



Post-Pandemonium Portfolio

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David Matheson



Decades working with companies.

From Nuclear Waste Cleanup to Movie Production.

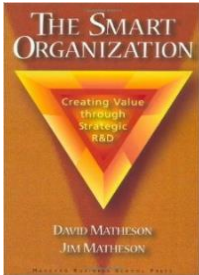
Founder of SmartOrg, Inc.

President and CEO

Connecting Innovation and Finance



SMARTORG®



Author of The Smart Organization.

Benchmarking hundreds of companies.

Innovation & Portfolio Thought Leader

Stanford Instructor, Back End of Innovation Chair, Fellow of SDP



SMARTORG®

Consulting

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Connecting Innovation and Finance



Software

**HARNESS UNCERTAINTY
FOR INVESTMENT INSIGHTS**
THAT **AMPLIFY** THE **RETURN ON INNOVATION**

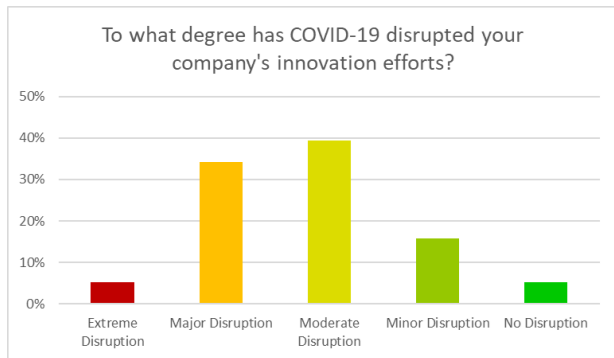


Portfolio
Navigator®



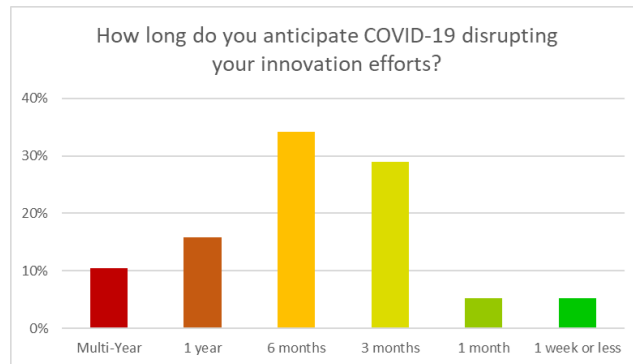
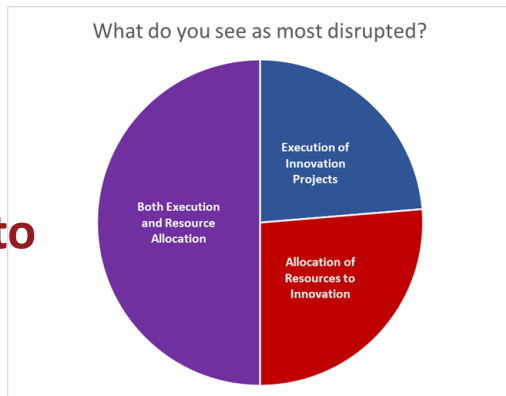
Innovation
Navigator™

Disruption to innovation and growth from Covid-19.



80% face Moderate or greater disruption

78% see disruption in allocation of resources to growth & innovation



8 Month Average Anticipated Disruption

- Cancel projects to cut cost
- Stop because key resources unavailable
- Redirect to urgent opportunity



Seeking comfort and security:

Return to what worked in the past.

Eliminate the unfamiliar.

Hyper focus on what you can control.

Hoard resources.

Deny and flee uncertainty.

....









Seek Familiar

Embrace Uncertainty

EMBRACE UNCERTAINTY



THE MAGIC CERTAINTY BUTTON

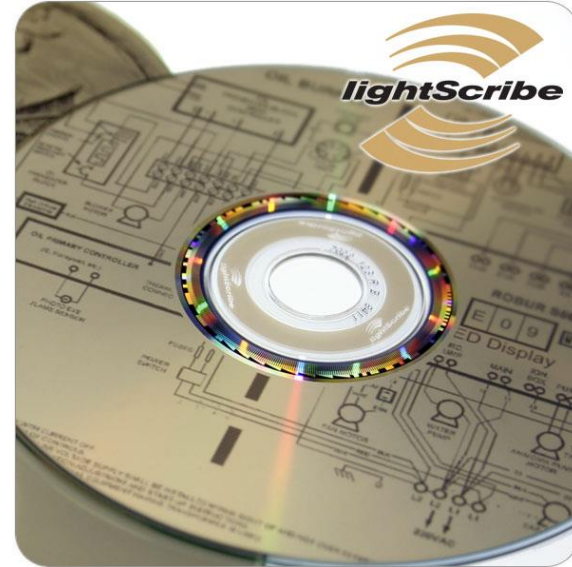


[DOESN'T EXIST]

Who missed the iPod inflection point?

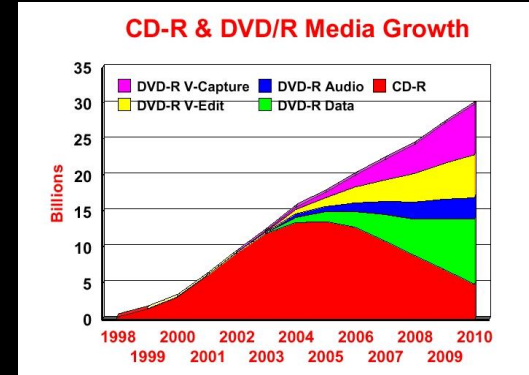


Who didn't miss the iPod inflection point?

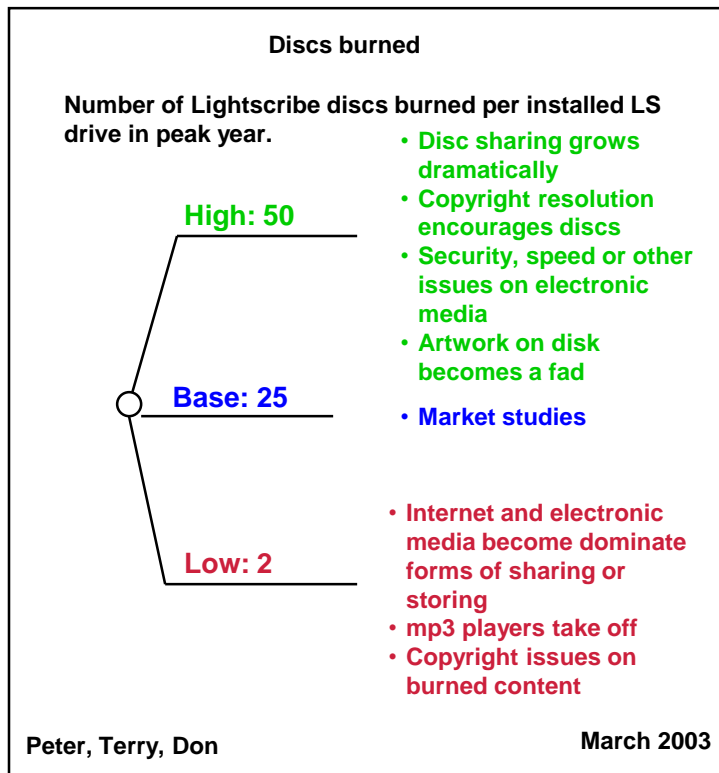


Uncertainty Assessment: Number of labeled discs each year

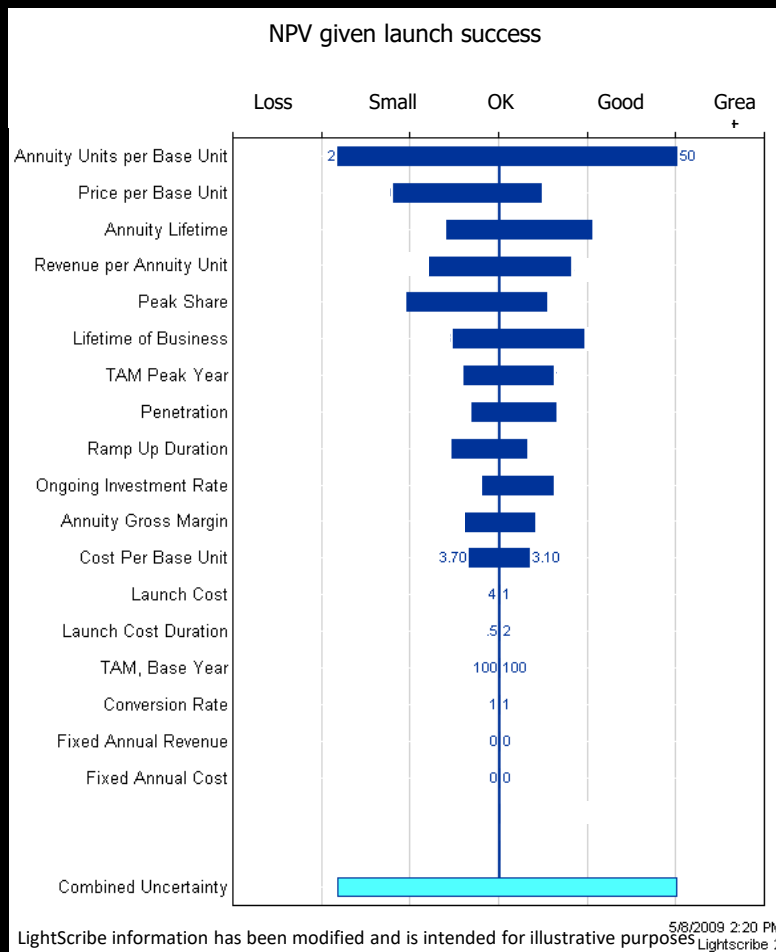
- In 2004; 300M drives installed base, 15B total discs burned = 50 discs burned per drive
- Projected percentage of burned discs that will be labeled using LightScribe at projected cost and performance = 50%
- Projected discs labeled annually for users with a LightScribe drive = 25
- Error range of consumer research = +/- 20%



Uncertainty discussion of disks burned per drive.



LightScribe Uncertainty Analysis



A photograph of two men in business attire, one with arms raised in celebration, overlaid on a red background. The man on the left is wearing glasses and a dark suit, smiling. The man on the right is wearing a blue shirt and a dark vest, also smiling with his arms raised. The image is slightly blurred and has a vintage feel.

**Focus on Control
& Reliability**

Drive Upside

DRIVE UPSIDE





**Playing Not to Lose
vs.
Playing to Win**



How to win big with frequency-hopping radios?

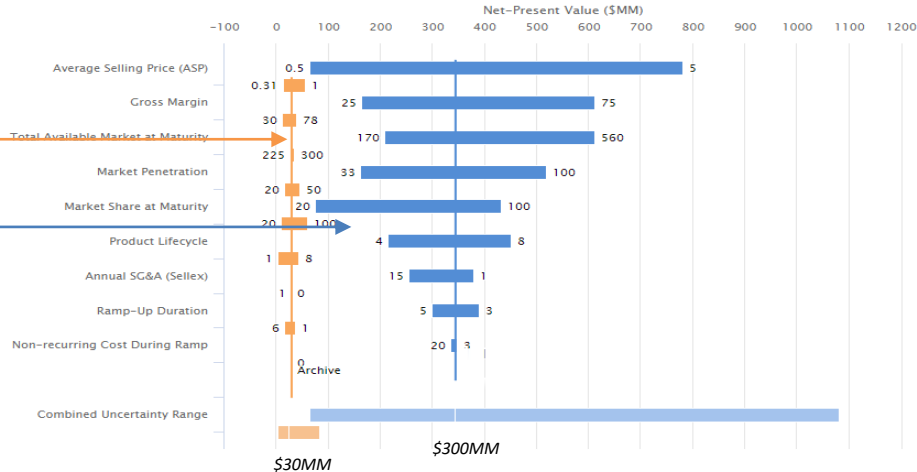


Example of finding upside by understanding uncertainty: Project X

Momentum:
responsive
technical support

Upside: active
business /
relationship
management

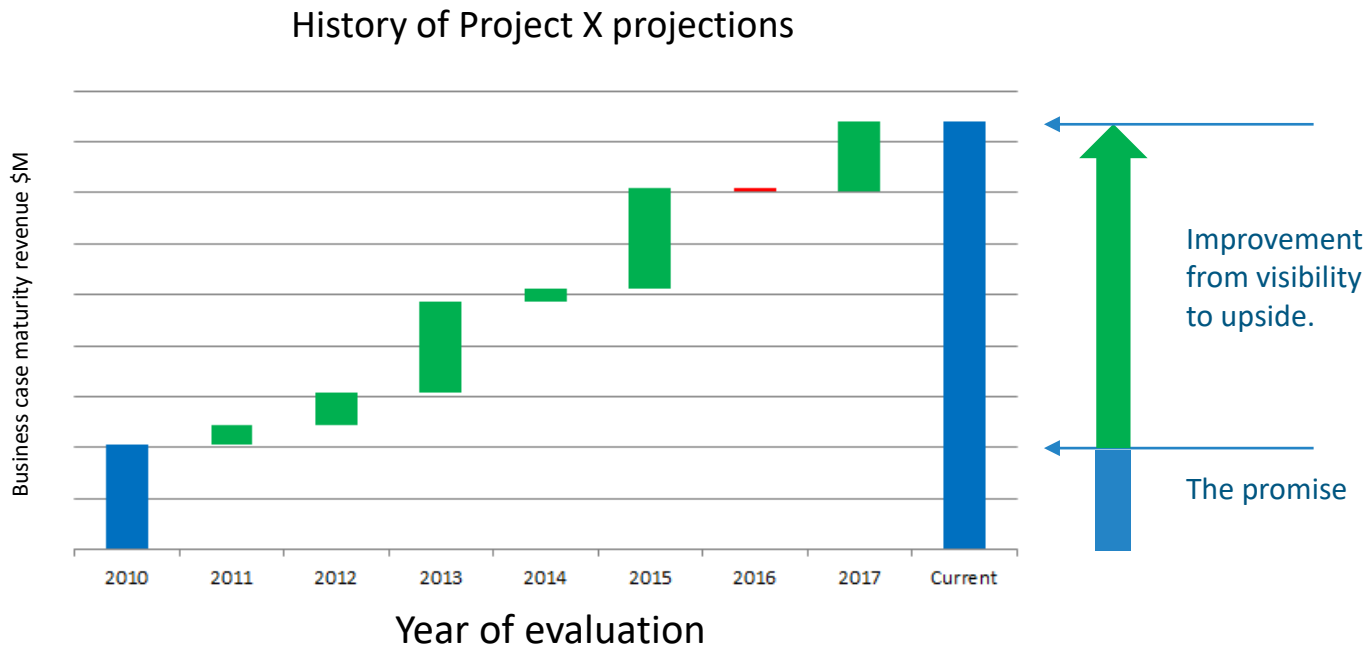
Project Value given development success (\$M NPV)



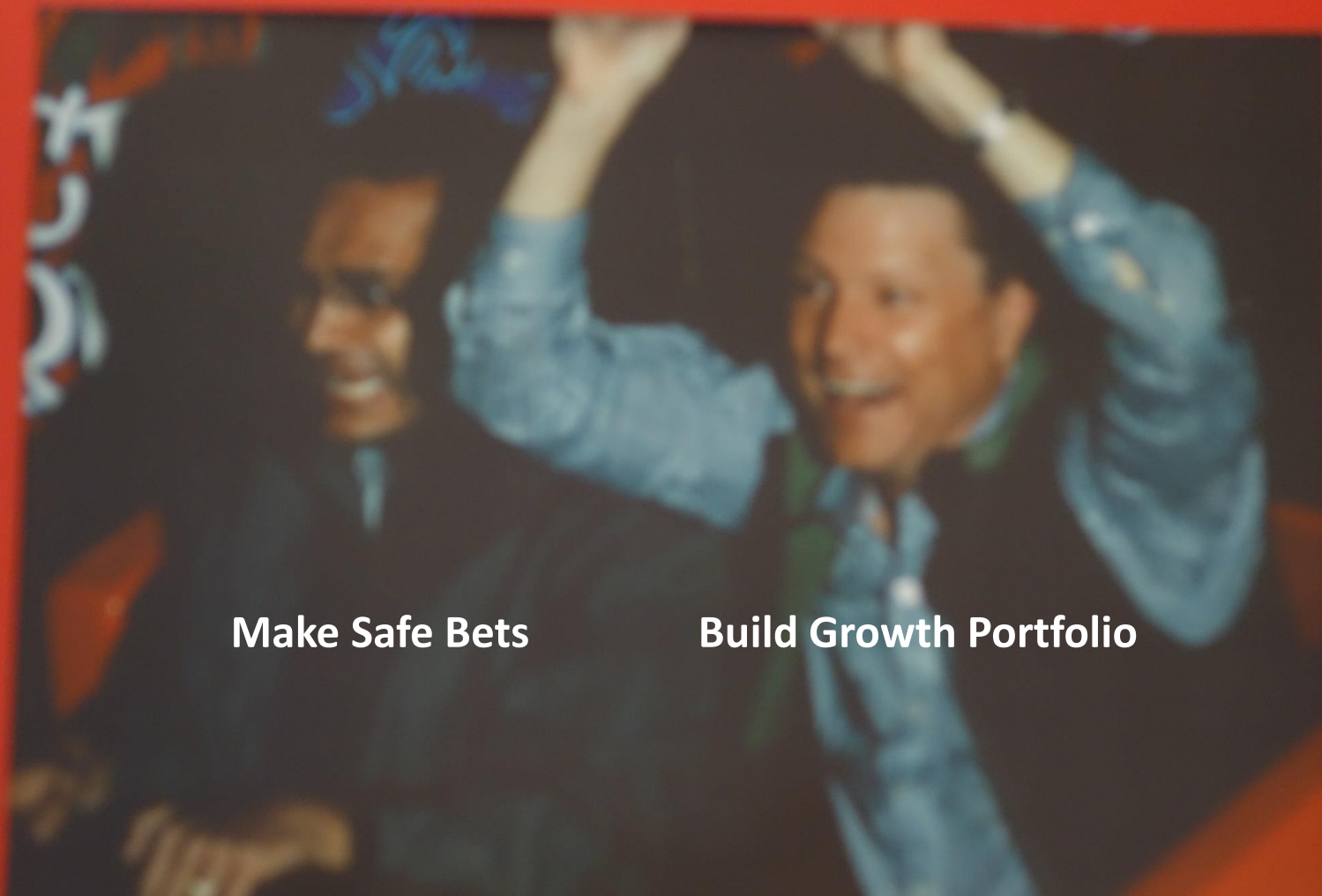
What is your big idea?



Driving Upside is 5x better than delivering on the promise.



Unlock the value beyond the spreadsheet and assumptions.



Make Safe Bets

Build Growth Portfolio

BUILD A GROWTH PORTFOLIO



Few companies have growth portfolios.



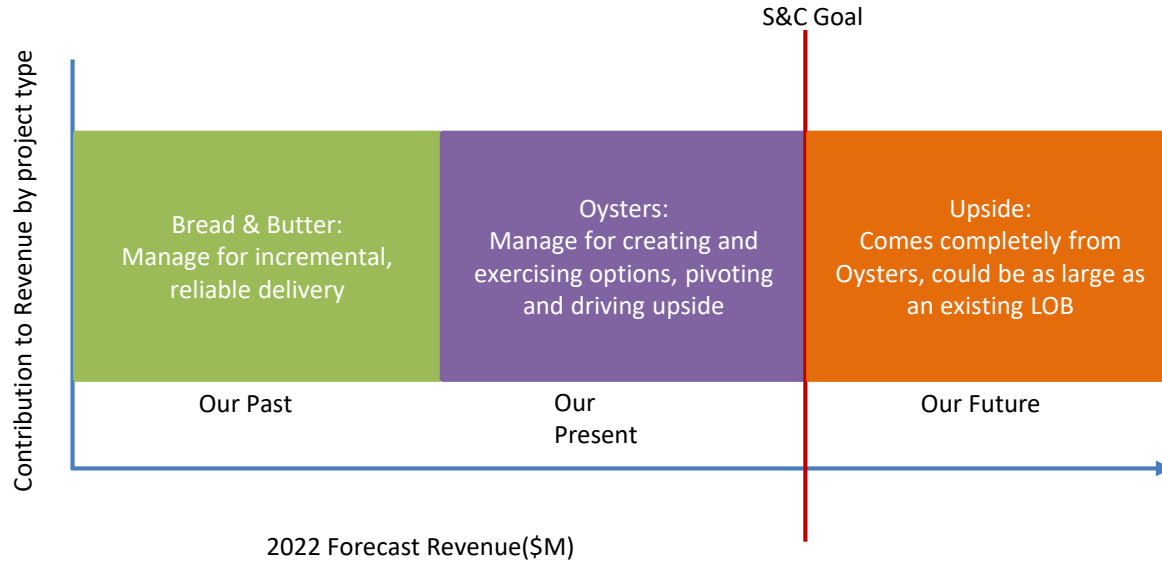
"It's not really a growth OR a value portfolio. It's more of a feel-good portfolio."

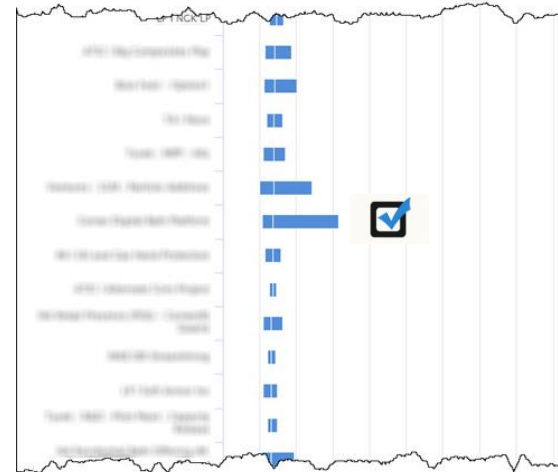
Familiar + Reliable + Controllable + Safe =

A green road sign with white text that reads "Mediocrity Next Exit". The sign is mounted on two wooden posts and is set against a background of a blue sky with white clouds. The sign is tilted slightly to the right.

Mediocrity
Next Exit

Reliable projects are inadequate to hit growth goals.

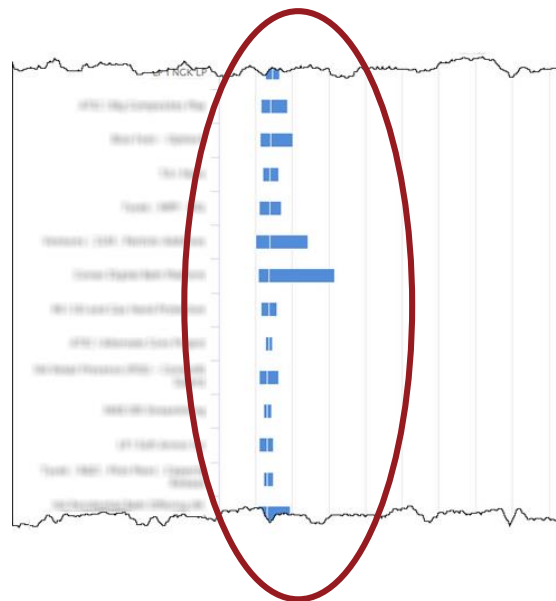
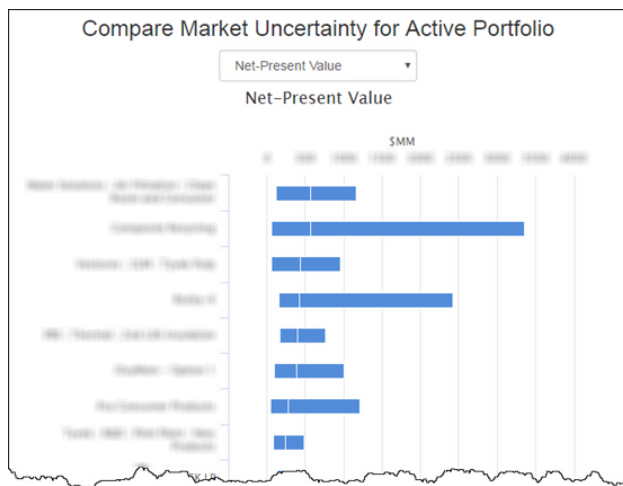




Prior to Implementation, teams have been systematically thinking small, based on delivering to the “promise”



The greatest obstacle to big ideas the the clutter of little ideas.



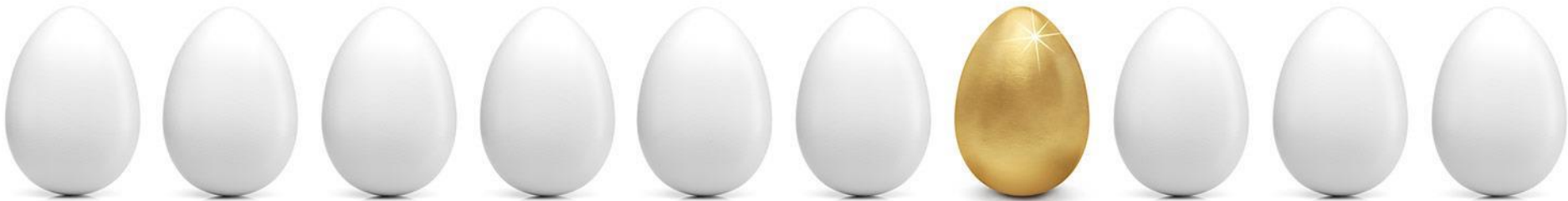
Decluttering Opportunity

Typical portfolios have 30-40% clutter!



- **Embrace Uncertainty**
- **Drive Upside**
- **Build a Growth Portfolio**

DON'T LET A GOOD CRISIS GO TO WASTE







How much of your portfolio needs rethinking to drive growth in the post-pandemic world?

**X% of our current momentum projects are
not the right ones
or must dramatically change
to drive growth in the post-pandemic world.**

A little (<20%)

Some (20-40%)

About Half (40-60%)

Most (60-80%)

Almost all (>80%)

What needs to be rethought?

Across Portfolio

- Where and how much to invest
- Reduce clutter
- Achieving growth objectives

Innovation Opportunity

- Reassess Potential
- Update Hypotheses
- Prioritize Experiments

SmartOrg is offering free interactive online 90-minute assessments.







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