

Towards a professionally managed service portfolio

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Abstract

A recurring theme in the NREN community is the need for justifying the “special position” that NRENs occupy. As John Dyer stated in his paper “The case for NRENS¹”, this is important because of the fact that NRENs are generally funded by public money, so it is essential that NRENs have a duty to demonstrate the value of such funding.

The justification can be found in the fact that NRENs provide innovative services that are not generally available in the commercial market. Furthermore, NRENs bring synergy in the global collaboration between higher education and research institutes.

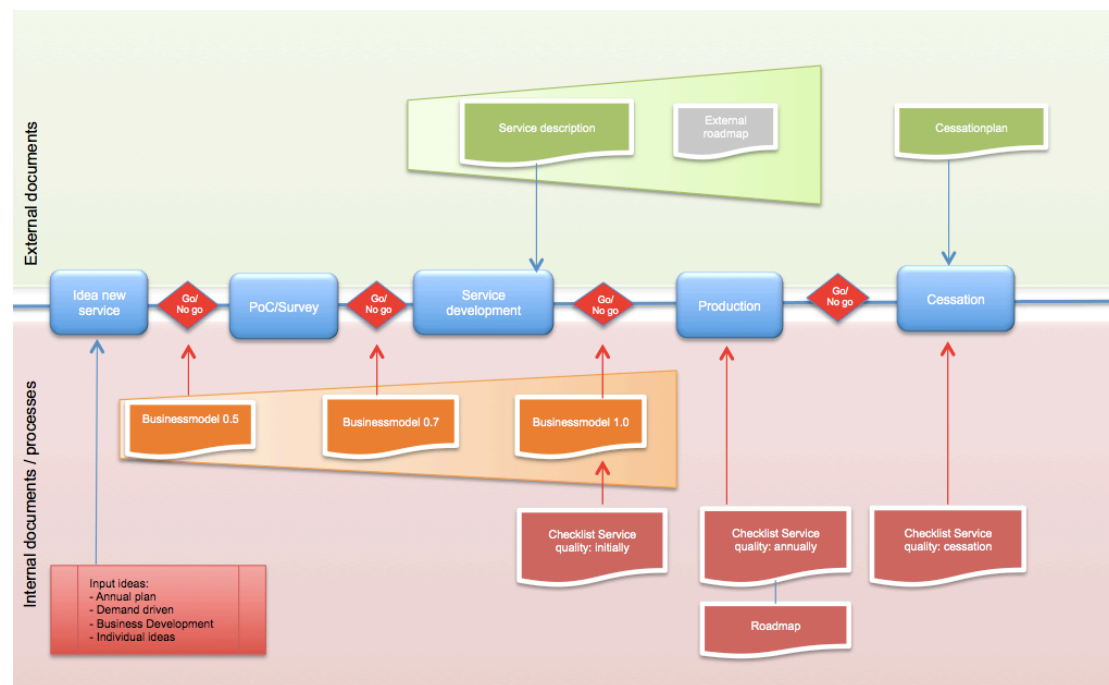
Balance between innovativeness and demand-drivenness

So, regarding the sustainability and continuity of the current NREN organizations, various stakeholders have to be served. For justifying the funding, the innovativeness of an NREN is key. Without actual users however, innovation does not have added value. So, the key to the existence of an NREN depends on whether or not the right balance is found between innovativeness and demand-drivenness.

¹ <http://www.terena.org/publications/files/20090127-case-for-nrens.pdf>

Life Cycle & Portfolio Management

That balance (“the NREN sweet spot”) can be found in making the right choices in the product development process. In order to align better with our stakeholders and make more deliberate choices in our product development process, SURFnet recently improved the Life Cycle Portfolio Management (LCPM) process and expanded it with a more business related point of view. This involves the entire life cycle of a service, from idea to the service development phase up to the exit-strategy:



To justify our choices for whether or not to develop a service we extended our LCPM with:

- Explicit go no go decisions by our board, which means that the long-term impact on our organization is clear and calculated in an early stage;
- Business models in order to make the added value of a new service explicit for every stakeholder;
- Business cases for the financial justification of the business model;
- A checklist in order to decide whether or not continue with a service;
- An annual checklist for continuous monitoring of the quality of our services.

In 2014, we successfully experimented with 14 business models in different stages of the LCPM process.

Lessons learned

Two cycles of the decision making process learned us that this is not only about product development (lifecycle management), but makes clear that a vision on the entire product portfolio (portfolio management) is as important as well.

However, it is evident that a vision on an NRENs product portfolio cannot be based on commercial portfolio models like the Boston Consultancy Matrix², in which market share and growth rate are the main parameters.

So the question arises, “What are the right criteria for decisions regarding our product portfolio in order to retain the right balance between innovation and demand drivenness?”

To discuss

In the first half of 2015, the question mentioned will be topic of further exploration. During our presentation, we would like to discuss the findings regarding those criteria and share experiences with our colleague NRENs.

Vitae

Lonneke Walk is head of the communications department of SURFnet. Within SURFnet’s Management Team, she is responsible for Life Cycle Portfolio Management.

Marieke de Wit is Project Manager at SURFnet. She started at SURFnet in 2009 and worked on various projects regarding the adoption of SURFconext, the collaboration infrastructure of SURFnet. As of January 1st 2014, she became responsible for the Business Development innovation team, which implemented the LCPM process within SURFnet.

Walter van Dijk is responsible for account advising and product management at SURFnet. Walter’s main fields of activity are customer relations and product management.

² http://en.wikipedia.org/wiki/Growth%E2%80%93share_matrix