Magic Quadrant for Strategic Portfolio Management

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Strategic portfolio management technologies enable continuous modeling and adaptation of the path to successful business outcomes from digital investments. This research helps portfolio management leaders identify suitable vendors to support their organization's enterprisewide SPM effectiveness.

Strategic Planning Assumptions

By 2026, 30% of organizations will embrace effective strategic portfolio management (SPM), and invest in talent and enabling technology to become industry leaders.

By 2027, 75% of organizations will enrich business architecture by connecting financial benefits to digital investment decisions.

Market Definition/Description

Gartner defines strategic portfolio management (SPM) as a set of business capabilities, processes and supporting portfolio management technology. Business leaders, enterprise portfolio management office (EPMO) leaders and IT leaders require SPM to support enterprisewide strategy-to-execution alignment and adaptation.

The SPM market addresses the integrated portfolio management technology needs of business leaders, EPMO leaders and IT leaders. SPM technology supports clear definition of key business strategies and desired business outcomes, and the formulation and mapping of these with key portfolio elements, such as business capabilities, investments, programs, digital and physical products, applications and projects.

SPM technology allows users to create multiple portfolio and subportfolio types with focused themes, such as programs, digital products, physical products, business or IT services, projects and applications. It allows users to link and cross-reference elements in the different portfolios and subportfolios to support integrated portfolio analysis and tracking.

SPM technology is designed to help users maintain enterprisewide strategy-to-execution alignment, communication, adaptation and decision making. It allows for adaptation in strategic investment planning and execution when strategies shift or evolve due to changing priorities or emergent business disruptions.

Enterprises continue to experience significant business disruption (e.g., supply chain constraints, talent shortages). In the midst of continuous disruption and uncertainty, they are increasing digital technology investment. Enterprises need to be proactive and nimbly reactive in delivering on business outcomes by adopting strong SPM capabilities and practices.

Such practices can include, but are not limited to:

- Centralized and responsive funding to help enterprises invest quickly in ways that resolve a significant disruption

- Increased speed in delivering value and innovations via the adoption of agile practices (e.g., product management and adaptive program management)

- Effective prioritization of the right initiatives by introducing more dynamic and active stewardship facilitated by increased transparency and dynamic what-if analyses that yield investment insights

- Optimization of an increasing, constrained set of resources to realize enterprise outcomes

Enterprises recognize SPM as a critical set of capabilities and are building adaptive strategy-to-execution mechanisms to be successful. EPMOs, portfolio offices and transformation management offices are established to adopt and mature SPM capabilities, so that enterprises can leverage the advantages of adaptive governance and enterprisewide program and portfolio management.

Standard Capabilities

The standard capabilities for this market include:

- Strategic element definition and mapping

- Element-neutral portfolio creation

- Dynamic funding and investment modeling

- Demand management

- Adaptive program management

- Dynamic portfolio-level resource planning and what-if scenario modeling

- Element-neutral roadmapping

- Integrated portfolio element mapping, tracking and analysis

- Integration to third-party data sources and systems

Magic Quadrant

Figure 1: Magic Quadrant for Strategic Portfolio Management
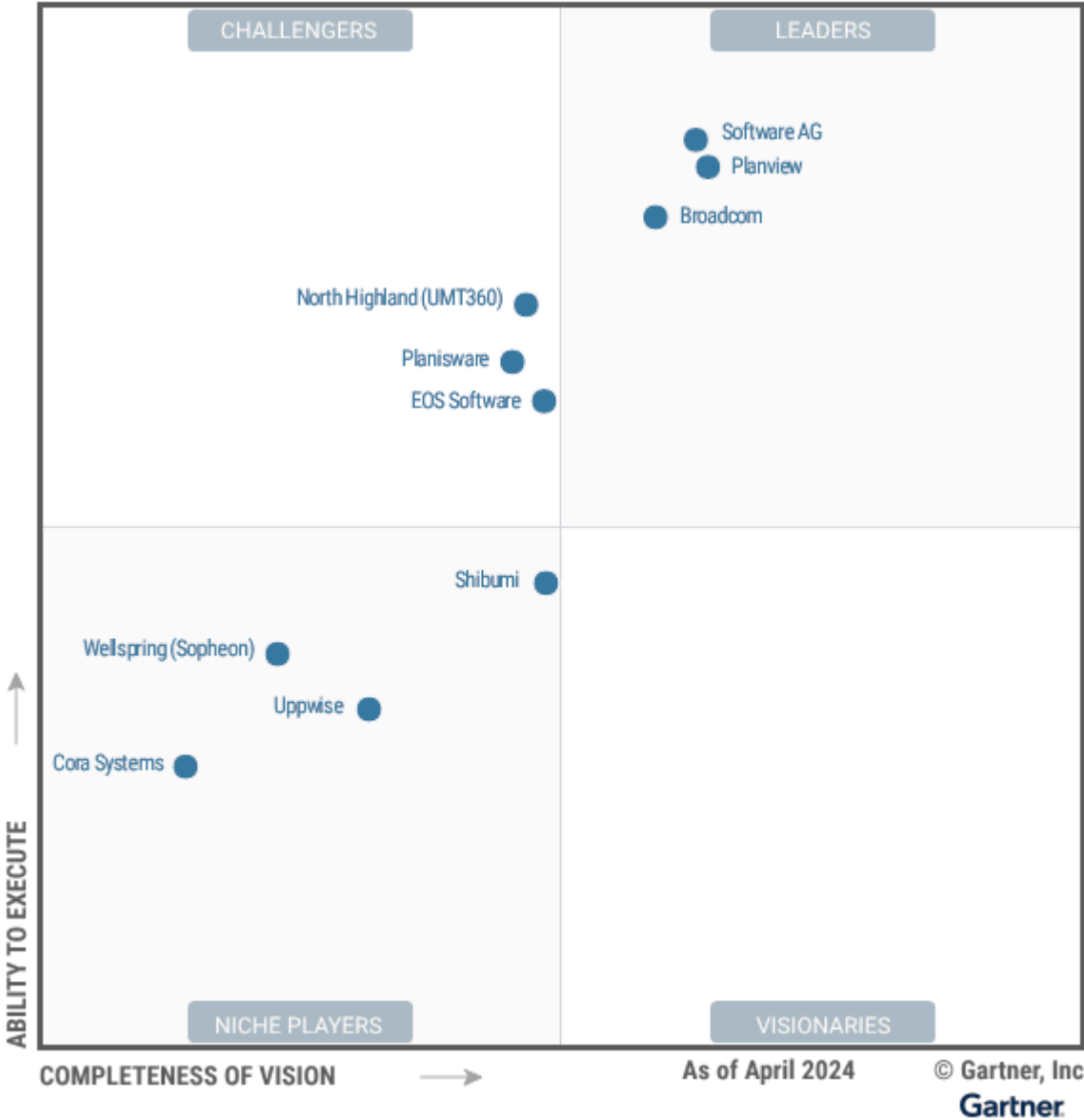
Source: Gartner (May 2024)

Vendor Strengths and Cautions

Broadcom

Broadcom is a Leader in this Magic Quadrant. Its strategic portfolio management product, Clarity, is broadly focused on digital transformation effectiveness throughout an enterprise. Broadcom's operations are concentrated in North America and Asia. Clarity's customer base is globally dispersed, including many large enterprises across various industries. Broadcom's Clarity roadmap focuses on extending its people-centric planning strategy to increase digital transformation effectiveness and AI enhancements for user productivity and better insights.

Strengths
- Broadcom's strategy for Clarity has a noticeable digital transformation focus as the context for SPM. The product reflects optimization for customer digital business challenges and the needs of stakeholders participating in SPM use cases.

- Broadcom's marketing of Clarity is distinctive, with a pragmatic concentration on people, money and the work associated with digital transformation. Broadcom uses simple terms to represent what Clarity manages and optimizes, without assuming awareness of SPM or its benefits.

- Broadcom's investment in Clarity innovation and enhancement year over year demonstrates strong dedication to the offering. While Broadcom has a vast portfolio, it has remained committed to Clarity as an SPM product.

Cautions
- Broadcom packages Clarity as a product within its ValueOps all-in-one digital transformation solution. This inhibits implementing Clarity to span several tools used for detailed planning and execution. The lack of modularity can result in duplication of functionality or suboptimal consolidation of tools.

- Broadcom leverages its network of partners to provide customer-specific implementation, consulting and support services. Broadcom's direct support services tend to be more general, related to needs that span all customers. Prospective customers must evaluate Clarity as a technology solution and assess service partners to put it into practice.

- Clarity has a strong reputation based on its performance and longevity in the broad PPM arena. However, Clarity has a lower level of recognition as an SPM offering than others in the market. Prospective customers may not discover Clarity until after early impressions of other products have formed that can bias comparisons.

Cora Systems

Cora Systems (Cora) is a Niche Player in this Magic Quadrant. Its product, Cora SPM, is primarily focused on project business-plan-driven portfolio optimization. Cora's operations are concentrated in EMEA and North America. Although Cora has more customers in EMEA, North America leads in terms of license revenue. Most Cora SPM customers are in construction and engineering, government, and professional services. Cora SPM's roadmap includes improving earned value management, predictive analytics, generative AI (GenAI) conversational features and risk assessment integration with scenario analysis.

Strengths
- Cora has experienced high customer retention and notable incremental growth following significant expansion in North America in 2022 and 2023. Its sales strategy has shown success, and it has scaled its support effectively. Although Cora is one of the market's smaller vendors, it has the momentum to continue expanding.

- Cora has delivered some features in its offering targeted at customer challenges specific to their representative industries, such as labor rate and contract management. In addition, Cora establishes innovation partnerships to more directly address customer priorities.

- Cora SPM extends its project portfolio management foundation to effectively integrate strategic goals and maintain outcome forecasts. It supports SPM practice effectiveness logically, with straightforward capabilities that sustain SPM stakeholder engagement.

- Cora SPM's product innovation aligns with the priorities of Cora's existing customers. Most of these customers are in vertical industries not yet impacted by the dynamics of digital business transformation. As such, Cora SPM is not yet optimized to support digital business.

- The standard project management integrations for Cora SPM are primarily with products used in construction and engineering. Cora provides a RESTful API and offers a wider range of integration options through its partnership with Boomi to integrate Cora SPM with detailed project management solutions.

- Many Cora SPM customers have strict regulatory demands. The inflexibility of compliance deadlines may drive its roadmap priorities and limit enhancement in other areas. The advancement of capabilities that drive SPM effectiveness may be delivered at a slower pace.

EOS Software

EOS Software (EOS) is a Challenger in this Magic Quadrant. Its product, EOS ITPM, is mainly focused on strategy-to-execution alignment. EOS's sales are primarily in North America, with operations split between North America and Asia. Its clients are in a wide range of industries, with most in banking and manufacturing. EOS ITPM's roadmap places a strong focus on innovation, including GenAI, conversational AI, data-driven AI and automation capabilities.

Strengths

- EOS supports EOS ITPM with its "zero professional service fees" approach. It provides customers with software implementation, configuration and ongoing consulting support for no additional cost. With reduced constraints on cost and time frame, customers can implement EOS ITPM in an iterative, progressive and adaptive manner.

- EOS produces EOS ITPM packages aligned with specific industries and SPM practices to proliferate best practices and accelerate effectiveness. It provides these packages to customers at no additional cost.

- EOS ITPM's strengths often align with the priorities of IT and enterprise architecture (EA) leaders. Its integrated IT portfolio analysis (IIPA) capabilities are comprehensive, complemented by portfolio management and strategic alignment for an IT-centric SPM approach to achieve business outcomes.

Cautions

- EOS's commitment to zero professional service fees for EOS ITPM may constrain its ability to scale to meet demand. Prospective customers should formalize implementation time frame expectations early in the sales cycle to plan effectively in partnership with EOS.

- EOS ITPM's strategy execution management (SEM) and enterprise program and portfolio management (EPPM) use-case coverage is not as broad as that of other offerings. These use cases depend on non-IT stakeholder engagement. These stakeholders' needs should be a high priority for tailoring in conjunction with implementation.

- EOS promotes EOS ITPM's flexibility to adapt to customer needs through configuration. Many alternatives are possible in the design and implementation process. Prospective customers should invest time in reviewing examples from successful customer implementations to inform choices that can enhance stakeholder experience.

North Highland (UMT360)

North Highland (UMT360) is a Challenger in this Magic Quadrant. In June 2023, North Highland acquired UMT360 and renamed its SPM product NH360 Strategic Portfolio Manager (NH360 SPM). The product provides end-to-end SPM capabilities with two modules: Portfolio Insights and Enterprise Connect. North Highland's operations are primarily concentrated in North America and EMEA, as are its customers, which span a wide range of industries. NH360 SPM's roadmap includes enhancements to UI/user experience (UX), resource management, visualization options and GenAI-enabled summarization.

Strengths
- North Highland's acquisition of UMT360 gives customers the option to combine their establishment of SPM technology with consulting to achieve business transformation. This option enables customers to focus on specific business outcomes while building ongoing SPM effectiveness.

- NH360 SPM offers tight integration with the Microsoft 365 platform. Prospective customers invested in that ecosystem may benefit from NH360 SPM to drive strategy-to-execution alignment, complementing their existing product usage.

- North Highland's NH360 SPM implementation framework, modular functionality and best practice accelerators provide flexibility to align SPM establishment with strategic priorities. Its approach is not vertically oriented, which helps it adapt to a wide range of industries.

Cautions
- Growth in the number of NH360 SPM customers was limited in 2023 as North Highland completed its acquisition. As North Highland executes its strategy, the success in terms of market penetration will become evident.

- Fulfilling the SPM technology needs of existing North Highland customers was an objective of the UMT360 acquisition strategy. Potential customers should assess North Highland's pace of NH360 innovations as a reflection of its commitment to offer pure-play SPM technology.

- Integration dependencies between NH360 SPM and Microsoft solutions could impact the NH360 SPM roadmap as Microsoft executes its product strategy. Prospective customers should be prepared to thoughtfully sequence upgrades to ensure alignment of technologies.

Planisware

Planisware is a Challenger in this Magic Quadrant. Its SPM product, Planisware Enterprise, broadly focuses on strategy-driven portfolio optimization. Planisware's operations and customers are

predominantly in EMEA and North America. Manufacturing and natural resources, followed by healthcare, utilities and insurance, are its top customer industries. Planisware Enterprise's roadmap includes GenAI advancements, particle swarm optimization enhancement and robotic process automation (RPA) for scenario planning, as well as expanding integrations and user interface improvements.

Strengths

- Planisware's strategy for Planisware Enterprise is customer-driven, which influences its product roadmap. Planisware has an established customer community that engages through an advisory board, best practice workgroups and regional annual conferences.

- Planisware provides a complementary customer success manager (CSM) to support the journey to effective adoption. CSMs have a limited span of customers to enable effective response to priorities.

- Planisware innovates Planisware Enterprise at a consistent pace. Initial releases often provide valuable foundational functionality that is progressively refined. Planisware combines a sense-and-respond approach with market research to target and advance innovations.

Cautions

- Planisware Enterprise aligns best with organizations in which the IIPA use case is a secondary consideration within the strategic portfolio. While a subset of customers uses the product for IT and digital portfolios, Planisware's experience is built on long-standing customer relationships in physical product-driven industries.

- Planisware's strong dedication to customer needs has fueled consistent growth and continual Planisware Enterprise innovation. Although Planisware Enterprise is positively evolving, its focus hasn't expanded to set direction for the overall SPM market.

- Planisware's established AI-enabled capabilities are useful, but its promotion of more advanced functionality may not be fully met until subsequent releases. Prospective customers should distinguish the potential benefits of AI features currently available from benefits associated with future AI advancements.

Planview

Planview is a Leader in this Magic Quadrant. Its SPM product, Planview Portfolios, broadly focuses on accelerating strategic execution. Planview's operations are geographically widespread, with a physical presence in most regions. Its customers span a broad set of industries, with sales predominantly in North America and EMEA, and a growing Asia/Pacific market. Planview Portfolios' roadmap includes expanding its GenAI interface, enhancing dependency management, and roadmapping driven by objectives and key results.

Strengths

- Planview's marketing extends beyond its SPM technology. It continually demonstrates thought leadership in the market. It uses on-demand and push channels to promote the benefits of SPM

and suggest best practices to address common customer challenges.

- Planview's focus on improving the Planview Portfolios' UI/UX has resulted in the release of Planview.Me, which enables personalization for stakeholder roles. In addition, its Roadmaps module incorporates time-based representations into many different contexts.

- Planview's extensive customer base and tenure in the market have resulted in rich experience in most industries and regions. Planview applies that cumulative knowledge to benefit prospective customers by combining the most relevant best practices for each engagement.

Cautions

- Prospective customers should not assume a Planview Portfolios implementation is similar to a software installation with a one-time rollout and a definitive end. A progressive approach is necessary to build and sustain SPM effectiveness and take full advantage of the depth and breadth of capabilities.

- Planview has many large enterprise customers with highly complex strategies and portfolios. The value of its offering is partially derived from its ability to support that scale. Smaller potential customers should assess whether their needs align with Planview Portfolios' capabilities.

- Planview has a history of advancing its offerings rapidly, which contributes to its position as a market leader. Prospective customers should highly value technology innovation for SPM. They must be prepared to regularly adapt their practices to realize the benefits of frequent and significant innovations.

Shibumi

Shibumi is a Niche Player in this Magic Quadrant. Its SPM product, also named Shibumi, focuses on enterprise-scale strategic transformation. Shibumi's operations are headquartered in North America, with field presences in EMEA and Asia/Pacific. Its customers are in a wide range of industries and across most regions, with the highest geographic concentration in North America. Shibumi's roadmap includes new and enhanced data insights and analysis functions, AI-enabled predictions and recommendations, and solution administration.

Strengths

- Shibumi's strategy is to support SPM by creating a single source of truth through extensive integration spanning enterprise systems. This enables Shibumi to concentrate on strategic modeling capabilities that bridge existing technologies that are fit for purpose.

- Shibumi has effectively interpreted the prevalent conditions that enterprises face, including digital business. It has responded quickly, positioning its product and SPM as the means to successfully navigate customer-relevant challenges.

- Shibumi maintains a two-week product release cycle with prioritization facilitated by its Product Steering Committee. It gains critical product roadmap insight from customer engagement, including success health checks, quarterly business reviews, value delivery workshops and enhancement requests. Shibumi shares its release plans through webinars.

- Shibumi's growth in the SPM market may be constrained by its ability to scale implementation services and customer success support. While Shibumi has invested effectively to support its expansion, prospective customers should define key implementation schedule objectives at the outset to maintain expectations.

- Shibumi's offering covers EPPM with a focus on enterprise-level, outcome-oriented portfolio analysis. Its product doesn't extend as deeply into delivery management as offerings with PPM product origins. Prospective customers should assess stakeholders' detailed planning and execution analysis needs to properly integrate and align technologies with practices.

- Shibumi does not yet concentrate on the IIPA use case as a primary market opportunity. However, a small number of customers achieve IIPA with Shibumi's flexible integration to cross-reference information managed with EA technology to support portfolio decisions.

Software AG

Software AG is a Leader in this Magic Quadrant. Its SPM product, Alfabet, is primarily focused on managing IT portfolios and EA for strategic transformation. Software AG's Alfabet FastLane option provides a preconfigured entry-level solution. Software AG has a broad global geographic presence and serves a wide range of industries. Most Alfabet customers are in EMEA, followed by North America. Alfabet's roadmap is focused on using GenAI and continuing to improve the UI/UX.

Strengths

- Alfabet has a solid track record of supporting EA management and enterprise IT, independent of SPM. Alfabet aligns well with organizations that need stronger capabilities for orchestrating digital transformation at scale and want to maintain a continuous focus on achieving strategic business objectives.

- Software AG offers several options to facilitate rapid implementation. Alfabet FastLane provides preconfigured options for a fixed scope of functionality and integration. Software AG offers no-cost, practice-oriented accelerators and business capability templates aligned with industry verticals that provide the foundation for organization-specific adaptation.

- Software AG supports customers that require high levels of security and strict regulatory compliance in many regions. Customers in an environment subject to stringent regulatory standards can expect that Software AG is familiar with requirements of that nature.

Cautions

- Software AG's incremental Alfabet UI improvement releases have not fully addressed the experience needs of business and executive stakeholders. Until UI/UX enhancements are delivered, inconsistent engagement among SPM participants may diminish effectiveness.

- Non-IT leaders demand capabilities to support top-down and long-range planning, often involving speculative scenarios. Offerings with a PPM history have more refined capabilities of this nature. Alfabet's value proposition may be challenged by non-IT leaders that influence SPM buying decisions.

- In comparison to other market offerings, Alfabet heavily aligns with Scaled Agile Framework (SAFe) and lean portfolio management (LPM), which are adjacent to SPM. Prospective customers seeking pragmatic strategy-to-execution alignment should assess whether these frameworks are beneficial to their objectives.

Uppwise

Uppwise is a Niche Player in this Magic Quadrant. Its product, Uppwise SPM, focuses mainly on enterprise portfolio management, and tracking progression and performance against value-based strategic objectives. Uppwise's operations are in EMEA and Asia. Its customers are mainly in EMEA in a broad range of industries. Uppwise SPM's product roadmap is heavily focused on AI-enablement for content generation, scenario optimization and predictive analytics.

Strengths
- Uppwise SPM is a more flexible and adaptable option for managing portfolios in various industries with less complexity than other offerings in terms of product breadth. Uppwise is a smaller company, but it maintains a consistent innovation pace, with a clear understanding of its target customers.

- Uppwise SPM's product strategy is modular and aligned with logical SPM practices. This enables customers to focus the adoption of SPM on their strategic priorities. In addition, customers on the path to SPM maturity can ensure they sustain practices before introducing additional modules.

- Uppwise SPM's marketing uses consistent messaging promoting SPM's practical benefits. Uppwise SPM emphasizes transformation, strategic alignment and value creation, highlighting the technology needs of its prospects and customers. Its logical and consistent UX reflects that perspective.

Cautions
- Uppwise continues to expand its presence in EMEA. Significant opportunities exist in the market that align well with Uppwise's offering. These opportunities may not be as prevalent if Uppwise is slow to expand into other regions.

- Uppwise SPM's packaged interfaces are limited, which may complicate integration with enterprise systems and detail-level planning and execution solutions. Prospective customers should assess Uppwise SPM's integration capabilities to ensure that current trusted information can be maintained for all stakeholders.

- Uppwise SPM's customers do not currently prioritize the IIPA use case as a core component of SPM effectiveness. Potential customers with digital business ambitions should consider

whether Uppwise SPM's concentration on the EPPM and SEM use cases will support ongoing needs.

Wellspring (Sopheon)

Wellspring (Sopheon) is a Niche Player in this Magic Quadrant. Sopheon's SPM product, Accolade, mainly focuses on product innovation and management. In July 2023, Sopheon acquired Prodex, a longtime reseller based in Brisbane, Australia. In February 2024, Sopheon was acquired by Wellspring, a software solutions provider. Sopheon's operations and geographical presence are mainly in North America and EMEA, as are its customers. Its customers are mainly in chemicals, food and beverage, industrial manufacturing, nonfood consumer products, aerospace, defense and scientific/medical product industries. Accolade's roadmap includes improving UX, optimizing scenario planning and predictive modeling, and enabling AI.

Strengths

- Sopheon markets Accolade within its InnovationOps framework. Its offering is optimized for product life cycles, scenarios and strategic challenges related to physical products. It also supports digital products, though less comprehensively. Accolade's product management and innovation specialization differentiates it from other offerings.

- Sopheon's acquisition of Prodex has enabled Sopheon to provide more cohesive customer success support for Accolade in Asia/Pacific. It has also enabled Sopheon to scale growth in the region more effectively by enabling greater access to Sopheon's depth of expertise in other regions.

- Sopheon has strong customer retention, which reflects its long-standing dedication to customer success in their respective industries. Wellspring's acquisition positions Sopheon to expand into additional verticals within a larger existing customer base.

Cautions

- Sopheon's acquisition by Wellspring will logically result in integration of offerings and direction. Updates may be released at any time. Prospective customers should monitor and assess how the combination of strengths impacts Accolade.

- Sopheon's innovation and product management dedication does not strongly align with the digital business concentration of this SPM research. Accolade's value is attributed to its specialization. Accolade aligns with organizations that prioritize product-innovation-driven outcomes over IT portfolio analysis.

- The Accolade UI/UX does not yet reflect modern conventions for look and feel. Although functional, it contrasts with an innovative spirit by appearing dated. Some stakeholders that influence buying decisions may require convincing to overcome impressions of the experience.

Vendors Added and Dropped

We review and adjust our inclusion criteria for Magic Quadrants as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant may change over time. A vendor's

appearance in a Magic Quadrant one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. It may be a reflection of a change in the market and, therefore, changed evaluation criteria, or of a change of focus by that vendor.

Added

No vendors were added to this Magic Quadrant.

Dropped

No vendors were dropped from this Magic Quadrant.

Inclusion and Exclusion Criteria

To qualify for inclusion, providers must meet all the following criteria:

- A provider must demonstrate active participation in the SPM market as a pure-play provider of SPM software technology — with a clear and primary SPM software business model, as opposed to a consulting business model.

- The SPM software products must not require the purchase of a separate, non-SPM or non-PPM technology platform from the provider to obtain SPM functionality.

- The software provider must actively market, sell and support one or more stand-alone SPM technology products or online application services (e.g., does not require upgrading non-PPM technology to upgrade the SPM product), catering directly to business leaders, strategic portfolio leaders and IT leaders.

- The software provider must focus mainly on SEM, IIPA, and EPPM use cases for digital business.

- Only primary technology providers will be included.

- The software provider must demonstrate a solid track record of successful SPM technology sales, deployments and delivery of companion consulting services, supporting SEM, IIPA or EPPM use cases.

- The software products must offer integrated strategy, goal, business capability, investment, portfolio, program, project, digital product and application management features.

- The provider and its product (or products) must demonstrate stability and longevity in the open market. It must provide SPM product general availability and active marketing to business (SEM), EPMO (EPPM), and/or IT leaders (IIPA) for at least the past 10 consecutive years, and without any significant company, product or service disruptions.

- The provider must be able to demonstrate an evolving SPM market presence, including market penetration, sales and support for multiple regions of the world.

- The provider must demonstrate a solid product development and innovation cadence shorter than 12-month intervals.

- The provider must have secured at least 10 new SPM customers (not repeat business renewals, or additional seats) during the past 12 months, represented as business leaders, strategic portfolio leaders or IT leaders using their product(s) specifically for SPM.

- The provider must have at least $5 million in annual SPM software revenue, derived from software sales supporting SEM, IIPA or EPPM use cases, and/or reliable financial backing.

In conjunction with the inclusion criteria, the following exclusion criteria are the conditions/boundaries by which vendors are excluded from consideration in this research:

- This Magic Quadrant excludes providers participating primarily in markets adjacent to or outside of the SPM or PPM market. This is true even in cases where the vendors offer SPM "extensions" or "modules" as part of a "single-source" value proposition. Therefore, ERP, IT service management (ITSM), sales force automation (SFA), and other similar platform providers offering such extensions or modules are excluded from this research.

- Providers with a primary focus on, and significant presence in, niche or specialized PPM or SPM markets are excluded (e.g., architecture, engineering, construction; professional service automation).

- "Certified partners," systems implementers, or consulting firms using a third party's technologies to deliver "products" or "solutions" for SPM are excluded from this Magic Quadrant.

Evaluation Criteria

Ability to Execute

Product or Service: Evaluation of the application services of the providers in this defined market is conducted, including current product/service capabilities, quality, feature sets and skills, as defined in the Market Definition/Description section and detailed in the subcriteria. This also includes an assessment of SPM products supporting differing SPM audiences and use cases. The ability to deploy and use the provider's product specifically and only for SPM is verified. Product features provided for key SPM end users, including business leaders, IT leaders and EPMO leaders, are verified as included in the product. Ease of use, balanced with functional depth and cost-effective pricing, are examined, as well as how well and how complete the vendors and products support SPM depth and breadth.

Capabilities specifically needed for business leaders, IT leaders and EPMO leaders are evaluated. Scalability of any applicable products and breadth of deployment options for SPM use cases, including SEM, IIPA and EPPM, are also assessed. Advancements in applying AI and RPA to SPM technology are measured, as well as the availability of AI and RPA capabilities in the product, and adoption by customers in the field. Use of the SPM product specifically for digital business scaling and harvesting, as well as the benefits tracking of the same, is also measured.

Overall Viability: This is an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will

continue investing in its SPM product. Also assessed is a measure of the probability that the provider will continue offering the SPM product and advance the state of the art within it. Organic and other signs of growth are noted.

Sales Execution/Pricing: The provider's capabilities in all SPM-specific presales activities, and the structure that supports them, are examined. This includes responsiveness in sales engagement, deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel. Renewal rates, compared to reported losses due to nonrenewals, are evaluated. The ability of the provider to sell the product specifically to business leaders, IT leaders and EPMO leaders for the purposes of SPM is also measured.

Market Responsiveness/Record: Opportunistic providers that respond quickly and change development and/or company direction to meet the needs of an evolving marketplace — either through acquisition or by other means — represent a high level of market responsiveness. How well and how quickly providers execute on an SPM product strategy to support an emergent SPM marketplace is measured. Providers should be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and/or market dynamics change. This criterion also considers the provider's history of responsiveness to customer requests. Track record in the field is also examined.

Marketing Execution: We analyze the clarity, quality, creativity and efficacy of programs designed to:

- Deliver the organization's message to influence the market.

- Promote the brand and business.

- Increase awareness of the products.

- Establish a positive identification with the product/brand and organization in the minds of buyers.

- Deliver a digital business marketing message that demonstrates the provider's thorough understanding of digital business and why SPM is needed to succeed in digital business.

- Achieve recognition by prospective customers engaged in digital business that the vendor's value proposition demonstrates the provider's deep understanding of what digital business is.

These goals are driven by a combination of publicity, promotional initiatives, thought leadership, word of mouth and sales activities. Digital marketing campaign activity is also measured.

Customer Experience: Relationships, products and services/programs enabling clients to be successful with the products evaluated are researched. This includes the ways customers receive technical or account support. Services/programs are evaluated, including SPM process consulting services, at little or no extra cost, enabling customer success with the products. Level of responsiveness in technical support or account support is examined. Ancillary tools, customer

support programs (and the quality thereof), availability of user groups and service-level agreements (SLAs) are noted. Customers' impressions of doing business with the provider is examined.

Operations: The ability of the organization to meet its goals and commitments is measured. Factors include the quality of the organizational structure, such as skills, experiences, programs, systems, underlying infrastructure and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis. Security and data privacy are also measured.

Table 1: Ability to Execute Evaluation Criteria

Evaluation Criteria	Weighting
Product or Service	High
Overall Viability	High
Sales Execution/Pricing	Medium
Market Responsiveness/Record	High
Marketing Execution	Medium
Customer Experience	Medium
Operations	Medium

Source: Gartner (May 2024)

Completeness of Vision

Market Understanding: This is an assessment of the ability of the provider to understand SPM buyers' wants and needs, and to translate those into strong SPM offerings. Providers that show the highest degree of vision listen to and understand buyers' wants and needs, and can shape or enhance themes with their added vision. The provider's marked recognition of, and periodic departure from, core product development to exploratory product development or other activities (e.g., M&As) to address the needs of an emergent SPM marketplace, and even further beyond it,

are considered. The ability of the provider to represent the SPM landscape in detail, demonstrating both knowledge and experience obtained through existing SPM customer relationships, is evaluated.

Marketing Strategy: A clear, differentiated set of SPM market messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and value-oriented positioning statements, is evaluated.

Sales Strategy: The strategy for selling products using the appropriate network of direct and indirect sales, marketing, service, and communications affiliates is measured. These affiliates extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base. The ability of the provider to engage in sales activities with key SPM roles, including business leaders, IT leaders and EPMO leaders, is evaluated.

Offering (Product) Strategy: The provider's comprehensive approach to product development and delivery, emphasizing differentiation, functionality, methodology and feature sets as they map to current and future requirements, are examined. Value as it relates to deployment, ease of use, ease of accessibility and ease of adoption are evaluated. Cost-competitive pricing model or models, as evidenced in the field, are also considered. SPM functionality supporting executive leaders and portfolio managers, as well as depth and breadth of support for SPM use cases defined in Gartner SPM research, are evaluated. Process consulting options, including remote process consulting, are noted. Integration with critical data sources and other software systems, including those for financial management, adaptive project management and reporting, enterprise agile planning, ITSM, ERP, and EA, are examined. The ability to support a global installed base is measured. Past product acquisitions are examined to determine if the provider is simply "maintaining" a product line with small enhancements versus truly innovating it. Customer response to the vendor's product strategy and customer benefits derived from product strategy are also considered. Applying AI and RPA to SPM technology and product roadmaps is also examined.

Business Model: The soundness and logic of the provider's underlying business proposition are measured. How well the business model provides value to customers is also examined, as well as how far it reaches to support multiple SPM use cases.

Vertical/Industry Strategy: The provider's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets, was examined.

Innovation: The level of innovation specifically in SPM is measured. Also evaluated is the vendor's ability to offer regular product releases and exhibit rapid development and agile-driven releases. Functionality demonstrating a strong SPM product vision that pushes the market — not just the provider — in new directions is analyzed. This is a gauging of the ability to lead the "herd" of the market, rather than follow it.

Examples of leading SPM innovation include:

- Broad integration to systems of record and adaptive project management and reporting technologies

- Use of AI and RPA to drive advanced SPM capabilities

- Point-in-time, portfolio-level collaboration and decision prompting

- Value creation, modeling and stage gating

Acquisitions should make sense and be followed by strong evidence of innovation in added product development, product integration, and customer care and support programs, rather than simple maintenance of a product line and installed base.

Geographic Strategy: This criterion relates to the provider's strategy to direct SPM resources, skills and offerings to meet the specific needs of geographies outside its "home" or native geography. This is accomplished either directly or through partners, channels and subsidiaries, as appropriate for that geography and regional market.

Table 2: Completeness of Vision Evaluation Criteria

Evaluation Criteria ↓	*Weighting* ↓
Market Understanding	High
Marketing Strategy	High
Sales Strategy	High
Offering (Product) Strategy	High
Business Model	Medium
Vertical/Industry Strategy	Low
Innovation	High
Geographic Strategy	Low

Evaluation Criteria ↓	Weighting ↓

Source: Gartner (May 2024)

Quadrant Descriptions

Leaders

Leaders continually refine their market understanding to effectively adapt their offerings to customers' current needs and anticipate future priorities. Leaders recognize customers' digital investments are essential to realizing business outcomes. SPM market leaders also effectively support customers' pursuit of greater strategic execution effectiveness in the climate of continuous disruption and uncertainty.

Leaders in this market value and promote the unique and complementary nature of the primary SPM use cases (SEM, EPPM and IIPA). They build on existing strengths and regularly deliver enhancements to increase customer effectiveness in the context of these use cases. SPM market Leaders maintain a balanced SPM technology roadmap, incorporating bold innovations, continuous improvement and customer-driven needs.

In addition to their products, market leaders promote SPM practices, digital innovation, adaptability and agility to both educate and feed customer interests. They have robust marketing, sales and operations potency to customer acquisition, implementation, and success across a broad geographies and industries, which drives SPM recognition and overall market growth.

Challengers

Challengers have an established foundation built on their success in one of the preceding portfolio-based markets of SEM, EPPM or IIPA. SPM market. Challengers have supplemented their established core strengths to cover all three SPM use cases. More recent capabilities developed, or added through acquisition, are being refined and integrated in the product.

Challengers are gaining recognition as technology providers that can fully support SPM effectiveness. Challengers ensure their product roadmaps meet the demands of existing customers and position their offering to earn new SPM-driven customers. They actively promote their enhanced offerings and the SPM's benefits to expand within existing customer relationships. New customer growth momentum also continues based on a firmly established reputation.

Visionaries

The SPM market does not yet have any identified Visionaries. SPM is gaining recognition as a modern portfolio management approach to increase digital business success in dynamic conditions. There is strong potential for visionaries to emerge as the market matures. Future visionaries may include new providers and existing vendors currently in other quadrants.

Niche Players

Niche Players typically cover at least one, but not all three SPM use cases (SEM, EPPM and IIPA) well. Each has a solid portfolio management base that is extended to address strategy-to-execution alignment. Niche Players' product focus often discounts IIPA's importance for digital business strategic objective achievement. They may also be regionally concentrated, impacting their global reach. Niche Players address the needs of a subsegment of the broader and still emerging SPM market. They can be an optimal fit for customers with SPM objectives that align with the vendor's focus.

Context

This Magic Quadrant offers a comparative analysis of providers that are the main players in the emerging SPM market as defined by the inclusion criteria. Relative placement within the quadrants is based on a variety of criteria, and the strengths and cautions further characterize the included providers. The results were developed according to the Magic Quadrant process, which includes a combination of research and analysis. Evaluation of SPM providers also includes input from the Gartner SPM research community, ongoing provider briefings, interactions with Gartner clients, market developments and other sources.

Gartner's Magic Quadrant for SPM is a useful input for identifying and evaluating SPM software providers. Gartner's Critical Capabilities for Strategic Portfolio Management provides essential insight for SPM product selection, as it evaluates the SPM products against specific SPM use cases. Gartner's Peer Insights research can also offer perspectives from users of today's SPM technologies.

Providers in this research currently demonstrate experience and adoption among customers in at least one of the three SPM use cases (SEM, EPPM or IIPA), with advancing coverage in the others. All the products these providers offer have a suitable amount of depth and breadth for them to be considered SPM providers. Enterprise users should select a suitable SPM offering based on an SPM strategy reflecting their current maturity, specific needs and objectives for strategic planning and execution. Gartner's SPM market research is used to identify which vendors to engage as prospective partners focused on the customer's definition of success.

Additionally, care should be taken to understand the integrations needed to produce a trusted SPM model of the path to achieve future states. For example, initiative-level planning and execution is not covered by SPM use cases, but SPM must include a full representation of how time, funding, people and other resources will be directed. Integration with multiple tools is common to build the enterprise SPM model, as different domains optimize performance with specialized or preferred technologies. Other key integrations improve adaptability and decision making by incorporating information managed within systems dedicated to enterprise functions, such as EA tools, ERP solutions, ITSM platforms and EAP tools.

Market Overview

SPM enables concurrent pursuit of outcomes by helping enterprisewide stakeholders collaborate within a SPM life cycle and progressively attain a desired future state. SPM technology is

designed to help portfolio management leaders maintain strategy-to-execution alignment, support effective decision making and facilitate adaptation. It provides dynamic portfolio modeling that can continually compare the expected results of planned execution to outcome-based goals. SPM technology identifies portfolio trade-offs and potential adjustment options to optimize execution and achieve business outcomes, especially when responding to changing conditions.

SPM cannot be effective without powerful technologies to help organizations drive strategic planning and execution while managing today's volatile, uncertain, complex and ambiguous (VUCA) reality. This market continues to emerge in response to increasing recognition among enterprises that SPM is critical to maximize business outcomes from digital investments.

The major trends that Gartner sees in analyzing this emerging market include:

- **Adoption is challenging.** The most significant risk of framework, process and technology adoption is organizational readiness. Effective SPM practices guide mission-critical decision making that mandates use of insight, potentially disrupting the leadership culture. Providers recognize the difficulties organizations face in adoption and have responded with service options focused on customer success.

- **Stakeholder UI/UX is improving.** SPM technology must be used consistently to drive engagement and critical decision making to gain its advantages. Most vendors have released UI/UX enhancements to better align with the needs of SPM stakeholders and several indicated it will continue to be a priority.

- **The era of AI-enablement is here.** The incorporation of AI with SPM technology will enhance capabilities significantly, but full realization of its benefits will accumulate over several years. AI-based chatbots drawing from the portfolios a large language model (LLM) have become common, providing flexibility for users to gather insights conversationally. Further capability advancement is imminent, such as GenAI creation of strategic alternatives, realistic plans and outcome predictions.

- **IIPA momentum is building.** Recognition of IIPA as critical to SPM success for digital investments is increasing, while commitment to SEM and EPPM is more prevalent. Some SPM technology vendors are slow to advance their capabilities for IIPA, even as IIPA becomes more prominent. The customer segment seeking comprehensive IIPA support is expected to grow as maturity advances.

Acronym Key and Glossary Terms

AI	artificial intelligence
CSM	customer success manager
EA	enterprise architecture

EAP	enterprise agile planning
EMEA	Europe, the Middle East and Africa
EPMO	enterprise portfolio management office
EPPM	enterprise program and portfolio management
ERP	enterprise resource planning
GenAI	generative artificial intelligence
IIPA	integrated IT portfolio analysis
ITSM	IT service management
LLM	large language model
LPM	lean portfolio management
M&A	mergers and acquisitions
PPM	program and portfolio management
RPA	robotic process automation
SAFe	scaled agile framework
SEM	strategy execution management
SLA	service-level agreement
SPM	strategic portfolio management
UI/UX	user interface/user experience
VUCA	volatility, uncertainty, complexity and ambiguity

Evaluation Criteria Definitions

Ability to Execute

Product/Service: Core goods and services offered by the vendor for the defined market. This includes current product/service capabilities, quality, feature sets, skills and so on, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability: Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The vendor's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.

Market Responsiveness/Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional initiatives, thought leadership, word of mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen to and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service, and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor's underlying business proposition.

Vertical/Industry Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.

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