

The ROI of PlanningForce

Executive summary

Both inside and outside of IT, leaders are turning to Project Portfolio Management (PPM) solutions to better capture, manage, prioritise, and align investments and resources with the hopes of increasing the amount of business value they can provide.

Organisations who want to implement PPM software solutions are searching to provide a tool base for this objective.

A comprehensive ROI analysis shows that a comprehensive PlanningForce investment is likely to provide an ROI of more than 250%, whether delivered on premise or via software-as-a-service (SaaS).

The purpose of this whitepaper is to explain how this is realised.

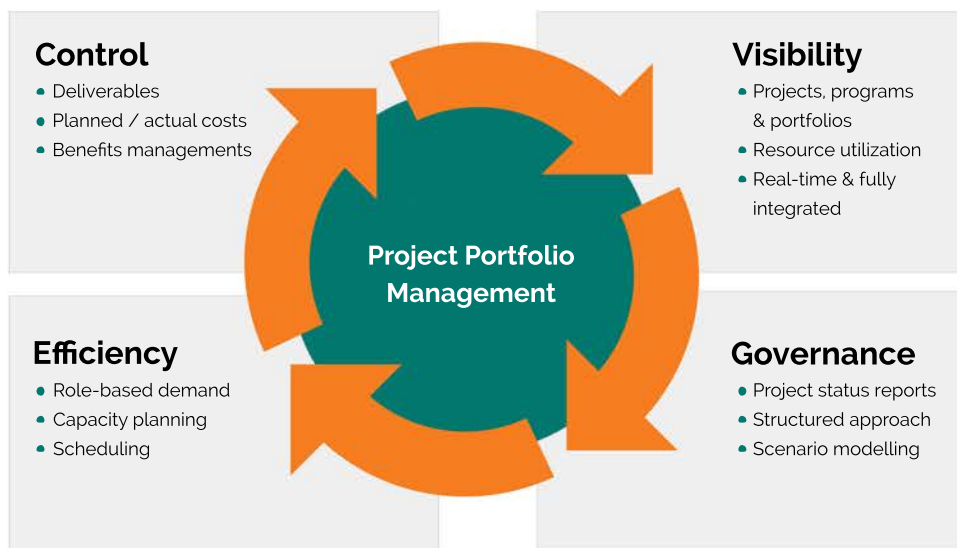
The ROI of PlanningForce

What is PPM

PPM organises a series of projects into a single portfolio consisting of reports that capture project objectives, costs, timelines, accomplishments, resources, risks and other critical factors.

Executives can then regularly review entire portfolios, spread resources appropriately and adjust projects to produce the highest returns.

PPM aligns projects and resources with business priorities. It is about planning, scheduling and managing projects and resources individually and as a comprehensive portfolio of assets which must meet enterprise objectives.



The ROI of PlanningForce

When Is There A Need for Project Portfolio Management?

**Request your
personalised ROI
analysis**

- There is recognition that resources are being misspent
- Many projects are not adding "strategic value" to the organisation
- Too many small projects underway
- Excessive project delays are experienced due to lack of resources
- Frequent difficulty getting people to build project teams
- Project staff are involved in too many projects and putting in too much overtime work
- Intense competition (versus cooperation) between areas of the organisation with regard to financing and staffing projects
- Frequent change of status of projects (active – on-hold – priority – on-hold)

The ROI of PlanningForce

The PlanningForce ROI Benchmark Study

The PlanningForce ROI Benchmark Study included the following financial expenditures that must be made in PlanningForce to extract its benefits. Investment covers both upfront deployment costs as well as recurring lifecycle costs.

Upfront Deployment Costs – this includes perpetual solution license fees, implementation costs, hardware infrastructure (e.g. servers, storage), and training.

Recurring Lifecycle Costs – Internal and external IT staff costs, technical support, solution maintenance contracts, and follow-on training costs.

We determined annual ROI using the equation as

$$\text{ROI} = \text{Tangible Benefits} - \text{Investment}$$

Using a time-value-of-money approach, the Net Present Value ROI is calculated using a standard NPV formula that discounts the net cash flows by the cost of the capital.

This recently- released white paper is based on in- depth interviews with organisations that are successfully using PlanningForce and sheds light on the true value of PlanningForce. The research results illustrate key benefits of PlanningForce.

Some Key Benchmark figures for implementing PlanningForce

Staff productivity increased	+14%
Reduction in time spent at planning	-38%
Reduction of projects with cost overruns	-37%
Project failure rate dropped	-59%

Request your personalised ROI analysis

WHITEPAPER

The ROI of PlanningForce

Benefits

**Request your
personalised ROI
analysis**

You can expect to benefit in 3 significant areas:

1) Project Execution Speed with benefits such as:

- More effective project budgeting decisions
- Assigning right skill sets and expertise to projects
- More agile resource allocation
- Project portfolio management workflow visibility
- Easier tracking and visibility of key project metrics
- Faster report generation

2) Bottom-line returns to business with benefits such as:

- Increased number of projects completed successfully because of efficiency
- Fewer low-value projects due to portfolio analysis and value scoring
- Increased productivity from available resources due to automated resource scheduling features and engine of PlanningForce
- Focus on high-value projects
- Improved risk management
- Faster achievement of overall strategic goals

3) Increased Project Management Efficiency with benefits such as:

- Time spent on planning and re-planning improves drastically due to automated scheduling engine of PlanningForce
- Shorter project meetings
- Faster decisions based on rigorous systematic analysis
- More effective reporting and oversight
- Improved ability to synchronise projects

The ROI of PlanningForce

Quantifiable benefits used in ROI-analysis PlanningForce

Request your personalised ROI analysis

To be able to offer a comprehensive but at the same time easy to use and understand model we have selected and incorporated 5 main quantifiable benefits in the ROI-calculation.

Optimised resource capacity utilisation

PlanningForce and its automated scheduling engine provides the functionality and visibility to help organisations ensure that resources are used and allocated in the most optimal way, that are effectively sequenced, are tracked and managed, and well aligned. Due to the powerful resource scheduling and planning capabilities PlanningForce clients realize an important rise in resource allocation optimisation and thus productivity. This is the benefit with the highest impact on the bottom-line. (up-to 15% resource capacity optimization)



Example of a personalised PlanningForce ROI study

The ROI of PlanningForce

Quantifiable benefits used in ROI-analysis PlanningForce

[Request your personalized ROI analysis](#)

Reduction in failure rate

PlanningForce provides the functionality and visibility to help organisations ensure that projects have adequate and proper resources, are effectively sequenced, are tracked and managed, and are doable and well aligned. In turn, there is a smaller chance that a project will fail to provide value. A survey and interviews with PPM tool users found that most organizations would see a project failure decrease of around 59%.

Reduction in projects with cost overruns

PlanningForce provides the visibility and functionality to help project managers keep projects closer to budget. In surveys and interviews, users of PPM tools estimated that they decreased their cost per project with 37%.

Reduction in cycle time

Project throughput time is the average time it takes to complete a project. PlanningForce customers we interviewed stated that their average project duration decreased by around 10%.

Reduction in planning time

Due to the automated scheduling engine of PlanningForce time spent on planning and re-planning will decrease drastically. Benchmark data show a decrease of 30% in overall time spent on project and resource planning and scheduling.

The ROI of PlanningForce

Costs

PlanningForce tool costs include:

Hardware: Hardware costs encompass all hardware required to run the application, including license and maintenance fees. In SaaS deployments, there is no hardware cost.

Software: Monthly subscription fees, various types of user licenses, and maintenance fees.

Implementation: Implementation costs come from both PlanningForce and the internal organisation. Internally, there is a cost of resource effort to plan and manage the implementation and its goals and to work with PlanningForce to design the tool to match these goals. PlanningForce also provide consultants to manage the process and design the tool, charging for the configuration, testing, and training as well.

Support: In this evaluation, support costs represent the costs of an administrator's time put toward this application. So we calculate the time spent by "Expert PlanningForce" in the internal organisation.

Enhancement costs represent the costs associated with further development PlanningForce and its users. This includes the time and effort to manage the rollout of major upgrades, as well as the usage of additional services such as training, consulting and development sessions.

**Request your
personalised ROI
analysis**

The ROI of PlanningForce

Conclusion

In addition to delivering tangible financial benefits, the deployment of PlanningForce results in better long-term corporate planning due to improved rigor and discipline in managing the project portfolio.

The organisations are able to account for and track what project staff are focusing on, reprioritise those efforts, and manage the tasks in alignment with the overall business strategy.

Assigning the business-critical projects top priority improves project portfolio value and contribution to the organization while helping to ensure a higher level of both internal and external customer satisfaction.

Request your personalised ROI analysis



In this personalised ROI study we will make a customised analysis of costs and benefits you might expect for your organisation. We will first do baseline assessment (how many projects, average project value, number of people working on planning, etc) . Based on that information we will determine the improvement potential of your organisation.

PlanningForce[®]

PlanningForce helps companies solving complex planning problems while putting an effective PMO organisation in place.

PlanningForce reconciles strategy, tactics and operations in a single platform on which all actors, from the top of the organisation to the execution layer, think and act in a unified and coordinated way.

<http://www.planningforce.com>

WHITEPAPER