

Meeting Minutes:

ISBM New Product Development Consortium

February 25, 2000

In this document:

- Issues & Ideas: A list of key concerns, issues, ideas, and topics discussed at the meeting, for possible consideration at future consortium meetings.
- Summaries of participant program/issue comments.
- Formal presentations by:
 - [Ernie Maier](#), Business Development Director of 3M Co.
 - New product development expert [Robert G. Cooper](#) of McMaster University.

Action items from the meeting:

- Report back to members on the “Atom” project streamlining stage-gate processes for small companies, developed by ISBM, Robert Cooper, and SPIRC.
- Report back to members additional information about:
 - TRIZ problem solving methods. See URLs <http://www.ideationtriz.com/> and <http://members.aol.com/zroyzen/triz.html>.
 - Six Hat Systems (See <http://www.sixhats.com/> where Edward de Bono, who has issued press releases calling himself “the world’s greatest thinker,” explains his creativity training software and programs.)
 - Frank V. Cespedes’s book *Concurrent Marketing: Integrating Product, Sales, and Service* (Harvard Business School Press, 1995; ISBN: 0875844448). See <http://www.amazon.com/exec/obidos/ASIN/0875844448/o/qid=951923805/sr=8-4/104-4359117-0420468> for book information, reviews, and a reader’s five-star recommendation.

Issues and Ideas: Priority topics surfacing in the discussion

- Better new product development (NPD) implementation.
- Improving ties between marketing and engineering.
- Better metrics for the NPD process.
- Moving from successes with product extensions to higher-risk new and breakthrough products.
- Tying up loose ends in the NPD process. For example: ensuring support for totally new product concepts.
- Eliminating “silos of success” and creating inter-functional synergies in:
 - funding
 - process (e.g., adding additional up-front stage-gates)
 - organization
 - market-based approach to NPD
 - others

- Getting engineers with experience serving current customers with current products and extensions to design new products for new markets.
- Getting the right mix of big and little NPD projects.
- Compensation and incentive support for NPD.
- Better ties between R&D and the market.
 - Productivity vs. focus on fundamental/basic science.
 - Improving front-end gates.
 - pre-concept homework
 - better idea generation
- “Stalking your next breakthrough” with quality idea generation.
- Funding strategies: the right mix of central vs. business-unit R&D effort.
- “Lost in the stages” problem and solution.
- New processes for new ideas:
 - TRIZ
 - Value framing
 - “Six Hat”
- Human performance technology.
- Change process acceleration.
- Possible extension of the “Atom” process for small businesses.
- Mining gold from commodities through business model competition.
- R&D funding and risk profiles.
- Financial tools for resource allocation
- “Portfolio Management II”: additional tools, techniques, cases, implementation of product portfolio planning.

Participant Roundtable Discussion

Comments by a marketing strategy director of a large technology equipment manufacturer.

The company's problem is a largely cultural one: getting beyond the engineering orientation in new product development to effective marketing implementation. The need is critical for entering new service-oriented categories more in tune with market trends than the legacy equipment sales on which the company was built. The company's technical prowess has increased sales volume to the installed base for that legacy equipment-- about 2,000 large accounts-- with upgrades and expansions. That success masks the firm's critical need to expand to new markets and emboldens company engineers who, in acknowledging the need for a stage-gate development process, nonetheless complain that marketing activity in later stages holds up technical development.

Difficulties emerged when the company replaced what had been at the time a state-of-the-art new product development (NPD) process applied uniformly across the firm. Management decided the process was out of step with service-oriented market trends.

Now, a task force of engineers and marketers is attempting to reengineer the company, overcome an excessively short-term marketing orientation, and rebuild that

once-successful NPD process. So far, however, success with new products and services sold to new markets or to the legacy products' installed base has been slower than hoped. Engineers listen only to the customers in the legacy equipment installed base—customers facing high exit barriers and switching costs in the first place. That makes new product R&D less critical to short-term profit.

The reengineering process has become an attempt to "force fit" marketing into the engineering R&D process. But cultural conflicts remain strong. Engineering is comfortable choosing metrics for NPD such as ISO9000 standards, but those do not define deliverables from the customer's viewpoint. Engineering continues to say that we have great products, but the marketers just don't know how to sell.

Ralph Oliva, moderator and ISBM executive director, comments: Often, company plans can be good but implementation is poor. There seem to be few good tools to overcome implementation barriers and the classic engineering vs. marketing gap.

The roots of misunderstandings can run deep. For example, I learned, in dealing with intellectual property in Asia, that Confucian thought is substantially at odds with the Western view of one's right to protect and profit from intellectual property.

Comments by a planner for a globally focused service company facing new, deregulated competition.

R&D and market research are strong, but the marketing implementation—the "business acumen" to capitalize on those strengths—continues to be weak at the company. New products in deregulated and unregulated markets such as telecom products and security systems are critical to the firm as profit margins deteriorate in its core utility businesses. 40 percent of the company's new products are unrelated to the utility business. The organization does a good job managing NPD projects up to the beta stage, but a poor job in full market implementation approaching customers.

The company instituted a stage-gate process for new product projects, but the successes so far have been the result of "isolated heroics." Management has not provided the resources to fully implement a structured stage-gate process for non-engineering stage-gate steps. Management attention instead dwells on other European ventures and investments, and worries over the narrowing core-business margins at home in the U.S.

We should be concentrating on high-margin new products, but that requires a greater risk tolerance on the part of a management comfortable with the automatic profit margins traditionally earned by the core business regulated utilities.

Ralph Oliva: How many here can say their marketing and engineering are in synch?
2 raise hands.

Ernie Maier of 3M Co.: Synchronization is a matter of degree.

Robert Cooper of McMaster University: Senior management must support NPD and really be committed to new products for synchronization to occur.

Comments by a marketing officer and by a technology officer of a specialty chemical company.

Traditional thinking rules this company, focused on marketing consumable compounds to manufacturers, particularly in the fast growing electronics field. The company had not seen the need to develop an NPD process during past years of healthy growth. But now the market has slowed as its core product base has matured, the company ranks third or fourth in the global market for its main compounds, and customers can easily switch to rival suppliers.

Using market information and knowledge of customer needs is largely “uncharted territory” for the firm. Except for new products related to its core technology, projects that start in the lab—and there are many—find no one picking them up for later stages of development. The marketing function is not identifying new product opportunities, or effectively differentiating the company’s new products from the competition. The firm has good sources of customer feedback, but has difficulty translating it for R&D.

The firm is beginning to recognize that it cannot rely on old methods to market new products, so it is creating an NPD program. A big question: How to get all functions together in the NPD process and inject customer input? The big issue is encouraging people to think “out of the box” and look into approaches that might depart from the firm’s current technology base. Some of that encouragement needs to come from top management.

Ralph Oliva: Have you heard of the Rule of 3? The top two players in a market make the money, the third-ranked player barely scrapes along, and everyone else loses. Number four is a bad place to be. Niche players, however, make money dominating their segments of the market. So the question for an NPD project is whether it will improve the company’s share or help it dominate a worthwhile niche.

Robert Cooper: The issue of who is on the new product team really must be part of the process. It was interesting to see Microsoft’s description of its NPD process evolve. The first version was heavy with engineering flow diagrams. But the revision avoided such a mechanistic view, devoting half the discussion to people, teams, and even appropriate personality types.

Comments by a marketing executive at a diversified industrial process chemicals supplier.

The company has adopted a stage-gate NPD process, and product portfolio reviews. Those reviews use only financial measures; the company needs other metrics to evaluate portfolios effectively.

Acquisitions in the past year have doubled the size of the product portfolio, but the businesses within the now-larger firm still do not coordinate their marketing. They operate in silos. For example, one business specializes in boosting productivity for its customers’ industry. Another business unit selling to the same industry emphasizes inventory protection. Other units similarly serve niches to that industry, without overall coordination from the parent company. Although we provide an unprecedented breadth of

services to our customers' industry that have squeezed costs out of each of their processes—and have taken costs out of our own processes to support that effort—we haven't evaluated the cost of servicing the niche overlaps.

Robert Cooper: You must put emphasis on strategic innovations that will be major revenue generators. More planning up front, perhaps by adding extra stage-gates, can better identify the big ideas and avoid wasting money on too many small projects.

Another approach, used by Procter & Gamble for example, sets up a “corporate ventures” new product unit to catch the innovations that fall in the “white spaces” between existing businesses. P&G invested top people and real budgets in that solution.

Ernie Maier: Another approach to stay strategic and market focused is setting up market-focused (in contrast to product-focused) “selling divisions.” For example, instead of several 3M divisions selling to the marine market—largely a commodity products market—our Marine Division handles several product divisions' products, even repackaging some specifically for marine applications. 3M's Automotive Trades Division sells products from 13 product divisions to auto body shops, handling the packaging and marketing. They also have an R&D capability of their own and ask product divisions to make product adaptations for them when necessary.

Ralph Oliva: To summarize, we've identified four ways to add strategic muscle and a market focus to new product planning:

Better resource allocation.

Adding new up-front stage-gates.

Creating new corporate-level ventures.

Creating selling divisions to represent several product divisions' wares to specific markets.

Comments by a corporate-level new product development executive at a diversified industrial equipment manufacturer.”

The company's current NPD process thrust is communicating the value of stage-gate and portfolio processes to operating units for commercializing innovations. The company's management is receptive to NPD processes, in part because 70 percent of business unit presidents' variable compensation is new-product related. They bid on new product projects and push for rapid commercialization so they can make their numbers.

Legacy processes present barriers to commercialization. The company is benchmarking world-class NPD, to match new products to business goals and avoid creating beautiful products without markets.

To ensure that projects do not linger, research groups have firm deadlines to report on projects. Even if projects aren't completed, they're asked to “give the best you've got at the time.” Depending on the project, the company sets rules to focus attention on the critical aspects of the project rather than dwell on marginal improvements. For instance, researchers might be told that development time for a given project is more important than unit cost reduction.

Comments by a global industrial company new product marketing executive.

This company's world-class R&D labs create new products that must be "sold" to operating units for commercialization. The units do not want products that their customers won't want, thus a variety of technically excellent products may not find a business-unit home. An improved process will be in place by May, however.

To improve the stage-gate process at the corporate R&D level, the company is considering adding two additional up-front steps—"quality idea generation" and "pre-concept screening"—to link scientists with market opportunities. The organization generates about 100 quality new product ideas a year. The big problem is screening them quickly and cutting what has been as long as two years for a project to make it to the next gate. Management has not wanted to rush projects and risk losing world-class Ph.D.s. The older scientists tend to be academically oriented and often justify delays for safety reasons, safety being a big issue in the industry. The younger scientists seem more willing to work with the business units, however.

The company also needs the courage to kill bad projects. It has historically spent millions on long-term R&D with less than sterling performance. Now, we have a strong stage-gate committee that can kill bad projects.

The firm's goal is using market studies to screen half those original ideas within a week before sending those that pass to the "pre-concept" stage of traditional stage-gate. Ideas spend 90 days in that pre-concept evaluation stage, and perhaps half of those are screened out before business units assess their technical feasibility and take over project responsibility much earlier than in a traditional stage-gate process. Reducing the whole screening process to four or five months is fast for the organization.

Key pieces of the program also include:

- Building portfolio management skills at the business unit level.
- Getting the company's two major product groups working together. Now, one is more R&D focused, the other more market focused.
- Giving business units more up-front funding control over long-term R&D-level projects. Now the units pay an R&D overhead charge, jokingly called the "penalty tax."

Robert Cooper: Engineering cultures without limits on the duration of product development stages find projects disappear into the wilderness. R&D departments are not accountable for profit and loss. If you assign people but do not set man-day limits, they will work on the project forever. You must ask them to come back to you and justify continuing the project.

You can also bring business unit people into the stage-gate committees, even for the very early stages normally the province of R&D. The business unit people will buy into projects early, help sell projects to business units, and bring needed marketing thinking to the committees.

Ralph Oliva: The new product winners of the future will be the firms that bring marketing and engineering cultures together. Product designers seem to bridge that gap well and understand both sides, though there are not many of them in business-to-business.

Comments by a human resources executive at a diversified industrial manufacturer.

The company installed Quality Function Deployment to bring the voice of the customer into its processes, and quickly learned that managing NPD was the big obstacle. Ninety percent of projects fail for human reasons.

Now, as it launches about 52 new products a year, the company requires each function involved in an NPD project to report at each gate evaluation. Has each function done what it should so far?

The company changed requirements for engineers, who tended to dwell on minor-improvement products in order to meet deadlines. Now they must support more meaningful projects. We also expanded engineering's performance metrics beyond just a project count. For instance, we measure how quickly they fill vacant positions. Each function in the company has similar personnel-oriented metrics.

To get engineers and marketers working together, the company assigns engineers to project teams. Design engineers report to product developers rather than engineering VPs. Meanwhile, salespeople focus on customers (while engineers focus on product types), avoiding the situation where several salespeople call on the same customer.

Eight "buckets" of management affect performance, according to Dana Gaines-Robinson, human resources consultant and author. [Also see Dana Gaines-Robinson and James C. Robinson, *Performance Consulting, Moving Beyond Training* (Berrett-Koehler Publishers, February 1996)]

1. organizational systems
2. incentives
3. coaching and reinforcement
4. cognitive support
5. tools
6. physical environment
7. skills/knowledge
8. inherent ability

The company uses the TRIZ process to break out of the box of standard thinking and develop new R&D solutions to customer problems. (TRIZ is the Russian acronym for the Theory of Inventive Problem Solving, a technology based on understanding the evolution of successful products, ways to overcome psychological barriers, and systematic analysis of a problem to be solved. Two Web sites offering more information are <http://www.ideationtriz.com/> and <http://members.aol.com/zroyzen/triz.html>.)

E-business is a major challenge facing the company. Now customers use the Web site to order parts and product information. The company needs a prioritized list of e-business projects now competing for the same resources.

Future New Product Consortium meeting topics could be:

- Quality of product ideas in the NPD process.
- Human performance technology.
- Accelerating the change process, to rally the organization's management around NPD.

Comments by a senior manager of a chemical intermediates manufacturer in Asia.

Some part of management is resisting a more commercial emphasis at the corporate R&D facility of this company. Each of several divisions has its own product engineering departments, but the corporate group handles future business development. Engineers there are oriented too much on basic research, too little on the day-to-day and future needs of the market.

Bob Cooper has helped the company set up a stage-gate process. Company executives are benchmarking NPD practices in the U.S.

Robert Cooper: You go to meetings of the Industrial Research Institute and engineers complain about how basic research is suffering, and how the economy will suffer if knowledge is not expanded.

Comments by a director of government-sponsored business training program.

Started as a regional service for training in manufacturing technologies, this agency decided two years ago to add market and product development to the curriculum, partnering with ISBM. Among other programs, Bob Cooper has helped to streamline the stage-gate process to a version more suited to small manufacturers.

The first challenge is convincing small-manufacturer managers that they need an NPD process. We are optimistic. Turnout was strong at a recent breakfast we hosted to introduce Cooper.

Ralph Oliva: ISBM has focused mainly on large firms, but more of you are outsourcing and relying on the innovativeness of small suppliers. In the long term, we will all benefit from the great ideas that come from smaller companies.

Charles Robinson of Unisys: Maybe large companies should also look at this streamlined process. Is it a sensible step back to basics?

Ernie Maier Presentation Highlights (Business Development Director, 3M Co.)

3M vision and goals:

- 3M's vision: "To be the most innovative enterprise and the preferred supplier." We do that through integrated solutions marketed under the 3M umbrella.
- Among long-term financial goals, 3M relies on new products; 30 percent of sales over the past four years have been new products.
- "Pacing Plus" is the corporate program focusing on the big-hit new products, out of thousands of new product ideas 3M generates annually.
- Today's value-creation change relies on product technologies to produce products with sales potential. Our revised value-creation chain concept calls on customers and technology to concurrently design products and services that are purchased by our valuable customers.
- We benchmark our performance against competitors noting areas where we under- or over-deliver relative to competitor performance.

- Customer satisfaction is only a measure, not a goal. Our goal is customer value.

Value integration:

- Customers focus on saving money via low costs of operation and high-quality output.
- We create value for them through new products and tomorrow's technologies.
- Working with customers to increase the total value of the product and services we supply, we examine each of the customer's processes using our products, treating each like a mini-business opportunity for cost reductions. We look for the "critical quality variables" in each process.

Commodity product strategies:

- We define commodity, what we call "utility" products, as parity products with similar performance to rival brands, in contrast to differentiated, high value-add "engineered products."
- We achieve much higher sales growth rates for commodities than for engineered products. Utility products provide the majority of profits and sales in many 3M divisions.
- Our strategy for success:
 - Cost reductions.
 - in process
 - in non-manufacturing processes
 - 2/3 of a product's costs are marketing, sales, and logistics expenses.
 - through contract manufacturing
 - Channel performance.
 - Provide information.
 - Provide support.
 - Provide incentives—"full line encouragement"—to channel salespeople and managements.
 - Merchandising.
 - Price reductions, although the 3M name itself provides about a 7 percent price premium.
 - Packaging.
 - Promotion.
- From the financial perspective, utility products provide a smaller gross margin, but they do not require R&D. Sales costs are less, and even though the ROI is less, utilities require less fixed capital. A small net profit actually provides a high return on invested capital.
- Our research rates product attribute performance and tracks distributor purchasing behavior.
- Effective distribution and program selling are essential for capturing much of the market's end-user potential.
 - For example, distributor reps, whom we cannot control, are essential for covering medium size companies and selling utility products.
 - The more engineered the product and the larger the customer, the more we rely on manufacturer's reps whom we can influence.

Productivity management:

- Starting in the 1970s and 1980s through today, customers have outsourced purchasing and inventory management, creating a new channel, “integrated supply” producing 5 – 20 percent reduction in procurement process costs.
- Customers started outsourcing parts engineering, and more purchasing.
 - Techniques such as JIT II put a supplier’s sales agent constantly on your factory floor.
- 3M’s “productivity management” for customers is a program managing their commodity purchases and inventory—the entire process including competitive products. “We run the storeroom, and even cut the warehouse lawn!”
- One example is the “sequencer” function we provide for General Motors, handling 35 percent of the parts in a car door.
 - The sequencer ships goods as needed to GM plants, which maintain only a two-hour inventory.
 - The sequencer keeps a 2-3 day inventory.
 - We bring together various partners to fulfill the sequencer function.
- 3M sells productivity management as a product.
 - process improvement
 - supply chain performance
 - facilities management
 - management reporting
- We develop a unique expertise meeting the customer’s needs, and we get to see those needs earlier and generate new product ideas.
- This is more profitable than our regular utility product businesses, making money off *both* the products and the services.
- We restrict such outsourcing to areas where we have a product interest in selected niches. Then we’ll deal with partners, but maintaining the lead position in categories we can fill with our line.
- Competitors? We head them off with our commitment and staying power, and greater innovation than many would-be competitors can provide. We had lost big customers in the past to competitors who were willing to provide these services at a time when we did not.

Tomas Carroll comments: We do much the same thing in the aircraft maintenance market.

Ralph Oliva comments: This is not competing by product, but competing with business models. It’s happening not only on the Web. The key is the expertise you offer bringing the suppliers together and integrating the solution. It enhances the value of your brand. The business model breakthroughs might happen with your existing products, such as with the sequencer function, or by repackaging commodities via selling divisions.

Ernie Maier concludes: Keep developing new products, but you should nurture your existing products with innovative thinking.

**Robert G. Cooper Presentation Highlights
(Product Development Institute Inc.
McMaster University)**

**Also see: Cooper, Edgett & Kleinschmidt, *Portfolio Management for New Products*
(Reading, MA:Perseus Books, 1998)**

New product portfolio management:

- Addresses the question: “How should we invest our R&D and marketing resources.”
 - Resource allocation?
 - Which projects to fund from among many opportunities?
 - What is their relative priority?
 - accelerated development
 - go
 - hold for now
- Portfolio management is a problem area.
 - Typically poorly handled.
 - Rated as weakest area of new product management in a recent benchmarking study.
 - Management acknowledges:
 - no serious go/kill decision points.
 - no go/kill criteria
 - NPD becomes a tunnel, not a funnel
 - Poor project-prioritization.
 - Many different approaches are suggested and hyped.
 - No real evidence that approaches work.

Major benchmarking study of portfolio management practices and performance:

- Goals:
 - To characterize portfolio methods in use, their popularity, and their strengths and weaknesses.
 - To uncover insights about how companies apply portfolio methods.
 - Assess management satisfaction.
 - Determine valid metrics.
 - Identify the practices of the better-performing companies.
- Respondents
 - 203 businesses, including 28% in chemicals and 18% in high tech.
 - No significant company size difference between top 20% of new product performers (according to self-ratings of NPD program success, and bottom 20%.

Performance metrics:

- Top 20% report greater success across the board on six key metrics:

- Projects are aligned with business objectives
- Portfolio contains very high-value projects.
- Spending reflects the business' strategy.
- Projects are done on time, without gridlock.
- Portfolio has a good balance of projects. (Too many small or too many big projects inhibits smooth portfolio development.)
- Portfolio has the right number of projects and does not exceed available resources.
- On average, businesses rate their performance mediocre.
 - Strong on strategic alignment and higher value projects in the portfolio.
 - Weak on portfolio balance, number of projects (too many), and time to market (gridlock).
- The wide distribution of results suggests that the top performers are three times more successful than the poor performers.

Portfolio management importance:

- Technical management, senior management, and corporate-level executives acknowledge the importance of new product portfolio management.
- Marketing and sales management, and operations/product management seem less “tuned in” to portfolio management importance.
- Reasons why it’s important (ranked by perceived criticality, with few significant scoring differences between top- and bottom-tier performers):
 - Maintains our competitive position.
 - Resources are scarce.
 - Links to business strategy (Poor performers rate this significantly less critical a reason than do top performers).
 - Helps to yield focus.
 - Gives right balance of projects.
 - Strategy means spending money.
 - We are risk averse and must be careful. (Poor performers rate this significantly more critical a reason than do top performers).
- Top performers are much more likely to have explicit portfolio management programs.
 - With clear rules and procedures.
 - Treating all projects as portfolio elements.
 - With strong management buy-in.
 - Applying their portfolio method consistently to all projects.

Portfolio management satisfaction:

- On average, management is not particularly satisfied. Respondents differed widely.
- Very few differences detected between satisfaction with portfolio management methods vs. project selection tools.
- Project selection scored marginally better across the board than for portfolio management.

Portfolio management methods employed:

- No one method has a monopoly on strengths; each has pros and cons.
 - Financial methods (e.g. net present value, EVA).
 - Strategic methods.
 - Scoring models.
 - Bubble diagrams.
- No one method provides a universal solution.
- Among users, an earlier study 1.5 years ago found nearly half (45%) of users employed portfolio management at both the corporate and SBU levels. Nearly another half (48%) used portfolio management only at the business unit level. About 51% had used portfolio management for two years or less.
- Financial methods are the most popular for both portfolio management and project selection, but are not fully understood by management
 - Top performers put less emphasis on financial methods, and more on strategic methods, letting strategy dictate resource allocation and project selection
 - Poor performers rely heavily on financial methods.
 - Financial methods yield predictions varying widely from results.
 - Input data are poor; sometimes “pulling numbers from air.”
 - Overzealous product teams overestimate projects and push projects to further careers.
 - Financial methods fail to deal with vital portfolio issues:
 - portfolio balance
 - gridlock and timeliness
 - right number of projects for available resources.
 - Two financial method approaches. Companies employing both approaches achieve the best results.
 - Comparing projects to a go/kill hurdle.
 - Comparing projects to each other.
- Scoring models and strategic approaches have greater strength than financial methods.
 - Criteria in rank order (most-used to least-used):
 - Strategic fit/leverage competencies.
 - Payoff.
 - Risk and probability of success.
 - Timing.
 - Technological capability.
 - Commercialization capability.
 - Protectability.
 - Synergy between projects.
- Bubble diagrams (e.g., graphically indicating relative size and risk-reward balance of each of a mix of projects) are not used as a dominant method, but they are popular.
 - Strong on strategic alignment and decision effectiveness.

- Weak on ability to deal with project numbers vs. resources and spending breakdowns that reflect strategic priorities.
- Tend to be laborious.
- The preferred solution is a hybrid approach, using several portfolio methods concurrently.
- Reconsider using financial models as the single or dominant approach.

Most significant portfolio management challenges (ranked):

- Creating a positive climate, culture, and buy-in for our portfolio method.
- Better allocation of resources, selection of projects, and balancing of projects.
- Finding the right balance between short- and long-term projects.
- Obtaining better input data and forecasting estimates: markets, volumes, costs, etc. (Models fall apart because of bad data.)
- Better linkages of our strategy to the portfolio of projects.
- Better balance and resource allocation across SBUs, divisions, and technologies.
- Better balancing across functions and level of involvement.
- Having more credible financial metrics and tools.

Conclusions:

- People have made a lot of progress in portfolio management and are happy with it.
- Overall, senior management considers portfolio management to be very important, but lots of companies haven't reached that stage yet. Their senior managements still need to be educated.
- Top performers are doing things differently and are achieving better results.
- Companies use a great variety of different portfolio methods, with many relying on multiple approaches.

END OF MEETING REPORT