Key Findings From the 2022-2024 Strategic Portfolio Management Frameworks, Processes and Tools Survey

PMO Research Team
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Strategic portfolio leaders in IT should use this analysis to benchmark their adoption plans for SPM frameworks, processes and tools against those of 500 of their peers. This research contains information on adoption timelines, key risks and value drivers.

With increasing postpandemic uncertainties and a shift to autonomous delivery models, digital leaders are increasingly identifying strategic portfolio management (SPM) as a critical set of enterprise-level capabilities required to drive digital business acceleration. However, in Gartner's Portfolio Management in the Digital Business Survey, only 16% of organizations were found to be effective at SPM. To build a successful adoption strategy of SPM frameworks, processes and tools, strategic portfolio leaders in IT need to understand the value and risks of adopting them based on their peers’ perceptions.

Benchmark data from Gartner's 2022-2024 Strategic Portfolio Management Frameworks, Processes and Tools Survey will help organizations self-assess their progress on SPM, and identify adoption challenges faced by their peers. This analysis is based on inputs from strategic portfolio leaders in key IT roles, on their organization's adoption plan and their perception of value and risk for SPM frameworks, processes and tools. We collected data from seven IT roles: CIO, data and analytics (D&A) leaders, strategic portfolio leaders (SPM leaders), software and engineering leaders (SWELs), application leaders, I&O leaders, and security and risk management (SRM) leaders.

The 2022-2024 Strategic Portfolio Management Frameworks, Processes and Tools Survey provides a peer-based view of the adoption plans and risk and value associated with the deployment of 19 SPM trends from 500 IT global organizations over a 12- to 24-month time period. Below are the key findings from the survey that will affect the SPM decisions of IT leaders for 2022 through 2024:
Key findings overall:

- **Strategic portfolio leaders in key IT roles are actively investing in SPM frameworks, processes and tools as organizations begin recovering from the pandemic.** Most SPM frameworks, processes and tools included in the survey are currently under adoption: CIOs (84%); SPM leaders (74%); application leaders (42%); SWELs (68%); D&A leaders (100%); SRM leaders (100%); I&O leaders (89%). Moreover, most of these frameworks/processes/tools are expected to be completely adopted in 2023: CIOs (58%); SPM (95%); application (74%); SWELs (79%); D&A (63%); SRM (84%); I&O (37%).

- **There is high interest across all seven IT leader roles to invest in SPM standards and SPM tools.** Most CIOs are seeing the value of SPM and have already completed limited adoption of SPM standards, while other strategic portfolio leaders in IT are catching up by actively investing in adoption. (Adoption underway: SPM, D&A, SRM and I&O leaders, and SWELs; piloting: application leaders.) Similarly, most IT leaders are in the process of adopting SPM tools. (Adoption underway: CIOs, SWELs, D&A, SRM and I&O leaders; piloting: SPM and application leaders). However, across this framework and tool, the most important risk factors that may impact adoption are organizational readiness, and employee and leadership buy-in.
Frameworks:

- **CIOs, SWELs and SPM, I&O and SRM leaders expect high value from the adoption of Adaptive Standards of Portfolio Management, while application and D&A leaders expect medium value.** Most of these leaders expect reduction in coordination complexity across silos and increasing ability to innovate from this framework. However, applications, I&O and SRM leaders see this framework as high risk due to leadership buy-in and talent availability challenges.

- **SPM standards, while high in value, are also viewed as high risk for adoption.** Four out of the seven roles surveyed (CIOs, SPM, SRM and application leaders) expect SPM standards to bring in high value post adoption. But five of the seven roles (SPM, D&A, I&O, SRM and SWELs) see this framework as being high risk. The most common factor driving this high-risk level is employee and leadership buy-in.
Figure 2: Process Comparison

All strategic portfolio leaders in key IT roles are either piloting or adopting value tracking mechanisms. Increased investments in digital initiatives and the adoption of iterative development methodologies are driving the adoption of value tracking mechanisms across organizations. All roles are currently adopting these mechanisms, except for SWELs (piloting). However, talent availability, leadership and employee buy-in are the biggest challenges in adopting this process.
Dynamic resource planning and scenario modeling is viewed as high value across IT roles. The uncertainty in the environment in which organizations operate is driving interest in dynamic resource planning and scenario modeling across all strategic portfolio leaders across key IT roles. CIOs, application, D&A and SRM leaders expect high value from adopting this process (SPM and I&O leaders: medium; SWELs: low). Most leaders expect this process to reduce portfolio risk, reduce coordination complexity across silos and improve the ability to innovate.

Change leadership remains an important investment area for strategic portfolio leaders in IT. Most IT roles are currently piloting or adopting this process (piloting: application leaders, SWELs; adoption underway: CIOs, SPM, D&A, SRM and I&O leaders). These investments are expected to reduce portfolio risk and improve ability to innovate. The biggest risks in terms of adoption are employee and leadership buy-in.

Figure 3: Tool Comparison

<table>
<thead>
<tr>
<th>Tool Comparison</th>
<th>Illustrative</th>
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<tbody>
<tr>
<td><strong>Enterprise Value</strong></td>
<td>Low</td>
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<tr>
<td><strong>Adoption Difficulty</strong></td>
<td>Low</td>
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<tr>
<td><strong>Piloting</strong></td>
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<td>Adaptive Project Management and Reporting Tools</td>
<td>App Leaders</td>
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<tr>
<td>AI-Enabled PPM</td>
<td>I&amp;O Leaders</td>
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<td>Project Collaboration and Management Technologies</td>
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<td>RPA-Enabled PPM</td>
<td>App Leaders</td>
</tr>
<tr>
<td>Strategic Portfolio Management Tools</td>
<td>App Leaders</td>
</tr>
</tbody>
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Source: 2022-2024 Strategic Portfolio Management Frameworks, Processes and Tools Survey
AI-enabled SPM tools are anticipated to be a pure-play solution by most strategic portfolio leaders in IT roles, while robotic process automation (RPA)-enabled PPM has a split vote. Except for CIOs, respondents in all other IT roles expect AI-enabled PPM tools to be a pure-play solution as opposed to being part of a platform. On the other hand, the opinion on RPA-enabled PPM is split, with a majority of application and D&A leaders and CIOs expecting these solutions to be pure play, while I&O and SRM leaders and SWELs expect it to be part of a platform. SPM leaders are evenly split on RPA-enabled PPM being pure play or part of a platform.

Project collaboration and management (PCM) technologies are seeing increasing interest from strategic portfolio leaders in IT. PCM technologies are seeing increasing interest from all IT roles, with adoption underway for all roles except SWELs (piloting) and high/moderate value expectations. All IT roles expect to complete adoption in 2023. The technologies’ ability to reduce coordination complexity across silos and improve delivery speed and agility are the primary factors driving adoption.

Recommended by the Authors

Hype Cycle for Strategic Portfolio Management, 2021

Magic Quadrant for Strategic Portfolio Management

Quick Answer: What Is Strategic Portfolio Management?

Leadership Vision for 2022: Program and Portfolio Management

Endnotes

1 Portfolio Management in the Digital Business Survey
The document uses data from Gartner's 2022-2024 Strategic Portfolio Management Frameworks, Processes and Tools Survey. The research was conducted online during November-December 2021 among 500 IT Leaders from seven key IT roles: CIOs, data and analytics (D&A) leaders, strategic portfolio management (SPM) leaders, software and engineering leaders (SWELs), application leaders, I&O leaders, and security and risk management (SRM) leaders from organizations in North America, Europe and APAC with revenue size of $500 million or more. Qualified respondents were responsible for making adoption decisions about SPM frameworks, processes and tools. This research was conducted to understand IT leaders’ adoption patterns and their perception of risk and value for 19 SPM frameworks, processes and tools.
Actionable, objective insight

Explore these additional complimentary resources and tools for PPM and IT leaders:

Research
Market Guide for Adaptive Project Management and Reporting
Establish and adopt adaptive approaches to project and work management to support continuous delivery.

Resource Center
Program and Portfolio Management Strategy
Access insights, advice and tools to help PPM leaders address their top challenges.

Roadmap
How to Shift from Project to Product
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Article
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Identify challenges and associated root causes to deliver expected portfolio results.

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