



Selecting the Right Strategic Portfolio Management Software Vendor



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Overview

| What is Strategic Portfolio Management (SPM)?

This guide will help you with the vendor selection process. It focuses on the most complex aspect of that process, which is product evaluation. Specifically, you will learn how to:

- 1 Articulate your key business drivers and requirements
- 2 Map those requirements to key SPM software capabilities
- 3 Specify the required software features in each key software capability category
- 4 Determine vendor product fit by comparing your requirements with vendor key capabilities and specific features

Are you ready?

This guide assumes that you have already:

- Performed a self-assessment to understand key project and portfolio management pain points and challenges and how they are impacting business outcomes (Read **Part 1** of this Buyer's Guide, Performing a Strategic Portfolio Management Software Needs Assessment.)
- Made the business case for SPM software based on target uses cases, which may include Strategy Execution Management (SEM), Enterprise Program and Portfolio Management (EPPM), and Integrated IT Portfolio Analysis (IIPA). (Read **Part 2** of this Buyer's Guide, Making the Business Case for a Strategic Portfolio Management Software.)

Who should read this guide?

This guide facilitates the vendor selection process involving a large group of stakeholders. Typically, this will include business, IT, and Enterprise PMO leaders, and may also include the CIO, PMO staff, transformation management office staff, project managers, business analysts, procurement officers, and end-users.

While this guide may be of interest to any one of the above playing the role of influencer, evaluator, recommender, or buyer, it is intended to be an essential reference for the SPM initiative champion. This role is typically played by an Enterprise PMO or IT leader.





Articulating Key Business Drivers



In **Part 2** of this buying guide series, *Making the Business Case for SPM Software*, we articulated 10 potential business drivers (referred to as “value drivers”). To articulate your key business drivers, it’s simply a matter of determining the relevancy and priority of these drivers depending on your target use case and performance gaps. Here are SPM business drivers introduced in **Part 2** of this buying guide series :

SPM Software Business Drivers		Priority
	Ensure strategic alignment of investments	
	Optimize resource allocation across business portfolios	
	Improve risk management	
	Increase transparency, accountability & governance	
	Elevate decision making quality	
	Drive prioritization based on a consistent ROI/valuation method	
	Enhance agility & responsiveness	
	Strengthen performance tracking	
	Balance long- and short-term goals	
	Maximize cost-efficiency	



- 1 You can add your own business drivers based on your knowledge of SPM software capabilities and your own unique process improvement opportunities.
- 2 The priority column can be completed with a:
 - Simple rank ordering from most to least important
 - Checkmark to designate a subset of the most relevant/important drivers you want to focus on
 - High (H), Medium (M), or Low (L) score to introduce an element of weighting to your evaluation
 - Immediate term (I), short term (S), long term (L) to add an element of roadmapping



Mapping Your Business Drivers to Key Software Capabilities

There are 4 key capabilities of any competitive SPM software platform. Let's define each key capability, identify a shortlist of important features for each, and map them to your drivers.



Roadmapping

Roadmapping refers to the process of visually planning and outlining the timeline, milestones, and key activities for projects and initiatives within a portfolio. It helps organizations map out the future direction of their projects, aligning them with strategic goals and providing a clear view of how resources, budgets, and timelines will be managed over time. Roadmapping enables stakeholders to see the sequence of initiatives, anticipate potential risks, and make informed decisions about prioritization and resource allocation to achieve short- and long-term objectives.



BI/Analytics & Reporting

The last key pillar of SPM software key capabilities is BI/analytics and reporting. This includes (1) flexible options for out-of-box dashboards and dynamic data analytics, (2) custom report generation., and (3) simple ways to connect and leverage third-party tools such as Tableau and PowerBI.



Financial Planning

There are three key aspects to SPM Financial Planning. Dynamic funding and investment modeling is at the core and includes sophisticated forecasting and simulation functionality. Budget management must handle top-down and bottom-up views and handle allocation and management across functional sponsors. Finally, integration with third-party applications and tools is essential.



Enterprise Demand Management

The enterprise demand management lifecycle involves the automation of (1) idea and request management, (2) proposal and business case creation, (3) proposal and business case evaluation/scoring and selection, (4) project pipeline scenario comparisons and optimization, and (5) approval and promotion workflow. Most organizations have automated these processes at the IT/departamental level. Centralizing and scaling these processes across business functions is a key focus of Enterprise SPM software solutions.



Here's how the key capabilities of SPM software map to various business drivers. As you can see, it is extremely likely that you will require all four key capabilities at some level of robustness to address all your business drivers.

	Roadmapping	Financial Planning	Enterprise Demand Management	BI/Analytics & Reporting
Ensure strategic alignment of investments	✓		✓	✓
Optimize resource allocation across business portfolios	✓	✓		✓
Improve risk management	✓	✓		✓
Increase transparency, accountability & governance	✓	✓	✓	✓
Elevate decision-making quality	✓			
Drive prioritization based on a consistent ROI/valuation method			✓	✓
Enhance agility & responsiveness	✓	✓		✓
Strengthen performance tracking		✓		✓
Balance long- and short-term goals	✓	✓		
Maximize cost-efficiency		✓		✓



Specifying your SPM Software Feature Requirements

Now we are ready to specify features of competitive enterprise-scale SPM software solutions. Here are some suggested feature requirements for each key capability. You can use this key capability and feature mapping as a starting point to develop and customize your own RFP.

Roadmapping	Demand Management
Objectives definition, visualization, and communication	Idea and request capture/collection
KPI/metrics (OKRs, ROI/NPV/ECV, resource load, risk levels)	Centralized idea/request portal
Custom options	Advanced search & category management
Investment element definition	Proposal/business case creation
Relationship & dependency mapping	Resource estimation
Themes: portfolios, products, programs, value streams, etc.	Organizational capacity and resource forecast
Portfolio-level strategic planning & alignment	Budget constraints assessment
Multiple methodology support	Profit/loss statement generation
Investment element alignment with objectives	Financial forecasting and revisions (ROI, NPV, IRR)
Centralized budget prioritization, allocation, adaptability	Trend analysis
Investment scenario building, comparison, and evaluation	Strategy alignment
AI-assisted portfolio optimization	Proposal/business case evaluation/scoring and selection
Timeshift capacity	Metric-based project/proposal selection (cost, budget, other)
Waterline analysis	Multiple user ranking/scoring
Project contribution to strategic goals	Strategy alignment
Graphical events timeline	Project pipeline scenario comparisons and optimization
Roadmap snapshots and version management	Investment scenario definition
Resource capacity simulation and bottleneck analysis	Advanced what-if modeling and simulation capabilities
Portfolio and sub-portfolio combinations and management	Multi-access comparisons (cost, impacts, outcomes)
Roadmap tracking	Version management
Dynamic roadmap and initiative tracking and updates	Efficient frontier and sensitivity analysis
Trend visualization	Advanced/AI-based portfolio optimization (e.g., particle swarm)



Financial Planning
Dynamic funding & investment modeling
Forecasting and simulation
Traditional and agile funding model support
Value-stream based funding
Labor, procurement/expense estimation, tracking/revisioning
Profit & loss: trends, attrition, cashflow, cannibalization
Multi-currency support
Hierarchical structures for consolidation
Strategic theme alignment
Budget management
Budget envelopes (management of strategic buckets)
Top-down and bottom-up budgeting processes
Financial budget distribution across multiple sponsors
Long-term capacity planning
Integration
Financial and ERP software integration
SAP integration (certified preferably)
Microsoft Excel integration

BI/Analytics & Reporting
OOB dashboards, dynamic data analytics, and connectors
Real-time scorecards, perf analysis, bubble charts, matrices
Connectors for best-in-breed BI tools
Custom report generation
Single-click dynamic queries
Dashboards mixing Gantt summaries and scorecards
Funnel charts, radar views, gauges
Built-in PDF generator (w/o requiring Acrobat license)
One-click Excel exports for reports
Live XML streaming to Excel
Native exports to PowerPoint
Manage by exception reporting/alerts



Understanding the Vendor Types

SPM software vendors can be broadly divided into three camps:

1 Strategy Planning-focused vendors

These vendors offer purpose-built solutions that integrate with PPM platforms and other PPM ecosystem applications to drive strategic planning and execution across organizational functions and levels. Strategy Planning-focused solutions are a good fit for companies that want to use their SPM solution to drive strategic alignment and execution from the top down.

2 IT-focused vendors

While vendors in this category may have extended their solution to cover contiguous themes like product development, they have a deep heritage in the IT PPM space, and they still generate a vast majority of their revenue from IT and Enterprise Architecture deployments. Relative to Strategy Planning-focused solutions, this can be viewed as a more bottom-up approach since the customer starting point is focused on strategy execution and the goal is to complement that with an overarching top-down strategic planning function.

3 Enterprise platform vendors

Enterprise Platform SPM vendors deliver a suite of project and portfolio management capabilities, themes and initiatives as part of a comprehensive single-vendor offering and have extended their suites to include SPM modules. With SPM solutions designed to integrate a more heterogeneous initiatives and themes supported by the platform (e.g. IT PPM, product development, professional services automation, capital planning, project engineering and controls, etc.), enterprise platform SPM vendors are better positioned to deliver top-down oversight to a broader set of theme/initiative strategy execution silos. As such, they can be viewed as providing a better balance of top-down strategy planning and bottom-up strategy execution capabilities across an enterprise.

	Strategy Planning only	IT-focused	Enterprise platforms
Top-down Strategy Planning	Enterprise strategic planning	Enterprise strategic planning	Enterprise strategic planning
Bottom-up Strategy Execution			
Example Vendors	Shibumi	Broadcom Software AG	Planisware Planview



Comparing the Vendor Types



	Strategy Planning-focused	IT-focused	Platforms
Product Depth/Breadth <ul style="list-style-type: none"> From a complete project and portfolio management solution perspective (top-down SPM and bottom-up strategy execution), enterprise platform vendors have better product breadth since they are designed to support a broader breadth of portfolio types. 			
Integration <ul style="list-style-type: none"> Strategy Planning-focused solutions may involve multiple acquired tools that are still not fully and seamlessly integrated. Enterprise platforms may have a broader portfolio of integrations than IT-focused solutions since they must interface with a larger variety of execution silos. 			
Product Portfolio Ecosystem <ul style="list-style-type: none"> Enterprise platform vendors provide seamlessly integrated capabilities across SPM and other modules. Enterprise platform and IT-focused solutions may leverage common/overlapping technologies in areas like resource management, capacity planning, idea/demand management, reporting and analytics, and even strategy alignment. Strategy Planning-focused solutions will need to integrate with each of these basic platform capabilities. 			
Ease of Adoption/TCO <ul style="list-style-type: none"> Single-vendor platform and IT-focused solutions are generally easier to onboard and result in a lower TCO due to multiple factors: Doing business with a familiar, installed vendor may accelerate decision-making and approvals (e.g., security and EA), and pricing plans for footprint expansions are generally more advantageous compared to new license sale. Product/UI familiarity for overlapping personas (e.g., EPMO director/staff) can accelerate adoption. 			



Partnering with Planisware

This guide has focused on evaluating product functionality fit, as it can often be the most challenging part of vendor selection due to the complexity and depth of offerings on the market. However, there are several important criteria to consider, including the following. As you explore options, we hope you'll consider Planisware as your SPM software technology partner.

1

Product Fit | Modern SPM technology

- Planisware Enterprise supports all the key SPM capabilities and advanced features listed in this guide including many powered by AI. But remember, product fit also includes other considerations like ease of adoption and architectural alignment.
- Planisware SPM seamlessly integrates with over a dozen Planisware target solutions and use cases including IT Governance & Digital Transformation, Product Development & Innovation, Project Controls & Engineering, and Professional & Revenue-Generating Services.
- Planisware provides the most comprehensive portfolio of flexible out-of-box connectors to third-party applications and a robust REST API for custom integrations.

2

Service & Support | Trusted Strategic Partner

- Planisware offers extensive options for consulting, training and managed services, and in-house experts aligned with industry verticals.
- Planisware also has third-party-certified implementation partners as an alternative for customers that want to work with a local partner.
- Planisware is a publicly traded company with 28 years of accumulated industry-specific domain experience.

3

Proven Solution | Customer Success

- Planisware has an overall customer satisfaction rating of 4.6 on a scale of 1-5 per Gartner® Peer Insights™.
- Top-tier industry analysts, including Gartner and Forrester, consistently designate Planisware as a “leader.”
- You can find ~60 customer success stories and case studies on the [Planisware website](#).



| A Call to Action!

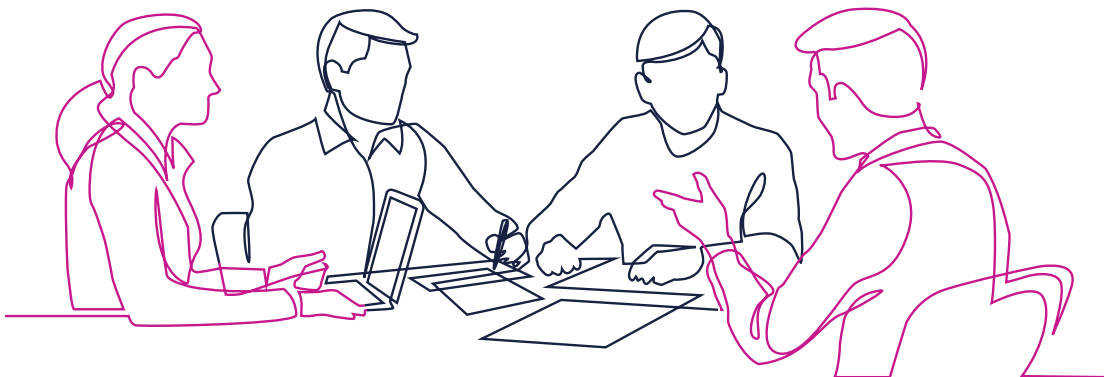
By now you have done your homework by performing a self-assessment to understand your pain points and needs, made the basic business case for SPM software for target use cases, and have begun the process of researching and evaluating potential vendors using this guide. Now might be a good time to engage with a vendor like Planisware on a proof of value workshop or trial. We would love to work with you.

Ready to see what Planisware can do for you?

Request a Demo Today →

or

Get in touch →





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