The Innotas Executive Buyer’s Guide provides you with a concise overview of Project Portfolio Management (PPM) and delivers important buying criteria to help you select the best PPM solution for your business.
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About Innotas:

Innotas provides a ground-breaking IT Governance SaaS solution: an easy-to-use, rapid-to-deploy, and cost-effective way to manage resources and budgets across an IT department’s entire inventory of projects, portfolios, applications, assets, and service requests. With its strong foundation in Project Portfolio Management and Application Portfolio Management, Innotas provides CIOs and IT management with visibility across both strategic initiatives and sustaining operations for improved decision making across the entire IT portfolio.
**Introduction**

IT organizations face an infinite number of existing and new projects to manage with finite resources. Against a backdrop of shrinking budgets, IT must ensure that every project receiving IT resources is of strategic value to the company and is being responsibly managed to successful completion.

To better manage their portfolio of project investments, IT organizations are turning to Project Portfolio Management (PPM). When undertaken correctly, a PPM investment can provide the visibility, oversight, and management tools to help businesses prioritize and manage projects and resources—contributing to strategic priorities and increasing business value.

The wide range of investments required and capabilities provided in the broad PPM marketplace make it imperative that decision makers understand both the promise and limits of PPM in order to truly benefit from the technology. This Executive Buyer’s Guide provides decision makers considering a PPM solution with an understanding of PPM technology, trends, and business benefits. It also presents information to consider when choosing a PPM solution as well as tools and checklists to help with the buyer’s decision.

**The Business Case for Project Portfolio Management**

Successful project portfolio management requires constant visibility into each individual project: project status, project performance, and alignment with strategy. As CIOs strive to manage their portfolio of project investments efficiently and successfully, they are often hamstrung by factors such as lack of visibility and clear status, budget and schedule overruns, poor alignment, mismanaged requirements, inappropriate resource allocation, and technical failures.

The business case for PPM is not difficult to make.

According to Forrester Research, “a Total Economic Impact (TEI) analysis shows that a comprehensive PPM tool investment is likely to provide an ROI of more than 250 percent, whether delivered on-premise or via software-as-a-service (SaaS).”¹

And, indeed, Gartner names PPM as a “proven approach to making and monitoring IT investment that fosters continuous improvement.”²

IT organizations that invest in PPM can quickly gain many benefits:

**Reduction in budget overruns for successful projects.** Even projects closely aligned with strategic priorities and business benefits go over budget because of lack of visibility and oversight, resource issues, or poor estimates. PPM provides that visibility and oversight, as well as resource allocation and planning, project tracking and management, scheduling, and budgeting to keep the project close to budget. According to a Gantry Group ROI case study, one financial services company, avoided project overruns by $2.8 million NVP during a three-year, post-deployment period.³

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Top Benefits for Investing in PPM:

- Reduction in budget overruns for successful projects
- Avoidance of low-value projects
- Reduction in IT labor costs
- Reduction in administration time and costs
- Improved resource utilization
- Faster project completion
- Control IT maintenance costs.

Avoidance of low-value projects. Obviously, non-strategic or redundant projects provide no value to the company and therefore should be discontinued. But without visibility and easy access to a project’s true total costs and status, IT organizations cannot make project and resource decisions effectively. PPM provides tools such as project scorecards and status, business intelligence, and automatic reporting and dashboards that enable decision makers to identify underperformers, make sure the project delivers value, and ultimately prioritize work and make better decisions. The Gantry Group study found that the same financial services firm saved more than $21 million over three years by preventing non-strategic projects.4

Reduction in IT labor costs. PPM helps reduce IT labor costs in two ways. Firstly, visibility into the portfolio enables an understanding of how a new project relates to other project activities and respective resources, and helps IT avoid costly project changes after the project evaluation phase is completed. Secondly, an early understanding of project issues and dependencies produces more stable and robust project portfolios, which in turn enable improved staff loading and utilization. The Gantry Group study again found great benefit in this area: savings of $1.7 million NVP in labor expenses.5

Reduction in administration time and costs. The administrative chores associated with trying to gain a handle on a project portfolio without a solution, e.g., the manual gathering and gleaning of project status data such as timeliness and cost or creating reports and dashboards manually, are costly, inefficient, and fraught with human error. PPM tools capture this data automatically and provide real-time, relevant information, which frees up the time of managers who could be performing higher-value activities.

Improved resource utilization. Organizations that lack visibility into projects and project status cannot plan appropriately for staffing and resources. PPM provides the visibility and control necessary to plan ahead and use resources wisely. Reporting features highlight outstanding issues, thus enabling organizations to make resource adjustments before they become a problem. PPM ensures that neither resources are wasted nor projects held up for lack of resources.

Faster project completion. The visibility provided by the workflow and reporting features of PPM tools keeps projects moving. With this visibility, issues are identified and resolved early, reducing delays and expediting completion. A recent Forrester survey found that users of PPM tools completed projects around 10 percent faster.6 For projects that produce revenue, faster project completion translates to faster time to revenue.

Control IT maintenance costs. IT organizations spend a large amount of their time and resources on maintaining applications and systems. At the same time, there is usually little insight whether these investments go towards the appropriate applications. Deploying an integrated Project Portfolio Management (PPM) and Application Portfolio Management (APM) solution can deliver visibility and transparency across an application portfolio to make the right decision about investing in applications and systems that provide the most value to an organization. This strategy helps IT organizations avoid investments in low-value applications.

5 Ibid.
Trends in Project Portfolio Management

Several recent and emerging trends are transforming the PPM market landscape:

**SaaS PPM**

Software-as-a-Service (SaaS) has completely infiltrated the PPM world as organizations of all sizes invest in cloud computing. In the crowded PPM marketplace, a SaaS offering is a clear differentiator because it enables customers to realize the benefits of PPM more quickly and at lower cost—an important consideration in today's challenging economy. With a SaaS PPM deployment, customers undertake a pay-as-you-go subscription fee and forego the costs of additional hardware, software, upgrades, and maintenance. [See SaaS vs. On-Premise on page 5.]

**Integrating PPM with Enterprise Data**

The ability to integrate PPM with data from around the enterprise is an important trend that will enable PPM technology to achieve its full potential. This value is the ability to “combine and analyze disparate data to enable project and development organizations to better monitor and control planning and execution and its capacity to create more accurate data for planning and reporting.” Forrester cites the ability to integrate with HR and vendor management, financial management, application lifecycle management, service management, and other systems that are as crucial to PPM solutions.

**Integrating Project, Application, and Resource Management**

Another important trend in the PPM industry is the move away from a focus that is solely on projects to an integrated approach that includes managing the entire project, application, and resource portfolio. The goal is to manage projects, applications, and resources in a way that helps IT quickly adapt to changes in order to support business objectives and goals. Vendors whose solutions include the ability to manage not only the project portfolio, but also applications and resources are emerging as leaders in the PPM market. These solutions enable organizations to focus on results and value, rather than just project completion.

**Choosing the Right Project Portfolio Management Solution for Your IT Organization**

In the MarketScope for Project and Portfolio Management Applications, Gartner lists 30 PPM solution vendors. This wide market of PPM vendors and offerings makes it imperative that technology decision makers have a clear understanding of both their requirements and a solution's capabilities before making an investment. The information below will help you choose the right solution for your organization.

**Matching Maturity with Solution**

The Maturity Model for PPM developed by Gartner (see Figure on page 5) examines five core dimensions, i.e., people, PPM processes, financial management, technology, and relationships, across six progressive levels ranging from non-existent to fully mature. The model enables IT leaders to identify shortcomings, determine priorities, and establish goals for improving their organizations’ PPM practices. These capabilities are critical to an organization’s ability to select...
solutions and services that meet its current needs and that are also flexible enough to grow with the organization through the maturity dimensions—on the way to fully maturity.

**Five Progressive Levels of the PPM Maturity Model**

![PPM Maturity Model Diagram](image)

**Dimensions**
- People
- PPM Practices and Processes
- Technology
- Financial Mgmt.
- Relationships

**Progression Toward Increasing Maturity**

Source: Gartner (October 2010)

The Gartner model not only identifies these dimensions and levels; it also encourages companies to follow the “just enough to accomplish the result” mindset in order to invest in the right mix of solutions and services for their organization. According to Gartner, that “sweet spot” is often at level three, as improvements at levels four and five may not be appropriate for many organizations. Specific capabilities within a dimension may also be mixed and matched at various levels to provide appropriate functionality, as long as the organization has the core infrastructure to support these activities in place.

The Maturity Model for PPM can help your organization choose the appropriate level of PPM functionality to meet its needs.

**SaaS vs. On-Premise**

The PPM solution marketplace includes vendors that provide on-premise solutions, SaaS solutions, or both. Choosing between a SaaS or an on-premise deployment takes careful consideration of your organization’s requirements, budgets, and goals.

Considerations include:
- **Upfront investments.** On-premise solutions require significant upfront investments in software and supporting hardware. SaaS deployments do not require these investments; only the subscription fees are required.
**Implementation time and risk.** On-premise solutions require a longer implementation period, which involve a higher risk in implementation because of the hardware and system work required to run the software internally. In contradistinction, SaaS solution is deployed across all customers from a single software deployment, providing fast implementation and time-to-value. In addition, SaaS subscriptions can usually be limited to twelve months, enabling organizations to try the technology without assuming high levels of implementation and financial investment risk.

**Ongoing IT support.** On-premise solutions require ongoing IT support. IT costs for software and hardware administration, developer time, security, backup, disaster recovery, upgrades, and maintenance should be factored into the overall TCO. In a SaaS deployment, the solution provider handles these activities and the costs are included in the subscription rates.

<table>
<thead>
<tr>
<th></th>
<th>SaaS</th>
<th>On-Premise</th>
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<tbody>
<tr>
<td><strong>Upfront investments</strong></td>
<td>NO</td>
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</tr>
<tr>
<td><strong>Implementation time and risk</strong></td>
<td>NO</td>
<td>YES</td>
</tr>
<tr>
<td><strong>Ongoing maintenance costs</strong></td>
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<td>YES</td>
</tr>
</tbody>
</table>

**True SaaS vs. Imposters**

The term ‘SaaS’ typically refers to the way software is delivered, rather than the underlying technology itself. A true SaaS solution is a hosted solution that supports a single codebase across all customers. This capability is called multi-tenancy and distinguishes SaaS from hosted solutions. Software vendors who host an application and provide access to it through the Internet often claim to be SaaS vendors. But a hosted solution is not necessarily a SaaS solution.\(^\text{10}\)

In a true SaaS deployment, a single version of the software is developed, supported, and deployed across all customers, enabling vendors to share infrastructural and operational resources across customers and to focus on ongoing, value-added innovation. By contrast, vendors who simply host their on-premise solutions are forced to use resources on maintaining multiple versions of their own software for customers on different versions and to perform maintenance, upgrades, and customizations separately for each customer—costs they often pass on to their customers.

If your organization has decided on a SaaS deployment, make sure that the solution is a true SaaS solution.
Evaluation Process

Gartner states that the key to achieving positive results from an enterprise system implementation is effective management of the software evaluation and implementation process. Evaluating PPM solutions effectively involves six steps.

1. **Establish goals and objectives.** Determining goals and objectives for a PPM solution isn’t as straightforward as it sounds. Forming an evaluation committee or team that includes all of the stakeholders of the implementation will help you not only better understand what’s required and avoid surprises, but will also ultimately help with the adoption process. The team should determine the specific goals for the implementation as well as gain an understanding of the business problems the PPM software will help solve. In addition, the team should establish the financial impact of the solution as well as gain an understanding of how the software will affect the organization’s two-to-five-year business plan. The team also should determine when the project should be complete as well as the costs of delaying the project.

2. **Identify requirements.** Using the objectives developed by the evaluation team and utilizing the PPM maturity model, develop specific functionality, delivery model, and implementation requirements for the solution. We provide a list of key PPM features in the Appendix, which can be shortened or expanded to meet your specific needs.

3. **Create a vendor short list.** Using the specific requirements the evaluation team has identified, create a short list of vendors who meet these requirements. Many resources are available to help with this process, including analyst research such as Gartner’s MarketScope and Magic Quadrant, as well as information available publicly about the functionality and delivery model of various vendors. You can also consult industry buyer’s guides and tech publication articles to identify suitable solutions. The feature checklist and other resources included in the Appendix can also help with this process.

4. **Request a proposal from short listed vendors.** Once you have developed your short list, request a proposal or additional information via an RFP or RFI from each of the vendors. At a minimum, the RFP or RFI should request: a detailed functionality breakdown; pricing; an implementation methodology and timeframe; as well as references. Examples of what to ask these vendors are included in the Appendix.

5. **Evaluate each vendor.** Once you have received the RFP submission responses from each of your chosen vendors, evaluating them against your needs is not difficult. Nevertheless, you should check all references in order to understand fully both the solution’s strengths and weaknesses as well as whether the vendor is a company with whom you want to partner. References can help you understand not only the solution’s functionality, but also how well the vendor supports the solution, how it handles upgrades and enhancements, and vendor responsiveness and attitude. It is also helpful to request a detailed demo of the two to three solutions you are seriously considering.

6. **Make a decision.** From the finalists, request a detailed final proposal and contract for delivery up to one week before you plan to make your decision. The entire evaluation team should then evaluate the final proposals, discuss any questions or clarifications, and then make a final decision.
The Innotas Solution

*Innotas PPM and APM*

Innotas PPM is part of the larger Innotas IT Governance, Project Portfolio Management, and Application Portfolio Management offering which provides an easy-to-use, rapid-to-deploy, and cost-effective way to manage requests, resources, budgets, and projects across an IT department’s entire inventory of projects, portfolios, applications, assets, and service requests. Dashboard and reporting features provide visibility for improved decision-making across the entire IT portfolio.

**Strategy & Visibility to all work**

**Innotas Project Portfolio Management solution** includes the following capabilities and features:

- Prioritization and Scoring
- Project request management
- Project and program management
- Portfolio management
- Resource management
- “What if” Scenario Planner
- Financial management
- Web Services Application Programming Interface (API)
Innotas Integration Platform

As PPM implementations mature, organizations may need to provide integration points for business systems such as application lifecycle management, ERP, HR, service desk, and others. Both Gartner and Forrester Research note that as implementations become more mature, costly integrations and customizations may have an impact on TCO.

Innotas offers the Innotas Integration Platform, an enterprise-class, cloud-based integration solution managed by Innotas. An add-on to Innotas IT Governance solutions, the platform enables seamless connectivity with any cloud and on-premise applications.

The Innotas Integration Platform consists of three critical components:

- The Integration Platform is a central, secure deployment and management platform between Innotas and any cloud and on-premise system (managed by Innotas).
- Connectors are an ecosystem of pre-built application and standard technology adapters to connect any API-enabled system (deployed by Innotas).
- Business logic refers to a configuration approach to visually build and modify integration processes (built by Innotas).

12 Ibid.
The Innotas Cloud

The Innotas cloud platform enables you to run your IT business on a high performance platform set in a SAS 70 compliant data center with world-class security. The scalable platform enables organizations to avoid the cost and labor of building and running applications. Instead, Innotas subscribers just log in to a web browser and start using it. Users accomplish their PPM goals and do it with faster time-to-value, lower overall costs, reduced risk, and the ability to accommodate constantly changing demands.

The Innotas cloud platform enables IT organizations to remain focused on their customers’ success, while avoiding the potential to become sidetracked on building and maintaining internal applications. The platform provides a very predictable cost structure with no hidden fees. Upgrades are included as part of the subscription without impact to configuration, modifications, or integrations. The Innotas cloud platform runs on Tier 1 data centers that guarantee power and physical security, with disaster recovery capabilities.

Fast Implementation Methodology

Using a well-defined methodology and proven delivery framework, Innotas’ implementation services are designed to get our customers up and running quickly in a matter of weeks.

Innotas’ experienced Engagement Managers help ensure the success of your implementation through a structured workshop approach, best practices, and pre-configured content supplied by both industry and software expertise.

Our Engagement Managers work with you to drive configuration decisions, system configuration activities, and team training. And automated accelerators rapidly initiate instances with pre-configured content, which is followed by loading your data.

The platform provides the following benefits:

- Quick, reliable, lower cost integration of critical business systems, enabling faster time-to-value
- Standards-based interoperability and architecture across the enterprise, lowering technology risks, increasing business agility, and enforcing consistency
- Elimination of requirement for expensive middleware, custom coding, or other integration tools
## Appendix

### Minimum Functionality Requirements for PPM and APM Solutions

#### Project Portfolio Management

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<tr>
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<tr>
<td>“What-If” Scenario Planning</td>
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<tr>
<td>Project Request Management</td>
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<td>❑</td>
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<tr>
<td>Project and Program Management</td>
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<td>Portfolio Management</td>
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<td>Resource Management</td>
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<td>Time Tracking</td>
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#### Application Portfolio Management

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<td>Service Request Management</td>
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<td>Application Management</td>
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#### Integration Capabilities

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<tr>
<td>Web-Services API</td>
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Appendix

High-level outline for PPM RFP

The following provides a high-level outline for a PPM RFP:

A. General Vendor Information

Ask the vendor to use this section to describe the uniqueness of their organization and services. Aspects of this section include, but may not be limited to, competitive advantages, industry awards received, customer referrals, company ownership, brief corporate history, primary company services, and current software release.

B. Executive Summary

In this section, the vendor should provide a summary of the key services requested in the RFP, the vendor’s approach to providing the services, qualifications, the costs, and the composition of the team that will be dedicated to the project for the entire duration of the contract.

C. Vendor Vision and Strategy

In this section, the vendor should provide a detailed description of the overall product strategy, including:

1. Current and future plans to offer its customers enhancements to existing PPM products or additional modules, including the frequency of enhancements and the estimated dates on future releases.

2. The vendor’s strategy/vision of how it sees the company in the marketplace with a two- to five-year outlook. The vendor should describe plans, with time frames included, to enhance your service offerings.

3. Describe how the PPM tool builds value to the IT user, to the business executive, and to customers.

D. Functionality Requirements

The vendor should provide a list and/or table of PPM features and functions required of the proposed PPM system.

E. Technical Requirements Information

In this section, the vendor should include information regarding:

1. Architecture: application architecture, core system, data architecture

2. Implementation: resources, assistance, specialized training, security/user management, scalability

3. Network/Maintenance: backups, disaster recovery, network bandwidth

4. Integration: interfaces, APIs, integration platforms, connectors

5. Support: support services, downtime, release schedule, technical training
Appendix

F. Implementation Approach
The vendor should provide a detailed description of its proposed approach for implementing the PPM solution, including:

1. Implementation methodology and best practices.
2. A project plan that outlines phases, deliverable activity milestones, a timeline, and training for implementing the tool.
3. The vendor’s plans to provide service, and guarantee the delivery of the proposed PPM product, including how the vendor manages the scope, time, and cost estimates of the vendor’s portion of the project.

G. Training Approach
This section should describe, in detail, training expectations for both the customer and the vendor. This should encompass functionality, technical and administration training, as well as what components are included and not included in base training. The vendor should include responses to the following training-specific questions:

1. Provide an implementation training approach and ongoing recommended training approach, as well as a cost estimate associated with that approach.
2. Describe the type of training that is provided and the related costs for system administrators and end-users.
3. Describe the product and end-user documentation that is provided with the product purchase.

H. PPM Post-Implementation Support Approach
This section should describe, in detail, post-implementation support recommended for the customer and what support services the vendor can offer. This should encompass functionality and technical and administration support.

I. Licensing and Maintenance Fees
In this section, the vendor should provide detailed, “line-item” pricing information regarding the options of the licenses and services proposed. The information will allow the customer to select appropriate services based upon requirements.
Evaluating Innotas

At Innotas, our most valuable resource is our customer. Innotas has helped hundreds of customers better manage their IT resources with Innotas PPM and APM solutions. Innotas customers include ADP, CHRISTUS Health, City of Memphis, Hamilton Beach, State of North Carolina, University of Portland, and many others.

We would value the opportunity to discuss how Innotas can help your organization better manage resources and budgets across your entire inventory of projects, portfolios, applications, assets, and service requests.

Contact our Sales team at salesdev@innotas.com or 1.866.692.7362 to schedule a discovery call or demo.

What are they saying?

“With Innotas I can see how my organization is performing in real time; I can make adjustments as needed, and get involved quickly when there are problems before they become big problems.”

- Gerry Skipwith
  Vice President of Services, Compugen

“After evaluating four to five other solutions, we were impressed with the people at Innotas far more so than with the other vendors in this space. The foundation of our success at UST Global is the trusted relationship that we build with our clients. In the same way, the team at Innotas worked with us selflessly to earn our trust.”

- Tony Velleca
  CIO, UST Global

Who is Using Innotas?

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