

## How to select the Right PPM tool

### Introduction

There are a host of Project, Portfolio Management (PPM) tools available in the marketplace. This white paper outlines some of the steps necessary to select the tool and solution that is fit for purpose and delivers or exceeds the anticipated business benefits.

1. **Define your objectives.** PPM tools can be seen by senior management as a silver bullet for a number of business problems, e.g. selecting the optimum project portfolio for an organisation to invest in, or to improve governance of projects, or improve the way resources are managed. Step 1 therefore is to define and agree with the Sponsor and senior stakeholders the business objectives of the PPM solution you are aiming to meet. It may seem basic, but this critical step is often overlooked.
2. **Define your scope.** Once the objectives are clear you must now define your scope in more detail. An effective way to do this is to use the 'MoSCoW' rules of features prioritisation that are often used in Agile developments, i.e.:

**M - MUST:** Describes a feature that must be included in the final solution for the solution to be considered a success.

**S - SHOULD:** Represents a high-priority feature that should be included in the solution if it is possible within the available time/resources/budget but which can be deferred/omitted without compromising the success of the solution.

**C - COULD:** Represents a feature that would be useful and could be included in the solution if it is possible within the available time/resources/budget but which can be deferred/omitted without compromising the success of the solution.

**W - WON'T:** Represents a feature that stakeholders have agreed will not be implemented initially but may be considered for the future.

It is tempting to go for the most expansive scope but using MoSCoW rules helps to focus on the really important and critical ones. Please remember that the bigger the scope, the bigger (usually) the cost of the tool and subsequent implementation project.

3. **Review the marketplace for potential solutions, not potential tools.** It is tempting to develop a tools shortlist rather than a solutions shortlist. A critical success factor of implementing a PPM tool is to work with a solution provider who understands not just PPM, but also your business and the most effective way to support you in your PPM implementation. You can select the best functionally rich tool in the marketplace but if the implementation partner does not have capability, resource or cultural fit then it is highly likely that your PPM project will not succeed.

Avoid just looking at the research papers of the large IT research companies like Gartner and Forrester. They do have useful research about the market but invariably they focus on the major suppliers of complex 'full function' PPM tools to huge corporations - and these may not be appropriate for your organisation (or budget). You could also use Google or LinkedIn forums to review the marketplace. One word of caution here is that some PPM vendors are literally 'one man bands' and it is always advisable to do a simple credit and capability check on vendors. Also, can a one man band really give you the support that you need for a PPM implementation project?

4. **Run a vendor selection process.** Whether it is a formal Request for Proposal (RFP) process or a less informal set of requests and presentations, then it is essential that each vendor demonstrates their system to you, ideally focussing on your areas of mandatory (the MoSCoW Must Have) requirements. Be careful of the shiny, slick salesman who knows the product inside-out but will be nowhere to be seen during the implementation.

Demonstrations should also include the key staff who would be involved in your project. During the selection period you should:

- a. Understand the technical requirements of the product and whether it will work on your infrastructure
- b. Review the implementation process suggested by the vendor. Is it a switch-on, some training, then goodbye!
- c. Contact and visit reference sites with similar project organisations and challenges that you have
- d. Review the contract. Often these are monthly rental contracts and can have long termination notices

- e. Objectively score the product, solution and vendor capability
  - f. Agree to a pilot (typically 3 months). Pilots should be paid as it is unreasonable to expect a vendor to run a pilot for 3 months or longer for no fees
  - g. Understand if your project processes need to be changed or enhanced to maximize the benefits from the new PPM tool
  - h. Check whether the vendor can do 'train the trainer' as this may be a more cost effective option rather than expensive consultants training each new starter
5. **Run a pilot as a project and measure the results.** The pilot should pick a reasonably receptive area of the business that will look on a new PPM tool with a positive frame of mind. It defeats the object of a pilot if you select a business area who wants the pilot to fail as it WILL fail with this mentality.
6. **Negotiate and agree Contracts.** Self-explanatory I think.
7. **Plan and launch the new PPM change project.** Yes, a PPM implementation project is a major change project and needs to be managed as one. Plan for sustainability. It is a mistake to think that tool implementation followed by training is sufficient to achieve the benefits that you set out in Step 1. You should plan for resources to be expended so that the importance and the benefits of the PPM solution are regularly reinforced by sponsors and senior stakeholders.

## Summary

We have seen many examples of PPM solutions delivering real business benefits to organisations. However, there are also many examples of expensive PPM solutions being heroic failures costing millions and used as a glorified timesheet or planning system. If you follow the 7 steps above then you would be on the right path to deliver real business value for your PPM project.

We have implemented many PPM solutions, mainly using our PPM tool, PM3. For more information, please contact [David.Walton@bestoutcome.com](mailto:David.Walton@bestoutcome.com) or our website: [www.bestoutcome.com](http://www.bestoutcome.com)