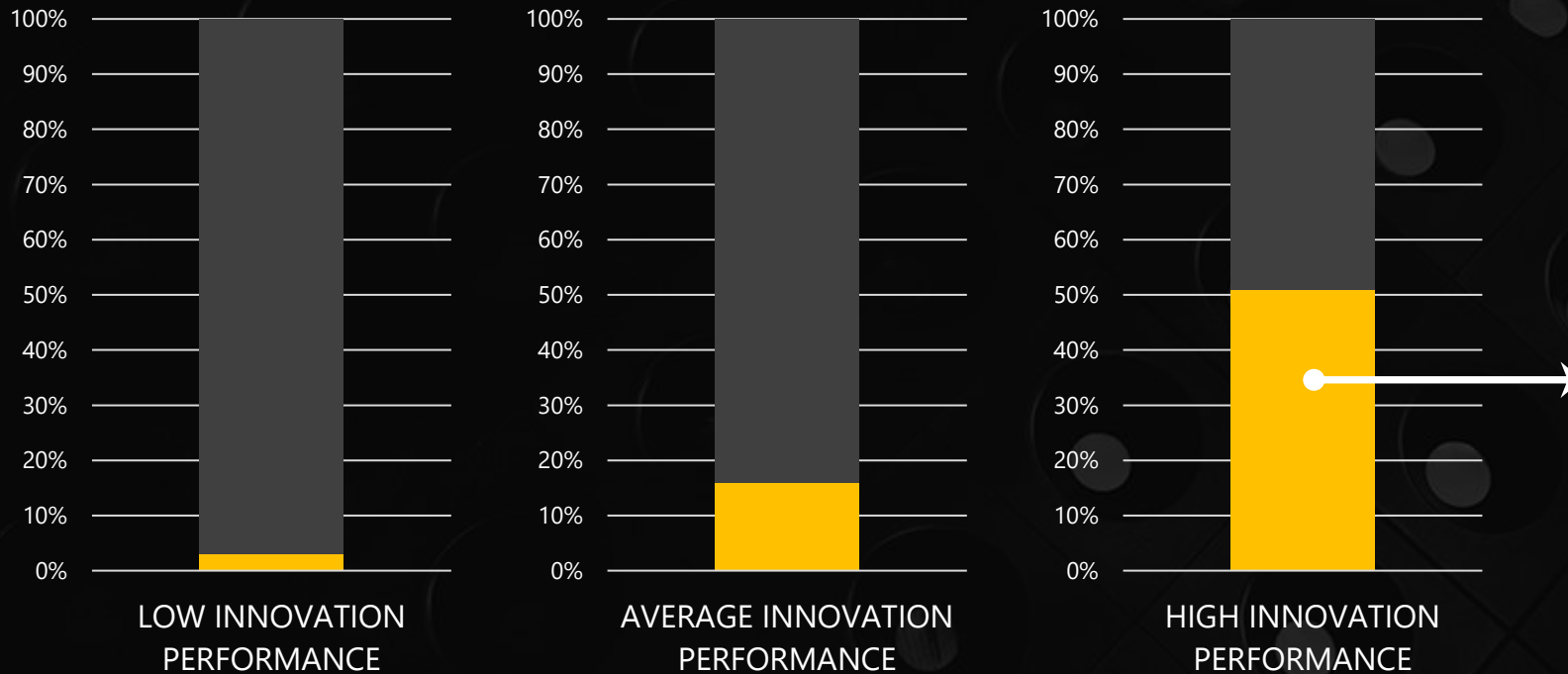


**16%**  
**OF THE**  
**AVERAGE**  
**PERFORMERS**  
**IS GOOD AT**  
**INNOVATION**  
**PORTFOLIO**  
**MANAGEMENT**

SOURCE: REVELX IRB 2018 - 2022



# WHY BOTHER ...



**51%**  
**OF THE**  
**HIGH PERFORMERS**  
**IS GOOD AT**  
**INNOVATION**  
**PORTFOLIO**  
**MANAGEMENT**

SOURCE: REVELX IRB 2018 - 2022



# PORTFOLIO MANAGEMENT

## BENEFITS

- » **Align your strategy and innovation pipeline**
- » **Balance horizon 1, 2, and 3**
- » **Focus scarce resource to maximize value creation**
- » **Create clarity for your innovation teams on what is expected per stage**
- » **Shorten the time to market by setting targets for stage gates**
- » **Reduce the number of hobby horses and 'dead' horses**



# DESIGNING YOUR INNOVATION PORTFOLIO





# PORTFOLIO DIMENSIONS

- » PROJECT SIZE AND THEIR IMPACT ON THE BUSINESS
- » BALANCE OVER THE THREE HORIZONS OF INNOVATION



# INNOVATION THEMES

- » COVERING ALL HORIZONS OF INNOVATION
- » COVERING ALL STAGES OF THE INNOVATION PROCESS

RevelX Innovation Strategy Canvas

Key innovation themes and ambition	
Innovation theme	Innovation ambition 3-5 years

The image shows a comprehensive view of the RevelX Innovation Strategy Canvas. It is divided into several key sections:

- Drivers for disruptive innovation:** Includes sections for Societal megatrends, Technological drivers, and Unfulfilled future customer needs.
- Innovation North Star and targets:** Features a 'Company BHAG or mission statement', an 'Innovation North Star', and 'Top 3 Innovation Performance Indicators' with a target table.
- Innovation enablers:** Lists 'Innovation enabler' categories such as Portfolio management, Organization of innovation, Innovation portfolio and core competencies, and Key talent capabilities.
- Innovation readiness benchmark:** A checklist for 'All areas' and 'Recent' performance across categories like Innovation performance, Business case, Customer centricity, Organizational agility, Portfolio management, Organization, Skills and competencies, and Culture and leadership.
- Key Innovation themes and ambition:** A table for defining themes and 3-5 year ambitions.
- Innovation roadmap:** A table for tracking 'Top 3 innovation projects per theme' with columns for 'Horizon' and 'Due date'.



# MAKING THE CUT

- » QUALIFIES AS AN INNOVATION INITIATIVE
- » LINKS TO AN INNOVATION THEME
- » PROJECT IS DEEMED VIABLE



# EVALUATING THE PORTFOLIO

- » **STRATEGY ALIGNMENT**
- » **VALUE CREATION AND RETURN**
- » **ABILITY TO EXECUTE**



DOWNLOAD THE CHECKLIST



# EVALUATING THE PORTFOLIO

- » **STRATEGY ALIGNMENT**
- » **VALUE CREATION AND RETURN**
- » **ABILITY TO EXECUTE**

 [DOWNLOAD THE CHECKLIST](#)



**KEEP DOING THIS!**



# 4 PITFALLS TO AVOID

- » ACCEPTING WRONG PROJECTS
- » TOO MANY PROJECTS
- » LOPSIDED PORTFOLIO
- » HOBBY AND 'DEAD' HORSES



# STAGE GATE DESIGN & CRITERIA



# INNOVATION FUNNEL

IDEATION		VALIDATION		SCALE-UP	
EXPLORATION	DISCOVERY	EXTERNAL VALIDATION	INTERNAL VALIDATION	LAUNCH	ACCELERATE
Exploration within strategic innovation themes	Discovery of innovation opportunities	Validation of innovation opportunity with customers	Validation of the business model viability	Launch of the innovation in the market	Turn on the growth engines to scale the innovation





# INNOVATION STAGES **vs** STAGE GATES

## STAGES

- » SET OF PROCESS STEPS INNOVATIONS GO THROUGH
- » LEADING TO DELIVERABLES

## STAGE GATES

- » DECISION MOMENTS FOR PROJECTS
- » LEADING TO ADVANCEMENT IN THE FUNNEL



IDEATION		VALIDATION		SCALE-UP	
EXPLORATION	DISCOVERY	EXTERNAL VALIDATION	INTERNAL VALIDATION	LAUNCH	ACCELERATE

# EXPLORATION

## WHAT IS IT?

- » Exploring your innovation themes
- » Taking a deep dive

## DELIVERABLES

- » Long list of innovation ideas
- » Pitch or rationale for pursuing an idea

## CRITERIA

- » Supporting the theme
- » Does it fit with us?
- » Do we have the resources?



IDEATION		VALIDATION		SCALE-UP	
EXPLORATION	DISCOVERY	EXTERNAL VALIDATION	INTERNAL VALIDATION	LAUNCH	ACCELERATE

# DISCOVERY

## WHAT IS IT?

- » Elaborate on innovation ideas
- » Discover 'problems worth solving'

## DELIVERABLES

- » Personas to target
- » Problem statements
- » Opportunity assessment

## CRITERIA

- » External orientation
- » Number of customers consulted



IDEATION		VALIDATION		SCALE-UP	
EXPLORATION	DISCOVERY	EXTERNAL VALIDATION	INTERNAL VALIDATION	LAUNCH	ACCELERATE

# EXTERNAL VALIDATION

## WHAT IS IT?

- » Validating our ideas with customers
- » Testing the most critical assumptions

## DELIVERABLES

- » MVSs
- » Proof of desirability and viability
- » Pivots identified

## CRITERIA

- » Problem-Solution fit
- » Solution-Market fit



IDEATION		VALIDATION		SCALE-UP	
EXPLORATION	DISCOVERY	EXTERNAL VALIDATION	INTERNAL VALIDATION	LAUNCH	ACCELERATE

# INTERNAL VALIDATION

## WHAT IS IT?

- » Assessment of viability of the business model

## DELIVERABLES

- » Business model canvas
- » Proof of feasibility
- » Market launch planning

## CRITERIA

- » Business model fit



IDEATION		VALIDATION		SCALE-UP	
EXPLORATION	DISCOVERY	EXTERNAL VALIDATION	INTERNAL VALIDATION	LAUNCH	ACCELERATE

# LAUNCH

## WHAT IS IT?

- » Launching an innovation into the market
- » Creating traction with early adopters

## DELIVERABLES

- » Cohort analysis
- » Early assessment of acquisition costs
- » Scale up planning

## CRITERIA

- » Proof of traction in the market
- » Conversion rate
- » Cohort analysis performance



IDEATION		VALIDATION		SCALE-UP	
EXPLORATION	DISCOVERY	EXTERNAL VALIDATION	INTERNAL VALIDATION	LAUNCH	ACCELERATE

# ACCELERATE

## WHAT IS IT?

- » Turning on the growth engines
- » Scaling the innovation to full potential

## DELIVERABLES

- » Business score card
- » Hand-over plan
- » Growth strategy canvas

## CRITERIA

- » Revenue parameters (ARR/MRR)
- » Return on marketing spend
- » Customer lifetime value



# OVERALL PERFORMANCE METRICS

## EFFECTIVENESS OF THE INNOVATION PROCESS

- » Time to market
- » Stage gate passing rates
- » Value development
- » Commitment of stakeholders

## PERFORMANCE OF INNOVATION PROJECTS

- » Are project running according to planning?
- » How many projects are well resourced?
- » How many project run on budget ?



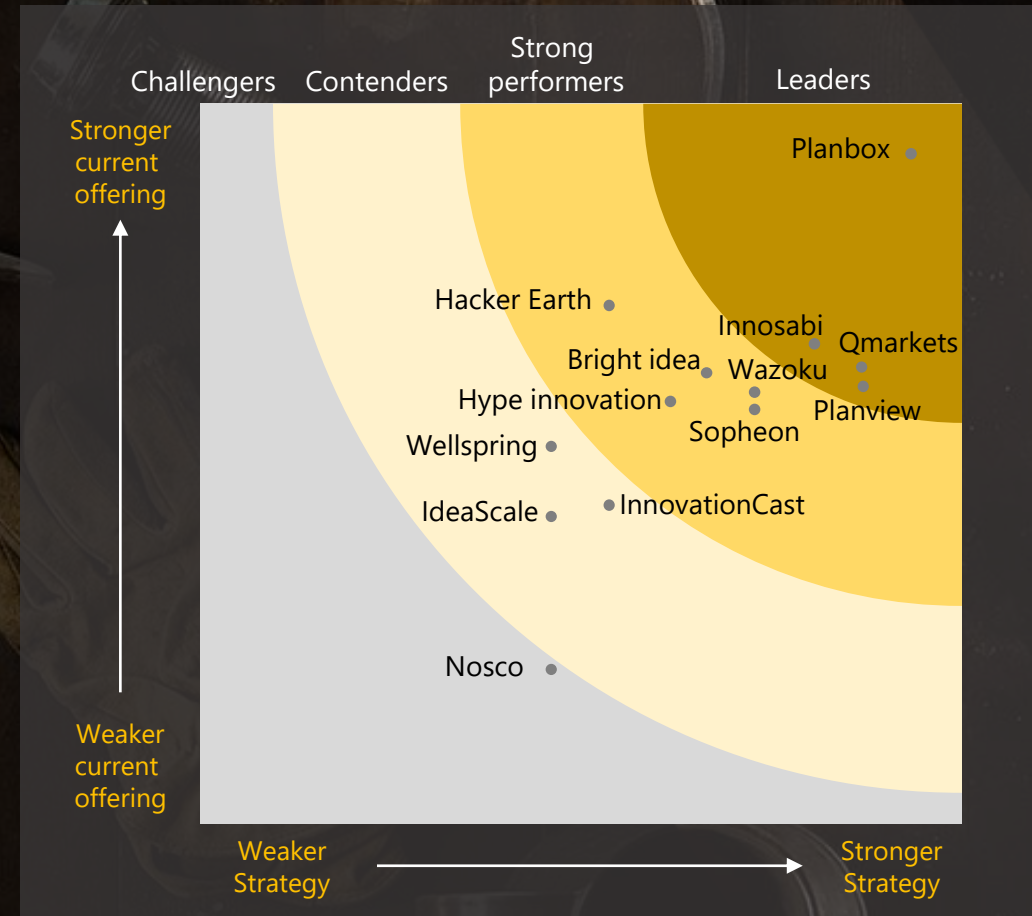


# REPORTING ON YOUR PORTFOLIO



# PORTFOLIO MANAGEMENT TOOLING

- » THERE ARE MANY OPTIONS OUT THERE
- » PICK THE RIGHT SOLUTION FOR YOU
- » SOMETIMES, EXCEL WILL DO



# PORTFOLIO REPORTING

## REPORTING ON INDIVIDUAL PROJECTS

- » STAGE PLANNING
- » GENERAL PROJECT PERFORMANCE
- » THE STRATEGIC VALUE OF THE PROJECT
- » KEY BUSINESS CASE DATA

Project description		Stage planning				Project performance				Strategic value		Business case	
Theme	Project	Project description	Project status	Start	End	Progress	Health	ROI	NPV	Investment	NPV		
Theme 1	Project 1	Project description	On Track	2023-01-01	2024-12-31	80%	Green	1.5	1.2	100	200		
Theme 1	Project 2	Project description	At Risk	2023-03-01	2024-06-30	50%	Yellow	0.8	0.5	50	100		
Theme 2	Project 3	Project description	Completed	2022-01-01	2023-01-31	100%	Green	2.0	1.8	150	300		
Theme 2	Project 4	Project description	On Track	2023-06-01	2025-03-31	30%	Green	1.0	0.7	80	160		
Theme 3	Project 5	Project description	On Track	2023-09-01	2024-09-30	60%	Green	1.2	0.9	90	180		
Theme 3	Project 6	Project description	On Track	2023-11-01	2025-06-30	10%	Green	0.5	0.3	40	80		
Theme 4	Project 7	Project description	On Track	2024-01-01	2025-12-31	5%	Green	0.3	0.2	20	40		
Theme 4	Project 8	Project description	On Track	2024-03-01	2026-03-31	2%	Green	0.2	0.1	10	20		
Theme 4	Project 9	Project description	On Track	2024-05-01	2026-06-30	1%	Green	0.1	0.05	5	10		
Theme 4	Project 10	Project description	On Track	2024-07-01	2026-09-30	0%	Green	0.0	0.0	0	0		
Theme 4	Project 11	Project description	On Track	2024-09-01	2026-12-31	0%	Green	0.0	0.0	0	0		
Theme 4	Project 12	Project description	On Track	2024-11-01	2027-03-31	0%	Green	0.0	0.0	0	0		
Theme 4	Project 13	Project description	On Track	2025-01-01	2027-06-30	0%	Green	0.0	0.0	0	0		
Theme 4	Project 14	Project description	On Track	2025-03-01	2027-09-30	0%	Green	0.0	0.0	0	0		
Theme 4	Project 15	Project description	On Track	2025-05-01	2027-12-31	0%	Green	0.0	0.0	0	0		
Theme 4	Project 16	Project description	On Track	2025-07-01	2028-03-31	0%	Green	0.0	0.0	0	0		
Theme 4	Project 17	Project description	On Track	2025-09-01	2028-06-30	0%	Green	0.0	0.0	0	0		
Theme 4	Project 18	Project description	On Track	2025-11-01	2028-09-30	0%	Green	0.0	0.0	0	0		
Theme 4	Project 19	Project description	On Track	2026-01-01	2028-12-31	0%	Green	0.0	0.0	0	0		
Theme 4	Project 20	Project description	On Track	2026-03-01	2029-03-31	0%	Green	0.0	0.0	0	0		

## REPORTING ON THE OVERALL PORTFOLIO

- » INVESTMENTS PER THEME
- » SPREAD OF PROJECTS PER STAGE
- » COVERAGE OF INNOVATION HORIZONS
- » NUMBER OF PROJECTS AT RISK

Innovation portfolio summary	# projects	# projects per stage					# projects by horizon			# projects by status		Business case					
		Explore	Discover	Internal	External	Launch	1	2	3	At Risk	OK	1	2	3	Total	NPV	
Innovation theme 1	10	2	1	4	3		6	4	1	1	3	6	1,000	200	300	1,500	1,000
Innovation theme 2	6	4	2				6			2	2	2	400			400	200
Innovation theme 3	6	1	2	3			4	1	1			6	600	300	400	1,300	500
Innovation theme 4	3				1	1	1			1	2		100			100	300
Total portfolio	25	7	5	7	4	1	19	5	2	3	6	16	2,100	500	700	3,300	2,000



# PARTNERSHIP IN INNOVATION

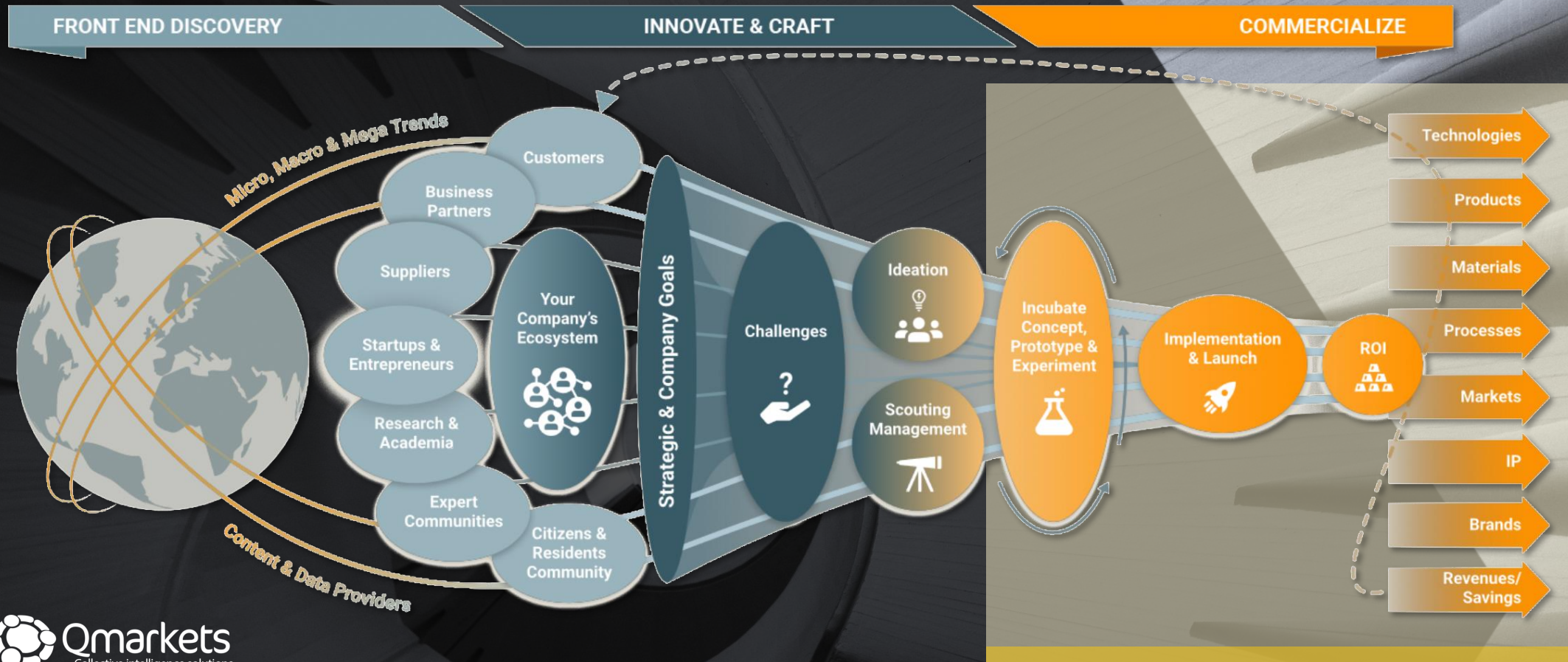


**Qmarkets**  
Collective intelligence solutions

**REVELX**  
REALIZING GROWTH

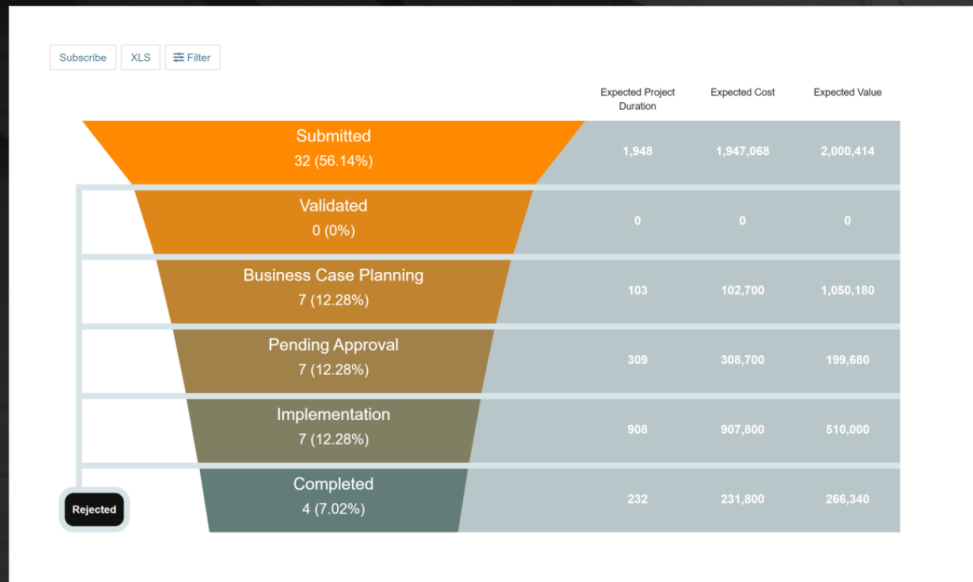


# Q IMPACT



# PIPELINE MANAGEMENT

Evaluate all projects in the portfolio  
and communicate effectively to all stakeholders



# MILESTONE PLANNING & TRACKING

Collaborate on projects, allocate tasks, and manage timelines and milestones

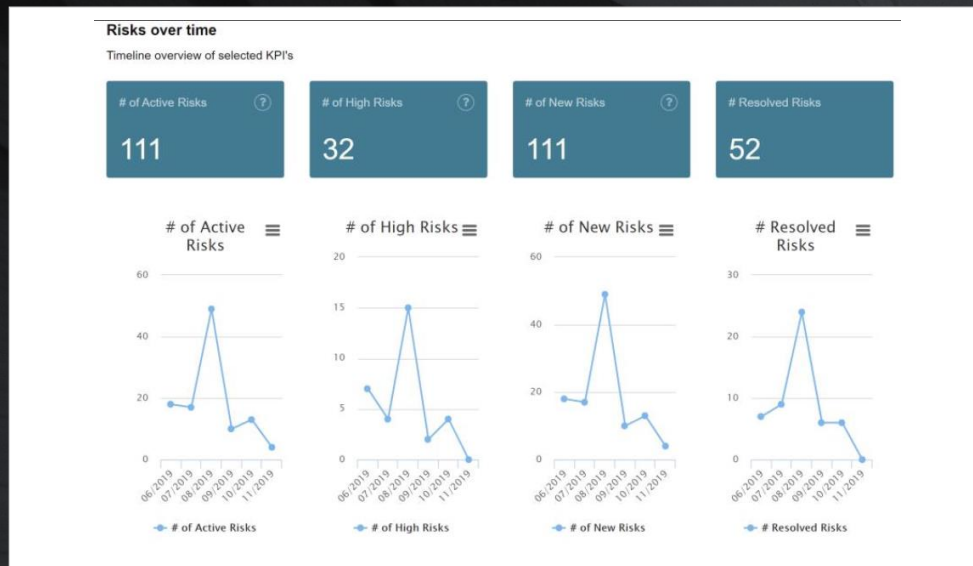
Milestones 2

Milestone Name	Milestone Type	Relevance to the Project	Milestone Date	Owner	State	Actions
<a href="#">Creating a Mock Up of the finished product</a>	Decision Point	Very High	15/07/2021	John Wayne USA...	New	...
<a href="#">Finish a fully functional Prototype</a>	Major Delivery	High	01/08/2021	Steve Reeds Japa...	New	...



# RISK MANAGEMENT

Identify key risks and manage them per project and applicable owners





# MAKING STAGE GATE DECISIONS



# **DATA DRIVEN** **DECISION MAKING**

- » **ADOPT A DATA DRIVEN MINDSET**
- » **USE THE EVIDENCE FROM EXPERIMENTS**
- » **MIND YOUR BIASES**



# HELPFUL RESOURCES

1



**GET DARE:  
OUR BOOK ON  
CORPORATE  
INNOVATION**

<https://www.revelx.co/dare/>

2



**TAKE PART IN THE  
INNOVATION  
READINESS  
BENCHMARK**

<https://www.revelx.co/innovation-readiness-benchmark/>

3



**DOWNLOAD OUR  
CORPORATE  
INNOVATION  
PLAYBOOK**

<https://www.revelx.co/corporate-innovation-playbook/>

4



**VISIT OUR GROWTH  
WAREHOUSE FOR  
MORE TOOLS AND  
INSPIRATION**

<https://www.revelx.co/canvases/>

5



**BOOK A FREE 30-MINUTE CONSULTATION WITH US**



# JOIN OUR NEXT WEBINAR

**COPORATE VENTURING**  
JANUARY 19, 2023



**Qmarkets**  
Collective intelligence solutions



**REVELX**



# REVELX

Amsterdam office | Paasheuvelweg 25 | 1105 BP Amsterdam | [www.revelx.co](http://www.revelx.co) | 020 - 7609090 |  
[info@revelx.nl](mailto:info@revelx.nl)

