



The Place of the Portfolio of Projects and Programs in the Strategic Management System: A Comparative Analysis of the PMI, PRINCE2 (MoP), SAFe and Balanced Scorecard Approaches

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This article explored the use of a project portfolio in detailed strategic management as a tool for the consistency of management decisions with the long-term strategy of an organization. To adequately compare these, four of the most common management methods were chosen, specifically: the PMI Standard for Portfolio Management, Axelos Management of Portfolios (MoP), SAFe Lean Portfolio Management, and, finally, the Balanced Scorecard (BSC). The comparison of these models highlighted how each of them assists in the management of the process at the portfolio level, the mechanisms of management employed, and what the priorities are in various circumstances. Following an extensive study of each of the models discussed, it has been noted that all of them, despite some differences in emphasis and methods applied, adhere to five main principles: Strategy Alignment, Portfolio Balance, Transparency, Benefits Management, and Iterative Adaptation. Emphasis has been given to how the five above principles are implemented through the selection and prioritizing of initiatives, management of resources, measuring of performance and monitoring of implemented planned benefits. Although the different standards present various advantages and stresses, these have been grouped and united into a hybrid portfolio management system model, which brings together the main aspects and characteristics of each standard and enables the project portfolio to be seen as a managed system, where selection, measurement and adaptation follow specific rules. The new proposed portfolio management system inherited the discipline of PMI, the benefits-driven philosophy of MoP, the adaptive capability of SAFe and the precision of BSC measurements. This combination makes the gap between plan and execution much smaller; the management system aligns investments with strategy, improve change management, support continuous learning and improvement by constant evaluation of decisions and results.

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KEYWORDS

portfolio management; strategic management; strategic alignment; hybrid model; PMI; PRINCE2 (MoP); SAFe; Balanced Scorecard (BSC).

Introduction

The modern business environment is characterized by constant changes in trends, increased global competition, and an intensive process - digital transformation. In such an environment, the issue of increasing the effectiveness of strategic management becomes of great importance. But even after the stage of strategy formation, this problem does not disappear. The biggest problem appears after planning, namely, the implementation and application of the strategy in practice. According to the study of Kaplan & Norton (2008), more than 60% of strategies do not achieve the expected results due to the gap between strategic goals and operational implementation (execution gap).

One of the most effective ways to close this gap is to use the portfolio of projects and programs as a link between strategic planning and practical actions. It is at the portfolio level that the company decides which activities are really worth investing in, which ones should be prioritized, and how to balance them. It is here that reserves and management procedures are agreed upon so that the implementation of projects remains directly linked to the strategic goals of the company.

The portfolio of projects and programs in the strategic management system performs interrelated functions:

- 1) ensures that investments are aligned with strategic goals and priorities;
- 2) forms the basis for selecting initiatives that have the greatest expected contribution to value creation;
- 3) maintains a balance between short- and long-term benefits, risk levels and resource constraints;
- 4) creates a framework for monitoring progress and assessing the achievement of strategic outcomes.

In the absence of a portfolio-level management, strategy is often fragmented into unsynchronized projects that compete for resources and do not provide an aggregate effect commensurate with strategic intent.

Currently, there are several popular approaches in the field of portfolio management theory and practice:

- 1) PMI – The Standard for Portfolio Management (PMI, 2021);
- 2) Axelos/PRINCE2 – Management of Portfolios (MoP) (Axelos, 2011)
- 3) SAFe – Lean Portfolio Management (Scaled Agile Inc., 2023);
- 4) Balanced Scorecard (BSC) is an approach by Kaplan and Norton (1996; 2008).

To conceptually capture the role of the portfolio in the strategy implementation framework, Fig. 1 presents a generalized diagram of its place in the strategic management system: from the formation of strategic priorities and goals to the selection, balancing, and management of a set of initiatives that ensure the translation of strategic intentions into measurable results.

Literature Review

According to the Project Management Institute, portfolio management is “the discipline defining the rules that will govern the selection, categorization, prioritization and subsequent administration of initiatives within a portfolio, considering the expected benefits and the impositions of the organization”. The approach is based on its “lifecycle” of portfolio decisions: from the launching and appraising of ideas to the granting of approval, and in a second step from monitoring and revising the portfolio occasionally. Meanwhile, the PMI elaborates detailed where responsibility lies, which artifacts are used and how to measure performance through indicators of benefits, risks, use of resources and conformity with strategic priorities (PMI, 2021).

In contrast, in the Axelos Portfolios de Management (MoP), portfolio management is defined first of all as a set of principles and practices that guarantee discipline in investment decisions and the manageability of change in organizations. Place is still given to the governance: the transparent rules of governance by which to evaluate initiatives, institutions and explicit responsibility of the portfolio owner; stable platforms for the control of realization of benefits. It actually focuses on keeping a 'portfolio balance' -- between different kinds of initiatives (including transformational and operational ones), long- and short-term time perspectives, and low- and high-uncertainty degrees so that the portfolio is set not according to the local interests of one department but according to the overall logic of change in the organization (Axelos, 2011).

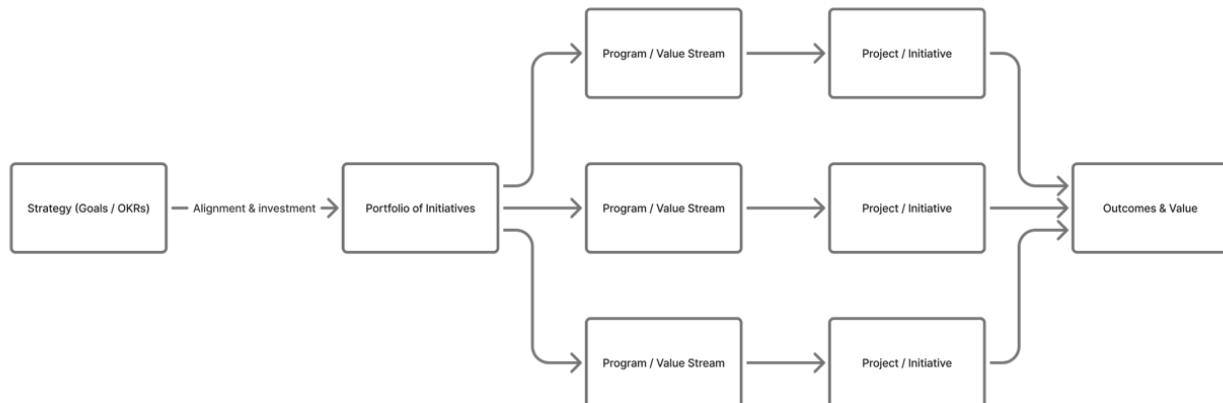


Figure 1. The place of the portfolio in the strategic management system

This approach introduces a new perspective to portfolio management: Lean Portfolio Management merges funding, strategy and execution within a scalable Agile development system. The approach centers around value streams, associated funding and portfolio “cadence” of decision-making with the tempo of implementation. As a result, SAFe moves away from once-in-a-lifetime choice of initiatives to continuous improvement of priorities in the form of portfolio backlog, affordability-based prioritization, and outcome measurement with flow metrics (leads time, throughput) to assure faster adaptation without sacrificing control [and] manageability (Scaled Agile Inc., 2023).

In the work of R. Kaplan and D. Norton the concept of Balanced Scorecard is theoretically grounded for it is used as the conceptual basis for converting strategy into system of goals, indicators and initiatives, the accomplishment of which facilitates strategic logic of an organization. This approach is especially useful for the portfolio level: BSC defines cause-and-effect relations between goals and results in various perspectives, which enables to assess initiatives not only in terms of their financial results but also contribution to value creation for customer, for internal operations and to development of an organization capability. This idea, further developed in the literature dedicated to strategic fit, is based on the notion of organizational coherence: a portfolio of activities should create synergy among units and eliminate strategic gaps through formation of portfolio-wide maps and shared set of indicators (Kaplan & Norton, 1996; Kaplan & Norton, 2006).

In broad terms the sources describe in apposition four complementary dimensions of portfolio management: a) process adoption, standardization and measurability (PMI), b) investment decision discipline and change and benefit orientation (MoP), c) Agile value streams and financing of value streams (SAFe), d) Strategy logic of indicators and initiatives as the basis for an agreed management decision (BSC).

Problem Statement

The standard methods are PMI, PRINCE2/ Axelos Mo P, SAFe Lean Portfolio Management and Balanced Scorecard. They all have their unique approach to portfolio management. In some methods they stress more on standard procedures and controls, in other - on benefits management, in some it is lean financing used, Balanced Scorecard is focused on a system of strategic measures and objectives.

Consequently, portfolios are likely to be managed 'as if by a different set of rules': different standards of value, risk, priorities and resource expediency are used. This can then lead to differences and inconsistencies in the governance, benefits management and approaches to performance measurement between other departments and levels of management, making effective portfolio management more difficult.

Digital transformation and the proliferation of Agile/lean methodologies bring a new challenge. The portfolio will have to - at the same time - stay on a strategic course, be able to rapidly review investments, and reprioritize based on the new realities; whereas traditional hierarchical models tend to move too slowly with market change, too many "flexible" approaches tend to lose the strategic focus and shift the attention away from the mid/long-term.

Without an approved approach of comparison and integration of these methods, the organizations either apply the approaches on a case-by-case basis or to some extent, which results in contradictions between strategic objectives, portfolio decision-making and implementation of initiatives. Hence, scientific and practical issues on the establishment of portfolio-level position in the strategic management system and development of unified principles and mechanisms providing links between the discipline of management, benefit-directedness, flexibility and the measurability of the results are relevant.

Methods and Materials

The work carries out a comparison of the ideas, processes and practices of portfolio management in accordance with the requirements of the standard PMI (2021), MoP (Axelos, 2011), SAgE (Scaled Agile Inc., 2023) and the Balanced Scorecard concept (Kaplan & Norton, 1996). The basis for carrying out this comparison was the official documents of these approaches, as well as relevant scientific sources, in which the portfolio is seen as an element of strategic management.

In the scope of the theoretical comparison, we extracted key features and mechanisms of each approach (especially the cycles of Align-Authorize-Govern for PMI and Definition-Delivery for MoP), the roles in management, and several measures and documents that facilitate decision-making at the portfolio level (portfolio charters, strategic alignment matrices, and so on). In parallel, we highlight commonality and important distinctions between them, in the logic of investment selection, in emphasis placed upon benefits management, and on the adaptability of the portfolio.

Also, generalization of the gained result is built on systematization of practical experience of portfolio management, the methodology employed within PMOs and findings from consulting projects and on creation of the identified laws, which are building blocks for the proposed hybrid model. For visualization, general diagrams and a comparative table that contain key attributes of every model are presented.

The analysis was conducted on the following key dimensions:

- 1) Conceptual definition: how each approach interprets the essence of the portfolio.
- 2) Management life cycle: stages of portfolio formation, monitoring and review.
- 3) Governance mechanisms: decision-making structures, roles and responsibilities.
- 4) Tools: specific artifacts (maps, Kanban boards, matrices).
- 5) Success metrics: how portfolio performance is measured (ROI, benefits, flow, KPIs).

Results and Discussion

Concept and Nature of Portfolio Management

A portfolio, in the broadest sense, can be seen as a "basket" of all programs, projects and supporting operations that an organization intentionally pools together for the purpose of pursuing its strategy. According to PMI standards (2021), a primary distinction between portfolio and program is that the constituents in a portfolio don't necessarily need to rely upon each other or contribute to the same functional deliverable; they are solely linked by the same vector of strategy and are contenders for the same resources (i.e., funding, people, time, managerial focus).

The process of portfolio management is itself not an isolated activity but rather an ongoing, “live” decision-making activity. It encompasses searching and creating opportunities for potential initiatives, selection and prioritization, authorization and resourcing, and continuous monitoring and updating. The intent is that the organization as a whole can derive the greatest benefit from implementing its strategy by combining these potential initiatives rather than just carrying out individual projects, i.e., moving the emphasis from “doing projects right” to “doing the right projects”.

If we speak about history, then the roots of portfolio management lie in the financial sector. That process was started by portfolio theory, developed by Harry Markowitz. The main objective was risk diversification: to distribute capital into different projects to minimize losses and minimize the instability of results, but not to invest in one company, but a group of companies. That idea migrated to the sphere of project management in the 1950's, but as a real discipline it became in the beginning of 2000 when organizations started managing not individual projects but a “group” of initiatives which are fighting for limited resources.

The year 2006 was of special significance; the PMI published the first version of the Standard for Portfolio Management, which sets up a framework or a language for this method - specifically, the grouping of initiatives, portfolio balancing and governance (system of management and control). Simultaneously, the OGC method (today Axelos) was evolving in the UK and was formalized as MoP standard in 2011. Here, the focus is somewhat different - not so much about “the portfolio as a system of processes” and a lot about achieved tangible benefits and the impact of the organization's culture in decision making.

In the last ten years, the scenario has changed drastically in this respect. This was caused by the intensive adoption of Agile; however, over time, when the outer environment has been uncertain and unpredictable, portfolio management had to follow and evolve to effectively function under uncertain conditions. One of the proposed solutions was Lean Portfolio management in SAFe, where the concept shifted from static year-long budget cycles, but from continuous value streams flow and resource consumption to the actual demand. Balanced Scorecard's strategic part has been emphasized, which makes the portfolio not only a “project registry”, but a tangible implementation tool of the strategy and achievement of KPIs.

In order to better contextualise the portfolio, the portfolio must be viewed in relation to the change management hierarchy. As shown in Table 1, the portfolio is situated somewhere in the middle, i.e., between strategy and execution.

Table 1. Levels of change management

Level	Main goal	Key questions	Artifacts
Strategic	Goal and vision formation	What do we want to achieve?	Strategic topics, OKRs, BSC Map
Portfolio	Selecting and Balancing Initiatives	What are we investing in?	Portfolio Roadmap, Investment Appraisal
Program / Project	Delivery	How do we do it?	Program, project plan, benefits register

Source: Developed by the author.

The “value chain” (Fig. 2) logic is what clearly states this hierarchy: at the beginning, the team produces a specific technical result, i.e., an artifact/product (Output). This result then has to be not “done” but used; i.e., modifying the activity/behavior of the users/processes (Outcome). And it is these modifications that actually produce the real effect and are a benefit to the organization/stakeholders (Benefit). And these aggregated benefits are what, in the end of the day, in fact, the ultimate value (Value).



Figure 2. Hierarchy of value in strategic management (MoP, 2011)

PMI Portfolio Management

The PMI Standard - The Standard for Portfolio Management, presents the standardized approach of portfolio management. As PMI states, a portfolio is defined as “a group of programs, projects, and operations managed in a coordinated way to achieve the strategic objectives”. Instead of managing the implementation of single projects, PMI defines its key element as “what to do and why”. Two fields of operation are described within the Standard: Portfolio Definition (initiation and authorization of the activities) and Portfolio Performance (monitoring and controlling the processes). The cycle of Align-Authorize-Govern, which is presented in Fig. 3, is differentiated from the three domains of performance, described in Table 2, within the PMI model.

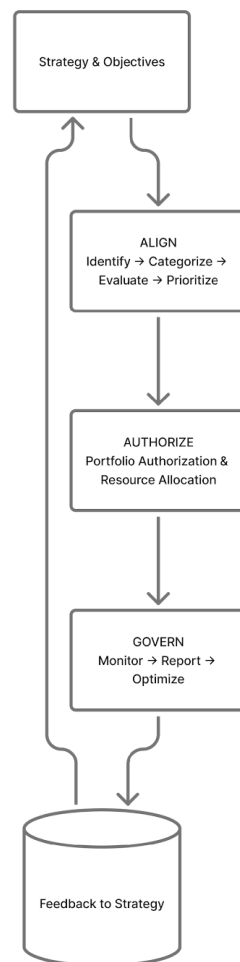


Figure 3. PMI Portfolio Management Cycle

Table 2. Processes and structure of portfolio management under PMI

Domain	Goal	Key processes
Align	Alignment with strategy	Identify → Categorize → Evaluate → Prioritize
Authorize	Official approval of initiatives	Portfolio Authorization → Resource Allocation
Government	Control and correction	Monitoring → Reporting → Optimization

Source: author's development.

For the portfolio to be understandable, workable and to remain so, PMI recommends that there are clear role descriptions so that each is clearly understood. For example, an Executive sponsor defines and approves the strategic direction and priorities of the portfolio. A portfolio manager aligns and balances the portfolio and its investments. A Governance Board will make go/no-go decisions on an ongoing basis in line with start/stop/continue logic, supported by the PMO in terms of methodology, standards and tools.

Independent of it, there is a set of practical “pillars” within the PMI - the set of documents and indicators through which the portfolio can be measured. They include, among them, the portfolio charter, Portfolio Roadmap, the matrix of alignment to the strategy, benefit and risk reports etc. Normally, among the metrics we can find Strategic Alignment Score (how the initiatives are aligned to the strategy), Portfolio Value Index, Benefits Realization Rate (rate/share of the achievement of predicted benefits), etc.

Governance or the process by which management is monitored, is one of PMI’s core concerns. Fundamentally, governance is a “framework” which lays down rules, procedures and accountabilities that determine how the decisions in relation to the portfolio are taken, in an orderly, transparent, objective and justifiable way rather than just arbitrarily. Who makes decisions, how these decisions are judged and how the enterprise keeps track of where it is going all fall within the domain of governance? The primary roles of this framework are laid out in Table 3.

Table 3. Roles in Portfolio Management (PMI)

Role	Responsibility
Executive Sponsor	Determines strategic priorities, approves portfolio
Portfolio Manager	Coordinates balancing, provides cycle control
Governance Board	Regular reviews, start/stop/continue decisions
Portfolio Office	Aggregated reporting, PMO coordination
PMO (Project Management Office)	Methodological and administrative support of projects

Source: Developed by the author.

To ensure transparency, PMI recommends using the following artifacts:

- 1) Portfolio Charter: A document that defines the purpose, boundaries, and authority of a portfolio.
- 2) Portfolio Roadmap: visualization of the time sequence of initiatives and their dependencies.
- 3) Strategic Alignment Matrix: is a means by which we can ensure each of the projects is aligned with the strategic.

The outcome was achieved through multiple sophisticated measures: Strategic Alignment Score, Portfolio Value Index (PVI), etc.

The UK BoP (Management of Portfolios) considers a portfolio not just an inventory of projects and initiatives, but as an integrated model of management intended to derive maximal benefits from its investment. This approach, at this location, concentrates on the management of benefits and roles. The BoP emphasizes the importance of “aligning the portfolio to the strategy continuously, consolidating projects into a coherent structure according to content and value, setting priorities, defining and balancing the strategic directions, ensuring that expected benefits are being achieved, and instilling portfolio thinking as standard practice within the organization.”

In terms of the architecture, MoP specifies two cycles of the portfolio. Definition cycle (selection and prioritization of initiatives) and the delivery cycle (control benefits, cost, risks and stakeholder communication) are within the architecture and the positions available are the Portfolio Director (overall control of the portfolio), the Portfolio Office (coordination and data analysis) and the Business Change Managers (SROs) (Fig. 4).

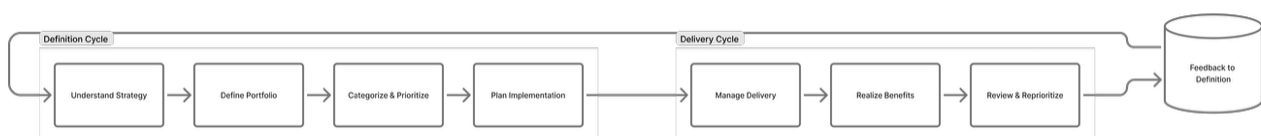


Figure 4. Definition / Delivery Cycle MoP

Instead of the PMI’s emphasis on highly structured control of management cycles, MoP addresses benefits management and cultural changes. (Table 4) This is reflected in MoP’s greater emphasis on the output aspect (measured benefits) compared with a much less formal governance element when placed side-by-side with PMI (Table 5). Thus, in the MoP model, the portfolio is most evident

as a framework that influences investment decisions in a controlled way and is applied to benefits management practices.

Table 4. Organizational structure of the MoP

Role	Main function
Portfolio Director	General portfolio management
Portfolio Office	Coordination and analytics
SRO (Senior Responsible Owner)	Achieving benefits
Business Change Managers	Implementing changes in business
Programme/Project Managers	Implementation of initiatives

Source: Developed by the author.

Table 5. Differences between MoP and PMI

Criterion	PMI	MoP
Orientation	Process	Cultural
Focus	Investment control	Benefits Management
Governance	Formalized	Flexible
Cycle	Align–Authorize–Govern	Definition–Delivery

Source: Developed by the author.

The SAFe framework extends portfolio practices to an Agile environment. The SAFe implementation aligns strategy and execution at the portfolio level using Value Streams and introduces Lean Budgeting instead of project-based funding (Figure 5).

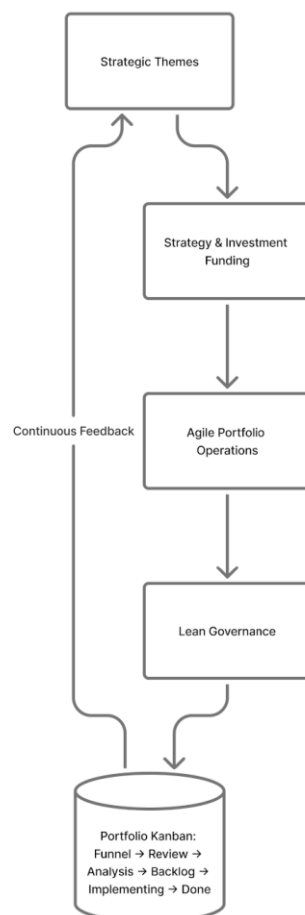


Figure 5. Lean Portfolio Management in SAFe

The three blocks making up Lean Portfolio Management (LPM) in SAFe: Strategy & Investment Funding (aligns budget to strategic themes), Agile Portfolio Operations (aligns value stream synchronisation and optimisation) and Lean Governance (controls finances, risks, and delivery of

benefits). In implementation, this works via portfolio Kanban, where value stream, not project, funding is done. Linking the strategy and initiatives is achieved through the Portfolio-Value Stream-Team OKRs. Metrics of success focus on flow and innovation - specifically innovation investment ratio, portfolio flow efficiency, epic success rate and others. The net effect is increased operational flexibility of the portfolio. The priority constantly evolves through the portfolio backlog and the high decision frequency enables changes to occur without the portfolio becoming unmanageable.

The BSC approach has a strategic nature. BSC states objectives and KPIs of a strategy along the four dimensions: financial, customer, internal processes, learning and growth, and established relations, “cause-and-effect” among them. Within the portfolio, each initiative should be chosen and measured while observing the outcome of the goals. Therefore, the portfolio is made of projects that represent BSC strategic themes. Portfolio within the described system should be seen as “the engine of the strategy map”; closes the loop “strategy → goals → indicators → initiatives → outcomes → feedback” (see Fig. 6). Examples of metrics of portfolio about BSC are Achievement Index, Strategy-to-Execution Lag, Benefits Realization Rate, Learning Cycle Time etc. BSC provides the additional aspect to portfolio management - it offers a system to measure the value contribution not only to the bottom-line, but also to the development of competencies and customer value (Kaplan and Norton, 1996).

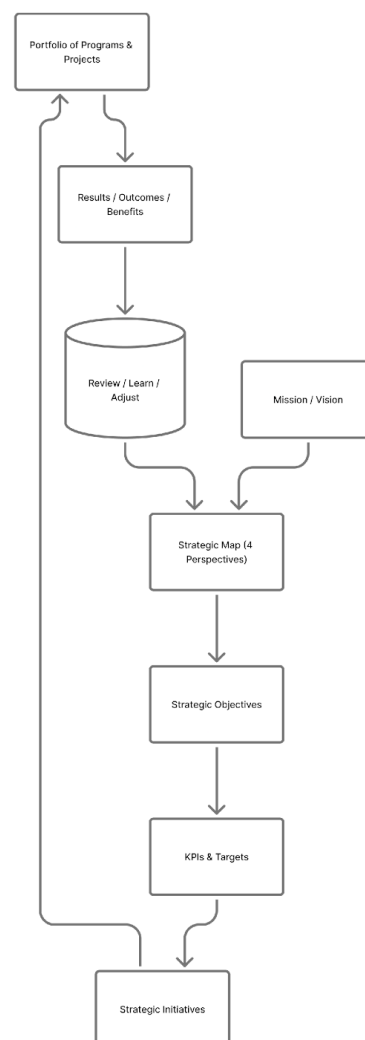


Figure 6. Integration of BSC and portfolio management

A comparison of PMI, MoP, SAFe Lean Portfolio Management and BSC brings out the fact that all the approaches, despite having different names for different concepts and unique organizational levers, service one common portfolio function of being a ‘contour’ for implementing strategy into a ‘set of investment decisions & initiatives into measurable outcomes. A generic abstraction of the portfolio management logic brings out 5 common principles that can be regarded as invariants of

portfolio governance irrespective of the approach: strategic alignment, balancing, transparent decision rules, benefits realization and feedback and empowerment.

Meanwhile, comparison results (see Table 6) allow us to clarify where exactly the approach mindsets mismatch and why this is relevant for practical uses. PMI structures the portfolio in process domains combined with formal roles/artifacts, therefore making decisions manageable and reproducible, but requiring discipline on data, committees and reporting. MoP emphasizes benefits management and change culture, thus increasing the odds of actually delivering strategic results, but makes the maturity of business owners' roles and organizational capacity to "hold" ownership of benefits crucial. SAFe takes a portfolio in a world of ongoing delivery of value, where priorities and funding are more agile and changed (through value streams, epic Kanban and OKR), which decreases portfolio inertia, but requires transparency of economic prioritization, flow metrics. Balanced Scorecard complements the management system with an additional measurement framework of cause-and-effect relations; thus, portfolio decisions are explained by KPIs across four performance perspectives, but it presumes a smart strategic map and corresponding indicators.

Table 6. Comparative table of PMI, MoP, SAFe and BSC approaches

Criterion	PMI (2017)	MoP (Axelos)	SAFe (2023)	BSC (Kaplan & Norton)
Goal	Aligning investments with strategy	Ensuring strategic renewal	Lean value stream financing	Implementation of strategic initiatives
Basic logic	Align – Authorize – Govern	Definition – Delivery	Strategy & Funding – Operations – Governance	Plan – Execute – Measure – Adjust
Focus	Control, balance	Culture of change, benefits	Value stream, OKR	KPIs, strategy maps
Control unit	Program / Project	Initiative	Value Stream / Epic	Strategic Initiative
Metrics	Portfolio Value Index	Benefits Realization Rate	Flow Efficiency, Epic Success	KPI Achievement Index
Governance	Formalized committee	Flexible leadership	Lean governance board	Strategic office
Viewing rhythm	Quarterly / Annual	Continuous	Continuous	Annual / quarterly
Culture	Process	Leadership	Agile / Lean	Analytical

Source: Developed by the author.

This mixture of emphases makes possible the synthetic (hybrid) model illustrated in Fig. 7. The results we have obtained justify the meanings we bring to think of the hybrid not as a "compromise", but as an instrument for eliminating the conflict between the stability of the strategic logic and the necessity of adaptation. In the synthetic version, the BSC strategic map defines the goal's and KPI's mechanisms; SAFe OKR cascading provides a short term of monitoring the victorious achievements of strategic topics; the discipline of the PMI process is elicited in the stakeholders the consensus-based interposition of initiatives; MoP fix the checkline of the responsibility regarding the advantages, including acquired lesson learned and the culture of the decision-making. The outcome of this agglutination is a portfolio that is both manageable (ensures adherence to standardized rules), measurable (through KPI/OKR) and adaptive (provides, regularly, a review and reallocation of investments into value streams).

Generally, companies should develop portfolio management as a single integrated loop, in which the strategic objectives, funding, prioritization, and the measurement of results are harmonized for the following good reasons.

Firstly, the results of the analysis demonstrate the need for a clear strategic architecture - the hierarchy "strategic themes/goals → portfolio → programs/projects (or value streams/epics)". In the absence of such rationality, portfolio organization would rapidly stumble into a series of mutually competing initiatives, the management decision-making would no longer be guided by a strategic plan but driven by the whirlwind of current requests and "opportunities".

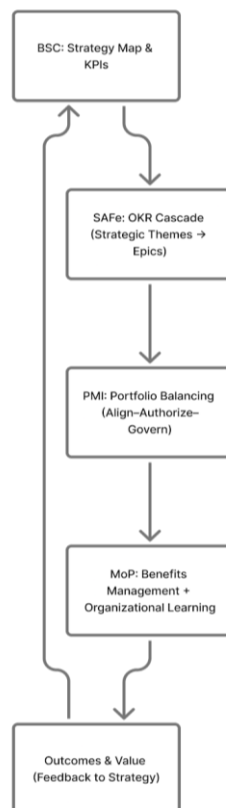


Figure 7. Synthesized a model of strategic management through a portfolio

Secondly, a necessary condition is the standardization of the criteria for selecting change initiatives (strategic alignment, expected benefits, risk/uncertainty, resources capacity, time to benefits realization), which permits comparing varied types of change in accordance with the same rules without losing sight of transparency in governance.

Thirdly, taking into consideration the specific contributions of each of the methods, a unified effective portfolio model would encompass: periodic formal portfolio assessment-as iterative portfolio decision process (PMI logic), ongoing benefits realization and business owners' responsibility for results (MoP-logic), flow visualization and work-in-progress limit through portfolio Kanban and regular review of priorities (SAFe); finally a system of indicators and strategy maps to check cause-effect links between change initiatives and strategic results (BSC). This translates into "final" organization of the portfolio decision-making process, which should be "confirmed" not only based on economic-investment data (costs/risk/resources/priorities) but also on the basis of actual performance data (KPI/OKR, flow metrics, benefits prospects).

The common mistakes collected in the source documents (e.g., focus on outcome instead of benefit, undefined criteria for comparing and prioritizing projects, blurred distribution of responsibilities between levels) should be foreseen as portfolio governance risks and guarded against by setting precautions in the rules of decision and the assigned responsibilities (Portfolio Board, Portfolio Manager, Portfolio Office, Business Owners).

Conclusion

The portfolio of projects and programs in strategizing is, in fact, the "mechanism" that helps to convert strategic voices coming from strategizing levels into specific measurable results. PMI, MoP, SAFe and BSC look at this system with different glasses, but they complete each other well: PMI - on it is an explicit method for portfolio selection and control, MoP - on benefits realization and culture of changes, SAFe - on the value stream and flexible funding, BSC - on strategic indicators and evidence of set of initiatives which support system of strategic management. The analysis of various models showed that all of them work on the same foundation - strategic alignment, balancing,

transparency, beneficiary focus and feedback and differ mainly in tools used and the organization involved. That's why linking them into a hybrid model enables getting the model that only has the "best of" for the particular model features. As mentioned above, it helps to narrow the gap between strategy formulation and its realization - investments are made against the clear shared values and risk measures and the success is known not only on the fact of "done" or "not" but on the fact that the organization obtained the scheduled strategic value.

From a practical perspective, this means instead the necessity to have one portfolio management system: it's profitable to define clear prioritization rules, to define the portfolio manager or develop the no of functions of the PMO, to define even mechanisms for benefits realization and organisational learning. And to avoid common mistakes: to pay attention only to projects' implementation instead of benefits realization, to unclear distribution of roles, to poor communication between the Portfolio Board and the PMO. The suggested conclusions and recommendations can also be useful for the organization which want to improve the strategy implementation through systematic and coordinated portfolio management.

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