

IT Project & Portfolio Management 2010 Magic Quadrant

Daniel Stang

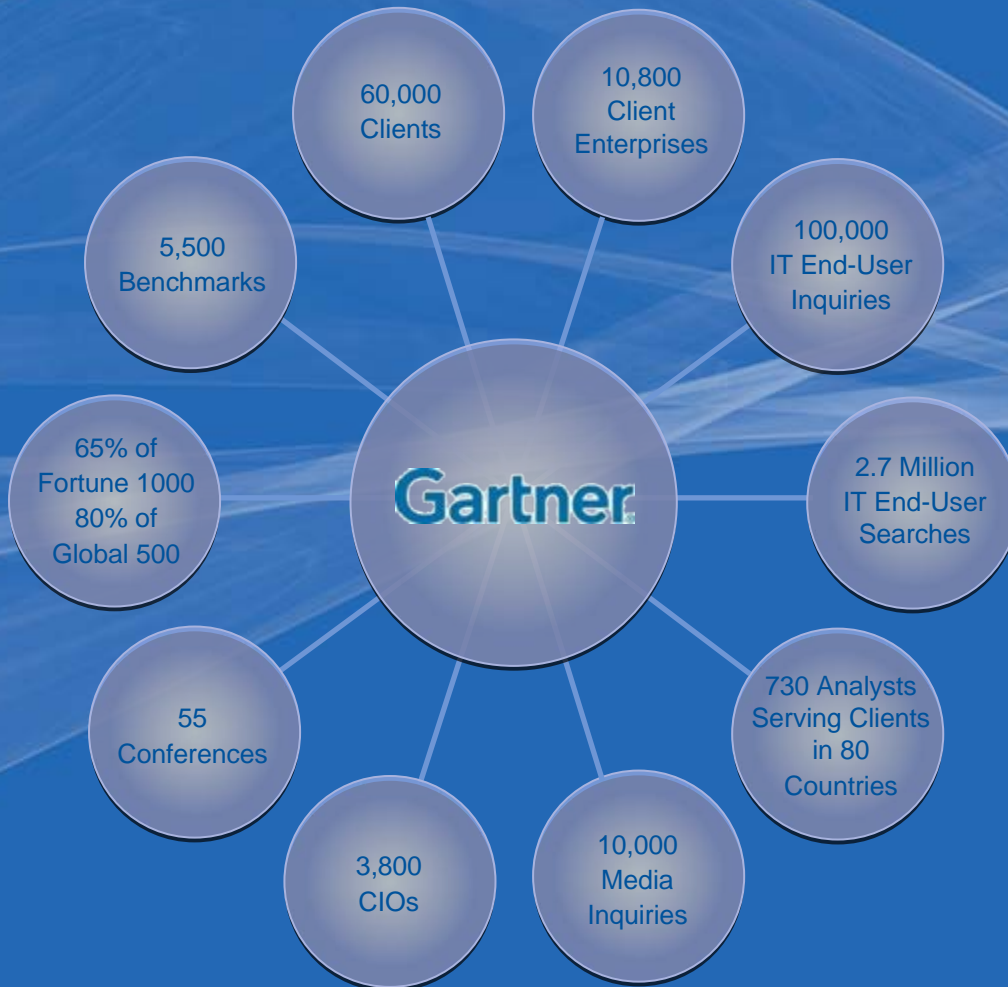
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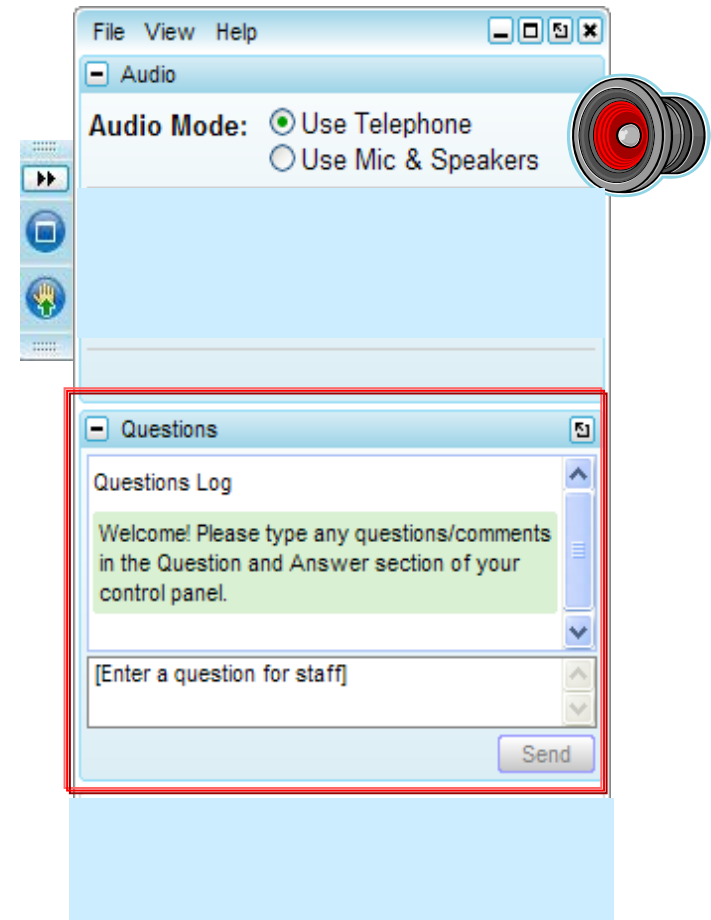
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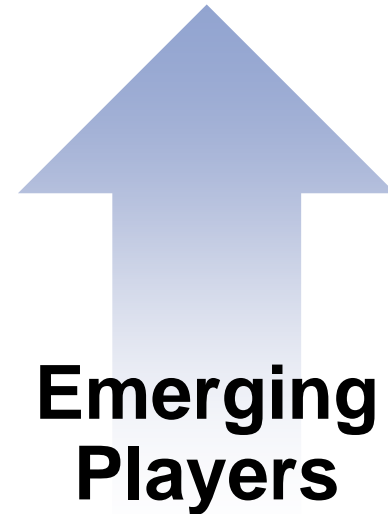
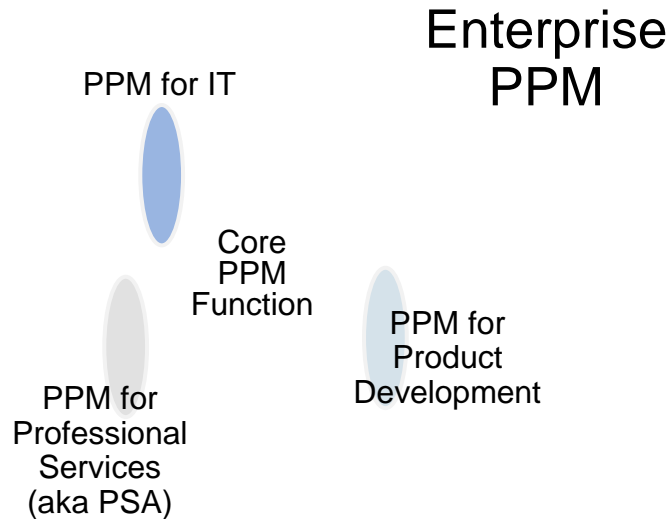
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PPM Practitioners Cannot Live on the Magic Quadrant *Alone!*



Adjacent Markets

A large, light blue arrow pointing to the right, with the text 'Adjacent Markets' centered above it.

Growth

A graph with a vertical y-axis and a horizontal x-axis. A blue arrow starts at the origin and curves upwards and to the right, indicating exponential growth.

Key Issues

1. What are the key trends, drivers and recent innovations in the PPM market?
2. How should you use the 2010 PPM for IT Magic Quadrant as a resource for PPM system selection?
3. What are some key best practices for evaluating, selecting and using a PPM system?

State of the Market, Trends, Innovations

IT PPM & the "Trough"

**SaaS PPM: Large
Enterprise & Mid-Market**

**Integration as
Innovation**

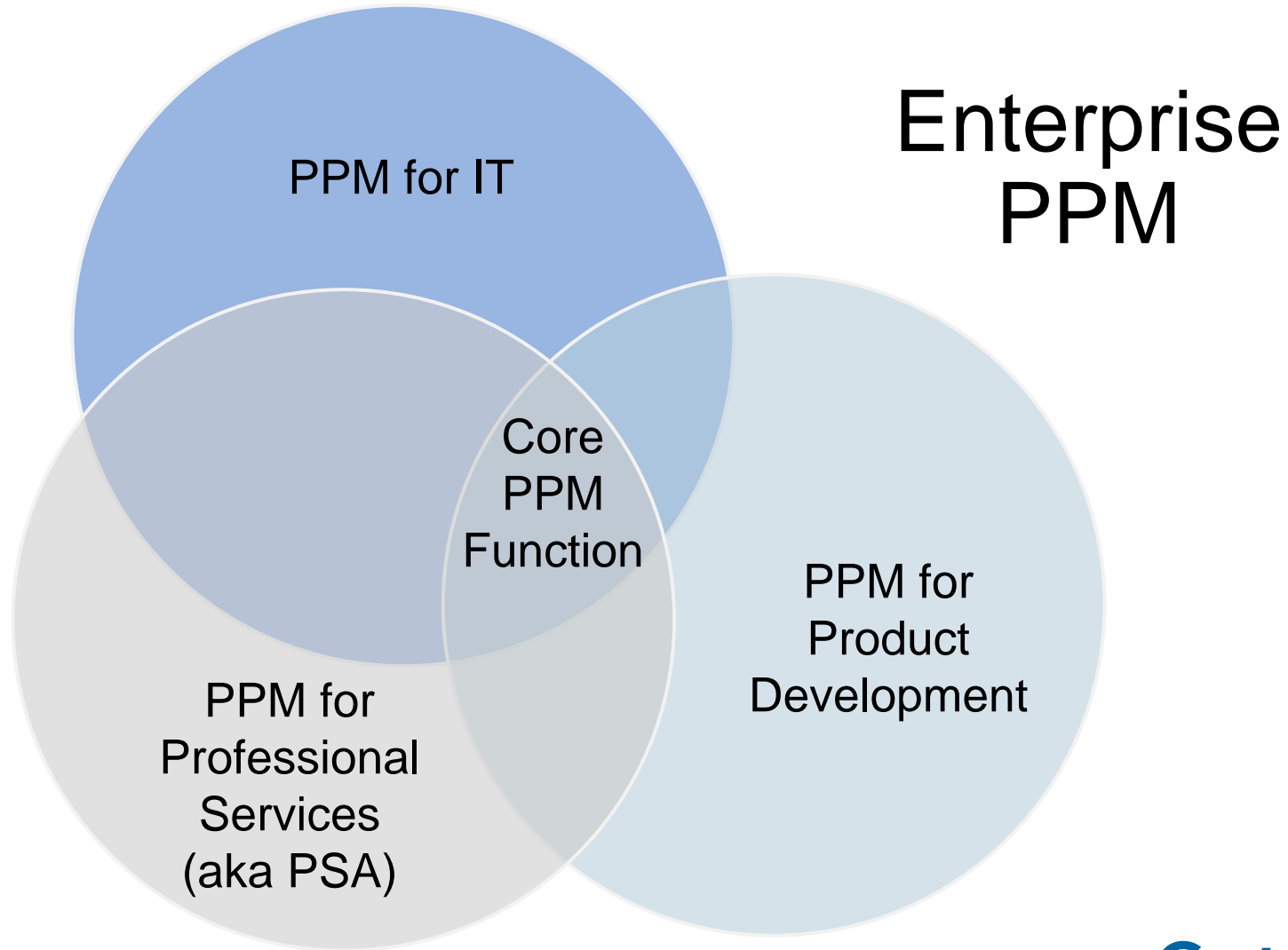
Pricing Models?

**Fear, Uncertainty,
& Doubt**

EPPM, ITPC, APM



PPM Market Subsegments and Overlaps



PPM's Evolving EPPM, ITPC and APM Integration Strategies

EPPM

"EPPM, or enterprise program and portfolio management, is the capability to exploit shared practices and decision making to define, select, execute and evaluate the key nonroutine work efforts within and across disparate organizational entities."

ITPC

"ITPC is the connection of PPM systems to third-party data sources to drive singular visibility for all events in IT. ITPC allows the tracking of events with PPM implications without forcing people to report in or utilize multiple, disconnected tools and technology. ITPC is also a strategy integrating service reporting, PPM functionality and incident management systems."

APM

"APM is the tracking of application assets delivered as the result of an IT deployment project, through the changes made to the application assets, through the ongoing costs to maintain and support these assets, through to their retirement. APM requires a single data repository for all application and related PPM information."

What Are Prospects and Customers Asking Us?

- How can I get PPM visibility?
- What does a PPM system cost?
- Is SaaS a viable option for PPM?
- What are the benefits of investing in PPM?
- Where do I start with a PPM investment?
- How do I avoid the PPM pitfalls?

The "Magic" in the Magic Quadrant

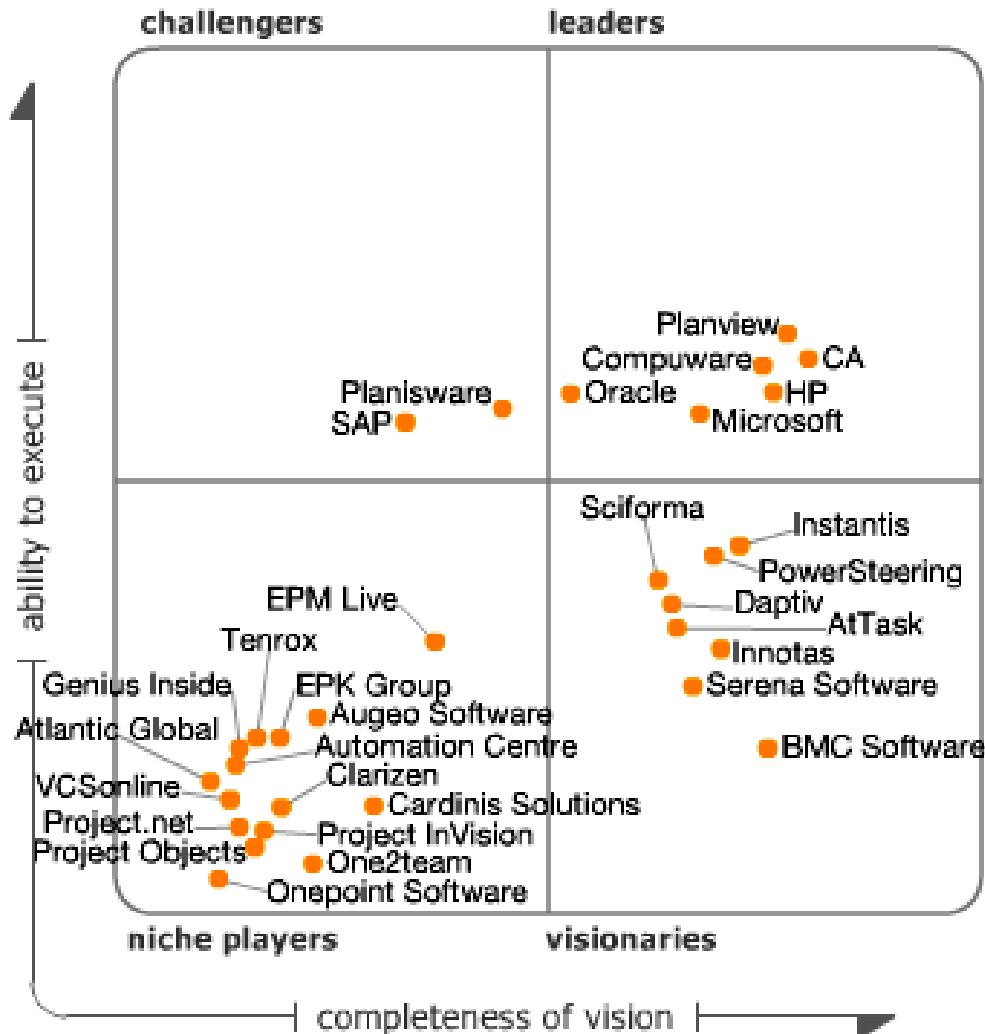
- IT PPM: Past, Present, Future
- 2010 Iteration Recognizes Key Trends
- Completeness of Vision
- Ability to Execute
- It's a *Market* Chart
- Leader, Visionary, Challenger and Niche Player



2010 PPM for IT Inclusion Criteria

- Must be generally available (GA) to the public for at least two years.
- Must demonstrate applicable use as a PPM for IT software system.
- The company must provide proof of total revenues of \$10 million, or evidence of strong organic growth and/or strong VC funding.
- Product should support core project tracking and management, as well as resource, time, and cost management required by IT customers, with added support for portfolio-level management and reporting, and a standardized demand collection mechanism.

Gartner's 2010 IT PPM Magic Quadrant



As of June 2010

What Makes a ...

Challenger a Challenger?

- Resemble leaders in many ways
- Functional depth and breadth
- Marketing/sales reach and execution
- Acute product focus
- Financial viability
- Growing customer base

Niche Player a Niche Player?

- Share features/traits of challengers
- Multiple deployment options
- Multiple pricing options
- Innovative approaches
- Integration strategy and opportunity
- Customer care
- Louder customer voice

Leader a Leader?

- Functional depth and breadth
- Multiple deployment options
- Internal and external service capability
- Large customer base and track record
- Financial viability
- Integration strategy and opportunity
- Marketing/sales reach and execution

Visionary a Visionary?

- Share features and traits of leaders
- Multiple deployment options
- Multiple pricing options
- Innovative approaches
- Integration strategy and opportunity
- Customer care
- Louder customer voice

Focus on LEADERS, if...

- Your investment plan is long term (at least 3 years)
- You have STRONG management backing
- Third-party integrations are top priority
- You have a significantly high PPM budget
- Your user group is more than 100 end users (transactional)
- Your PPM maturity level is a 3 or above



Focus on CHALLENGERS, if...

- Your investment plan is long term (at least 3 years)
- You have STRONG management backing
- "Single-source" integrations are an advantage
- You have a significantly high PPM budget
- Your user group is more than 100 end users (transactional)
- Your PPM maturity level is a 2 or above
- Your PPM goals are directly tied to an enterprise reporting implication



Focus on VISIONARIES, if...

- Your investment plan is short term (1 year)
- You don't have **STRONG** management backing
- Integrations are not a factor
- You have little or no PPM budget
- Your user group is more than 100 end users (transactional)
- Your PPM maturity level is low
- Goals are departmental



Focus on NICHE PLAYERS, if...

- Your focus is on just a few PPM process domains
- Your investment plan is short term (1 year)
- You don't have **STRONG** management backing
- Integrations are not a factor
- You have little or no PPM budget
- Your PPM maturity level is low



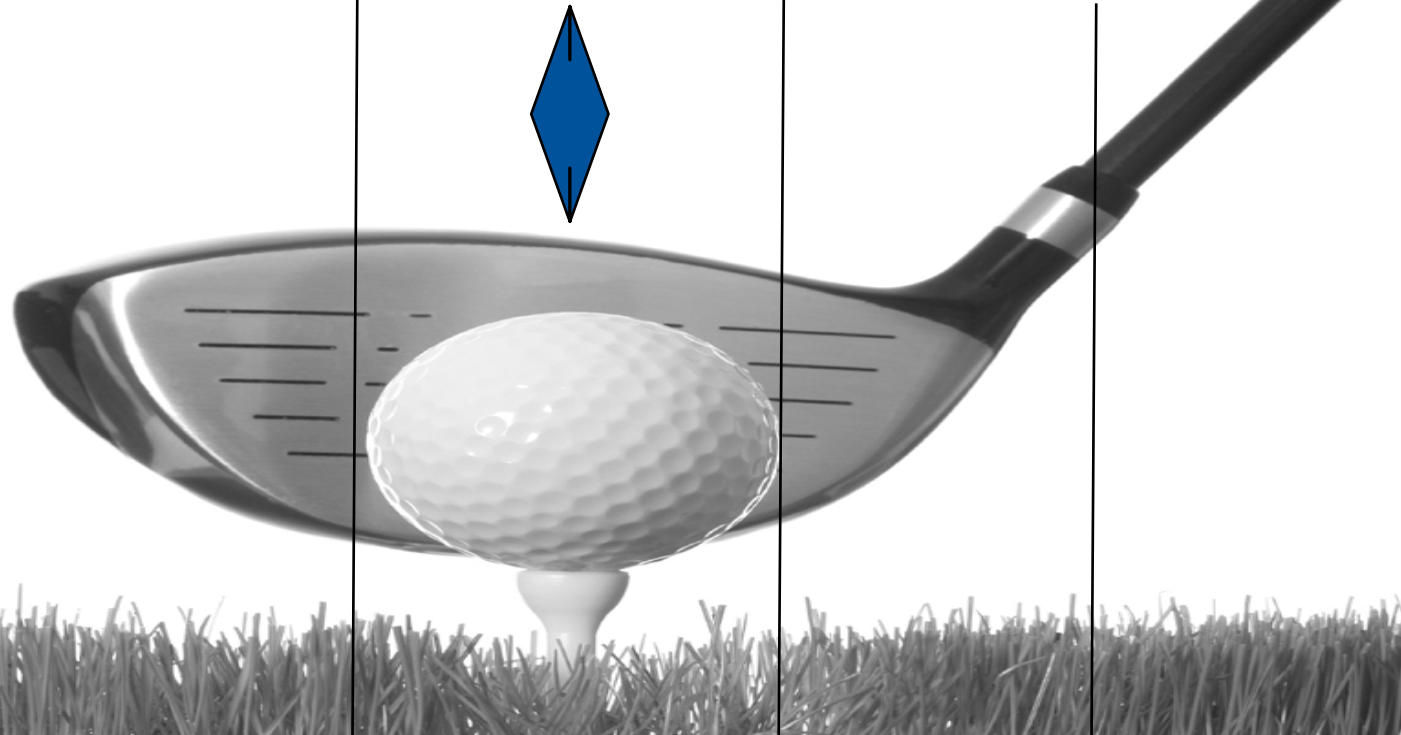
The PPM "Sweet Spot"

Business-Side
Portfolio Mgmt.

Business
Sponsor

Project
Manager

Time
Reporting



ERP versus PPM: How to Avoid Trouble

- ERP vendors do not support "transactional PPM" functions well and are not designed to do so.
- ERP's involvement in PPM is based on its strength in managing anything with an enterprise reporting implication.
- Separate the roles of the ERP system and the PPM system so that both are more complementary.
- Do not streamline task- and assignment-level time reporting from the PPM system through to enterprise financial reporting.

Recommendations

- ✓ Assess your current level of PPM maturity.
- ✓ Assess your current level of PPM visibility.
- ✓ Identify your wants/needs in PPM people, process, and technology.
- ✓ Review current vendors.
- ✓ Evaluate new solutions or extending your existing solutions.
- ✓ Always leave yourself options.

Related Gartner Research

- ➔ **Magic Quadrant for IT Project and Portfolio Management**
Daniel Stang (G00200907)
- ➔ **PPM Markets: From General Purpose to Market Segments to Enterprise**
Matt Light (G00175451)
- ➔ **On-Premises, Hosted or SaaS: How Should You Deploy a PPM System?**
Daniel Stang (G00172042)

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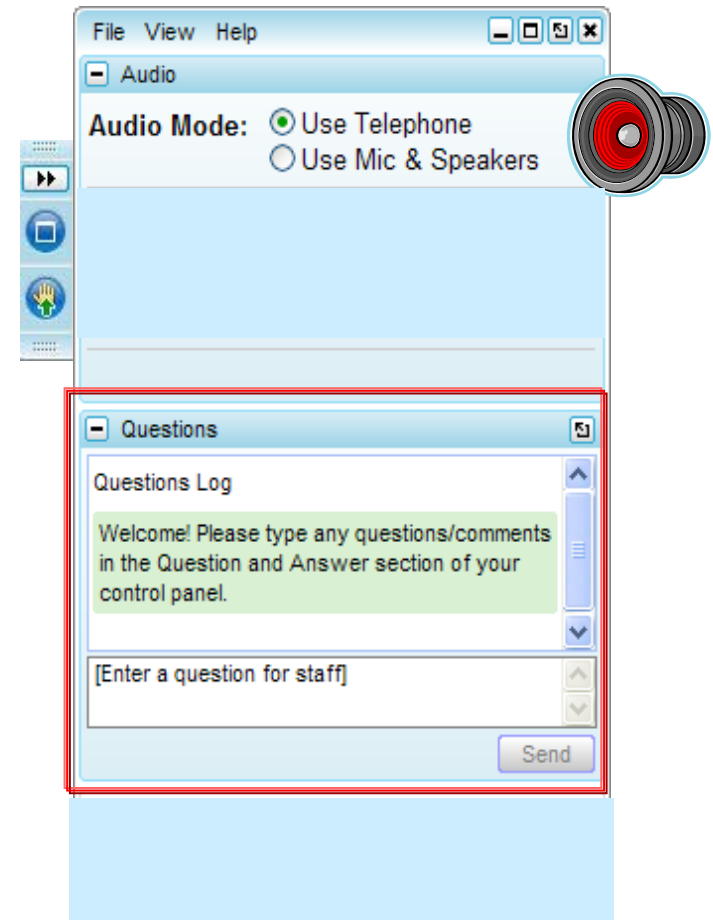


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