

THE PROJECT PORTFOLIO MATRIX

How do you ensure prioritization between competing projects? The Project Portfolio Matrix is a useful tool for those balancing initiatives. Prioritization could occur based on initiative cost and time or any set of parameters. The x-and y-axis should be labeled given aspects of interest, e.g., cost, return on investment, on-time status, or level of understanding.

This tool allows for examination of outliers to strategy and allow for thoughts on how to adjust initiatives. The matrix poses the question if any projects can be adjusted to move the project to a more advantageous position.

For example, if examining technical difficulty and commercial potential, projects in the top-right area are considered “Pearls” because they may be revolutionary with high returns and are easy to accomplish. Those in the bottom-right or “Oysters” are those for projects are for strategic advantage but may fail. Those projects in the top-left or “Bread and Butter” produce regular results and need evolutionary improvements. Projects in the bottom-left quadrant may consume resources unnecessarily and may be stopped.

