HOW TO SELECT & IMPLEMENT PROJECT MANAGEMENT SOFTWARE

CONSIDERATIONS ABOUT YOUR PM SOFTWARE

Considering a new PM solution? Don’t forget: Picking a product is only half the journey—getting your team to actually use the software is the ultimate goal.

To help you reach your implementation destination, we’ve created this roadmap, and we’re guiding you through the process from tool selection to user adoption.

Each stop along the path represents an important step in the process—skipping ahead will only jeopardize your chance of success!

Start Here

The team's role is to maintain a project management structure and keep all stakeholders aligned.

BACK TO START
If you haven't established an Organizational Change Management Team, they should meet with teams and leaders to understand workflows, goals and pain points.

STAKEHOLDER ANALYSIS
Perform a Stakeholder Analysis

HINT:
The average life span of a project management tool is less than five years, so choose a product that will support the needs of your team during that timeline.

SOFTWARE EVALUATION
Create a Shortlist

If you haven’t identified the needs of your team.

HINT:
The software evaluation considers the following aspects:
- Ease of Use
- Timeline for Implementation
- Integration Needs
- Configuration Needs
- Data Migration

CONGRATULATIONS!
You’ve arrived at your implementation destination!

READY TO START YOUR PM SOFTWARE SELECTION PROCESS?
GET PRICE QUOTES AND READ USER REVIEWS AT:
softwareadvice.com/project-management

KEEP THE FOLLOWING CONSIDERATIONS IN MIND WHEN EVALUATING PM SOFTWARE:

Avoid one-size-fits-all training sessions.
Encourage feedback and work to identify and close learning gaps over the life span of the tool.

Consider the following when evaluating PM software:
- Ease of Use
- Timeline for Implementation
- Integration Needs
- Configuration Needs
- Data Migration

Ready to use the all-inclusive guide to project management software? Check out softwareadvice.com/project-management to learn more about the considerations you should keep in mind.

Lunch & Learn Sessions
Open House Forum
Peer-To-Peer Coaching
Self-Training Programs

HINT:
A need for change might be a process that can be improved, a pain point that can be mitigated or a near-term goal you hope to achieve.

HINT:
Identifying “must-have” vs. “nice-to-have” capabilities will help focus your search on products that are most valuable to your team.

Set up a vendor demo for each stakeholder group.
Users can evaluate how the tool aligns with existing workflows, meets immediate needs and drives near-term goals.

The team needs to understand end users and their requirements.
Use these requirements to create a list of must-have capabilities.
These will drive your search & selection process.

CHANGE MANAGEMENT
Establish an Organizational Change Management Team

A need to change might be a process that can be improved, a pain point that can be mitigated or a near-term goal you hope to achieve.

SOFTWARE SELECTION
Invest in a Tool That Supports Current Processes

STOP!
Take your time and don’t rush your investment.

Prioritize your immediate needs and look for a vendor with a product roadmap that aligns with your own near-term goals.

Compare the estimated returns on investment (ROIs) and choose a solution where the benefits outweigh the costs.

Teacher the New Software to Your Organization
Tailor communications to each user group.
Address how users will be impacted, the timing and what they can expect in the way of training and support.

User Adoption
Introduce the New Software to Your Organization

Always have user contact and support.

Lunch & Learn Sessions
Open House Forum
Peer-To-Peer Coaching
Self-Training Programs

Consider using the following training opportunities:

USER ADOPTION
Introduce the New Software to Your Organization

T H E P R O J E C T M A N A G E M E N T T E A M
The team's role is to maintain a project management structure and keep all stakeholders aligned.

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Software Advice™
Buyer’s Guide

Project Management Software
Project management software describes a range of solutions that allow individuals and teams to track the progress of complex projects from their conception to their completion and/or launch. Currently, there are hundreds of these programs on the market, ranging from basic free online programs all the way to highly complex products that allow the user to manage every aspect of the venture from lead generation all the way to final payment.

In order to help you navigate this complex market, we wrote this buyer’s guide in order to improve your understanding of the functions, features and buying decisions that need to be considered when you assess your options—and there are many. Here's a brief overview of what we'll cover:

- **What Is Project Management Software?**
- **Common Features**
- **What Type of Buyer Are You?**
- **Market Trends to Understand**
- **Recent Events You Should Know About**
These systems are designed to track the development of projects that take weeks, months or years to complete, providing managers and other team members a single access point for all the relevant information. The best software on the market will include (but is not limited to):

- Planning
- Budgeting
- Invoicing
- Managing inventory
- Assigning human resources
- Managing tasks (including assigning and tracking tasks to completion)
- File sharing
- Bug reports

The primary goal is to increase company efficiency by making the entire project cycle visible to all team members. Team members are each given a unique login, allowing them to customize their view, report progress and monitor the progress of others.

Most employees find themselves to be more efficient in this environment; it allows people to identify problems
What Is Project Management Software?

before/as they arise, and it eliminates any question as to the current status of any outstanding tasks. It also provides a single access point for all company-related information, eliminating lost communication or documents.

![Project status view in Workfront](image)

Industries that commonly use project management and task tracking software include construction, large-scale manufacturing (e.g., aerospace), software, high tech, marketing, research and consulting/professional services. Help desk, quality control and customer relationship management are additional uses for certain types of project manager software.
## Common Features

<table>
<thead>
<tr>
<th>Feature</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project planning and task management</strong></td>
<td>Most systems allow the user to define the scope of the project, establish deadlines and create, track and close essential tasks and deliverables. More complex systems include stronger planning software capabilities, described below.</td>
</tr>
<tr>
<td><strong>Multi-user interface</strong></td>
<td>Since the purpose is to allow multiple users to monitor their own and others’ progress, a system will have logins for each user with personalized functionality, different types of permission settings and ways to share and track relevant information between individuals.</td>
</tr>
<tr>
<td><strong>Scheduling</strong></td>
<td>Most systems include basic calendar functionality to allow users to schedule their projects out. More advanced industry-specific solutions build on this, providing specialized intelligent support based on the known phases associated with a typical project.</td>
</tr>
</tbody>
</table>
### Common Features

<table>
<thead>
<tr>
<th>Feature</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Document Management</strong></td>
<td>Another capability common to almost all solutions, this feature allows users to store documents in a central location, share them with the relevant parties, track changes and manage different versions of the documents.</td>
</tr>
<tr>
<td><strong>Budgeting, time and expense tracking</strong></td>
<td>For many companies, particularly those tracking large one-off projects (e.g., construction, large manufacturing or professional services), each project must be individually budgeted, with time and/or expenses tracked. These companies will likely require a solution that incorporates such functionality. Doing so allows bids, budgets, expenses and revenue to be directly connected to the projects they're associated with.</td>
</tr>
<tr>
<td><strong>Billing and invoicing</strong></td>
<td>The next level up from Budgeting and Expense Tracking, many products on the market also include full accounting functionality, allowing users the simplicity of using a single system for all functions related to the management and accounting of the project.</td>
</tr>
<tr>
<td><strong>Resource Allocation</strong></td>
<td>Resource allocation allows managers to account for and assign all resources a project will require. Resources can include both inventory and personnel.</td>
</tr>
<tr>
<td>-------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Risk Management</strong></td>
<td>Some of the more robust solutions provide the capability of identifying potential risks associated with projects or activities and raising flags to alert the relevant team members.</td>
</tr>
<tr>
<td><strong>Customer Management</strong></td>
<td>For companies that consider each sale a task to be established, tracked and closed, customer management can be a valuable addition to the standard capabilities. This moves into the realm of CRM software, in which leads can be tracked and connected to product deliverables. This capability can help track and improve sales cycles.</td>
</tr>
</tbody>
</table>
What Type of Buyer Are You?

**Individuals.** Since project management for an individual tends to be a far simpler endeavor, there are a number of low-cost solutions that provide very basic scheduling, task management and file-sharing capabilities.

**Small businesses.** Companies with more than a couple of employees will want a system that allows for collaboration, but usually don’t want the added expense of advanced budgeting, invoicing, resource allocation or other intelligent features.

**Development-oriented companies.** This includes any business for which a single project, once complete, results in multiple sales (e.g., software) as distinct from single-project-single-sale businesses (e.g., construction). These companies will want very strong collaborative capabilities—including very robust document sharing, version control and bug reports—possibly with resource allocation as well. These companies typically will not want invoicing, customer management or other advanced features.

**Large/specialty buyers.** Construction is the best example of an industry that uses highly specialized project management systems, incorporating budgeting, inventory management and many other features to manage the life cycle of an entire project, from lead generation all the way through to final payment. Similar needs extend to other industries (e.g.,
What Type of Buyer Are You?

custom IT solutions and large scale manufacturing), each of which will have highly specialized solutions specific to that industry. Companies that manage concurrent, complex projects may want to explore project portfolio management (PPM) suites.
Market Trends to Understand

**Cloud-based solutions.** With the growth of the Internet, more and more Web-based software companies are cropping up offering low-cost solutions based entirely in the cloud. These typically offer subscription-based pricing, rather than forcing companies to purchase, install and maintain their own solutions. This makes it available to businesses that otherwise might not have afforded it, including to self-employed individuals who need something more powerful than the basic tools they started with. For a more in-depth review of cloud-based systems, review our buyer’s guide for online project management software.

**Mobile applications.** Many project managers need access to their software in the field as well as the office. As a result, many companies have developed mobile apps to accommodate this growing trend. Make sure to take your mobile needs and the availability of a mobile app into consideration when evaluating different systems.

For information on products particularly suited to Mac devices, check out our Mac project management software guide.
PPM market estimated to reach nearly $5 billion by 2020. Research from MarketsandMarkets estimates that the project and portfolio management (PPM) market will reach $4.63 billion by 2020. Key areas of growth stem from the rising bring your own device (BYOD) trend, an increasing demand for mobile and cloud technology and the rising complexities within projects that call for greater resource optimization.

Atlassian acquires Trello. In January 2017, Atlassian acquired Trello, a visual project management solution that uses a board or a card-wall to organize tasks. Atlassian offers similar visual management tools within its suite of JIRA products: JIRA Software, Core and Help Desk. However, while JIRA includes a comprehensive list of features and capabilities designed to serve an array of user needs, Trello rose in popularity due to its simplicity. It will be interesting to see how this acquisition impacts both products over time.

Microsoft releases visual PM tool: MS Planner. In June 2016, Microsoft officially launched Planner, a visual project management (PM) tool now part of the Office 365 suite. The work management solution is designed to allow teams to better organize tasks, track progress and collaborate on a shared board. Users organize tasks in columns or “buckets” based on status or who tasks are assigned to. Whereas MS Project is designed for advanced project and
Recent Events You Should Know About

portfolio management needs, MS Planner will serve small teams who need a simple collaboration and task management tool.

Similar software categories

• Online Project Management Software
• Project Planning Software
• Mac Project Management Software
• Resource Management Software

Related Software Guides

• PSA Software
• Online Project Management Software
• Task Management Software
• Project Portfolio Management Software
• Collaboration Software
Here’s What We’ll Cover

- Pricing models
- Pricing ranges
- Unexpected costs
- Pricing by application
- Pricing of popular systems
Two Common License Models

**Perpetual License**

An upfront sum for the license to own the software and use it in perpetuity. This is the more traditional model and is most common with on-premise applications.

**Subscription**

A monthly fee to use the software for a specific amount of time. Subscription pricing became popular with the advent of Software as a Service (SaaS).
Comparing Costs by Pricing Model

<table>
<thead>
<tr>
<th></th>
<th>Upfront costs</th>
<th>Recurring costs</th>
<th>Other costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perpetual License</td>
<td>HIGH</td>
<td>LOW</td>
<td>MEDIUM</td>
</tr>
<tr>
<td>Subscription</td>
<td>LOW</td>
<td>HIGH</td>
<td>LOW</td>
</tr>
</tbody>
</table>
Perpetual License Costs

- Perpetual license fee
- Customizations
- Installation/setup
- Integration with existing systems

Customization and integration costs can be significant—often as much or more than the software—if you choose to change the software substantially.
Subscription Costs

- Customizations
- Installation/setup
- Integration with existing systems

Recurring costs
- Subscription fee
- Premium support services

Customization and integration costs are often less costly simply because SaaS systems have not provided as much flexibility in this area. Although that is changing as SaaS systems evolve.
Total Cost of Ownership

While a perpetual license may cost more upfront, the total cost of ownership typically converges with subscription packages in seven to 10 years.

Visit our Total Cost of Ownership Calculator for a more detailed estimate.
PM Software
Perpetual License Price Ranges:
Upfront Cost Per Number of Users

License fee

(1 user) 
$10 - $1,160

(2 - 10 users) 
$10 - $11,160

(11 - 50 users) 
$1,800 - $58,000

(51 - 100 users) 
$6,000 - $116,000

(101+ users) 
$12,000 +

Functional breadth and depth
PM Software
Subscription License Price Ranges:
Monthly Cost Per Number of Users

<table>
<thead>
<tr>
<th>Number of Users</th>
<th>License fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 user</td>
<td>$0 - $55</td>
</tr>
<tr>
<td>2 - 10 users</td>
<td>$50 - $2750</td>
</tr>
<tr>
<td>11 - 50 users</td>
<td>$250 - $5500</td>
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<tr>
<td>51 - 100 users</td>
<td>$750 +</td>
</tr>
<tr>
<td>101+ users</td>
<td></td>
</tr>
</tbody>
</table>
Often Overlooked Costs

Data migration

While this can be done in-house, most will want to pay the vendor to transfer data.

Training

Web-based training is included, but vendors will charge for in-person training.

Hardware & IT

This can be a major expense for on-premise software buyers that need their own servers.
Common Project Management Capabilities

- **Collaboration**
  Facilitates a centralized workspace that enables users to communicate and collaborate on projects.

- **Task tracking**
  Create tasks, set deadlines and assign resources. Track progress and time required to complete each task.

- **Project planning/scheduling**
  Define and benchmark project scope. Outline the critical path and identify dependencies, constraints, essential milestones and key resources.

- **Reporting**
  Provides a quick visual way to understand the status of a project, progress against initial baselines for scope, budget and timeline and other key information.
<table>
<thead>
<tr>
<th>Product</th>
<th>Pricing Model</th>
<th>1 user</th>
<th>2 - 10 users</th>
<th>11 - 50 users</th>
<th>51 - 100 users</th>
<th>101 + users</th>
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<tbody>
<tr>
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<td>$1275 - $2500</td>
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<td>$765 - $1500</td>
<td>$1515 +</td>
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<td>$509.49 - $999</td>
<td>$2103.83 +</td>
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<tr>
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<tr>
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<tr>
<td>Product</td>
<td>Pricing Model</td>
<td>1 user</td>
<td>2 - 10 users</td>
<td>11 - 50 users</td>
<td>51 - 100 users</td>
<td>101 + users</td>
</tr>
<tr>
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<td>$1,199.99</td>
<td>$1,499.99 +</td>
</tr>
<tr>
<td>JIRA Software</td>
<td>Perpetual license (one time fee)</td>
<td>$10</td>
<td>$10</td>
<td>$1,800 - $3,300</td>
<td>$6,000</td>
<td>$12,000 +</td>
</tr>
<tr>
<td>JIRA Software</td>
<td>Subscription (per month)</td>
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<td>$75 - $300</td>
<td>$450</td>
<td>$750 +</td>
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<td>Microsoft Project Standard</td>
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<td>$605 - $2,750</td>
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</tr>
</tbody>
</table>
Sources of Pricing Data

The pricing information included in this presentation was collected from the vendors’ websites in April 2017. Software Advice is not in a position to provide detailed price quotes on behalf of these vendors, and this data should not be considered as such. The information is simply a compilation of what is publicly available online. Buyers should contact the software vendor for actual pricing.

Please note: License price may or may not reflect discounts available through the vendor for purchasing annual contracts or a high volume of user licenses. Some products are sold via user license buckets, i.e., rather than being sold per user, licenses are instead sold in buckets, e.g., 10 user licenses, then 15 user licenses and so on. Bucket license cost is reflected in the above tables, meaning, if in order to purchase 11 licenses, the buyer must purchase 15, this has been accounted for.

Below is a list of sources for where this information was collected:

1. https://www.smartsheet.com/pricing
2. https://www.wrike.com/price/
3. https://podio.com/site/pricing
4. https://redbooth.com/pricing
5. https://trello.com/pricing
6. https://asana.com/pricing
10. https://basecamp.com/pricing
12. https://www.inflectra.com/Purchase/
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- **Get Free Demos**: Get unbiased reviews & free demos on top project management software