

## Magic Quadrant for IT Project and Portfolio Management

Matt Light, Daniel B. Stang

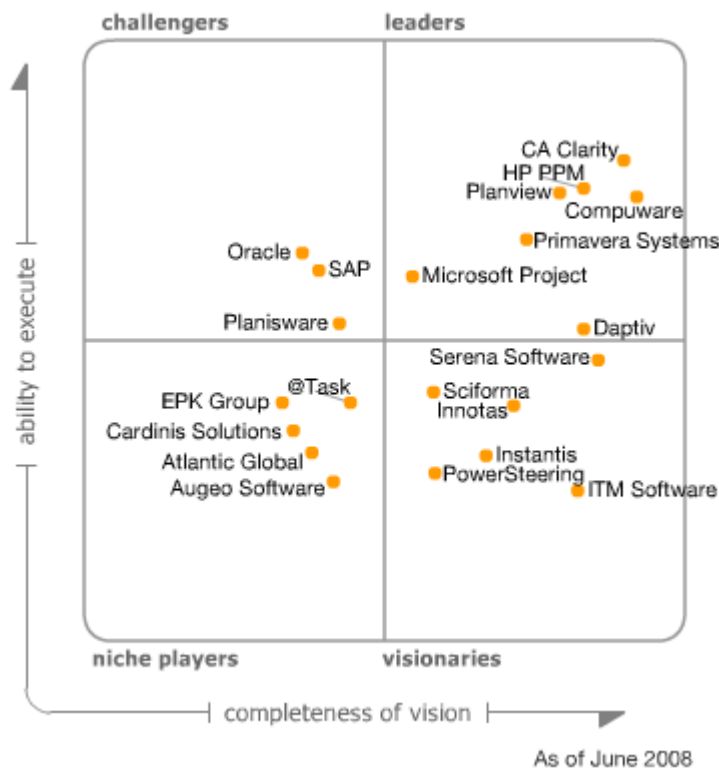
The market for project and portfolio management applications remains active, albeit unsettled. The benefits of the PPM discipline in IT organizations and beyond are apparent, and technology providers continue to seek ways to support it with software and services.

## WHAT YOU NEED TO KNOW

Clients evaluating project and portfolio management (PPM) applications should examine entire solutions, not just one or two dimensions. The value of PPM lies in the relatedness of the functions supported, and narrow implementations soon will appear unsatisfactory.

## MAGIC QUADRANT

Figure 1. Magic Quadrant for IT Project and Portfolio Management



Source: Gartner (June 2008)

## Market Overview

The unsettled market for PPM applications has experienced new variations during the past 12 months. Uneven market activity saw some technology providers advance while others repositioned or withdrew, some declining during a period of slower growth due to the slow economy and tight IT budgets.

Vendor movement has been characterized by partnering, some new sales emphasis beyond North America, and improved packaging and delivery options (for example, software as a service [SaaS]), as well as new product releases. Through 2007, PPM product development generally was focused more on integration than on innovation. Participants were reshuffled, with market exits and new entrants, even as styles of project management evolved.

The rise of midmarket demand — with emerging and established vendors poised to match it — presents a new challenge for participants in the PPM space. PPM prospects small and large (based on the number of potential PPM end users) increasingly are considering SaaS/on demand as an alternative option for deploying PPM technologies, which will lead to more market consolidation and more-competitive pricing. Adverse economic conditions in some regions of the world will continue to drive competitive PPM market pricing and perhaps derail some PPM initiatives because of IT budget cuts and tighter cost controls.

Nonetheless, seasoned PPM practitioners are making additional investments in their PPM implementations. Despite certain known limitations in their choice of PPM technologies, PPM practitioners are driving the continued adoption of PPM processes into their organizations to begin to value their applications and IT services on the basis of cost. This trend signals the progress being made by a small percentage of PPM customers toward practices in application portfolio management (APM). It also prepares the organization for the ability to modernize IT (see "Adopt PPM to Support IT Modernization"). In the future, PPM applications targeting the IT organization often will link to the application life cycle, with tool features or interfaces driving project schedules from requirements and supporting software quality management in ways beyond the quality gates in more-traditional project schedules, such as through links to test management tools or by adding contemporary collaborative features supporting agile development (some leveraging Microsoft Office SharePoint Servers, others perhaps resembling such innovators as Central Desktop, Huddle.net and Planzone).

## Market Definition/Description

PPM solutions, as we have observed them, support processes that integrate knowledge about costs, schedules and HR for investment prioritization and to ensure the effective release of new deliverables, as well as to control investment in ongoing operations.

This view of the portfolio management dimension goes beyond integrating information from the various areas of a single project. It includes a view of alternative investment scenarios, alignment of strategic programs, support for business case creation and more. We take this expansive view of "integration management," looking across the project portfolio over time and taking into consideration nonproject (for example, application support) work where it also affects the availability of project resources. Dashboard tools provide business intelligence and an integrated view of program and project status, application portfolios, resource capacity and service levels. Portfolio data gathered from these segments better enables project and resource prioritization.

In addition to *portfolio (aka integration) management*, we look for PPM solutions to address most foundational support areas described in the "Project Management Body of Knowledge Guide" from the Project Management Institute. The key is a portfolio approach to the areas of *time*, *resource* and *cost management*. Time management features help build simple timelines (for example, Gantt charts) or more-complex schedules for programs, projects, activities and task assignments. Resource management enables staff allocation via a resource repository. Via integration with project timelines, it supports resource loading and leveling (natively or via third-party tool integration). Cost management features enable the tracking of labor hours and other costs, enabling (at the high end) earned value management and the chargeback or billing of project expenses.

Of growing interest is tool support for structured *risk management*, including a risk dashboard (factoring in risk values beyond schedule risk). Of the other areas, many providers offer features supporting *communication management* (for example, via issue tracking, approval workflows, discussions and document handling). Some providers have included explicit features for *scope management* (beyond simply managing scope in the schedule), and others have experimented with *procurement management* (for example, for skills sourcing and to collaborate with

contractors). Still others address *quality management* (for example, via methodology templates supporting such approaches as Capability Maturity Model Integrated and Six Sigma with gate reviews, process metrics and more).

## Inclusion and Exclusion Criteria

Several factors determine a vendor's inclusion in the Magic Quadrant for IT Project and Portfolio Management, depending on how well a solution and its provider meet the criteria. We would recommend any provider in the Magic Quadrant — including niche players — in certain circumstances, depending on the user's requirements and situation.

Although interest in "enterprise" PPM (beyond IT) is growing, a technology provider seeking to address the needs of most of Gartner's client base should come to market with at least a secondary focus on the IT organization (although most of the vendor's sales may be in another segment, such as PPM for professional services). The provider should have gained new customers during the past 12 months. Vendors are considered for inclusion partly on the basis of annual PPM revenue exceeding \$10 million (or strong investor backing). They should have a market presence of at least three years. Vendor management should show deep software experience, business education and integrity.

Gartner monitors the market activities of many PPM providers, some established, some new, that may address some market needs (including outside the IT industry) effectively but do not yet meet enough of Gartner's criteria for inclusion in the IT PPM Magic Quadrant. These include [Agresso](#), [Automation Centre](#), [BrightWork](#), [Dekker](#), [Deltak](#), [Genius Inside](#), [GenSight](#), [InventX](#), [MaestroTec](#), [Onepoint Software](#), [Portfolio DecisionWare](#), [ProjectInvision International](#), [Project.net](#), [Projility](#), [Projity](#), [Skire](#) and others. Many of these are differentiated, with useful innovations, or address specific market segments. Clients should submit inquiries to Gartner when evaluating market alternatives, especially for non-IT segments.

### Added

- EPK Group: Since 2003, EPK has been delivering add-ons to Microsoft Office Project Server, beginning with the EPK-Time time sheet and EPK-Portfolio initiative alignment tools. EPK-Suite includes these tools and provides sufficient resource and capacity planning, a browser-based planning capability and integration with and enhancements to the Microsoft Project scheduling tool, to compare with other PPM solutions leveraging this popular scheduler.

### Dropped

- IBM: IBM indicates that it will continue to meet customer commitments. However, new sales and marketing efforts promoting the Rational Portfolio Manager (RPM) tool have ramped off while IBM builds a next-generation PPM solution on the Jazz technology platform leveraging Rational Team Concert (announced in June 2007 with release expected in June 2008). In part, IBM's experience that RPM was less a packaged application than an opportunity to sell consultative services led the company to pursue this next-generation strategy. The solution, as it evolves, will encompass various IBM tools and services, including Rational Method Composer, and some features it says it is evolving from RPM, as well as an enterprise metrics and reporting offering and collaborative capabilities sometime in 2009. Although IBM intends to re-enter the PPM market with this new solution, which will be focused on flexibility and an architecture designed for large or geographically distributed organizations, the complete solution likely will not be available for commercial use for at least the next 12 to 18 months.

- Borland: As Borland seeks to reverse stagnant sales across product lines, it has chosen to focus on the application life cycle management (ALM) market and is repurposing Tempo as a project-tracking tool within a new management suite.

## Evaluation Criteria

### Ability to Execute

These categories show the vendors' ability to execute (see Note 1).

**Table 1. Ability to Execute Evaluation Criteria**

Evaluation Criteria	Weighting
Product/Service	standard
Overall Viability (Business Unit, Financial, Strategy, Organization)	standard
Sales Execution/Pricing	low
Market Responsiveness and Track Record	standard
Marketing Execution	low
Customer Experience	standard
Operations	standard

Source: Gartner

### Completeness of Vision

These categories show the vendors' completeness of vision.

**Table 2. Completeness of Vision Evaluation Criteria**

Evaluation Criteria	Weighting
Market Understanding	standard
Marketing Strategy	low
Sales Strategy	low
Offering (Product) Strategy	high
Business Model	standard
Vertical/Industry Strategy	standard
Innovation	standard
Geographic Strategy	no rating

Source: Gartner

## Leaders

IT PPM "leaders" have a record of meeting IT needs by providing analytic frameworks for application and project portfolios with tools that can track such nonproject IT demands as minor software change requests so that managers can assess their cumulative impact on resource supply. Product depth in such core areas as advanced scheduling, resources and cost management distinguishes most leaders, as well as portfolio analysis features (for investment prioritization). Leaders increasingly are offering a measure of *program* (vs. project) management,

via program views, supported by program structures, workflows, templates and more for program management as such.

Most leaders offer a range of deployment options (for example, pilots, staged implementations and SaaS) to address customers' varying needs at different levels of PPM capability maturity. Leaders' vision of the IT PPM market often extends to communication and quality management, with features aimed at improving team performance (for example, via collaborative features and methodology support).

Leaders also tend to have not only capable system integration partners, but some core direct PPM service offerings, going beyond implementation and support to include process and organizational consulting. To successfully implement more-capable PPM processes takes an organizational change competency that most organizations don't know they need or admit they can't consistently perform.

PPM providers scoring high on vision focus on culture as the keystone of any PPM implementation. Through their professional services (and service partners), they advise customers that passive "bulletin board" announcements of the (proposed) change will fail in the long term — as will brute force and coercive change efforts.

Before beginning tool implementation, leaders ensure that the scope and nature of process change fits the culture, and that it is being defined and communicated in a positive persuasive manner, emphasizing the value to the business of the change and the direct benefits to those affected (for example, visibility into resource conflicts and overallocations). They then train customers to track against key metrics — which are tied to the business value and direct benefits of PPM — to assess the success or failure of the implementation, and encourage them to tie incentives (hard and soft) to metrics to drive behavioral changes (see "Unconscious Incompetence: An Application Organization's Primary Approach to Organizational Change").

Leaders share many attributes with technology providers we've rated as "visionaries" and "challengers" but are differentiated by comparatively high ratings in many areas, not just a couple. Leaders' product development often drives toward a more holistic offering — for example, providing a means of monitoring processes and decisions from IT services management (ITSM) and ALM tools. Consistency between a provider's stated strategy and product direction and its execution — that is, integrity — is important, along with demonstrated vision, enabling the vendor to address emerging and often vaguely defined market requirements.

## Challengers

Challengers resemble leaders in many ways, such as product depth combined with enough experienced technical sales support to effectively reach the market. Often, however, the product may emphasize one core area, such as project cost management, without all-round strength across most IT PPM functional areas. In general, challengers are consistently profitable, with a steady foundation of maintenance revenue, a growing installed base and an experienced international sales force with thorough training in the PPM solution. Significant international operations help sustain an ability to execute, in part by insulating providers from shifts in local market and economic conditions.

## Visionaries

Visionaries may differ from leaders in product depth or revenue strength, or they may lack the installed base and sales force of a challenger, but they often share — or originally innovated — features and traits of the leaders (for example, methodology support and APM frameworks). Like the leaders, visionaries seek to enable PPM broadly as a business process, with IT processes and skill sets being only one area addressed. Some visionaries have been more experimental

with business models, and they may approach various markets more broadly, with variable packaging and pricing (for example, SaaS and phased implementation packages). Completeness of Vision ratings can reflect innovative approaches in areas such as resource performance management, pipeline analysis and preconfigured (but tailorable) portals for a variety of enterprise roles.

## Niche Players

Like challengers, niche players may emphasize a specific aspect, such as cost management, vs. all-around PPM functionality, or they may have strengths in a specific region. Again, depending on the user's needs, any provider included in the Magic Quadrant could be recommended. Like visionaries, niche players may differ from leaders in revenue strength or installed base; some may have experienced flat sales or restructuring, or they may have been inaccurate in responding to changes in the market or technology. They may have a less experienced senior management team, or may depend on Web or inside sales to control costs and compete on price, whereas PPM typically takes an enterprise sales force that is used to high-level sales and longer sales cycles.

## Vendor Strengths and Cautions

### @Task

#### Strengths

- @Task provides PPM for IT functionality, including a resource capacity planner, at a more cost-effective price point than other PPM vendors in this space.
- Customers can more directly influence the product development road map of this small, growth vendor (which is profitable, with more than 100 employees).
- @Task supports alternatives to Microsoft Windows-based technologies, such as Mac OS X, Linux and Firefox. @Task also supports iPhone.

#### Cautions

- @Task provides limited portfolio management and analysis features, and the system does not provide a native portfolio management methodology.
- @Task offers Web services APIs and an event framework for ITSM and ALM support but does not provide other ITSM and ALM integration features out of the box.
- Customers using automatic routing of issues and other issue management features cite this as an area they would like @Task to improve.

### Atlantic Global

#### Strengths

- Resource visibility, including capacity and use, are particular strengths of the Atlantic Global offering.
- Customers report support and implementation services as strong points of Atlantic Global.
- Atlantic Global offers PPM at a competitive price point, as compared with other PPM vendors.

## Cautions

- Atlantic Global's portfolio management and analysis capabilities require a heavier R&D investment, if the vendor wishes to expand its IT PPM market size.
- Atlantic Global's PPM system provides little or no support for the management of ITSM and ALM activities as part of IT work management.
- Atlantic Global is not in a favorable position to support North American PPM markets.

## Augeo Software

### Strengths

- Augeo5 provides a configurable, Java Platform, Enterprise Edition-based PPM system with a resource-driven planning optimization engine at its core.
- Augeo's product teams have expertise in the European PPM market and experience with complex IT departments and phased implementations.
- Augeo's installed base has been a steady source of license and maintenance revenue.

### Cautions

- The development of Planzone, Augeo's collaborative project environment, will draw R&D resources away from the legacy product. Currently in beta, Planzone will provide a multilingual, SaaS PPM platform for the midmarket.
- Augeo lacks an ITSM and ALM product and the partnering vision to support comprehensive IT planning and control (ITPC).
- Augeo remains poorly positioned to penetrate North America, although Planzone's SaaS approach may take it further afield.

## Cardinis Solutions

### Strengths

- Customers cite multiproject management, structured work management and capacity-planning features as strong points of the Cardinis PPM system.
- Customers report that Cardinis' implementation and support services are satisfactory and that these include methodologies and formal training services.
- Customers report that the Cardinis Suite is customizable and provides Web services, supporting connections to Oracle Product Lifecycle Management, E-Business Suite Human Resources Management and Financials systems, as well as import/export of Microsoft Office Project.

### Cautions

- Cardinis does not currently offer advanced portfolio analysis and decision support functionality, such as pairwise comparison and efficient frontier, but prospects should expect to see improvements in subsequent releases.
- Customers cite the user interface and simplicity in navigation as areas Cardinis should improve in its product.

- Cardinis does not currently offer ancillary products, native functionality or strong integration points supporting ITSM and ALM areas of IT work management.

## **CA Clarity**

### **Strengths**

- Customers cite Clarity's process engine and workflow capabilities as flexible enough to configure and customize Clarity to support the specific way customers manage work.
- CA is aggressively marketing and targeting sales worldwide, investing heavily in educating established non-PPM CA customers and potential new PPM prospects in the value of PPM and Clarity, going well beyond the standard use of annual user conferences and advertising to garner new business.
- The latest version of Clarity, 8.1, provides more support for application and IT service portfolio management as CA's ITPC vision continues to materialize. 8.1 also extends financial management functionality.

### **Cautions**

- Professional services and consulting appear to be stretched to the point of inconsistency, with some inexperienced consultants and some communication issues internal to CA; customer service and technical-support responsiveness is reportedly slow.
- Customers continue to ask for improvements to Clarity in the areas of performance, data storage and archiving, and out-of-the-box reporting.
- Workbench users should assume that CA will de-emphasize development and will support Open Workbench integration with the Clarity Server.

## **Compuware**

### **Strengths**

- Compuware is a sizable and profitable company focused on corporate IT. The company's net income was \$165 million for its fiscal-year 2008 (ending in March), on revenue of \$1.23 billion, which is up from \$158 million net on \$1.21 billion revenue for fiscal-year 2007. Significant sales and marketing opportunities for its Changepoint PPM offering exist in the extensive Compuware installed base.
- The Changepoint solution (now in v.12) is largely defect free, robust and able to perform. Web-based, the solution requires no client installation/desktop footprint, and Compuware offers hosted and on-premises delivery models with flexible (if substantial) pricing.
- Fully effective implementation and support services establish Changepoint as the cornerstone of a holistic ITPC solution, leveraging Compuware's Quality Management and Vantage ITSM tools.

### **Cautions**

- Limitations to Report Designer from predefining views do not allow some users to generate reports as expected.

- Compuware's sales efforts continue to focus on the company's extensive installed base, with some success therein, but limiting broader market awareness of the Changepoint solution.
- Changepoint is limited to Microsoft computing platforms, supporting only Microsoft Internet Information Services and SQL Server.

## Daptiv

### Strengths

- Daptiv pioneered on-demand delivery of its PPM solution, an increasingly popular approach despite limitations to customization, and has become the most substantial of such providers, with more than 125 employees and reportedly more than 600 customers (mostly in midmarket installations of fewer than 100 users, but some deployments in the thousands of users).
- In 2007, Daptiv received a \$12 million "B" round of venture funding and soon adopted a more expansive strategy as a provider of "collaborative business software," with PPM among its offerings. However, it positioned the offering as a more general-purpose, on-demand platform leveraging Daptiv Connect for mapping data relationships to integrate enterprise systems (based on its partner Pervasive Software's 150-plus application adapters for systems ranging from SAP and Oracle to Microsoft's Visual Studio Team System).
- Product flexibility enables groups at different capability levels to enter information at varied levels, and the product features strong flexible reporting (based on a Cognos back end).

### Cautions

- The rapid ramp-up of the competition in the SaaS delivery of PPM solutions could stall Daptiv's march toward profitability on its way toward a public offering (or possible acquisition), posing new challenges to a company accustomed to growth and investor support.
- Daptiv must continue to evolve its portfolio management and analysis features toward ITSM and APM, if it wants to continue to scale toward large-enterprise IT.
- Customers cite technical-support responsiveness as an area where Daptiv needs to improve.

## EPK Group

### Strengths

- For Microsoft customers, EPK's PPM system enables users to leverage Microsoft Office Project, Project Server and Windows SharePoint Services as part of PPM for IT systems, although the new v.5 is not implemented within Project Server 2007 due to a lack of documentation and the absence of an application programming interface (API) to join external tables.
- EPK-Suite provides resource capacity planning and other PPM for IT functionality at a more cost-effective price point than many other providers.

- Customers cite EPK's ability to provide a low barrier to PPM entry, because it scales to match the PPM maturity level of the host organization.

### **Cautions**

- Through its native, browser-based scheduling engine, EPK can support basic project scheduling, but it relies on an integration with Microsoft Project for more-complex projects.
- EPK-Suite supports SQL Server exclusively and does not support Oracle as the back-end database.
- EPK-Suite supports only the English language.

## **HP PPM**

### **Strengths**

- Multiple request types, from demand to closure, are analyzed readily and can be offered in dashboards that are filterable by users who can create (and distribute) dashboards/portlets.
- HP has been realizing an ITPC vision, with the PPM Center positioned alongside the Quality Center and HP Service Management Center.
- HP can offer its PPM Center in broader deals to leverage relationships and provide discounts to customers in the broad HP software installed base.

### **Cautions**

- Under the ownership of HP (since its acquisition of Mercury), PPM product development has slowed, because management has shifted, and the point release targeted for 2007 is now slated for second-quarter 2008.
- Customers cite improved support following a drop-off post-acquisition, but HP has yet to show a strong commitment to the PPM market, except as an adjunct to its primary products in testing and operations.
- The original product team eroded as a result of the HP acquisition of Mercury, aside from a few key roles directly responsible for continued PPM product development and marketing.

## **Innotas**

### **Strengths**

- In upgrading its entire infrastructure and architecture, Innotas is proving scalability into thousands of users.
- Senior-level management is PPM-qualified. Innotas leverages the collective, long-standing PPM market experience of its management team in areas such as company leadership, product development, marketing, sales, service and support.
- Innotas provides PPM for IT functionality at a more cost-effective price point than other PPM vendors in this space.

## **Cautions**

- Enterprises averse to smaller, venture-funded providers that have yet to reach profitability may prefer more-established (although potentially less-responsive) vendors.
- Although admittedly subjective, some reports of an occasionally awkward user interface experience and performance lags cannot be discounted.
- Innotas is experiencing some growing pains that could manifest as minor interruptions or a lack of responsiveness in customer service and support.

## **Instantis**

### **Strengths**

- Customers cite financial models, workflow and approval support as strong points of the Instantis system.
- Instantis offers a low barrier to PPM entry, with its straightforward interface and user-friendly application set.
- Instantis provides some PPM for IT functionality at a more cost-effective price point than other PPM vendors in this space.

### **Cautions**

- Customers note Instantis' recently announced commitment to support more IT PPM in its products but also acknowledge gaps in IT functionality that the vendor must address in the near term to become more competitive.
- Although enjoying growth in the two years since its last infusion of investor capital, Instantis likely must reach profitability soon, partly through near-term cost control, which may limit its means for sales execution and improved support services.
- The new Instantis PMO Edition, although leveraging the relatively mature EnterpriseTrack PPM solution for the process improvement space, is itself relatively unproven in IT PPM.

## **ITM Software**

### **Strengths**

- Customers cite the portfolio management features of transparency, planning and prioritization as key strengths of ITM Software's product.
- Product stability, including system uptime, is a strong point of the system.
- In dealing with a smaller provider, customers can directly influence ITM's future development efforts and product-enhancement plans.

### **Cautions**

- Clients cite the learning curve as an area where ITM's product could be improved.
- ITM's support for ITSM and ALM activities is not as strong as that of competing PPM vendors.

- In general, only customers seeking a solution designed to provide a CIO-level view of the IT portfolio (for example, vendor management) will accept the trade-off of dealing with a small, less-established provider.

## Microsoft Project

### Strengths

- Widespread yet varied levels of use and standardization of Microsoft Project for project scheduling gives Microsoft immediate entrance into many potential PPM accounts, as will the Web interface introduced in the 2007 version of the Enterprise Project Management (EPM) solution. An extensive partner network extends Microsoft EPM and creates sales opportunities.
- The available integrations of the Microsoft EPM solution with Microsoft Office, SharePoint and Visual Studio Team System installed in many potential PPM accounts enable additional project collaboration possibilities, connecting knowledge workers and the tools they use every day to the PPM activities tracked in EPM.
- Through its companion Office Project Portfolio Server product, EPM supports APM by providing best-practice methodologies, and analytic tools support decisions such as continued application investment or application retirement.

### Cautions

- Microsoft's EPM, which is less customized out of the box, as compared with other PPM offerings, demonstrates more dependence than the competition on service and support partnerships.
- To use the full EPM system, customers generally must integrate it with and adopt other Microsoft products and technologies. Some requirements may add to the long-term total administration costs of the Microsoft EPM system.
- There remains a reliance on Microsoft Project Professional for many project-scheduling and project-tracking functions in Microsoft EPM, which may not be suitable for all project environments, although users increasingly can opt for the new Web interface to start and interact with projects.

## Oracle

### Strengths

- The widespread use of Oracle E-Business Suite Financials yields inroads for customers that use it with Oracle Projects for project-costing but that seek to go further and match project budgets to schedules.
- Oracle PeopleSoft Enterprise Service Automation offers a product option for users focused on managing resources, time and expenses in a services context.
- Integration with other Oracle and PeopleSoft applications is a strong point for Oracle's PPM offerings.

### Cautions

- The IT PPM-related business Oracle pursues in the market generally is limited to targeting Oracle E-Business Suite and PeopleSoft users.

- Despite the capabilities of Oracle's PPM-oriented applications, few reference customers seem to employ a broad range of their functions for full-fledged IT PPM.
- Oracle offers limited portfolio analytics, and implementations of its portfolio management functionality generally follow well after those of other modules. By contrast, best-of-breed portfolio management and analysis investments often lead to integrated PPM implementations.

## **Planisware**

### **Strengths**

- With Planisware 5, released in February 2008, Planisware refreshed its interface, written in Ajax. Planisware 5 supports multiple environments (Windows, Linux, Unix and all major browsers) and is fully internationalized (multicurrency and multilingual, including Japanese, Dutch, Italian, German, French and English).
- Resource management is supported by a strong scheduling engine and preconfigured industry practices for target markets (especially product development).
- Vertical industry support at the workflow level is a specific strength cited by Planisware's life science customers, and the product is customized in support of innovation, particularly in the life science, high-technology and IT sectors.

### **Cautions**

- Planisware best suits more-capable IT organizations that are oriented toward product development; prospective customers with simpler needs may opt for more-flexible packaging and pricing.
- The company's strong service and support are Europe-centric, although its North American focus is increasing.
- Customers cite the frequency of software fixes and version upgrades, performance and usability as areas where the Planisware product could use improvement. These have been addressed, at least partially, with the release of Planisware 5.

## **Planview**

### **Strengths**

- Customers cite project and program-level portfolio management, as well as resource management support at the portfolio level, as strong points of Planview Enterprise.
- By using Planview's time-reporting functionality, in combination with the automation of life cycles, customers can track major and minor projects, as well as trouble tickets and other service requests, promoting visibility into the consumption of resources, time and money on maintenance activities vs. formal project work.
- Planview's partnership and integration with BMC Software's Atrium product further position the vendor as a provider of IT service portfolio management as it relates to Information Technology Infrastructure Library v.3.

## Cautions

- Clients suggest that the usability of reporting is an issue, because on-demand reporting is limited, in part by the complexity (and scant documentation) of Business Objects with Planview, forcing some customers to engage the provider to develop custom reports.
- Customers cite performance and application response time as issues that Planview must continue to address, while attributing these issues to the robust nature of the system and limitations posed by Web-browser-based access to functionality.
- Tools outside the Planview Enterprise suite often are required to communicate and complete the management of projects.

## PowerSteering

### Strengths

- PowerSteering offers a general-purpose PowerSteering Enterprise solution delivered via SaaS and recently added some PPM for IT functionality, including management of asset classes other than projects (for example, applications), at a more cost-effective price point than other PPM vendors in this space.
- PowerSteering's implementation services, training and technical support, including responsiveness to customer requests for additional features and enhancements, are highlighted as positives by customers.
- Customers cite PowerSteering's online reporting, dashboards, key performance indicators and time sheets as strengths, with particular differentiation in "operational excellence" initiatives (for example, Six Sigma and lean manufacturing).

### Cautions

- PowerSteering sees itself as a "best-of-breed" enterprise PPM vendor and has no aspirations to emphasize specific horizontal disciplines (for example, by supporting ITSM and ALM) or vertical industries.
- As a smaller, venture-funded company, PowerSteering faces formidable competition from much-larger, more-established companies.
- Customers cite integration with other tools and systems, such as Microsoft, Oracle and SAP, as an issue PowerSteering should address.

## Primavera Systems

### Strengths

- With Primavera's acquisition of ProSight, it gains APM functionality and improved entrance into IT organizations (particularly in government), as Primavera leverages financial strength to continue to pursue multiple PPM market segments (including IT and professional services, as well as energy and its home base in engineering and construction).
- Primavera demonstrates a long-standing dedication to the development of effective tools for enterprise project scheduling and execution differentiated by capabilities that address qualitative and quantitative risk management at various levels, including via the risk management component from its recent acquisition of Pertmaster.

- Customers cite service and support as strong points of their relationships with Primavera as a software provider.

### **Cautions**

- Customers say that analyzing project management data in different ways for IT resource management is weak, although this is projected to improve in upcoming software versions.
- With the robust nature of Primavera P6 comes a steep learning curve for end users.
- Primavera does not offer ancillary products, native functionality or strong integration points supporting ITSM or ALM areas of IT work management.

## **SAP**

### **Strengths**

- Customers cite integration with other SAP applications, such as SAP ERP Financials and Business Information Warehouse, as a strong point of the Resource and Portfolio Management and cProject Suite.
- Market clout as a provider of project accounting and other management functions positions SAP well against competitors operating as pure-play vendors in potential IT PPM environments.
- Customers generally report good knowledge transfer, product expertise and professional services delivered with Resource and Portfolio Management/cProject.

### **Cautions**

- SAP users are the sole targets of any IT-related PPM business SAP intends to pursue in the market.
- Customers cite software quality as an area where SAP can improve RPM/cProject, as well as general usability.
- PPM processes in Resource and Portfolio Management/cProject may not be as streamlined as competing products, but customers apparently are willing to wait for the user interface improvements promised in future releases.

## **Sciforma**

### **Strengths**

- Announced in May 2008, r.3 of Sciforma's PSNext solution marks a significant milestone for the company. New features include team-based project ranking for portfolio prioritization and new support for enabling resource managers to control resource pools.
- PSNext online offers a SaaS solution, with midmarket and departmental implementations, at \$32 per user/per month, averaging less than \$7,000 per year, with easy migration to full PSNext available.
- Although headquartered in California, Sciforma has long maintained significant ties to Western Europe, with more than 50 PSNext consultants at its Paris-based partner, Le Bihan Consulting.

## Cautions

- Limitations in workflow (for example, for project submissions, approvals and closures) and customizable (vs. predefined) e-mail notifications may not be addressed fully in r.3.
- Some customers using the product internationally have encountered issues with response time (although one noted that this likely was due to the implementation choice to use a single common instance).
- Sciforma has evolved dramatically since its introduction in 2003, but low emphasis on direct enterprise sales has limited the awareness of PSNext as a full PPM solution outside the advanced project/program management world.

## Serena Software

### Strengths

- With the release of Mariner 2008, Serena (see Note 2) introduces Mariner On Demand, providing a SaaS offering with support for multitenancy, priced per user, per month, with a 12-month minimum. The midmarket is among target markets. An on-premises offering remains available.
- Mariner 2008 offers a demand management "mashup" leveraging the workflow capabilities of the renamed Serena Business Mashup (formerly TeamTrack). Users capture and categorize incoming requests for visibility into demand, and integration with Mariner enables users to design processes, system-to-system orchestrations and interactive Web forms.
- Customers cite Mariner's capability-based configurations for phased implementations as a plus, along with portfolio analysis, charting and reporting features of the system.

### Cautions

- Limited reporting capability often requires custom development of reports.
- Although it should be seen in the context of the fragmented IT market segment (where most vendors have less than a 10% share), Mariner's low market share tends to make it a secondary internal priority to sales and marketing, as compared with Serena's well-known flagship Dimensions product line.
- Customers cite technical-support services as an area where Serena needs to improve Mariner.

## RECOMMENDED READING

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"Toolkit Sample Template: Developing a Project Charter"

"Toolkit: How to Assess Project Risk"

"Magic Quadrants and MarketScopes: How Gartner Evaluates Vendors Within a Market"

### Note 1

#### Evaluation Criteria: Ability to Execute and Completeness of Vision

To assess providers and their solutions for PPM in the field of IT, we considered their views of the market and their effectiveness in areas such as product development and marketing.

We focus on an application's functional depth and range to address clients' priority requirements, the provider's support commitment and capability, and product direction; we also factor in past performance. Ability to Execute criteria include product depth/feature strength, company viability, sales execution/pricing, market responsiveness and track record, marketing execution, customer experience (including service) and operations/management.

We also consider a provider's vision, as reflected in its products and services, marketing and expressed or apparent strategies and expectations for the future. Completeness of Vision criteria include market understanding, offering (product) breadth and strategy, business model, vertical/industry strategy and innovation.

For more details about our evaluation criteria, see "Evaluation Criteria for IT Project and Portfolio Management Applications" and "Evaluation Criteria for IT Project and Portfolio Management Applications."

## **Note 2**

### **Disclaimer Regarding Serena**

Serena Software, Inc., is a portfolio company of Silver Lake Partners, a private investment firm that also owns a substantial, publicly disclosed interest in Gartner, Inc., and has two seats on Gartner's 11-member Board of Directors. Gartner research is produced independently by the company's analysts, without the influence, review or approval of our investors, shareholders or directors. For further information on the independence and integrity of Gartner research, see "Guiding Principles on Independence and Objectivity" on our [Web site](#).

## **Vendors Added or Dropped**

We review and adjust our inclusion criteria for Magic Quadrants and MarketScopes as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant or MarketScope may change over time. A vendor appearing in a Magic Quadrant or MarketScope one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. This may be a reflection of a change in the market and, therefore, changed evaluation criteria, or a change of focus by a vendor.

## **Evaluation Criteria Definitions**

### **Ability to Execute**

**Product/Service:** Core goods and services offered by the vendor that compete in/serve the defined market. This includes current product/service capabilities, quality, feature sets, skills and so on, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

**Overall Viability (Business Unit, Financial, Strategy, Organization):** Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood of the individual business unit to continue investing in the product, to continue offering the product and to advance the state of the art within the organization's portfolio of products.

**Sales Execution/Pricing:** The vendor's capabilities in all pre-sales activities and the structure that supports them. This includes deal management, pricing and negotiation, pre-sales support and the overall effectiveness of the sales channel.

**Market Responsiveness and Track Record:** Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

**Marketing Execution:** The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional, thought leadership, word-of-mouth and sales activities.

**Customer Experience:** Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

**Operations:** The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

### **Completeness of Vision**

**Market Understanding:** Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen and understand buyers' wants and needs, and can shape or enhance those with their added vision.

**Marketing Strategy:** A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the Web site, advertising, customer programs and positioning statements.

**Sales Strategy:** The strategy for selling product that uses the appropriate network of direct and indirect sales, marketing, service and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

**Offering (Product) Strategy:** The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature set as they map to current and future requirements.

**Business Model:** The soundness and logic of the vendor's underlying business proposition.

**Vertical/Industry Strategy:** The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including verticals.

**Innovation:** Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

**Geographic Strategy:** The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.

## REGIONAL HEADQUARTERS

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### **Corporate Headquarters**

56 Top Gallant Road  
Stamford, CT 06902-7700  
U.S.A.  
+1 203 964 0096

### **European Headquarters**

Tamesis  
The Glanty  
Egham  
Surrey, TW20 9AW  
UNITED KINGDOM  
+44 1784 431611

### **Asia/Pacific Headquarters**

Gartner Australasia Pty. Ltd.  
Level 9, 141 Walker Street  
North Sydney  
New South Wales 2060  
AUSTRALIA  
+61 2 9459 4600

### **Japan Headquarters**

Gartner Japan Ltd.  
Aobadai Hills, 6F  
7-7, Aobadai, 4-chome  
Meguro-ku, Tokyo 153-0042  
JAPAN  
+81 3 3481 3670

### **Latin America Headquarters**

Gartner do Brazil  
Av. das Nações Unidas, 12551  
9º andar—World Trade Center  
04578-903—São Paulo SP  
BRAZIL  
+55 11 3443 1509