PRISM PPM

BUYER'S GUIDE

How to Select the Right Solution for Your Project Portfolio Management Needs

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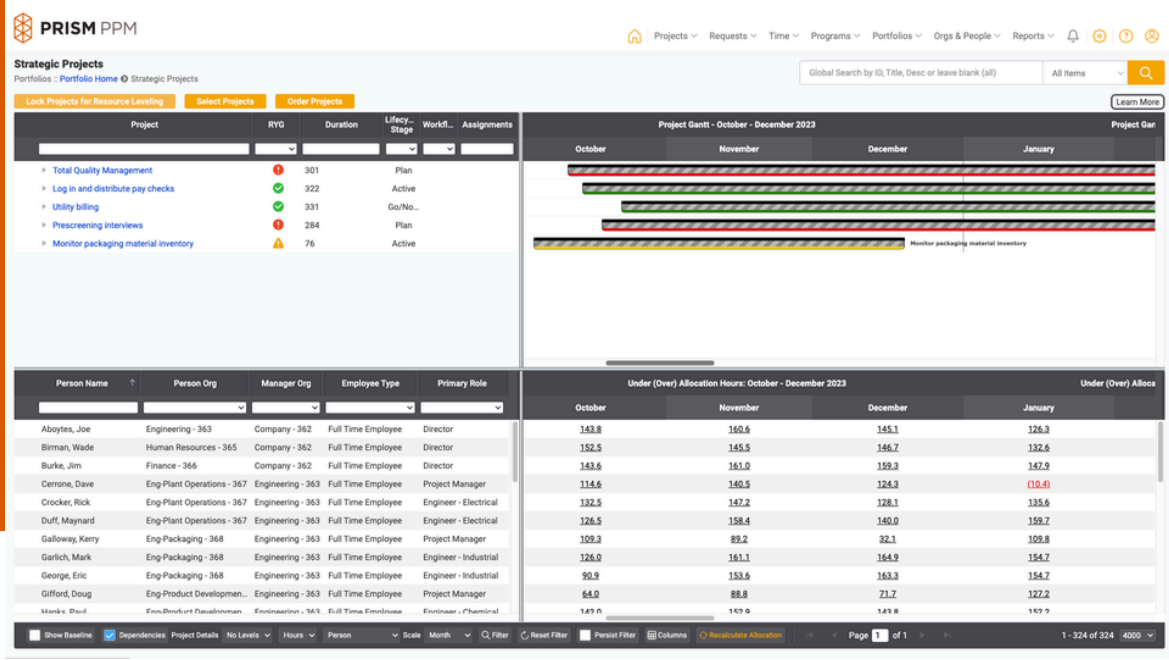
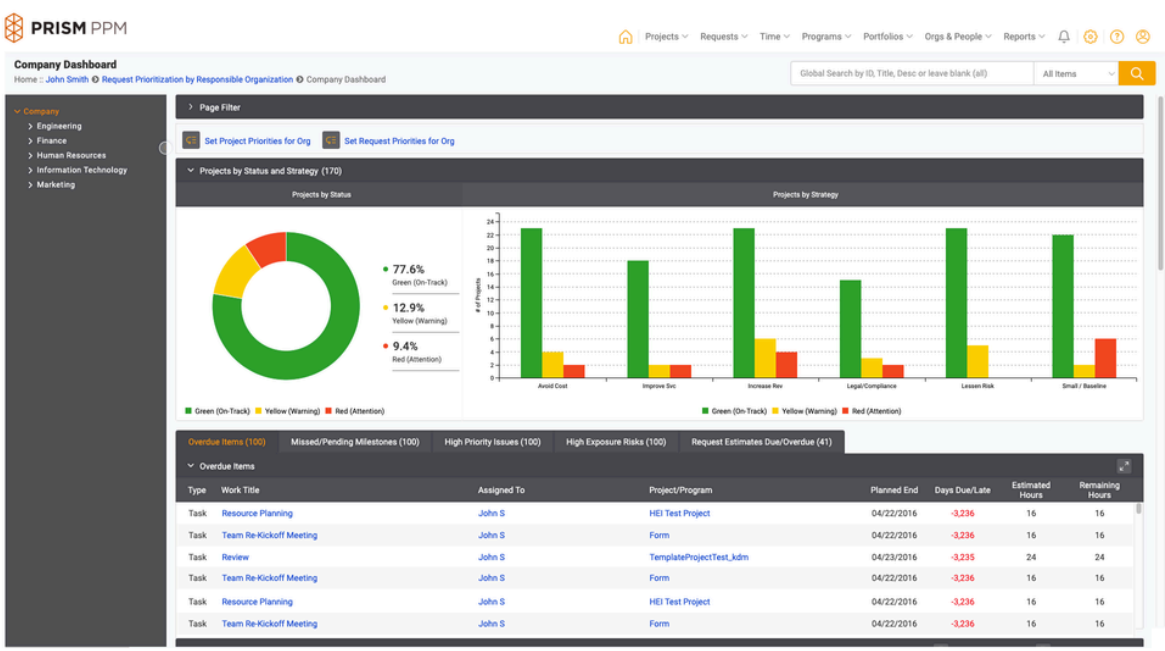


Types of Project and Portfolio Management Solutions

Today's landscape for Project Management software is as diverse as the companies that manage projects. Whether you're leading a Project Management Office (PMO), driving organizational KPIs, or simply looking for a better way to manage your team's day-to-day, you'll find that most solutions for project and portfolio management fall into one of three general categories:

Collaborative Workflow Management ***Project Portfolio Management*** ***Strategic Portfolio Management***

Let's take a closer look at these three most common types of PM software and the problems they solve.



Introduction

Project Management Offices (PMOs) coordinate multimillion-dollar projects across an organization. Managing the people, processes, and priorities involved in these projects requires a software solution that understands the diverse needs of all stakeholders:

- **Executives:** Real-time visibility into project status and portfolio health, and need to prioritize projects that best drive business goals.
- **PMO Leaders:** Cross-portfolio orchestration, dependency and resource management, and portfolio risk mitigation
- **Project Managers:** Capability to manage their project timelines and teams efficiently within the context of the larger portfolio

So where to begin? Today's market is crowded with options. Finding the right one for your company can take a significant amount of time and resources, but it's worth the effort. According to the Project Management Institute, PMOs with an effective PM solution see a 38% higher project success rate.

In this guide, we'll help you understand your options for software, the pain points addresed by each, and what to look for beyond features and functions.

Collaborative Workforce Management (CWM) Software

Collaborative workforce management software helps the planning, tracking, and execution of tasks within projects. It keeps everyone on the same page regarding the progress and roadblocks for each project, and it allows everyone to see real-time status.

Collaborative workforce management software can solve these types of challenges:

- Poor communication and collaboration
- Missed deadlines
- Inefficient task prioritization
- Difficulty in monitoring progress
- Lack of accountability
- Scope creep

CWM at a Glance

Scope: Focuses on managing individual tasks within a project
Use Case: Best for teams that need to manage day-to-day activities and tasks efficiently
Project Complexity: Projects that represent more modest investments and initiatives oftentimes focused on operational efficiency
Users: Team members, small business owners, and individual departments within larger companies may use task management tools for internal organization and task tracking
Examples: Monday.com, Smartsheet, Wrike

Project Portfolio Management (PPM) Software

Project Portfolio Management software is a step beyond CWM, focusing on managing and optimizing a portfolio of projects. It's about doing projects right—ensuring that each project and the portfolio as a whole contributes value to the organization.

PPM software helps in selecting, prioritizing, and managing projects to align with organizational goals and available resources. PPM solutions focus on maximizing the return on investment (ROI) from projects while ensuring that they are delivered on time, within scope, and on budget. PPM provides a structured approach to decision-making, helping organizations determine which projects to pursue and how to best execute them based on constraints like time, cost, and resources.

Project portfolio management software can solve for:

- Lack of visibility across project portfolio
- Anticipating and avoiding capacity constraints
- Inability to aggregate unstructured data
- Financial management and budgeting issues
- Inconsistent processes and practices
- Poor strategic alignment
- Risk management difficulties
- Governance and compliance issues
- Ineffective communication and collaboration
- Manual reporting and data analysis
- Difficulty in managing complex projects
- Adapting to changing business priorities

Project Portfolio Management (PPM) Software (cont.)

PPM at a Glance

- **Scope:** Manages a collection of projects and programs to achieve strategic objectives
- **Use Case:** Ideal for organizations that need to align projects with business goals, optimize resources, and manage multiple projects simultaneously
- **Project Portfolio Size:** Portfolios with many complex and interrelated projects
- **Project Importance:** Very high importance, essential for achieving strategic goals
- **Users:** Portfolio managers, PMO directors, senior executives; large enterprises and government offices with extensive project portfolios needing strategic alignment
- **Examples:** Prism PPM, Microsoft Project, Sciforma

Strategic Portfolio Management (SPM) Software

Strategic portfolio management software is designed to help organizations manage and optimize their portfolio of projects, programs, and investments to achieve strategic goals. With an SPM, the focus is less on how projects get done and more about quantifying outcomes and benefits realization.

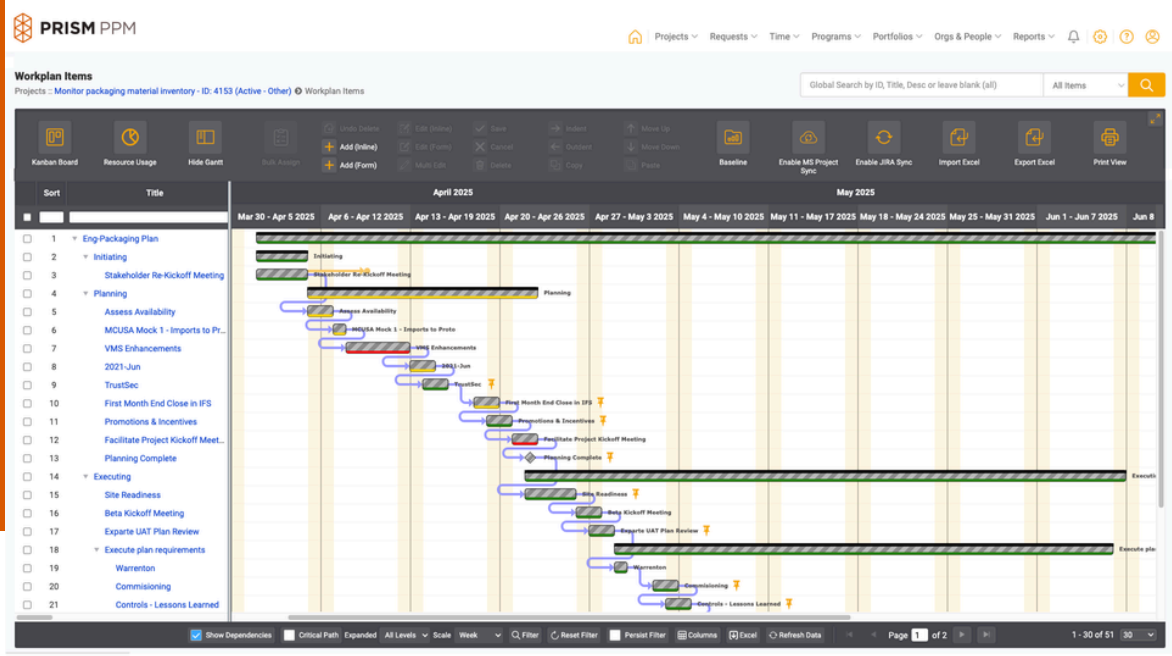
Strategic Portfolio Management (SPM) Software (cont.)

SPM software can solve challenges including:

- Lack of project and program tracking
- Anticipating and avoiding capacity constraints
- Financial management and budgeting issues
- No decision support due to a lack of data or business case
- Adapting to changing business priorities
- Poor strategic alignment
- Risk management difficulties
- Governance and compliance issues
- Manual reporting and data analysis

SPM at a Glance

- **Scope:** Provides a high-level view of the portfolio in relation to strategic goals, often encompassing a broader view of investment decisions, business outcomes, and long-term planning.
- **Use Case:** Used to bridge the gap between an organization's strategic vision and its operational execution
- **Project Portfolio Size:** Portfolios with many complex and interrelated projects
- **Project Importance:** Very high, essential for achieving strategic goals
- **Users:** Portfolio managers, executives, financial analysts, strategy planners at large organizations with mature project portfolios
- **Examples:** Planview, ServiceNow, SAP Portfolio and Project Management



What Type of Solution Do You Need?

When deciding which of these categories is right for you, take into consideration how you manage projects today and what are the most pressing issues related to managing them.

Then, consider whether the tool you choose can help you scale and grow as your organization and your project posture matures.

We've created a checklist that details some common challenges associated with managing and delivering projects. We also provide potential solutions based on how impactful the solution might be to your organization.

Challenges by Solution Type

Challenges Solved	Solution(s)	**Importance** High/Med/Low
Lack of task or time management	CWM, PPM	
Poor collaboration and communication	CWM, PPM	
Lack of project data visibility	CWM, PPM	
Inconsistent project delivery	CWM, PPM	
Inconsistent project performance metrics	PPM	
Portfolio scalability issues	PPM	
Support for hybrid PM methodologies	PPM	
Lack of project visibility and control	PPM	
Project scenario planning & “what ifs”	PPM	
Challenges with stakeholder communications	PPM, SPM	
Lack of project prioritization & alignment	PPM, SPM	
Inadequate risk management	PPM, SPM	
Inefficiency and wasted resources	PPM, SPM	
Lack of executive alignment	PPM, SPM	
Resource management across projects	PPM, SPM	
Difficulty aligning projects with strategic goals	SPM	
Difficulty in measuring & demonstrating ROI	SPM	

Vendor Selection

In addition to determining the software that best solves your needs, there are several other critical factors to consider, including:

- **Organizational Needs and Objectives:** The complexity and scale of your project portfolio will dictate whether a simple task management tool is enough or if a more comprehensive solution is needed.
- **Scalability:** The software should be able to scale to handle more projects, users, and data without performance issues and should be able to adapt to changing business needs and project management methodologies (for example, Agile, Waterfall, and Hybrid).
- **Cost and Budget:** Understand the pricing model (subscription-based, one-time fee, per-user pricing) and make sure it fits within your budget. Remember to consider not just the initial cost, but also additional costs you'll incur as you scale your organization.
- **Security and Compliance:** Ensure the software complies with industry standards and regulations and has robust security features to protect sensitive project data.
- **Vendor Reputation and Reliability:** Research the vendor's history, reputation, and customer reviews. Talk to the vendor about ongoing support, and planned releases of new features and functionality.
- **Trial and Evaluation:** Platforms may offer a free trial, but to ensure a right fit for every stakeholder (including your Executives, PMO leaders, and PMs) it is worth the time to validate key use cases with a live demo where you can ask specific questions.

Vendor Selection Checklist

When selecting a vendor for your project portfolio management (PPM) software solution, consider the following key criteria:

Specifics	Importance High/Med/Low	Notes
Vendor Reputation & Reliability		
The vendor should have a proven track record in the industry.		
Is the vendor actively investing in supporting and developing the software?		
What is the availability of responsive, knowledgeable support, for technical questions, onboarding, and training?		
Cost and Pricing Structure		
Look for clear and transparent pricing, including any hidden costs or additional fees.		
What is the total cost of ownership including the initial purchase, maintenance, upgrades, & support.		
Implementation & Onboarding		
Do services exist to help with data migration, and configuration?		
Is there a structured onboarding process that helps users get up to speed quickly?		

Vendor Selection Checklist (cont.)

Specifics	Importance High/Med/Low	Notes
References & Case Studies		
Request references from similar organizations that have implemented the software.		
Review case studies to understand how the software has been used successfully in similar scenarios.		
Trial and Evaluation		
Is a free trial or demo version available to test?		
Can you get a custom demo to get best practices and understand the fit for your organization?		

About Prism PPM

Prism PPM is purpose-built for project portfolio optimization. We help you risk less and realize more on every project and across every portfolio.

We know finding the right-fit solution for your organization can be challenging. We're here to help. Contact us with questions or to get a demo to see how Prism PPM can transform your PMO.