A7
TOOL

THE INNOVATION CODEX · TOOLKIT

Portfolio Tranche

Purpose. Release funding in evidence-gated stages so capital follows proof.

What it captures. For each tranche, the amount and duration, the scope it funds, the entry criterion, the exit criterion that releases the next tranche, and the stop condition that pauses funding.

When to use it. Alongside the Portfolio View, whenever an initiative is funded through staged investment.

Common mistake. Sizing the first tranche to the ambition rather than to the first real unknown. Project Swift's first tranche bought two answers, whether the problem was worth solving and whether the guided path worked in 10 stores, before any money went to rollout.

Decision rule. Release the next tranche only when the current tranche's evidence criterion is met, never on optimism, momentum, or sunk cost. A missed criterion defaults to a pause and review, not continuation.

Initiative or Project

Total Envelope

The Triple Check: to release the next tranche, the exit evidence must show Value (does it solve the customer problem?), Viability (do the unit economics work?), and Responsibility (does it stay within our ethical and carbon bounds?).

Tranches *entry criterion: usually the previous tranche's exit criterion*

Tranche	Amount and duration	Scope funded	Entry criterion	Exit criterion (releases next)
Tranche 1				
Tranche 2				
Tranche 3				
Tranche 4				

Stop Condition *a missed criterion defaults to a pause and review*

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