The Forrester Wave™: Strategic Portfolio Management For Agile Organizations, Q4 2019

The Eight Providers That Matter Most And How They Stack Up

by Margo Visitacion
November 5, 2019

Why Read This Report

In our 22-criterion evaluation of strategic portfolio management (SPM) providers for Agile organizations, we identified the eight most significant ones — Aha! Labs, Atlassian, Broadcom, CollabNet VersionOne, Micro Focus, Planview, ServiceNow, and Software AG — and researched, analyzed, and scored them. This report shows how each provider measures up and helps application development and delivery (AD&D) professionals select the right one for their needs.

Key Takeaways

Software AG, Broadcom, And Atlassian Lead The Pack
Forrester's research uncovered a market in which Software AG, Broadcom, and Atlassian are Leaders; Planview, Micro Focus, and ServiceNow are Strong Performers; and CollabNet VersionOne and Aha! Labs are Contenders.

Enterprise Agile Support, ML, And Integration Are Key Differentiators
As on-premises, traditional project management systems become outdated and less effective, improved enterprise Agile support, machine learning (ML), and integration will dictate which providers lead the pack. Vendors that can provide Agile scalability, decision, and ecosystem support position themselves to successfully deliver transparency, smarter planning, and business agility to their customers.

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by Margo Visitacion
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Enterprise Agile Underscores Need For Automation And Transparency

As Agile software delivery processes become the de facto standard for digital transformation, companies are finding that they increase the number of Agile teams in their organizations, which surfaces a new set of challenges. Autonomous teams, and the shift from centralized IT project management to decentralized line-of-business product management, stymie creating macro-level views of alignment and performance. Maintaining velocity over time, while integrating feature and component teams, requires fast and accurate decision support for continuous planning. These challenges have created a need for SPM tools for the Agile enterprise.

AD&D professionals in development shops that are grappling with these trends should look for SPM for Agile enterprise products and providers that:

› **Support Agile enterprise planning.** Decentralized planning that allows teams to react quickly to customers' needs is becoming the norm. Fifty-three percent of global developers report that their teams serve lines of business to foster business knowledge in team members.[1] To drive alignment with business strategy, companies are adopting various Agile-at-scale frameworks such as Scaled Agile Framework (SAFe), Spotify, Large Scale Scrum (LeSS), Nexus, and Disciplined Agile.[2] These frameworks help companies develop practices that connect strategic planning with delivery. Solutions that provide out-of-the-box (OOB) support for these frameworks provide a head start for companies that adapt them to their particular constraints.

› **Include machine learning to accelerate and improve decision support.** While it's possible to predict timelines and outcomes manually at the team level, at the portfolio level of large numbers of teams, predictability requires data aggregation and analysis. Complex functions such as resource capacity planning benefit from ML capabilities to recommend potential allocations for shared resources, calculate future velocity, or leverage strategic performance data to automatically identify optimal funding solutions or risk strategies. Solutions that provide ML enable organizations to optimize portfolios quickly and make better-informed decisions.

› **Offer robust integration capabilities for operational ecosystems.** Obtaining sufficient transparency into enterprise performance requires aggregation of critical data elements for analysis and reporting. SPM for Agile enterprise systems must act as the communication hub, enabling organizations to identify strategic investments and calculate funding options.[3] The tools support development of strategic plans, roadmaps, and visualizations for monitoring and reporting. Bringing in the data requires robust modern APIs or partnerships with integration vendors such as Tasktop and Dell Boomi to integrate portfolios with delivery, DevOps, business intelligence, financial technologies, etc., and connect data sources.

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Evaluation Summary

The Forrester Wave™ evaluation highlights Leaders, Strong Performers, Contenders, and Challengers. It's an assessment of the top vendors in the market and does not represent the entire vendor landscape. You'll find more information about this market in our reports on SPM.[4]

We intend this evaluation to be a starting point only and encourage clients to view product evaluations and adapt criteria weightings using the Excel-based vendor comparison tool (see Figure 1 and see Figure 2). Click the link at the beginning of this report on Forrester.com to download the tool.

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FIGURE 1 Forrester Wave™: Strategic Portfolio Management For Agile Organizations, Q4 2019

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Strategic Portfolio Management For Agile Organizations
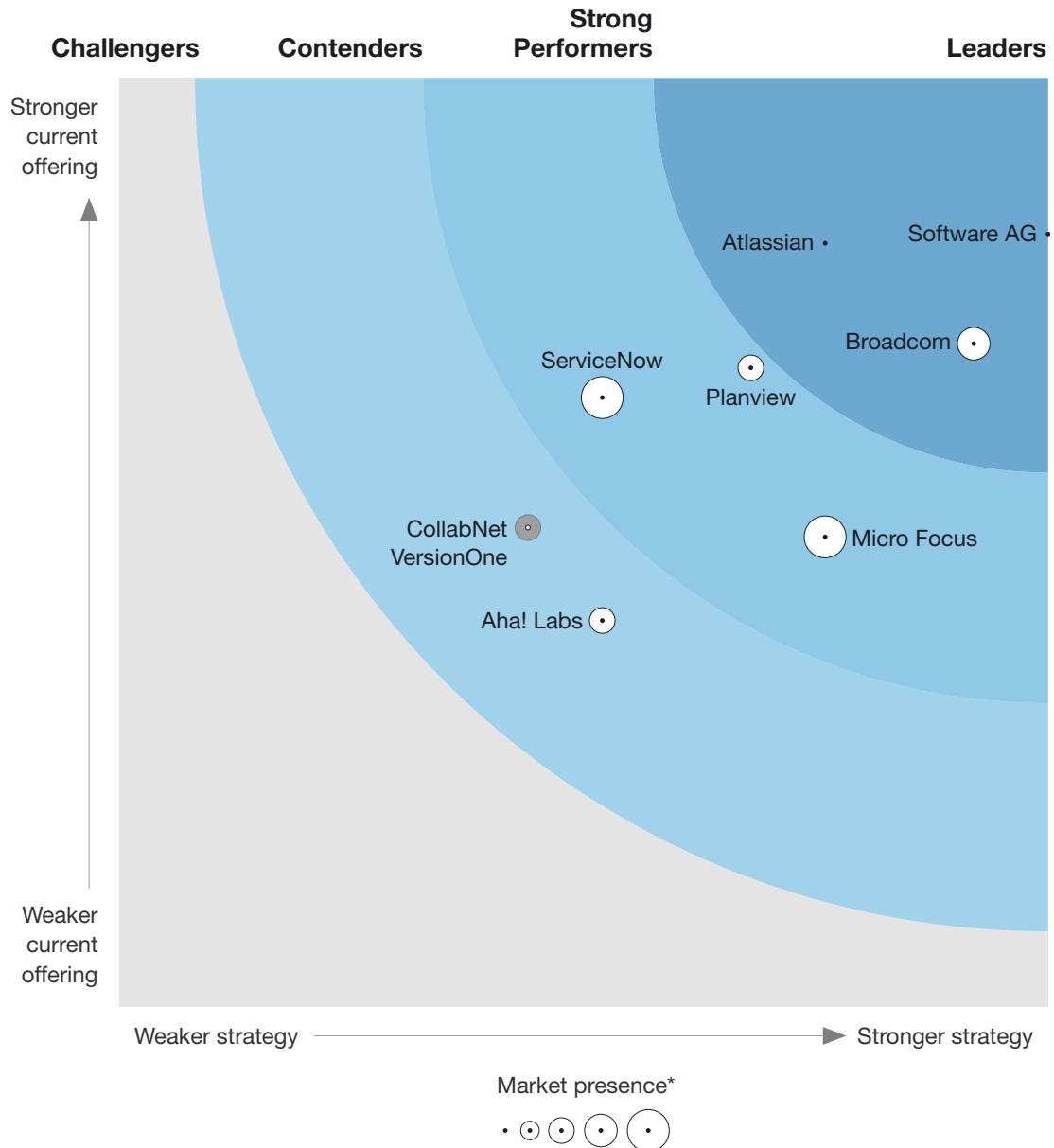
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*A gray bubble indicates a nonparticipating vendor.

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FIGURE 2 Forrester Wave™: Strategic Portfolio Management For Agile Organizations Scorecard, Q4 2019

	Forrester's weighting	Aha! Labs	Atlassian	Broadcom	CollabNet VersionOne*	Micro Focus	Planview	ServiceNow	Software AG
Current offering	50%	2.08	4.11	3.57	2.58	2.53	3.44	3.28	4.16
SPM for Agile organizations	34%	2.40	4.00	3.70	2.40	1.60	3.80	2.70	3.50
Portfolio ecosystem capabilities	33%	1.50	4.00	4.00	3.00	3.00	3.50	3.50	4.00
Analytics	33%	2.34	4.32	3.00	2.34	3.02	3.02	3.66	5.00
Strategy	50%	2.60	3.80	4.60	2.20	3.80	3.40	2.60	5.00
Vision and strategy	20%	3.00	5.00	5.00	3.00	3.00	5.00	3.00	5.00
Product roadmap	20%	3.00	5.00	5.00	3.00	3.00	3.00	3.00	5.00
Partners	20%	1.00	5.00	5.00	1.00	5.00	1.00	3.00	5.00
Commercial model	20%	5.00	3.00	5.00	3.00	3.00	5.00	3.00	5.00
Geographic strategy	20%	1.00	1.00	3.00	1.00	5.00	3.00	1.00	5.00
Market presence	0%	3.00	1.00	4.00	3.00	5.00	3.00	5.00	1.00
Number of customers	50%	5.00	1.00	5.00	5.00	5.00	3.00	5.00	1.00
Revenue growth rate	50%	1.00	1.00	3.00	1.00	5.00	3.00	5.00	1.00

All scores are based on a scale of 0 (weak) to 5 (strong).
*Indicates a nonparticipating vendor

Vendor Offerings

Forrester included eight vendors in this assessment: Aha! Labs, Atlassian, Broadcom, CollabNet VersionOne, Micro Focus, Planview, ServiceNow, and Software AG (see Figure 3). We invited Microsoft to participate in this Forrester Wave, but it chose not to participate, and we could not make enough estimates about its capabilities to include it in the assessment as a nonparticipating vendor.

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FIGURE 3 Evaluated Vendors And Product Information

Vendor	Product evaluated	Product version evaluated
Aha! Labs	Aha!	SaaS
Atlassian	Jira Align	v.10.50
Broadcom	Clarity PPM; Rally	Clarity PPM 15.6.; Rally is SaaS
CollabNet VersionOne	VersionOne	Spring 2019
Micro Focus	Micro Focus Project and Portfolio Management (PPM)	PPM 9.53
Planview	Planview Enterprise One	Release 17
ServiceNow	Now Platform	Madrid
Software AG	Alfabet	10.4

Vendor Profiles

Our analysis uncovered the following strengths and weaknesses of individual vendors.

Leaders

› **Software AG offers the most comprehensive solution.** Founded in 1969, Software AG provides products that support organizations going through digital transformation. Its entry in the portfolio management market is Alfabet for enterprise architecture and IT strategy and planning. It contains target architecture design, scenario management, Agile portfolio and feature management, project and release design, as well as project portfolio governance. Headquartered in Germany, the vendor's client base is global, with significant presence with large enterprises in financial services, energy, and logistics.

Software AG's Alfabet enables organizations to build a robust planning and delivery ecosystem with rich business operating model monitoring, process monitoring, and portfolio scenario analysis, plus deep integration capabilities to retrieve DevOps data from third-party tools to complete feedback loops. The vendor also provides differentiated ML capabilities. Software AG presents a utilitarian user experience that won't excite users but gets the job done. Reference customer feedback is generally good, with higher marks for innovation and partnership networks. This solution best suits large global organizations that prioritize strong management of the SPM process.

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› **Broadcom provides a compelling solution for organizations in transition.** Broadcom, headquartered in San Jose, Calif., completed its acquisition of CA Technologies in November 2018. Clarity PPM, part of its enterprise software division and its Digital BizOps solution, targets companies going through digital transformation at scale. The solution leverages automation.ai, an AI-powered software intelligence platform, to connect Clarity PPM and Rally Software with open source third-party tools and data sources that target every phase of planning and delivery. These are all tightly integrated in a single offering that simplifies the buying process. Broadcom is a global company. Clarity PPM's customer base, however, is strongly North American and mainly in financial services, manufacturing, and healthcare.

Clarity PPM delivers a broadly functional solution with particularly robust portfolio management capabilities for scenario building, goal analysis, and ranking. Clarity PPM presents data clearly, with pragmatic views of investments, performance, and event-driven constraints. Roadmapping capabilities allow users to clearly indicate delivery strategies for both Agile and hybrid approaches, with specific metrics for each type of delivery method. Financial management is highly flexible for structuring various investment types with the ability to dollarize various asset types and estimates. Reference customers reported the highest marks for partners and product support but wanted greater innovation. Clarity PPM best suits companies that have strong financial reporting requirements and complex resource planning needs.

› **Atlassian delivers a highly intuitive smart experience for Agile organizations.** What differentiates Jira Align (formerly AgileCraft) from its competitors is that Align was designed from the start as an Agile enterprise tool. Its core capabilities are identifying outcomes at multiple levels, articulating multilayered roadmaps, and embedding process support to help an organization scale to the enterprise level. Atlassian, headquartered in Sydney, is a global company, but Jira Align's current market is strongly North American. Its customer base comes mainly from financial technology, telecom, technology, and software companies.

Jira Align offers support for various Agile frameworks and OOB support for objectives and key results (OKRs) that leverage progress data from third-party tools. The product also embeds Agile techniques for empowered teams to quantify investment and feature ideas. For example, the product applies a small-bet approach to identify if investments are worth pivoting or preserving based on user-defined criteria and leverages AI to report data anomalies. Resource planning not only focuses on teams but also supports individual shared resources; the product does a good job of normalizing and monetizing Agile estimation for financial tracking. The product also supports hybrid portfolios for companies transitioning from waterfall delivery methods. Collaboration and DevOps feedback capabilities are particularly robust both within the product and through integration with third-party tools. Jira Align, like other Atlassian products, is primarily self-service; this may challenge enterprise sales in immature organizations. Thus, Jira Align best suits organizations that are further along in their Agile transformations.

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Strong Performers

› **Planview's portfolio and financial features are strong, but AI is still developing.** Planview has long had feature depth in all capabilities that strategic IT planning needs. By adding new products such as Spigit, LeanKit, PPM Pro, and Projectplace to Planview Enterprise One, the vendor has expanded its support for organizations making the transition to product-based planning for Agile at scale. Planview provides the ability for clients to tailor their solution to support specific user personas with any combination of Planview products under one offering. The vendor is well positioned globally with global customers in targeted markets of manufacturing, financial services, banking, and insurance.

Planview takes a pragmatic approach, recognizing that most organizations are hybrid in their planning and delivery practices. Tight integration links the products together to support end-to-end work management capabilities from idea and strategy formation to release. Ideation capabilities from Spigit enable flexible assessment and decision making for new demand and showcases Planview's strongest ML capabilities to surface comparable ideas. Planview provides a pleasing UI that presents continuity of data while supporting specific user experiences. Resource and financial management remain the most robust on the market, supporting both traditional and Agile financial planning. Lean portfolio management and OKR management are emerging areas for Planview; when coupled with its depth of existing capabilities, it will provide a compelling offering. Planview continues to receive strong reference customer feedback, but they want faster innovation. The vendor is working to address this but will have to execute to maintain differentiation in the future.

› **Micro Focus's strategic Agile capabilities and delivery practices are evolving.** Micro Focus PPM is a stalwart that is evolving its Agile capabilities by focusing on integration capabilities with team tools and providing support for enterprise planning via SAFe support. Micro Focus, headquartered in the UK, targets large enterprises in financial services, insurance, communications, media, and the public sector.

The product supports the ability to identify strategies, goals, and themes. The associated data is primarily financial and resource oriented. Users can see the hierarchy of portfolios with associated user-defined key performance indicators. The product supports defining roadmaps for execution in Octane but articulates traditional project relationships and dependencies at the portfolio level. Resource management has expanded to support team and individual models. Reference customers give the vendor high marks in product support, partner satisfaction, and value for the money. Micro Focus best suits teams that are still primarily project oriented in their annual planning but are leveraging Agile at the delivery level and need aggregation.

› **ServiceNow offers a solid product and should accelerate its promising strategy.** ServiceNow continues to evolve its portfolio management solution, leveraging its core service management platform to provide end-to-end transparency in planning, delivery, and operational activities. A more recent entrant to the portfolio management market than competitors, the vendor, headquartered in Santa Clara, Calif., has a global client base, the majority of which are in North America. Target markets include healthcare, pharmaceuticals, financial services, and technology.

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ServiceNow has aggressively developed several capabilities that support SPM: integration via its Integration Hub, strategy management, as well as application, resource, and financial management capabilities. Support for SAFe is provided OOB. However, users can configure other Agile frameworks. Portfolio management capabilities are still primarily project oriented. Reference customers give ServiceNow high marks in innovation but are less satisfied with its partner relationships. The vendor's strategic roadmap identifies key innovations that, if executed, will provide future differentiation.

Contenders

› **CollabNet VersionOne is good for teams but falls short for enterprises.** CollabNet VersionOne was categorized as a Strong Performer in "The Forrester New Wave™: Value Stream Management Tools, Q3 2018," and it ably serves team-level needs for Agile and DevOps delivery.[5] The vendor has a global presence, with the largest percentage of its customers in North America and in financial services, government, and technology.

VersionOne provides competent portfolio management capabilities that start at the epic level to identify detailed product strategies, roadmap development, and delivery capabilities. It offers capable analytics and visualization for teams. Scaled Agile support and integration capabilities are also on par. What VersionOne lacks is business modeling, strategic planning, and financial modeling capabilities. CollabNet VersionOne best suits companies wanting OOB scaled Agile support. CollabNet VersionOne declined to participate in the full Forrester Wave evaluation.

› **Aha! Labs delivers robust roadmap chops but is not yet a full-blown solution.** Founded in 2013, Aha! provides roadmap software for product teams that allows users to perform lightweight product portfolio management (PPM). Its simple, elegant UI, ease of use, and attractive pricing have garnered a sizable audience. Focused on ideation and product creation, Aha! leaves product management monitoring and delivery to other solutions. The solution is available globally, but the majority of its customers come from North America. Primary markets are financial services, healthcare technology, technology, and software.

Aha!'s strengths are its ease of use in developing strategies, goal setting, and collaborative planning features. Roadmap capabilities are highly visual and flexible, supporting fast product development. Analytics are competent, and the product offers a template library to help users get started quickly. Users can plan capacity in a grid view and manually add rate information on planning cards, but the product lacks full-blown financial and resource management. Aha! is an excellent choice for companies needing a lightweight collaborative solution for product portfolios without the heavy lifting of a full-service solution.

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Evaluation Overview

We evaluated vendors against 22 criteria, which we grouped into three high-level categories:

› **Current offering.** Each vendor's position on the vertical axis of the Forrester Wave graphic indicates the strength of its current offering. Key criteria for these solutions include SPM for Agile organizations, portfolio ecosystem capabilities, and analytics.

› **Strategy.** Placement on the horizontal axis indicates the strength of the vendors' strategies. We evaluated corporate vision, product roadmaps, partner networks, commercial models, and geographic strategy.

› **Market presence.** Represented by the size of the markers on the graphic, our market presence scores reflect each vendor's number of customers and revenue growth rate.

Vendor Inclusion Criteria

Forrester included eight vendors in the assessment: Aha! Labs, Atlassian, Broadcom, CollabNet VersionOne, Micro Focus, Planview, ServiceNow, and Software AG. Each of these vendors has:

› **A cloud-native product.** The product must be software-as-a-service-based and available to users on a public cloud.

› **An enterprise client base.** SPM vendors must have at least 25 enterprise customers with enterprises defined as organizations with at least 1,000 employees.

› **Enterprise-level implementations.** Vendors must demonstrate that they have at least 50 customer implementations of at least 250 users in an enterprise configuration, with at least 10% of the users having portfolio management permissions.

› **A significant partner network.** Vendors must demonstrate that they have 10 or more integration and implementation partners as well as technology integrations, OEMs and best practice services for implementation, and planning and delivery practices.

› **Demand from Forrester clients.** The vendor has sparked client inquiries or services that put the vendor on Forrester's radar. Forrester clients often discuss these vendors in inquiries. Alternatively, the vendor may, in Forrester's judgment, warrant inclusion or exclusion in this evaluation because of its standing in previous vendor landscape research.

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Supplemental Material

Online Resource

We publish all our Forrester Wave scores and weightings in an Excel file that provides detailed product evaluations and customizable rankings; download this tool by clicking the link at the beginning of this report on Forrester.com. We intend these scores and default weightings to serve only as a starting point and encourage readers to adapt the weightings to fit their individual needs.

The Forrester Wave Methodology

A Forrester Wave is a guide for buyers considering their purchasing options in a technology marketplace. To offer an equitable process for all participants, Forrester follows The Forrester Wave™ Methodology Guide to evaluate participating vendors.

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In our review, we conduct primary research to develop a list of vendors to consider for the evaluation. From that initial pool of vendors, we narrow our final list based on the inclusion criteria. We then gather details of product and strategy through a detailed questionnaire, demos/briefings, and customer reference surveys/interviews. We use those inputs, along with the analyst's experience and expertise in the marketplace, to score vendors, using a relative rating system that compares each vendor against the others in the evaluation.

We include the Forrester Wave publishing date (quarter and year) clearly in the title of each Forrester Wave report. We evaluated the vendors participating in this Forrester Wave using materials they provided to us by August 26, 2019 and did not allow additional information after that point. We encourage readers to evaluate how the market and vendor offerings change over time.

In accordance with The Forrester Wave™ Vendor Review Policy, Forrester asks vendors to review our findings prior to publishing to check for accuracy. Vendors marked as nonparticipating vendors in the Forrester Wave graphic met our defined inclusion criteria but declined to participate in or contributed only partially to the evaluation. We score these vendors in accordance with The Forrester Wave™ And The Forrester New Wave™ Nonparticipating And Incomplete Participation Vendor Policy and publish their positioning along with those of the participating vendors.

Integrity Policy

We conduct all our research, including Forrester Wave evaluations, in accordance with the Integrity Policy posted on our website.

Endnotes

[1] Base: 3,294 global developers. Source: Forrester Analytics Global Business Technographics® Developer Survey, 2019.

[2] Spotify's model for scaling Agile software delivery is gaining interest among enterprises. For more information on how Spotify can work in mainstream and digital companies alike, see the Forrester report "Scaling Agile: Can The Spotify Approach Work For You?"

[3] Portfolio ecosystems act as an organization's operational system of record, connecting strategic plans with delivery systems of record. See the Forrester report "Portfolio Ecosystem: The Central Nervous System For Delivering Business Strategy."

[4] See the Forrester report "Now Tech: Strategic Portfolio Management For Agile Organizations, Q3 2019."

[5] See the Forrester report "The Forrester New Wave™: Value Stream Management Tools, Q3 2018."

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