



# **An Action Plan to Improve Your Product Portfolio**

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# Table of Contents

- 3 Introduction
- \* Identifying the Need for PPM
- \* Signs It's Time to Begin Your PPM Journey

- \* Prepare for the PPM Journey

People.....	7
Team.....	8
Project.....	9
Purchase.....	10
Business Case.....	11
ROI.....	12

- \* Select a PPM Partner

Service Requirements.....	15
Vendor Requirements.....	16
Software Requirements.....	17
Special Considerations.....	23

- 5 Your Next Steps

\* This summary is an abbreviated version of the report and does not contain the full content. A link to download the full report is available on the Tech-Clarity website, [www.tech-clarity.com](http://www.tech-clarity.com).

If you have difficulty obtaining a copy of the report, please contact the author at [jim.brown@tech-clarity.com](mailto:jim.brown@tech-clarity.com).

# The Need for Product Portfolio Management is Growing

Product Portfolio Management (PPM) has become mission critical for today's product development companies. It helps companies drive strategic value by filling the pipeline with the right ideas, selecting the right projects and products, applying the right resources, and providing the right level of visibility to manage and make good decisions. Benchmarks show PPM processes and technology offer powerful business improvements, including double-digit percentage improvements in:

- Efficiency
- Project cycle times
- Innovation capacity

Product Portfolio Management improvements drive top line growth, expand margins, improve corporate agility, and reduce overhead costs. Given the value, is it any wonder that more manufacturers are turning to PPM?

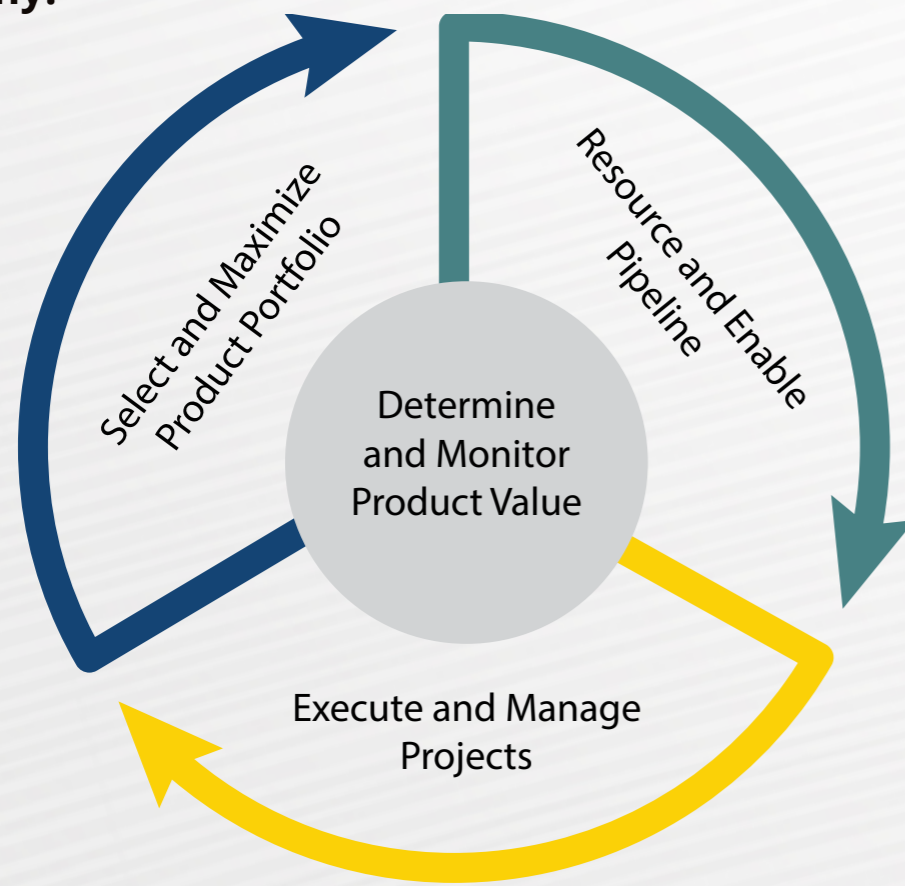


The financial value of PPM comes from “a combination of increased revenue from higher sales volume and margin lift, alongside reduced costs from better resource utilization, avoiding spending on low-value projects, and improved efficiency.”

*The ROI of Product Portfolio Management – Tech-Clarity*

# A Guide for Your PPM Journey

Unfortunately many companies have challenges starting their Product Portfolio Management (PPM) journey. Most organizations are well versed in buying and implementing other enterprise applications like ERP, CRM, or PLM. But most R&D organizations have significantly less experience with enterprise-class PPM solutions than their operational counterparts. **As a result, figuring out how and when to get started with PPM is new to many.**



This guide is intended to help you get started. Tech-Clarity Buyer's Guides help lead companies through vendor selection for their critical enterprise applications. For the most part, our guides focus on software, service, and vendor requirements.

## **But several things make acquiring PPM different:**

- Many organizations are implementing PPM for the first time (at least on an enterprise scale or with enterprise-class business solutions)
- PPM requires a greater degree of domain expertise to implement and adopt
- PPM disciplines, tools, and value are not as well known in most companies (although some might be able to leverage lessons learned from IT Portfolio Management)

This guide offers insights to help companies get started on the path to improve their product portfolios and what to look for when selecting a solution and vendor partner, including:

- Identifying the need for PPM
- Preparing for the PPM journey (and making the business case)
- Selecting a solution and vendor partner

# Let's Get Started!

Product Portfolio Management (PPM) provides meaningful business results that can visibly impact company performance. Understand the benefits and use them to develop a business case to start your PPM transformation journey. Recognize PPM is different from many solutions your business may have implemented in the past. Take the time to identify your business goals and prepare your project for success. Remember, **some of the most critical success factors in PPM are not software-related.**

**Best practices for any enterprise transformation are even more important for PPM.** Find the right sponsor. Get the right people on the cross-functional team. Bring in outside help with domain expertise to augment the internal team. Pick a vendor based on their ability to help you implement and adopt new processes.

**Don't be a pioneer.** There is no need to be. PPM is a proven discipline with solid best practices. Find a provider with proven experience, industry knowledge, partners, templates, and references from companies similar to your business.

**Focus on getting the solution in and gaining value, looking for strong adoption in your first phase.** Get a small win and grow over time.

**Most importantly – act!** Find a problem, solve it, and grow from there. The benefits are proven and compelling. Let's get started!



# About the Author

Jim Brown is the President of Tech-Clarity, an independent research and consulting firm that specializes in analyzing the business value of software technology and services. Jim has over 20 years of experience in software for the manufacturing industries. He has a broad background including roles in industry, management consulting, the software industry, and research.

Jim's experience spans enterprise applications including PLM, ERP, quality management, service lifecycle management, manufacturing, supply chain management, and more. Jim is passionate about improving product innovation, product development, and engineering performance through the use of software technology.

Jim is an experienced researcher, author, and public speaker and enjoys the opportunity to speak at conferences or anywhere he can engage with people with a passion to improve business performance through software technology.



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