

THE CONFIDENT PMO

PURCHASING A PPM SOLUTION

iCoTech Services

Foreword from Joel Markham, CEO of iCoTech Services:



With pressure for faster and more flexible delivery and the need to capture work in real time, our research shows 89% of PMOs are let down by ineffective systems and processes. This is more pronounced for those using multiple tools, such as spreadsheets, Sharepoint and Teams to communicate and manage projects.

So, it's no surprise that according to Gartner it can take two full-time employees (FTEs) over three business weeks to obtain information from disparate tools, and reporting is often out of date by the time it gets to decision makers.

In this and other examples, there is often a clear business case for a PPM solution but understanding which one meets your organisation's needs can be testing. Especially when you consider **technical criteria, usability, interoperability and total cost**.

In this report we outline the steps you need to take to confidently recommend a shortlist of PPM solutions. Of course we want to help you manage an entire portfolio of work from one place, whilst giving stakeholders the real time information they need to make decisions so you can show your value. But this guide is designed to be useful for everyone, future customers or not.

"We want to help you confidently recommend a shortlist of Project Portfolio Management solutions".

In this report, PMOs collectively refer to Programme, Portfolio and Project practitioners.

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Before You Invest...



Do you need a PPM Solution and do you have the resources to maximise it...?

There will be a time when you need to consider whether your processes align with your available technology and, if not, whether to update them or update the system. Ask yourself how a new system or application would stack up against long-term goals and be used to help the business, and specifically if they could easily connect to critical tools, before you start.

Then check if you have the resources to maximise your investment. Transferring bad data and processes make any solution redundant so taking time to improve all underlying components is important. Considerations include, what data do you have, where is it held, why do you need it, and how are you going to use it? What processes are in place, do they work, and can you standardise and improve them by automating documentation across the project's lifecycle? Or, even can you use AI to identify ROI and preliminary benefits, or create tailored training packages to facilitate user adoption?

Assess Your Current Needs and Future Requirements

A strong business case will need to feed into your organisation's strategic objectives and will quantify the ROI of a baseline not yet met, which is hard.

Start with a half day workshop with key stakeholders to understand the problems you're trying to fix and to gain clarity of the system requirements.

Then map out your processes so you can make the new system work for them, whilst simultaneously considering ways the system can help improve them – AI can do some of this work for you.

And don't forget to consider how to standardise documentation, communication and training so the new system and processes are adopted and followed by the business correctly.



Define How a New System Will Help Meet Your Goals

Drill down and capture your current needs and future requirements. Really focus on what you do now; review your excel spreadsheets, SharePoint Lists, the reports, the visibility, and the planning engine, for example. And get to grips with what you could digitise to make things simpler and better.

Then ask where you want to be in three years-time with delivery. What doesn't your current solution do for you now and how can these additional features help you to run your business if they were implemented?

Consider:

- **Planning**: do you require top-line or detailed planning with tasks that have assignments underneath them?
- **Timesheets**: will you record time to understand how long critical task take like our customers Bettys & Taylors or not, like the IPO or ONS?
- **Resourcing**: do you need to have sight of incoming work as well as what is active in the portfolio to understand the resource demand and availability?
- **Processes**: are processes well defined, embedded in the organisation, and do they follow the same methodology, or differ across project type?

Decide Which Solution Meets Your Needs

One size doesn't fit all, and not everyone needs a PPM solution.

If you require a work breakdown structure and simple task management for individual projects, then you're after a **Project Management** solution.

Portfolio Management allows you to determine whether you're focusing on the right projects, gives you visibility of all project work, and has a work intake process so you can manage resource capacity.

And if you want to track and manage your projects, programmes and portfolios of IT and Business Change across your business to successfully deliver on your organisation's strategy, then you need a **Project Portfolio Management** system.



How to Choose a PPM Solution That Won't Cripple Adoption

With the increasing complexity of project portfolios leading to significant changes in PPM, the sheer choice of solutions can be confusing. From SaaS to onsite, Project or Portfolio-led or a combination of the two; being clear on your needs so you can narrow down your search is imperative.

You don't necessarily need to look too far into the future or subscribe to 'bigger is better'. And those that do are likely to over complicate their processes and cripple user adoption. So consider if your PMO is level 3 or above in Gartner's maturity matrix before deciding on an elaborate PPM solution.

The general consensus is it's better to begin with out-of-the-box solutions if you are one of the 80% of businesses which Gartner says are in the nascent stages of maturity.

Without doubt, smaller teams may benefit from one of the many SaaS products on the market.

But if you have plans to scale quickly watch out for the licensing fees which become onerous very quickly, and cross check integration which isn't always easy on these systems. The next few pages cover the considerations in more detail to help you make a decision.

And whilst we would say this as Microsoft Gold Partners, we believe a good rule of thumb is to maximise any current license you have to reduce costs. Microsoft Power Platform and Co Pilot are ready to go, easily integrated into existing systems, simpler to ingrain into an organisation, and allow you to evolve through customisations when you require.

Consideration-1
Technical Criteria and Interoperability

The first thing to check is whether employees use different devices to access systems or does everyone subscribe to a corporate build that is applied across the organisation.

Engage with IT to do this as well as to gather data on the internal and infrastructure costs of implementing a solution. And check with vendors, because some PPM systems require specific infrastructure deployments with on premise servers or cloud services, and costs can rocket.

This perhaps isn't such a consideration for small PMOs of 1-4 people and limited systems to integrate and better placed looking at a SaaS solution, like Monday.com. Though, if you are looking to scale and customise your solution iteratively, then spend a lot of time understanding the licensing and interoperability costs as these can spiral quickly. How to Choose a PPM Solution That Won't Cripple Adoption

Start small with a scalable product instead of future proofing for a direction your organisation may not take.



Consideration-2
Usability and Adoption

The biggest risk of any IT deployment is people don't adopt or don't follow processes properly. To minimise the threat, you should have a clear understanding of the stakeholders' current capabilities, and garner support from champions to help embed the system and processes.

Really consider if stakeholders will use a comprehensive and complex PPM solution or if the lack of support and aftercare typical of SaaS solutions is a risk to adoption. For those this gives food for thought, there is a middle ground.

You can build for you needs now and add customisations and functionality iteratively to make adoption simpler with the likes of Power Platform. As well as use Sharepoint, Co Pilot, and Chatbots to tailor support modules to help stakeholders whilst showing business champions the benefits so they are more inclined to help drive adoption.

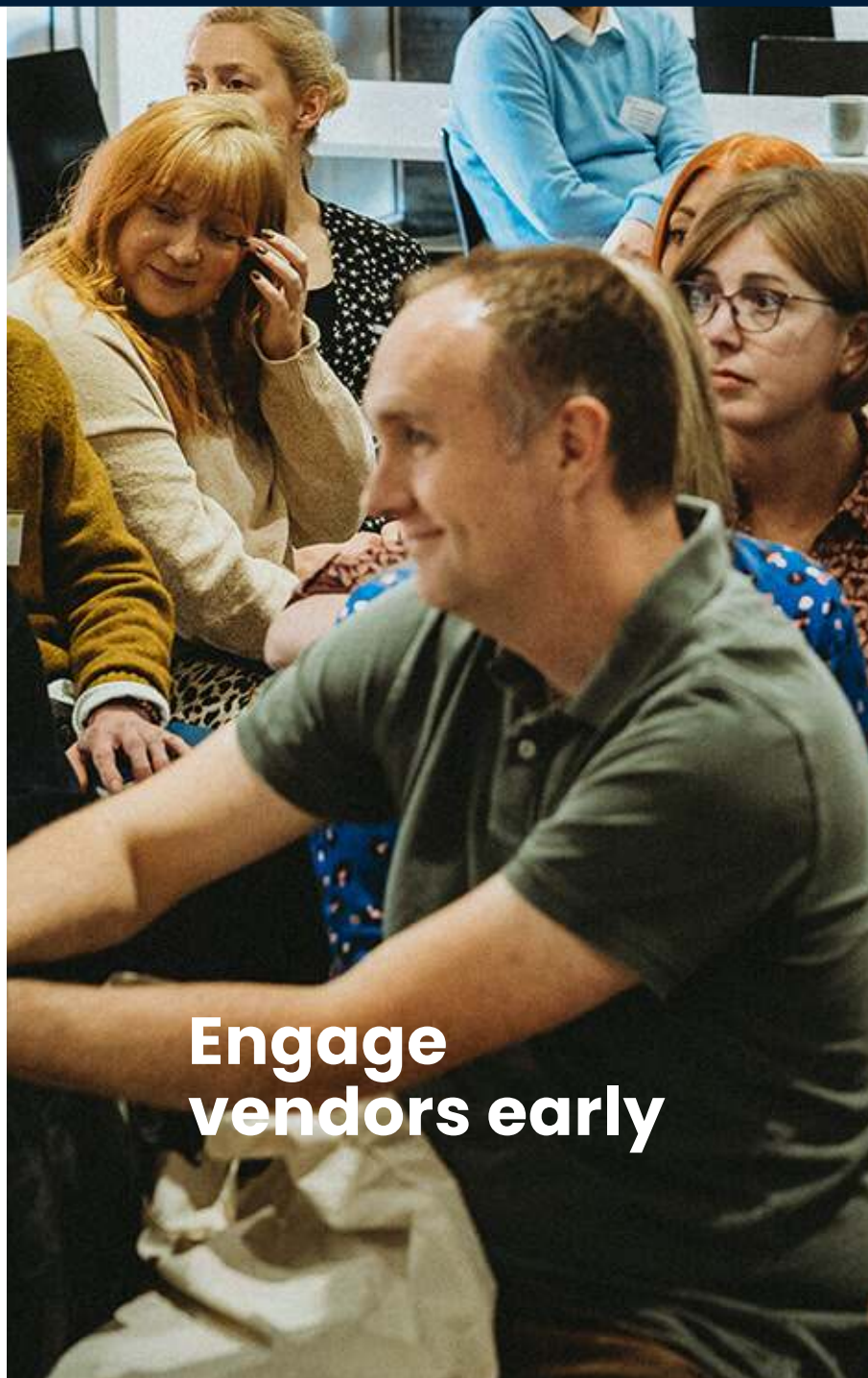
Consideration-3
Total Cost

Any PPM solution you recommend needs to save more than it costs - think licensing, implementation and set up fees, training, and support.

Start by focusing on licensing and implementation costs as they can quickly spiral without due diligence, or conversely save money in the long run (see next page for detail).

Engage early with vendors to calculate their delivery model costs combined with licensing fees on your order of magnitude (ROM) from year one to three. Then look at where you can save budget. For example, Toyota leveraged their Microsoft license to reduce the implementation cost for their PPM solution in Dynamics 365 and Power Platform.

And don't forget to consider the cost in time it takes to adopt the solution, ongoing maintenance fees, and the financial cost of replacing the system if it doesn't work and subsequent impact on team morale.



Hidden Costs

Licensing: There's a wide range of licensing costs models ranging from cost per user per month, to individual instances per month, and a one-off licence cost. It's worth checking the terms before you commit and securing a longer license deal upfront as some suppliers increase costs in year two and three. Or look for solutions that make use of the licences you already pay, such as ServiceNow or Microsoft. So check the terms before committing.

Implementation: Though some solutions offer self-build options, many will need an experienced resource to set up and configure it to your needs. It does mean most PPM systems will have an implementation cost - but there are different approaches vendors take. Some offer a fixed fee, some offer a consultative approach, and some deliver 'big bang' implementations.

We recommend focusing on the initial deployment benefits so you can justify the initial Minimum Viable Product (MVP) deployment. By starting small, you can commit to something low cost but with maximum value. Then reflect and review and go forward with the learnings from the initial roll out.



Start Building a Shortlist

When it comes to putting a shortlist together you will need to balance all your research and consider what is most important to you - **usability with lean features OR broad functionality and reporting.** There are also industry specific PPMs.

Solutions that focus on visualisation and usability hierarchise user friendliness, with good looking visuals and very nice graphical representations.

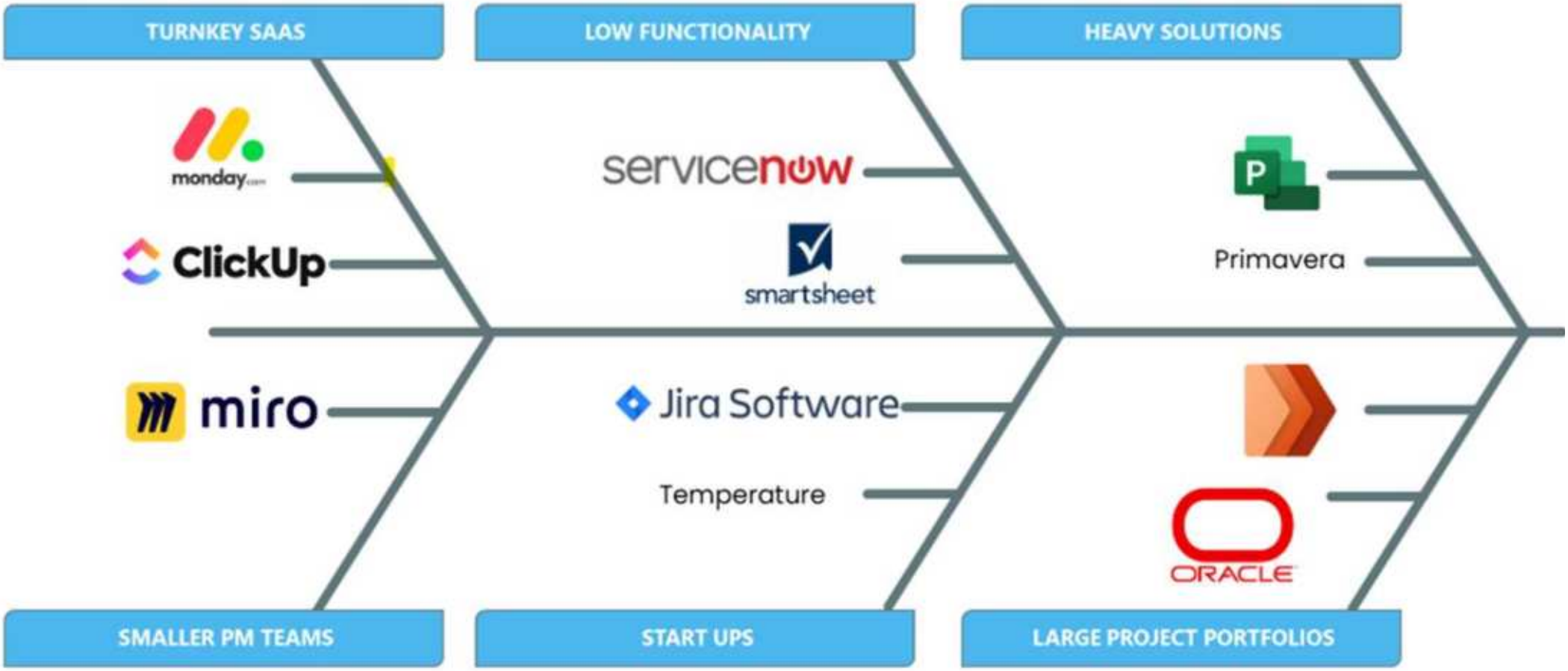
Functionality and reportability prioritises the freedom of functionality and data structures to easily allow the management of thousands of records.

Others use industry specific methodologies – think construction and engineering, for example - rather than using IT delivery in an iterative way.

"find a system that delivers a single source of truth, so you report once, multiple times..."

Which Category Fits Your Needs?

You'll need to weigh up the pros and cons of a low functionality solution, turnkey SaaS or a heavy feature-rich solution. Ans whilst the majority of offerings in each category are not drastically different, some will be a better fit for your organisation. There is more information on the next page to help you decide.





Category Pros and Cons

- **Low Functionality**: these are solutions are best suited to start-ups as they aren't directly designed to operate as a Project Portfolio Management system, but can be tailored and used for some sort of PPM system if required.

- **Turnkey SaaS**: good choice to get up and running quickly because they're easy to transact and have a great user interface and experience. They work best for a small team of Project Managers, but they don't easily scale and configure with other products and licensing costs can become expensive.

- **Heavy Solutions**: good choice for large Project Portfolios within Construction, Engineering or Enterprise Scale Delivery teams. These PPM solutions are powerful and comprehensive but are very expensive to setup and run, and can't be configured quickly and iteratively.

Flexible Solutions Grow With Your Business

One Size Doesn’t Fit All

There is another category that doesn’t have the high costs of an Enterprise system but is flexible and built iteratively to grow with your business needs. It’s separate from the other categories because it is built on the premise of one size doesn’t fit all:

- **Flexible Solutions**: based on enterprise applications such as the Power Platform, but require configuration to meet the requirements of the user base.
- They are flexible, scalable and adaptable to most needs across PPM but take an iterative approach to implementation.



Stress Test Your Requirements

By now you should have a clear understanding of what functionality you need, which category suits your budget and stakeholder capability, and a shortlist of three or four suppliers. You probably only want to engage fully with two. So, look for vendors that will grow with your needs and arrange a demonstration of their offering.

Finally...

- Look for vendors that can stress test your system requirements and build them iteratively so you can learn how this solution addresses the problems you clarified during the stakeholders' workshop.
- Start with something small of high value to test your MVP so you can gain stakeholder buy-in and then build outward so the business can adapt to meet employee's needs.
- Don't get caught out. Nobody wants the responsibility of recommending a new shiny system that has costs hundreds of thousands only to find no-one using it.





iCoTech Services

Need More Help?

We help you make the most of your Microsoft licensing with accelerators that amplify Power Platform and Planner.

Gain portfolio oversight and more control of projects

iCoTech Services

iCoPlan accelerates your productivity, insight & value to stakeholders.

iCoPlan sits across the Project Management function, giving you visibility and control of all data in your portfolios, allowing you to simplify how you work, deliver greater super user benefits, and to offer project certainty.

By applying our knowledge and expertise to design innovative solutions that have the structure and consistency, we give you more control over delivery, helping you to remain in scope, within budget and on time.

Our approach allows iCoPlan to deliver immediate value and desirable results at pace across your portfolio, programmes and projects, whether minor field changes or large-scale configuration for enterprise Portfolio Management in the Power Platform.

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