

BEYOND CONSENSUS

The Value Framework Nobody Agrees On — and Why the Search for One Is the Error

A Practitioner's Perspective on defining value across a change portfolio



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Portfolio · No. 27

Originally written August 2007 | Re-edited and re-rendered for the WhereBeyond Edition, 2025

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The initiative every portfolio eventually launches

Sooner or later every portfolio arrives at the same well-intentioned initiative. Someone senior observes, correctly, that the organisation has no consistent way of describing what its investments are worth. One programme talks in net present value, another in strategic alignment scores, a third in a colour-coded matrix of benefits that no two people read the same way. So a project is chartered to fix it: to build the single value framework that everybody will use, agree upon, and apply. I have watched this initiative launched, in one form or another, more times than I can count. I have never once seen it deliver the thing it promised.

The framework that never sets

The pattern is worth describing precisely, because it fails in a recognisable sequence. A working group is convened, deliberately cross-functional so that every constituency is represented. It surveys the methods in use. It debates whether value is financial, or strategic, or both, and in what proportion. It produces, after some months, a scoring model — usually a weighted blend of financial return, strategic fit, risk, and deliverability, rolled into a single number or a single rating.

For a quarter, perhaps two, the model holds. Then it begins to erode. Finance notes that the strategic weighting lets pet projects with thin returns leap ahead of solid ones. The strategy function counters that reducing everything to discounted cash flow is precisely the short-termism the framework was meant to cure. An operating division discovers that its most important initiative scores badly because its benefits are real but genuinely hard to quantify, and it starts, quietly, to route that initiative around the framework. Within a year the single agreed model has become one more input that people cite when it flatters them and ignore when it does not.

The initiative is then judged to have failed through poor design, and in due course someone senior observes that the organisation has no consistent way of describing what its investments are worth, and the wheel turns again.

Why agreement was never available

Here is the honest diagnosis, and it is not a comfortable one for anyone who has sponsored one of these efforts. The single agreed framework does not fail because it was badly built. It fails because the thing it set out to do cannot be done. Value in a portfolio is contested by design, and the contest is not a defect to be engineered away.

Consider who sits around the table and what each of them means by the word.

- The finance director means value that can be defended to the board and the auditors: quantified, discounted, traceable to the accounts.
- The strategy director means positioning — options held open, capabilities built, ground taken that may not pay for years and may never show cleanly in a cash flow.
- The operating leader means the problem in front of them solved: a process that stops failing, a risk that stops threatening, a team that stops leaving.
- The customer-facing side means something felt rather than counted, and resents every framework that asks them to pretend otherwise.

None of these people is wrong. Each is describing a genuine dimension of what the investment is worth, and the dimensions are not commensurable — there is no true exchange rate between a point of strategic optionality and a pound of discounted return. A single framework does not reconcile these views. It picks a winner among them and disguises the choice as a formula. The losers notice, and route around it. That is not a failure of the mathematics. It is the mathematics working exactly as a suppressed political choice always works.

A value framework does not measure agreement into existence. It encodes whichever definition of value won the argument — and every constituency it overruled will spend the following year proving the encoding wrong.

What to build instead of consensus

If the search for the single agreed number is the error, the practitioner is entitled to ask what replaces it. The answer is not to abandon rigour and let every initiative plead its own special case — that is merely the disease in its untreated form. The answer is to stop trying to dissolve the disagreement and start trying to govern it.

1. Make the dimensions explicit and keep them separate. Report each investment against its financial, strategic, and operational value as distinct figures, in their own units, and refuse to blend them into one. A portfolio board that sees three honest numbers is better informed than one that sees a single dishonest one. The blending is where the politics hides; keeping them apart drags the politics into the light where it can be argued properly.
2. Name the trade-off as the board's job, not the model's. The weighting between strategic and financial value is not a technical parameter to be set once by a working group. It is a standing judgement about the organisation's appetite and moment, and it belongs to the people accountable for the portfolio. Let them make it, openly, and revisit it as the moment changes. A framework that hard-codes the weight steals a decision that should stay with the humans.
3. Adjudicate the incommensurable cases deliberately. The initiative whose benefits are real but unquantifiable is not an embarrassment to be scored away. It is precisely the

case that demands a judgement, and the portfolio's value is in making that judgement visibly and defensibly, not in pretending a number settled it.

4. Expect to revise, and build for it. Because the balance of what the organisation values shifts — with its markets, its leadership, its position — any framework that cannot be reopened will be routed around the moment it stops fitting. Design the disagreement back in, on a cadence, rather than declaring it closed and watching it leak.

The harder discipline

What I am describing is harder than building a scoring model, which is why organisations keep reaching for the model instead. A formula promises to take a contested judgement off the table and make it automatic. That promise is its appeal and its poison. The contested judgement is the actual work of running a portfolio; automating it away does not remove it, it only hides it and lets it happen without accountability.

The mature portfolio, in my experience, is not the one that has finally agreed what value means. It is the one that has given up expecting to, and has built instead the forums, the honest multi-dimensional reporting, and the willingness to make and own the trade-offs in the open. It treats the disagreement about value not as a problem it has failed to solve but as the substance of the decision it exists to make. The framework nobody can agree on will keep failing for exactly as long as agreement is what it is asked to produce.