

Medtronic Aligns Portfolios and Budgets Strategically Using Expert Choice

case study: Medtronic

Challenge	Action	Results
Instill a fair, practical process for collaborating on crucial business decisions.	Leveraged EC solutions and training to engage decision-makers in a better evaluation process.	A repeatable, transparent process for strategic planning and prioritizing funding.

“It’s a big feedback loop. When the rubber hits the road, and you have to commit funding, are you on strategy? Expert Choice provides both a reality check and feedback mechanism to consider different views and what-if scenario.”

JEFF EVANSON, DIRECTOR
NEW PRODUCTS AND
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Challenge:

Medtronic has long provided medical solutions to help people with chronic disease. Constant collaboration with physician researchers who use their products has yielded new therapies through the years. Since there are always more ideas than budget, time and resources, Medtronic sought to:

- Improve the process of evaluating projects
- Inform decision making on which projects to fund
- Align decisions with strategic goals
- Provide a fair, balanced assessment process
- Gain confidence in decisions made among stakeholders

Medtronic knew they needed a better way to prioritize and make funding decisions. Ultimately, only 10 or so of every 100 proposed research projects could be funded. Given the collaborative environment in which they operate, it was essential the physician researchers felt their ideas were carefully considered and that a fair and balanced process was being used to make determinations. Internally, management also had to align the research portfolio with the company’s strategic goals and Budget and Government Accounting Office.

Action:

Medtronic is in the business of alleviating pain for millions. So there was a natural instinct to make its own processes less painful for stakeholders.

External
Physicians
Patients
Government

Internal
Sales
Product Development
Legal
Marketing

Armed with Expert Choice 11, EC Resource Aligner software, Keypad hardware and Green Belt training, the Medtronic team launched into the prioritization process with a robust toolbox and a new attitude. The team

built 5-6 template models which they use several different ways to simplify decision-making in key areas that include research portfolio decisions and annual operations planning.

Up front, Medtronic made the smart decision to use Expert Choice staff to moderate their meetings. With an expert leading the way, people got engaged faster. This is especially crucial when dealing with contentious situations or reluctant participants. Such facilitation reassures everyone of the fair process and forces all involved, in an effective way, to express and justify their views. The Expert Choice framework gathers all inputs and synthesizes them into prioritized decisions.

Expert Choice allowed the team to “see what we were doing. The tool makes you do what you mean, and mean what you do. It really put a fine point on where we were off the mark in our portfolio and helped us agree and move forward.”

The process was evolutionary, with management acknowledging that once participants got on board with the methodology, they noted significant qualitative improvements in their process. In the end, by engaging in this systematic approach, Medtronic is able to elicit buy-in at all levels on crucial decisions. Along the way, they can adjust the various constraints and review new outcomes.

“There used to be a lot of ‘gaming’ of the system. Now, we have a process that helps level the playing field, address the strategy, and help our team do the right thing.”

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Results:

Medtronic was able to stem the downward spiral of budgeting based on last year’s activities. Now, they take a fresh look at all of the incoming project requests and make reasoned decisions. Success in this area has led to widespread use. People across the organization now turn to the Expert Choice process/tool first for big, critical decisions because they are assured of:

- A repeatable, trusted process for making reasoned decisions
- Transparency cross the organization and stakeholders
- Visibility into what things cost and how they align with strategic goals

The company is now measuring the financial impact of its new decision-making process. Productivity is definitely on the rise.

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Lessons Learned:

1. Build buy-in

Provide a capabilities presentation on the methodology and tools to stakeholders. Make them comfortable and familiar with Expert Choice to minimize issues during the live facilitation. “Once folks understood the methodology and how it works, they were on board. They recognized that everyone important contributed to the results.”

2. Expect a learning curve

People need to go through the training and process to really get the software and modules. The end result is much more effective if you get the basic training out of the way first. Learning on the fly, in a real decision-making exercise, just slows the process down.

3. Be focused and flexible

It's important to get people really thinking about the goals of the exercise. Create the right environment for this kind of thinking. And don't go for perfection, go for good enough. This is an iterative process with compounding benefits.

4. Set your priorities

Prioritize the high-level objectives first. This is a critical foundation for the process and takes more time than most people expect. [After you take this critical step, however, the process is very streamlined.] Then break down objectives apart from the evaluation of projects. Take them in small chunks.