

PROJECT & PORTFOLIO VALUE CREATION

DECISION ANALYSIS & PORTFOLIO MANAGEMENT MASTERCLASS



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EMD Serono & Merck KGaA; August 15-18, 2022

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Agenda – Day 1

AUGUST 15 – DECISION ANALYSIS

Session 1: Introduction

Agenda, brief background, and goals for masterclass; review of Decision Analysis & Portfolio Management survey

8:00 – 8:30 a.m. ET

Session 2: Decision-making Under Uncertainty And Risk

The value of decision framing and the Decision Quality (DQ) cycle

8:30 – 10:00 a.m. ET

TEA/COFFEE BREAK

10:00 – 10:15 a.m. ET

Session 3: Introduction to Decision Analysis and Decision Trees

A discipline oriented toward strategy selection on the basis of eNPV maximization under conditions of uncertainty and risk; calculating eNPV using Decision Trees

10:15 a.m. – 12:00 p.m. ET

Software: Precision Tree

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Agenda – Day 2

AUGUST 16 – DECISION ANALYSIS

Session 4: Risk Analysis & Risk Management

Phase-dependent risk decomposition, SME risk elicitation, biases; project, program, and portfolio risk

8:00 – 9:45 a.m. ET

TEA/COFFEE BREAK

9:45 – 10:00 a.m. ET

Session 5: Deterministic Integrated Asset Valuation (I)

Structuring single- and multiple-indication Decision Trees to conduct project and program valuations

10:00 – 11:00 a.m. ET

Software: Precision Tree

Session 6: Deterministic Integrated Asset Valuation (II)

Using Decision Trees to conduct sensitivity analysis of uncertainties and risks to dominant decisions

11:00 a.m. – 12:00 p.m. ET

Software: Precision Tree

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Agenda – Day 3

AUGUST 17 – PORTFOLIO MANAGEMENT

Session 7: Crossing The Chasm – From Drug Discovery Through Clinical Development

Cultivating and embedding a Portfolio Management mindset across the entire value chain

8:00 – 9:00 a.m. ET

Session 8: CREOPM™

A holistic Portfolio Management framework oriented toward portfolio value maximization and capability maturation

9:00 – 10:15 a.m. ET

TEA/COFFEE BREAK

10:15 – 10:30 a.m. ET

Session 9: Project Prioritization

Searching for the best rank order of projects to create portfolio value within defined resource constraints using Multiple Objective Decision Analysis (MODA)

10:30 a.m. – 12:00 p.m. ET

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Agenda – Day 4

AUGUST 18 – PORTFOLIO MANAGEMENT

Session 10: Deterministic Portfolio Optimization

Searching for the best combination of projects to maximize portfolio value within defined resource constraints using Linear Programming (LP)

8:00 – 10:00 a.m. ET

Software: Evolver

TEA/COFFEE BREAK

10:00 – 10:15 a.m. ET

Session 11: Strategic, Portfolio, And Business Plans

The importance of actionable and interdependent strategic, portfolio, and business plans

10:15 – 11:00 a.m. ET

Session 12: Decision-making and Portfolio Management Capability Maturity Models

Diagnosis of organizational decision-making and Portfolio Management capability maturity models

11:00 a.m. – 11:45 a.m. ET

Session 13: Final Q&A

Any other business

11:45 a.m. – 12:00 p.m. ET

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Dr. Richard Bayney – President, PPVC



Dr. Richard Bayney is President & Founder of Project & Portfolio Value Creation (PPVC), a consulting boutique providing training and education in Project, Program, Portfolio, Resource, and Risk Management as well as Business, Strategic, Portfolio, and Scenario Planning services. He is an adjunct faculty member at the University of Pennsylvania lecturing to graduate and executive students in 'Project Portfolio Management'. He delivers masterclasses in Decision Analysis & Portfolio Management to a broad range of industry communities in US, EU, and Asia. Richard is a frequent speaker in 'Portfolio & Resource Management, Risk Analysis & Risk Management, and Strategic Planning in Drug Development' and consults across several industries including Pharma & Biotech, Consumer Care, Medical Devices & Diagnostics, and Agriculture.

Dr. Bayney is a 23-year veteran of the Pharmaceutical & Biotechnology industry at Merck & Co., Bayer Corp. and AG, Bristol-Myers Squibb, and Johnson & Johnson Pharmaceutical Research & Development. In his previous position at Johnson & Johnson, Richard was Vice President, Portfolio Management & Decision Analysis. He has spent 25 years building and leading departments in Strategic Planning, Decision Analysis, and Portfolio Management, 2 years as an International Project Manager for a marketed cardiovascular drug, and 10 years in Molecular Biology research into gene expression in drug detoxification systems and in Alzheimer's Disease.

His first co-authored book, titled 'Enterprise Project Portfolio Management: Building Competencies For R&D And IT Investment Success' was published by J. Ross in 2012.

Dr. Bayney obtained his M.Sc. and Ph.D. from the University of London, MBA from Columbia University, and PMP from the Project Management Institute.

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PPVC – founded on the belief that excellence in any discipline requires protracted commitment



Project & Portfolio Value Creation
Building capabilities and value, One block at a time

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PPVC's Mission, Vision, and Values

MISSION

We exist to enhance an organization's protracted performance in maximizing the value of its assets through the application of superior strategic and analytic skills

VISION

Within the next decade, we want to be known as a premier provider of services that are distinguished by the uniqueness of their prescription and application

VALUES

We believe that every organization is unique and hold dear to the philosophy that we must understand people and culture before prescribing solutions and tools

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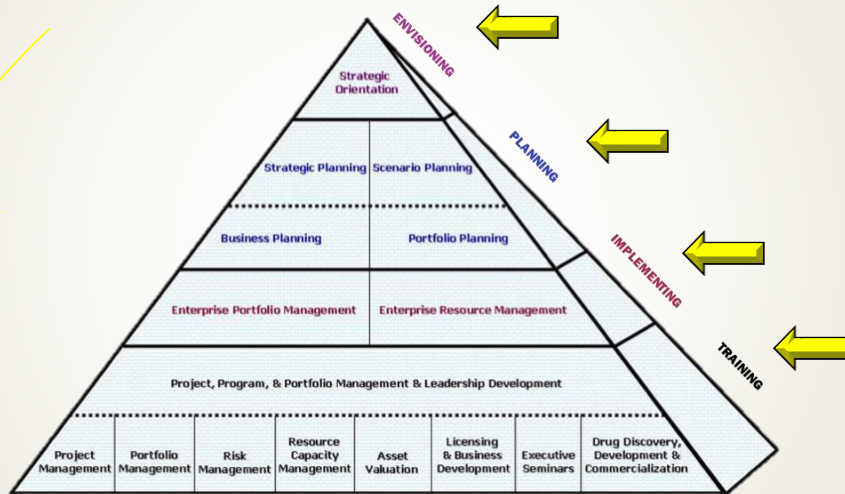
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PPVC's portfolio of service offerings



BUILDING CAPABILITIES AND VALUE, ONE BLOCK AT A TIME

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PPVC's expertise – spans four primary industry sectors



BIOPHARMA



CONSUMER CARE

THE PROBLEM...

Insufficient resources to do everything

THE CHALLENGES...

Getting the best out of what we've got (or plan to get)

Risk and uncertainty

Tailored analysis for idiosyncratic problems

THE OBSTACLES...

Them (competitors, regulators, governments...)

Us (What? Why? When? Who?...)

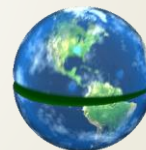
THE SOLUTIONS...

Good left- and right-brained skills

Effective and efficient decision-making



MD&D



AGRICULTURE

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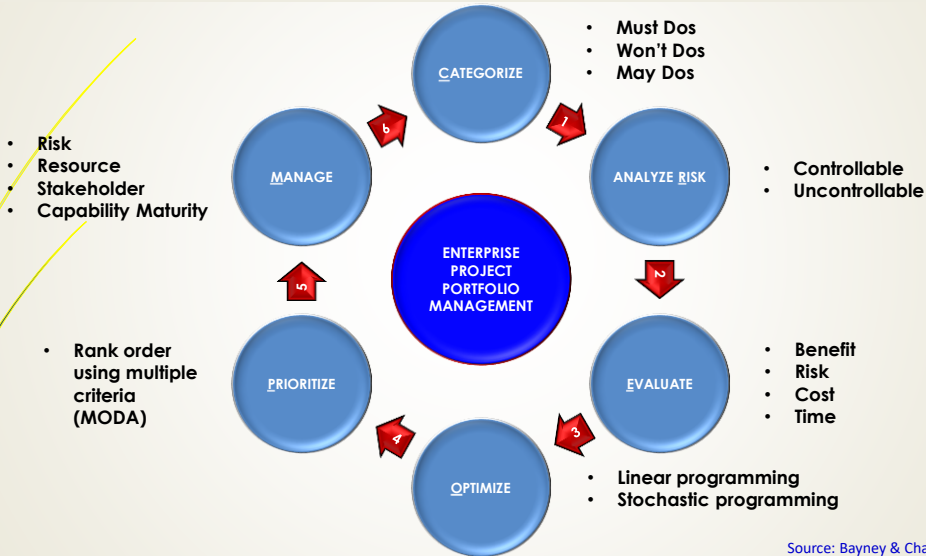
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PPVC's CREOPM™ Portfolio Management framework – a combination of process and methodology



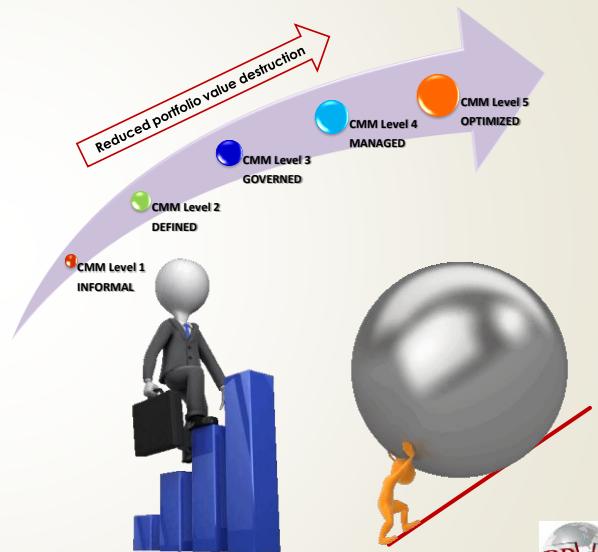
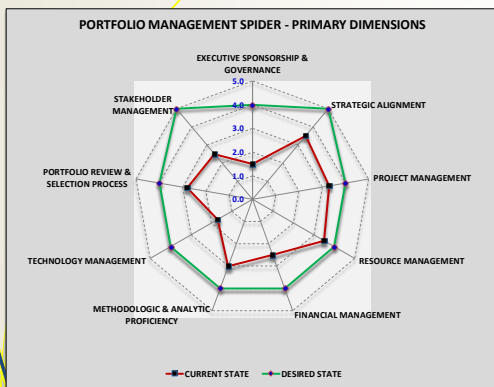
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Source: Bayney & Chakravarti (2012)



PPVC's Capability Maturity Model (CMM) diagnostic suite



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