CORE
CONCEPT

Corporate Strategy and Business Portfolio Management for Executives

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Technical depth: Conceptual · **Practical mode:** Case study

Introduction

Groups with several businesses often allocate capital by habit, spreading it evenly or rewarding the loudest plan, while the corporate centre adds cost without adding value. The result is a portfolio that is worth less together than its parts would be apart, and acquisitions or exits that are decided case by case rather than against a clear corporate strategy. This Core Concept course equips executives to judge the whole portfolio: where the group should compete, what the centre contributes and where capital should move. Participants work through multi-sector cases and leave with a Corporate Portfolio Strategy Review in board-paper form.

Course Objectives

- Judge whether the group's portfolio creates more value together than its businesses would create apart
- Evaluate business units with portfolio matrices and economic profit measures, and interpret the limits of each
- Define the corporate centre's parenting role and the value it adds to, or subtracts from, each business
- Direct capital allocation, acquisition and divestment decisions against explicit portfolio criteria
- Oversee portfolio risk concentration, climate exposure and the governance of major reshaping decisions
- Present a Corporate Portfolio Strategy Review to a board or investment committee

Target Audience

- Executives accountable for group or corporate strategy
- Board members and investment committee members overseeing capital allocation
- Heads of business units competing for group capital and resources
- Finance and corporate development executives leading acquisitions and divestments
- Leaders of holding companies and investment groups managing portfolio companies
- Heads of strategy offices preparing portfolio reviews for boards

Course Outline

Day 1: Corporate Strategy Foundations and the Portfolio Baseline

- Corporate Versus Business-Unit Strategy: Where to Compete and How to Win
- Porter's Three Tests for Diversification: Attractiveness, Cost of Entry and Better-Off
- Portfolio Baseline Using Economic Profit and ROIC Versus Cost of Capital
- Goold and Campbell Parenting Styles: Strategic Planning, Strategic Control and Financial Control
- Portfolio Performance Dashboard: Growth, Margin and Capital Intensity by Business

Day 2: Portfolio Frameworks and Models

- BCG Growth-Share Matrix and Its Limits
- GE-McKinsey Nine-Box Matrix: Industry Attractiveness and Business Strength Scoring
- Ashridge Parenting Matrix and the Parenting Advantage Test
- Ansoff Growth Matrix and Adjacency Mapping
- McKinsey Three Horizons of Growth for Portfolio Balance

Day 3: Allocating Capital and Shaping the Portfolio

- Capital Allocation Principles and Hurdle Rates Linked to WACC
- Synergy Assessment: Revenue, Cost and Capability Synergies
- Build, Buy, Partner or License Decision Framework
- Acquisition Screening Criteria and Strategic Fit Scorecard
- Divestment, Spin-Off and Carve-Out Option Evaluation

Day 4: Portfolio Risks, Governance and Pitfalls

- Conglomerate Discount and Sum-of-the-Parts Valuation
- Portfolio Risk Concentration and Correlation Review Under ISO 31000
- Climate Transition Risk Screening of the Portfolio With IFRS S2
- Board Oversight of Portfolio Decisions Using ISO 37000 Governance Principles
- Resource Allocation Inertia: Dynamic Reallocation Rules and Sunset Reviews

Day 5: Case Work and the Corporate Portfolio Strategy Review

- Diversified Industrial Group Case Study: Nine-Box Review and Exit Decisions
- Investment Holding Company Case Study: Parenting Advantage and Centre Redesign
- Portfolio Map Build for an Own Organisation
- Corporate Portfolio Strategy Review Board Paper Drafting
- Mock Investment Committee and Recommendation Defence

Skills You Will Gain

- Corporate Strategy Formulation
- Portfolio Analysis
- Parenting Advantage Assessment
- Capital Allocation Judgement
- Synergy Evaluation
- M&A and Divestment Oversight
- Value Creation Analysis

Why Attend This Course

- Leave with a Corporate Portfolio Strategy Review ready to table at your board or investment committee
- Challenge business-unit plans and acquisition proposals with one consistent set of portfolio questions
- Recognise when the corporate centre is adding cost rather than value, and what to change
- Test portfolio decisions with executives from industrial, financial, investment and public-sector groups

Conclusion

A group creates value only when its businesses are worth more under its ownership than under anyone else's. This course moves from corporate strategy foundations and an honest portfolio baseline, through the principal portfolio and parenting frameworks, to capital allocation, acquisitions, exits and the risks that erode portfolio value. The final day brings these tools together in a Corporate Portfolio Strategy Review that participants take back to their board, giving them a clear and defensible basis for deciding where the group invests next.