



Planisware

EBOOK

How to Choose the Perfect Project and Portfolio Management Tool in 5 Steps

Table of Contents

1. Introduction	p. 3	4. Select and Implement the Right PPM Solution	p. 9
		1. Why Implement a PPM Tool	p. 10
2. What is PPM?	p. 4	2. Stakeholders	p. 12
Who is Involved in PPM?	p. 5	3. Company Readiness	p. 14
		4. Choosing the Right PPM Solution	p. 18
3. Why do you need a PPM tool?	p. 6	5. KPI's & Implementation	p. 26
Benefits of a PPM Solution	p. 8		
		5. About Planisware	p. 29

Are you looking to enhance your Project Portfolio Management (PPM) processes?

Perhaps you're currently facing some PPM challenges, such as a lack of visibility into your projects and portfolio, misalignment with strategy, the inability to gather data quickly, and budget overspending.

Using improper or disparate PPM methods, practices or tools can contribute to these common issues. And, if you're reading this guide, we can only assume you've come to the same realization.

Well, now's your chance to change the narrative. In the following pages, we communicate the importance of finding a *good* PPM tool - one that'll help you overcome your PPM challenges, improve your processes, and help you achieve your ambitious goals.



What is PPM?

Before we dive into PPM tools, here's a quick refresher on what PPM is and how it can benefit your organization.

In short, Project Portfolio Management is a mixture of Project Management methodologies, resource management, risk, and profitability analysis. As a practice, it aims to achieve your organization's strategic objectives and goals by the means of project governance.

An organization with a high level of PPM maturity can:

- Increase alignment between strategy and execution, delivering projects and products that genuinely create value for the organization.
- Support and develop business agility.
- Increase productivity by optimizing project prioritization and resource allocation, and orchestrating project execution, regardless of the methodology used — waterfall, Agile or a combination of both.
- Deliver more with less and eliminate “waste”.
- Provide actionable data to decision-makers by streamlining data collection and automating reporting.
- Provide better visibility on projects (and products) to stakeholders, and facilitate communication.

Who is Involved in PPM?

Depending on the size and maturity of your organization, the following roles will typically be involved one way or another in PPM:

- **Project Management Offices (and officers).** These are **responsible for the overarching project and portfolio strategy** (e.g. grouping projects together into portfolios), creating and maintaining processes, training and coaching, reporting, and follow-up.
- **Executives, Heads of Departments, and the C-suite.** These are the high-level stakeholders you will need to report to.
- **Project and Program Managers.** These are the people who will manage projects, communicate with PMOs, and manage operational tasks.
- **Project teams.** These are the people on the ground who execute tasks.





Why Do You Need a PPM Tool?

A staggering **47% of project professionals do not have access to real-time KPIs**. And 50% of these respondents admit to spending 1 or more days per month manually collecting data for reporting.

Unavailable or inaccurate data doesn't just affect your projects on an operational level; it impacts your strategic decision-making. This can hinder your company's growth or make your business spend valuable resources unnecessarily.

Without data transparency, it's impossible to make accurate decisions about project prioritization, **resource management**, and budget allocation, or determine if your organization can reach its strategic objectives with its current capacity. A lack of accessible, truthful data also means you can't guarantee data compliance and accurate insights for your stakeholders.

This is where a PPM tool really shines.

In short, a PPM tool helps you plan and consolidate your organization's projects and the data related to them. It allows you to oversee diverse projects, analyze your efforts and make sound project management decisions.

Key features of most PPM tools include:

- The ability to capture all aspects of a project, including the project roadmap and business case, or dependencies with other projects.
- Project prioritization and ranking.
- Risk management insights, including probability occurrence and impact scores.
- Resource management and budget optimization workflows.
- Reporting dashboards and templates.
- Portfolio monitoring, including insights into project milestones.
- Documents and deliverables management.
- Collaborative features and integrations.



Benefits of a PPM Solution:

Of course, **the benefits of a PPM solution** reach far beyond transparency and simplified data reporting. If you make the right selection, you can also:

- Consolidate all your disparate tools into one centralized place, ensuring there are no hidden pockets of data in your organization.
- Increase visibility into projects and resources, which can reduce project failure rates.
- Improve budget management and decrease overspending.
- Prioritize projects based on data. Score projects based on your business criteria, speed up decision-making, improve portfolio selection, and reduce the number of low-value projects.
- Speed-up time-to-market thanks to centralized product data - this allows you to iterate review cycles faster.
- Reduce admin time spent collecting project data and generating reports.
- Streamline project management by providing customized templates that include all past lessons-learned.





How to Select and Implement the Right PPM Solution

So, you want to improve your PPM maturity with a tool fit for your unique needs. In the next 5 steps, you'll understand what the best PPM solution looks like for *your* organization.

1. Why do you want to implement a PPM tool?
2. Who are your stakeholders and how do you get their buy-in?
3. Assess your company's readiness
4. Choose the right PPM solution
5. Chart your implementation and onboarding journey

Ready to get started? Roll up your sleeves. Let's begin step 1.



Step 1: Why Do You Want to Implement a PPM Tool?

This first step requires some introspection. When making any important business decision, you must evaluate the reasons behind it. (And, no, wanting a new tool because everyone else is using it is not a good reason!)

Before you can choose a PPM tool, you need to answer the following:

- **Why are you looking for a PPM tool?** And why now? You need to pinpoint your objectives. Is your aim to align project teams and better communicate deadlines? Are you hoping to generate more accurate data insights?
- **What tasks do you plan to use your PPM for? What pain points will it solve?** Will the use of a PPM tool increase your efficiency in managing projects? If so, how long will it take to see these benefits?
- **Do you already use PPM tools?** How successful have these been? What would you change or keep? It's worth asking all relevant stakeholders to weigh in on this. They may highlight some problems you hadn't even thought of. For instance, is the need for a new PPM tool circumscribed to just one team, or would all departments benefit from access?
- **What are the expected benefits and risks?** Understanding the benefits will help you sell the idea to your stakeholders (more on that in step 2). And understanding the risks will allow you to better plan your rollout and mitigate (or tackle) any bottlenecks down the line.
- **How do you plan on rolling out this PPM tool?** Consider the time frame of the rollout, as well as which tasks you'll focus on first. Many companies discover during implementation that their processes are not up to scratch or need some tweaking, which adds time to the process. This emphasizes the importance of choosing an experienced PPM provider that can guide you toward best practices for your industry. (And help you get more out of your tool.)



Create Reachable and Measurable Objectives

It's important to note that you can't implement your PPM tool in one go. Rather, you must deploy it in sprints.

So, at this point, we want you to set some **reachable objectives for the first sprint of the PPM solution implementation.**

Write down what you hope to accomplish by the end of this first sprint, as well as which tasks will have to factor into the next. This will help you plan ahead and understand what success looks like to you.

Examples of measurable objectives may include:

- 100% of projects identified on the PPM platform
- 100% of projects budget above US\$100K are validated



Step 2: Who Are Your Stakeholders and How Do You Get Their Buy-In?

We wouldn't advise you to go rogue on your hunt for a new tool. Like any change project, selecting a new PPM solution requires the support of influential individuals, particularly those in senior management. This is especially true if you need to involve multiple organizational units in the process.

Anyone who uses your PPM tool, in any capacity, is a stakeholder. These people may be:

- Head of the PMO
- Project Directors
- Heads of departments/BU managers
- C-suite executives
- Finance officers
- Project teams



Of course, each stakeholder will have different perspectives and objectives. Senior executives will most likely want to see the cost benefits, or perhaps a faster time-to-market. Project teams, on the other hand, will have more technical expectations. They'll want a tool that's transparent, intuitive to use, and works well with their other tools.

Meeting these expectations is crucial to getting buy-in, which in turn is crucial for the success of the PPM tool project.

How To Achieve Buy-In

The introduction of a PPM tool is a project that will undeniably generate change in your organization. For some of your stakeholders, this change may be unsettling or impact their day-to-day work life.

That's why it's key to build a business case and involve stakeholders in your selection process so that they can act as your advocate.

We encourage you to identify your stakeholders and their unique needs. Your IT department might be focused on ensuring the safety of the data, while your project managers will be more concerned with platform adoption and training

Once you have established these priority requirements, follow 4 key steps to secure their support:

1. Define the common vision to agree on the type of PPM tool you want.
2. Demonstrate the expected financial benefits, ROI and decrease in cost and waste. If you need help calculating the expected benefits, **get in touch with the Planisware team**.
3. **Demonstrate the expected qualitative benefits**, and what you can achieve through the optimization of your projects, resources, and related elements.
4. Establish a clear, objective, and transparent selection process.



Step 3: Assess Your Company's Readiness

You're inching closer to the finish line, but don't start sprinting just yet. Before you can choose a PPM solution, you need to reflect on your current project management maturity.

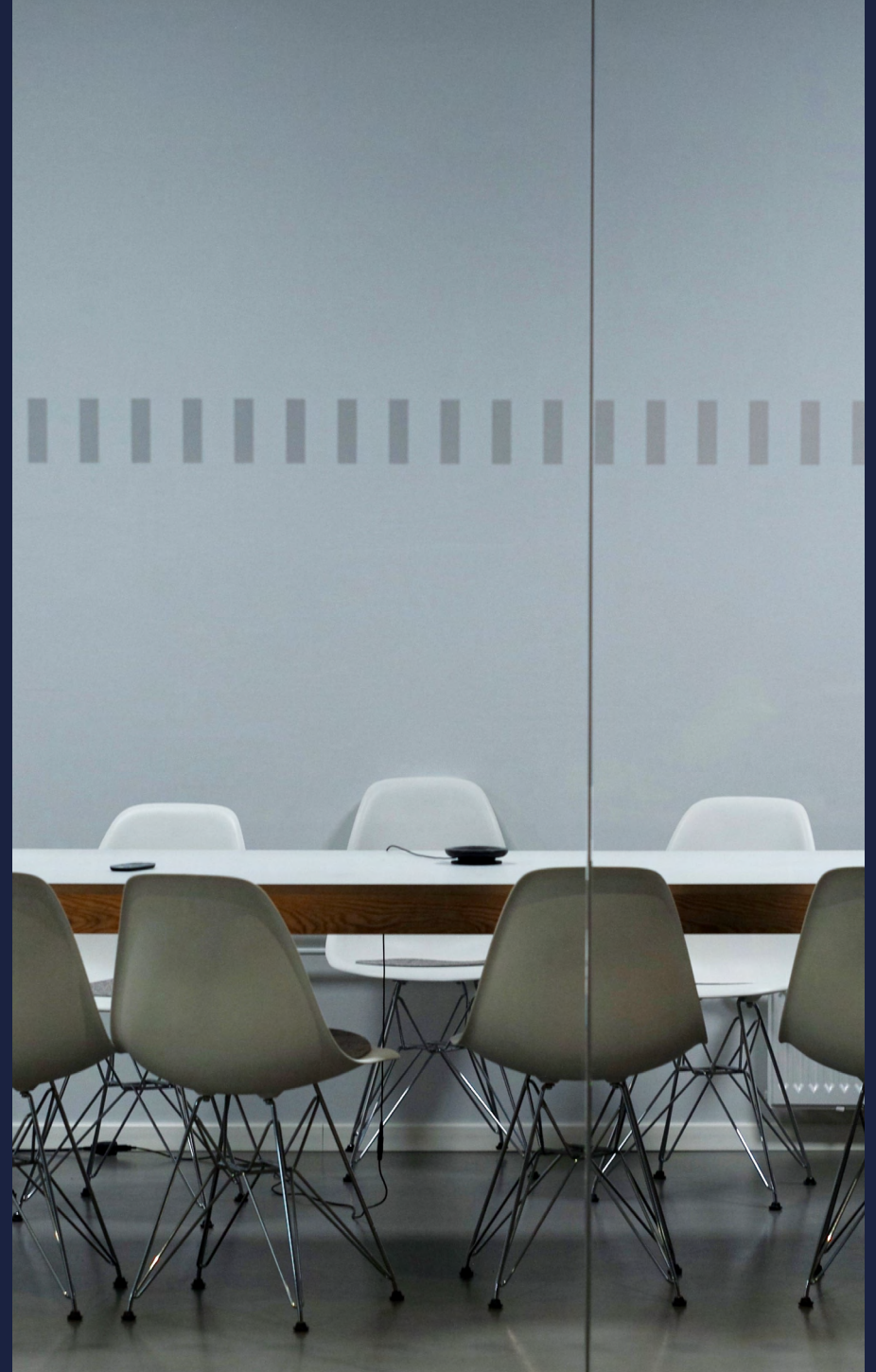
This step is primarily an internal effort. And it's one you can't afford to skip.

Many organizations expect to standardize, simplify, or even establish their project management processes with a tool. However, installing new software won't **solve your maturity problems alone**. Even if you adopt software that comes with a preconfigured process, you will still have to adapt it to fit your organization.

This problem is only exacerbated when you have several departments to think about. The maturity of each department may differ — for instance, some may struggle with the waterfall methodology, others may not. You must consider these differences to understand what the expected (but realistic) margin of progress is. The objective is to level up gradually, and onboard each department to the PPM tool without slowing down the others.



If you'd like some help distilling your level of maturity, watch our webinar on the topic, **'Taking the Next Steps in Project Portfolio Management Maturity'**.



Criteria for Assessing Your PM Maturity

Here are the 5 criteria Planisware uses for assessing PPM maturity.

- **Robust and clear governance.** This involves identifying *what* you're doing and *how* you're going to do it. Through rigorous governance, you can better prioritize tasks, measure performance, and help stakeholders make important decisions.
- **Reliable processes.** Establish execution, monitoring, and control processes that result in efficient and high-quality deliverables. But remember, you can't standardize everything. Beyond creating processes for execution, you must also leave room for collaboration, communication, and continuous improvement. This ensures your processes remain flexible.
- **Integration of Project Management and Project Portfolio Management methodologies.** Do your teams use waterfall, Agile, or a bit of both? How comfortable are your teams with the underlying principles of each methodology?





Don't want to slog through extensive questionnaires, but still want a quick benchmark of the current state of your PPM processes? We understand. That's why we created our PPM maturity assessment, which will help you assess your maturity in less than 15 minutes. You can **take** the survey [here](#).

- **Quality data.** Some of the key markers of quality data are: homogeneity, clarity, integrity, and how up-to-date your information is. The quality of your data is directly influenced by your PPM processes, methodologies, and data capture processes. And your data quality is only as good as your lowest quality data point. The lower the quality, the lower the trust and reliability.
- **Collaboration and harmonization of practices.** Siloed activities will affect the success of your PPM efforts. Ideally, you need to implement global processes and methodologies across your departments and teams.

For each criterion, you must evaluate your organization's maturity. There are a number of matrices you can use to do this, including Gartner's **5-level PPM Maturity Model**.



Step 4: Choose the Right PPM Solution

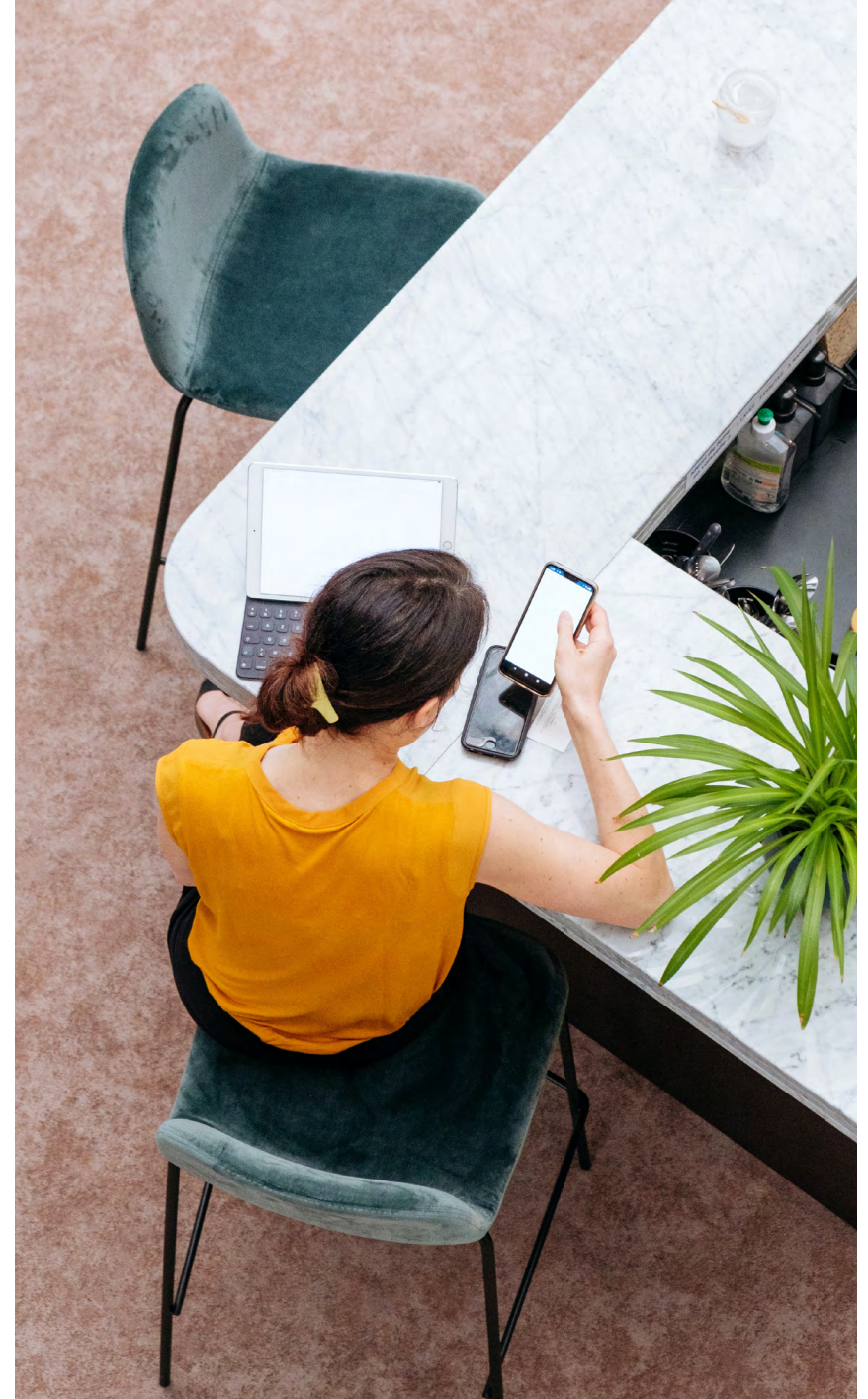
Here comes the hard part: making your selection.

Now, we're not in the business of *telling* you which PPM solution to choose, but rather helping you answer questions that'll *inform* your decision.

So, to help you along, we've made a step-by-step process, full of considerations and questions that'll guide you during your selection.

1. Understand the PPM Tool Ecosystem

The project management technology landscape contains a number of different players, from basic office tools to comprehensive enterprise software. To navigate this ecosystem, you must first understand it.



You can begin by familiarizing yourself with the categories of application:

- **Office Tools.** These basic applications help your employees handle office-related tasks, such as document management and manual execution reporting.
- **Collaborative Work Management (CWM).** CWM tools are easy to use and help you to plan projects, communicate with your teams, and track time and data. They're execution-only and agile-oriented, without functionalities to support strategic vision.
- **Project Management (PM).** PM tools enable project managers to handle individual projects, from planning to tracking progress. Again, these are more execution-based tools, with only some strategic frameworks in place.





- **Project Portfolio Management (PPM).** PPM tools allow you to oversee all of your projects, portfolios, and project-related data across your organization in a holistic approach that balances project execution and strategy. They combine some elements of collaboration software to enhance coordination.
- **Enterprise Project and Portfolio Management (Enterprise PPM).** These tools are similar to PPM tools, only meatier. They have a larger footprint, contain more high-end features, and lean more toward a strategic framework.

In the following table, we outline the criteria you can use to determine your project tool selection. You should make your decision based on your size, business model, and anticipated use cases.

To make it easier for you, we’ve ranked each category based on common stakeholder goals across your organization, including strategic vision, ease of use, and cost.

PURE PROJECT / PORTFOLIO PLAYGROUND				
	Office Tools	Collaborative & Work Management	Pure Player Project & Portfolio	Enterprise
TARGETS	Project managers Low mature PMO	Team members Project managers Team managers	Team members Project managers Team managers PMO/CIO Board members	Team members Project managers Team managers PMO/CIO Board members
MATURITY LEVEL	1	1-2	1-2-3	3-4
FAVOURITE PLAYGROUND	Isolated projects Isolated actors	Used in teams Task management Project management	Cross-functional Used in teams Task management, Project management, Portfolio management	Cross-functional Used in teams Task management, Project management, Portfolio management

2. List and Prioritize Your Requirements

You'll then need to dig deeper into the specific requirements you're looking for. Once again, consider the needs across your project and strategic teams. From a high level, these requirements may be:

- Idea management
- Schedule management and work effort
- Collaboration and user experience
- Cost management
- Reporting & simulations
- Portfolio management
- Resource management
- Risk management
- Time tracking

Each of these top-level requirements will, of course, generate more granular requirements. To help you parse through them all, [download our extensive PPM tool requirements list](#).

Don't Forget Your Existing IT Stack! Determine How the Solution will Fit into Your Current Environment



Can the solution integrate with other types of solutions you already use?



Do their security standards meet your requirements?
Do they have reputable industry certifications?



Where are their data centers located? Is that compatible with your data management policies?

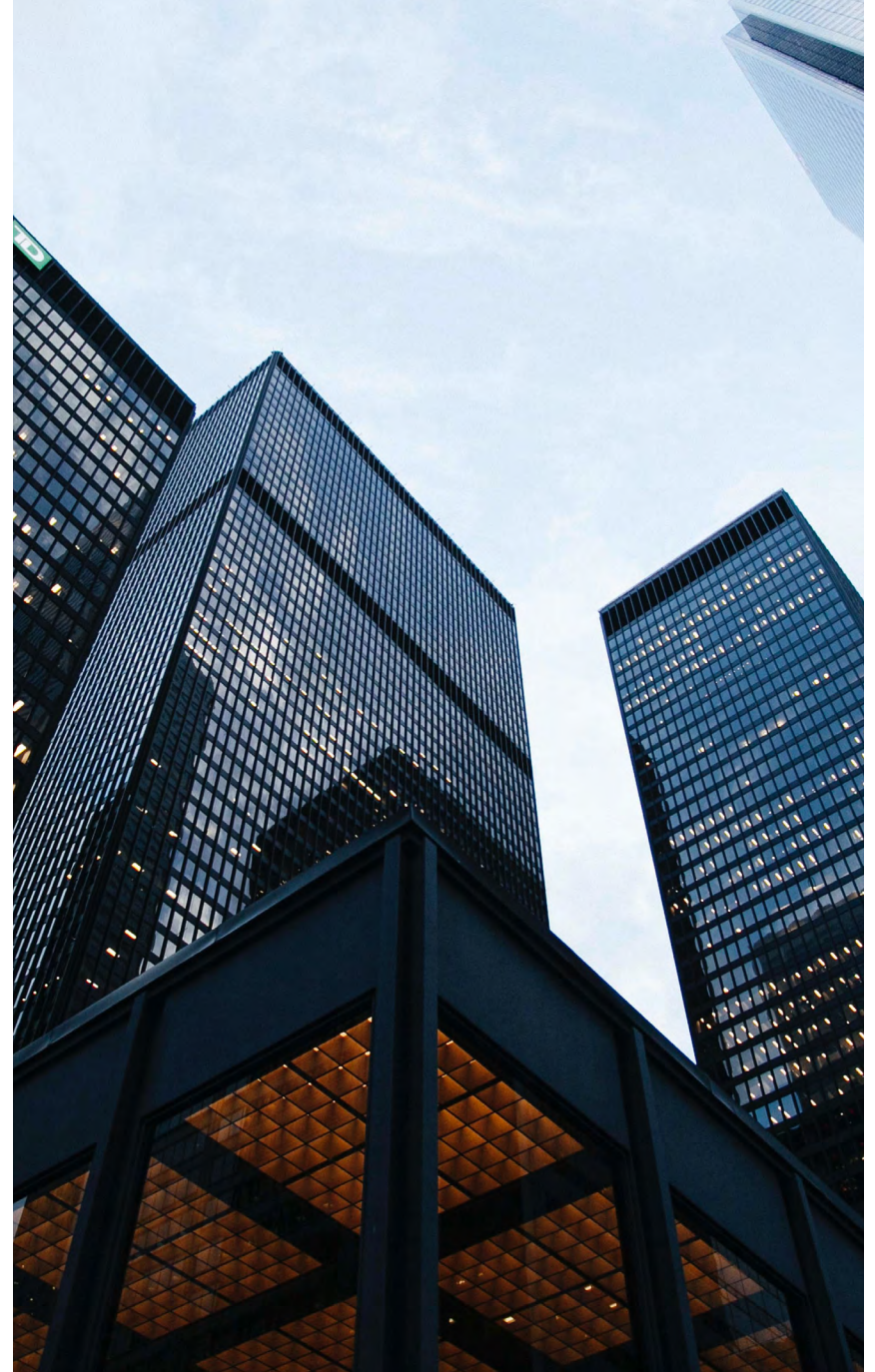


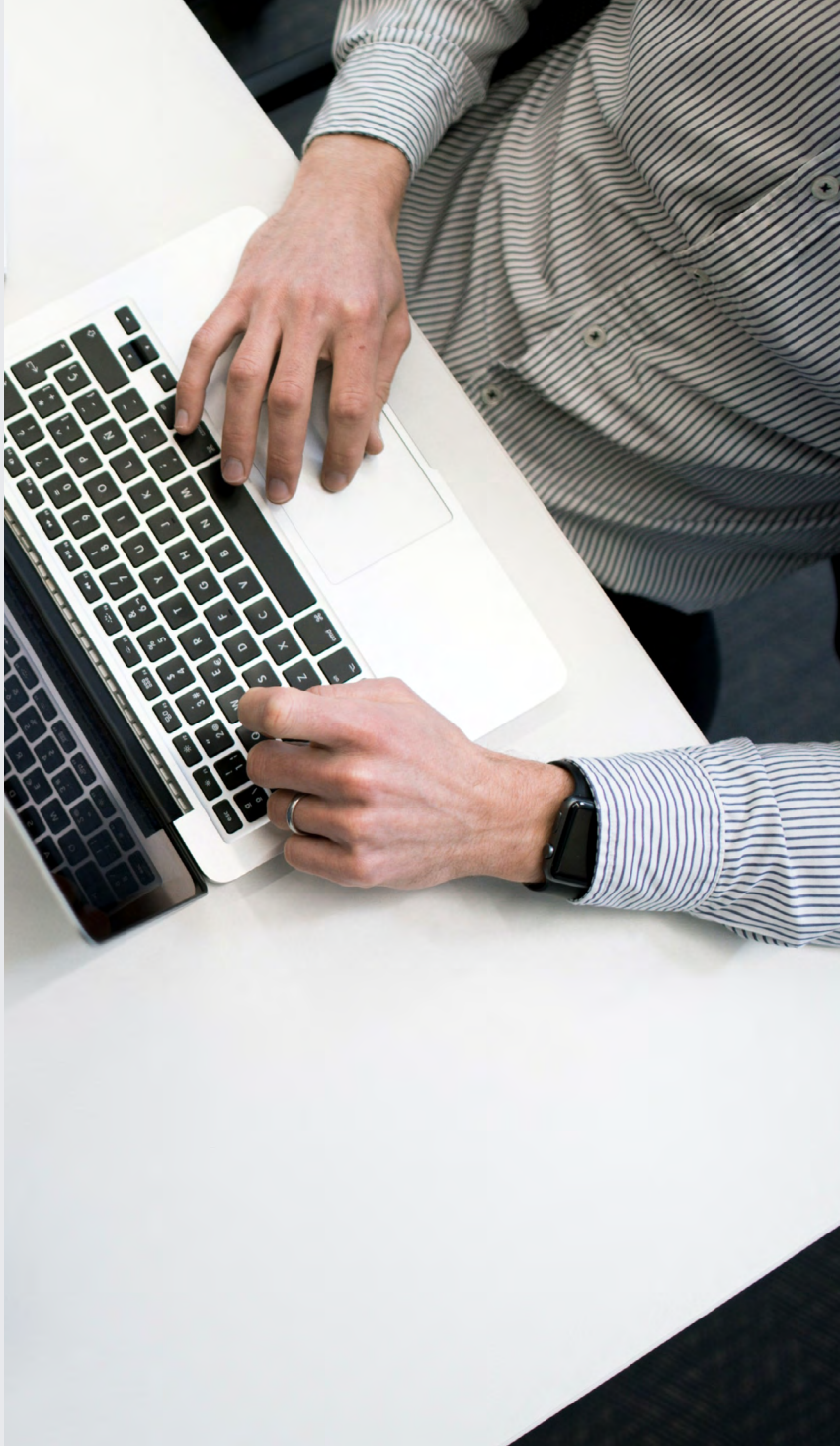
Are they transparent about their data security practices?

3. Identify Skills and Resources Needed

Once you've prioritized your requirements, you should now reflect on your organization's readiness. This will ensure your solution (and the relationship with your vendor) gets off to a flying start.

- What IT and project management skills will you need to set up a new PPM tool?
- Who will take ownership of the tool?
- Do you have the right resources to set up the tool, roll out training, and maintain the platform?
- Will you need to retire current tools?
- Is the tool easy to configure and maintain? Does it operate effectively with your current ecosystem?
- How much will the tool cost? Will you pay outright or via a subscription model?





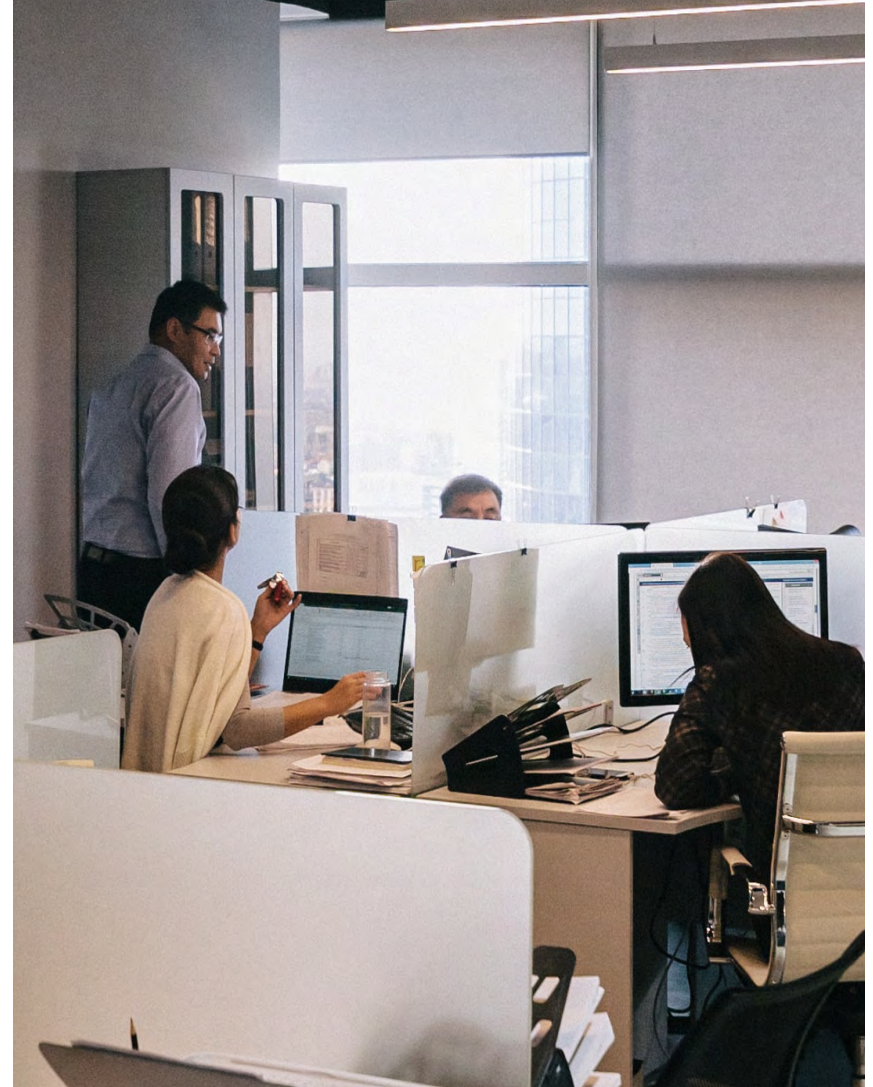
4. Consider Your Upcoming Relationship With the Vendor

Once you've prioritized your requirements, you should now reflect on your organization's readiness. This will ensure your solution (and the relationship with your vendor) gets off to a flying start.

- Is the vendor a newcomer on the market or do they have a proven track-record with strong references in your industry?
- Do they understand the specific needs of your business? Do they have case studies relevant to your industry?
- Can you control what features of the solution you implement and when? And is the implementation approach step-by-step or modular?
- How will you teach users to adopt the tool? Does the vendor have online training programs and materials you can use? Are end-users well supported?
- Does the vendor offer follow-up support after you implement the tool? Who will be your point of contact and are they reliable?
- Will the vendor take your feedback into account? Are they customer-centric? Do customers have a voice in improving the product?
- How much will the tool cost? Will you pay outright or via a subscription model?

5. Check What Analysts and Customers Say About the Vendor

- How do leading analysts in the market (e.g. **Gartner**, Forrester, IDC) evaluate the vendor?
- Where are they located? Do they have an international presence? What about locally?
- **Are their customers satisfied?** What is their customer retention rate and how long do their business relationships typically last?
- Does the company look financially healthy and profitable? Do they invest money in the product or other external factors, such as communication or marketing?
- What do their employees say? Are they mentioned on sites such as GlassDoor and GreatPlaceToWork?
- What is the vendor's employee turnover percentage? How long has the team been in place and how experienced are they?



Need some additional help with your decision? **Download the latest “Adaptive Project Management and Reporting Tools” Magic Quadrant by Gartner** to find out the current positioning of PPM tools.



Step 5: Select KPIs and Chart Your Implementation

You've assessed your maturity, picked your tool, and determined your requirements... But don't get ahead of yourself yet. You'll need to establish KPIs first. If you're struggling to determine these, your vendor should be able to offer assistance.

Some examples may be:

- Do your project managers, team members, and PMO spend less time on reporting?
- What was the average project duration before?
- What is the average go-to-market time before and after?

Onboarding With Confidence

Start small. **Pick tasks or functions that are quick to implement and will have immediate benefits.** For example, you may choose to use your PPM tool for low-risk internal projects, such as assigning time for R&D. Doing this will allow you to demonstrate quick wins to your stakeholders and maintain buy-in.

As you extend your Project Management standards and expand your use of the tool, be sure to check in with your users. What are your project teams struggling with? What's working for your project managers? Are your stakeholders happy with the progress you're making?

And last - but certainly not least - keep track of your PPM maturity. Refer back to the requirements and objectives you defined in step 1, as well as the maturity gaps you identified in step 3. Are you making progress toward your goals? Are you filling your PM maturity gaps? Have the priority areas for growing maturity changed?



Navigating Change Management Challenges

While you've made great strides to get your stakeholders onboard with your new PPM tool, don't expect plain sailing. Change projects can cause a lot of stress or fall flat after a bumper moment of enthusiasm. And, if you don't mitigate this, your PPM implementation may end up being one of the 50% of change initiatives that fail.

As such, it's important to implement a **change management plan** alongside your deployment. We'd recommend you:

- **Choose your PPM tool champions and experts.** Engage your stakeholders as early in the process as possible. Find a core group of people who believe in what you are trying to achieve, and include them in the process. They will become your ambassadors, helping you convince other members in your organization.

- **Listen, record, and follow up on user feedback.** Ask lots of questions as you go and create channels for sharing problems, bugs, and tips.
- **Create training resources and videos.** If your vendor already has these to hand, this will make your job easier. If not, provide base materials for the training, tailored to suit the audience.
- **Start small.** Give your committed champions small and enticing features to get to grips with first, then expand as they build upon their maturity. For instance, project reporting or milestone building. You should only involve your end users once a truly usable minimum viable product exists.

As a Project Management expert, you'll be no stranger to meticulous planning. Adopting a PPM tool is no different. If you do your due diligence, ask the right people the right questions, and keep your stakeholders in mind throughout, you'll find a tool that fits perfectly.

About Planisware

Planisware is a global provider of software solutions for project portfolio management. Planisware solutions are specifically designed to support product development, engineering and IT business processes.

For more than 20 years, Planisware has been helping its customers to achieve strategic and innovative excellence, make valid business decisions and increase portfolio value. Today, over 500 companies worldwide rely on Planisware products to manage their projects, resources and portfolios.

To find out more about our PPM solutions,
please get in touch.

[Get in Touch](#)

