

IDC MarketScape

IDC MarketScape: Worldwide Work Management and Project and Portfolio Management 2020 Vendor Assessment – Engaging a Dynamic Workforce

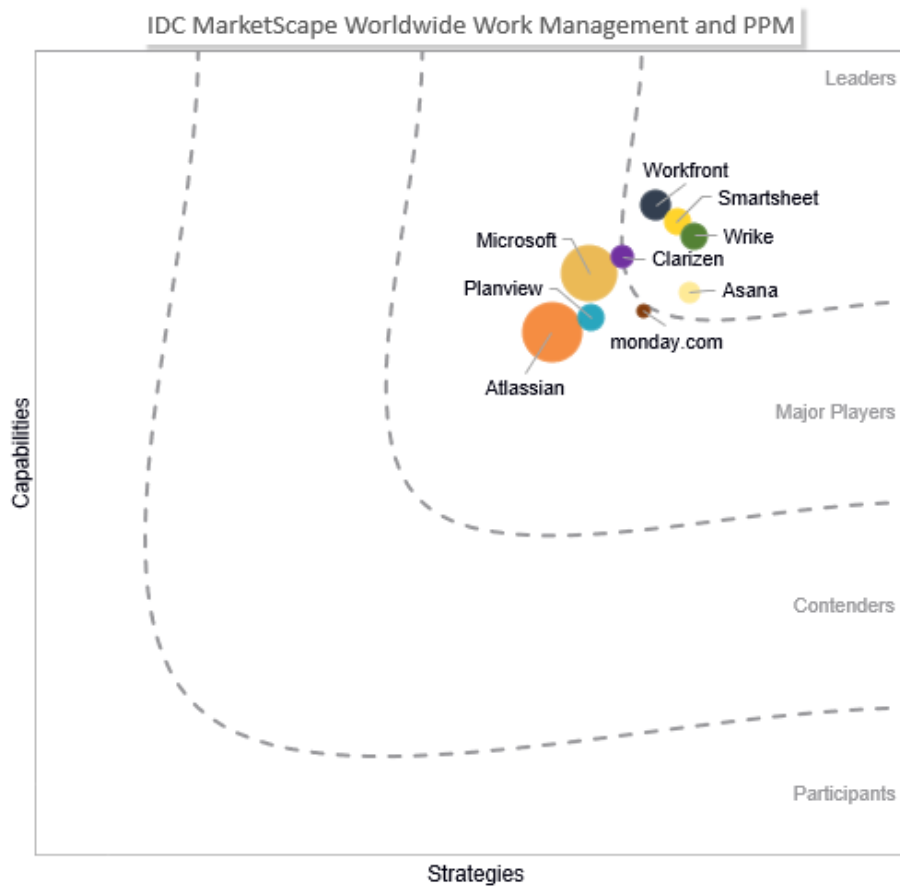
Melinda-Carol Ballou

THIS IDC MARKETSCOPE EXCERPT FEATURES WORKFRONT

IDC MARKETSCOPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Work Management and Project and Portfolio Management Vendor Assessment



Source: IDC, 2019

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Work Management and Project and Portfolio Management 2020 Vendor Assessment – Engaging a Dynamic Workforce (Doc # US45940620). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

IDC OPINION

The digitalization of work and ease of adoption and organizational approaches drive engagement with work management solutions. Increasingly companies seek products that enable collaboration with highly configurable workflow; ergonomic, intuitive user interfaces; and adaptive multitenant cloud and/or hybrid architectures for an easy on-ramp. Emerging analytics with machine learning (ML) and artificial intelligence (AI) are evolving for proactive reporting and analytics to improve resource usage, coordination, planning, prioritization, and metrics.

The need for automated tools to enable work management to augment (and/or shift) project and portfolio management (PPM) approaches is increasingly an area of commitment for businesses. We see growing client inquiry associated with work management evolving from queries that were previously focused on PPM alone. As organizations modernize their approaches to work and resource allocation with teams that are themselves increasingly digitized and cross functional, we observe the following trends:

- As core benefits, work management automation helps enable improved adoption, collaboration, and execution across teams via intuitive, cloud-based solutions.
- Configuration support enables contextualized usage for these products, and workflow incorporation and the interweaving of business process support provide adaptability for competitive execution.
- Updated, consistent "active" data provides a basis for effective reporting, and digital coworker contributions will leverage emerging support for AI and ML resulting in advanced analytics to help augment and automate tasks (including intelligent process automation).

This IDC study provides a 2020 comparative vendor analysis and assessment for work management in the context of our PPM research series. Project execution in brittle worldwide economic and political environments demands adaptive work management execution and prioritization, and we saw demand for these capabilities driving strong engagement for major and innovative work management vendors in 2019 moving into 2020-2021.

More generally, the increasing role and complexity of resource usage and allocation across businesses support ongoing engagement with work management, augmenting the market for PPM adoption with team collaboration capabilities. In addition to targeted best-of-breed (BoB) work management vendors, we see major PPM providers evolving their work management support through acquisitions (and, in some cases, organically), which we expect will continue to play a role for increased user adoption at least through 2024.

IDC MARKETSCOPE VENDOR INCLUSION CRITERIA

IDC evaluated nine vendors for inclusion in this IDC MarketScape for work management and PPM. Vendors needed to have deep, granular work management-specific functional capabilities available for excellence and/or partnerships to augment foundational project and portfolio management functionality. Vendors needed to appear in IDC discussions with end-user clients as part of RFP and other inquiry for work management during 2019 moving into 2020 and needed to have minimum overall revenue of \$20 million for CY18, with at least \$5 million of that revenue as work management with delineated, targeted solutions. Vendors evaluated are Asana, Atlassian, Clarizen, Microsoft, monday.com, Planview, Smartsheet, Workfront, and Wrike.

IDC structured its approach to inclusion for vendors in the work management category based on the strength of their products' collaborative work management capabilities complemented by workflow and team management, along with portfolio management and sufficient project and program management capabilities and partnerships. Additional criteria include revenue share (as indicators of work management longevity), integration strategies and marketplaces, a delineated work management solution (sold separately), and differentiated capabilities in emerging areas of user engagement and demand, including advanced analytics with AI and ML.

ADVICE FOR TECHNOLOGY BUYERS

Digital innovation as organizations transform and are under unrelenting business pressures for faster time to market across distributed teams, partners, and service providers with complex sourcing mandates intuitive work management approaches. This also ties in with our future of work prediction that employees in high-performing G2000 enterprises will shift from static roles and processes to dynamic, multidisciplinary, and outcome-focused reconfigurable teams (see *IDC FutureScape: Worldwide Future of Work 2020 Predictions*, IDC #US44752319, October 2019). How do we collaborate with one another effectively across changing disparate teams and digital artifacts as the human beings with whom we need to coordinate and the digital media that enable communication (and organizational structures) shift dynamically? As work "modernizes" and organizations rely increasingly on a broad range of resources for creating and leveraging digital assets and digital innovation, the increasing complexity and criticality of competitive organizational execution demands ease of access and visibility into progress, prioritization, and execution of work. Adoption, collaboration, and integration of business processes drive competitive adaptability, position, and resilience as does evolving AI and ML to coordinate and prioritize resource engagement and to enable advanced analytics.

Users should assess work management functional capabilities needed and their ability to create organizational and process collaborative change and to incorporate workflow for effective adoption. While cultural barriers are a problem with any new technology, work management automation, due to its ease of adoption, can help support process change and systemic use to help provide common and current data access.

IDC sees work management leveraging and relating to two key functional areas – team collaboration applications (TCA) and project and portfolio management. IDC observes opportunities for coordination across areas via engaging work management solutions that serve as an on-ramp for communication, collaboration, and work execution – a key adoption strategy demanded by enterprises as they evolve their current and future work strategies. Exemplifying these prospects for engagement, improved

collaboration, and efficiency, IDC survey research related to future of work showed a year-over-year increase in strategic focus for 2020 over 2019 for workspaces to 43.6% from 31.2% (see *Evolving Dynamics of Work Space, Work Culture and Work Force*, IDC #US45957520, forthcoming), compared with work culture (which went from 47.3% to 40.6%) and workforce (which went from 21.5% to 15.7%). We also observed a mean double-digit increase in budget planning for workplace transformation. This data underscores our core recommendation to users: evaluate your current level of maturity with regards to work management, assess appropriate automation, and shift to adopt strategies that map to core execution needs along with team strategies for process change.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

Workfront

Workfront is positioned in the Leaders category in the 2020 worldwide IDC MarketScape for work management and PPM.

Workfront provides a work management application platform also called Workfront. Workfront is positioned in the Leaders category as the company has invested significantly in work management capabilities with collaboration and workflow along with AI and ML, its cloud platform, and project and portfolio management (along with agile and hybrid agile support).

Workfront, founded in 2001 and based in Lehi, Utah, with 3,664 clients and 1,027 employees as of 4Q19, has seen strong growth targeting execution as a "system of record" platform based on its work management focus, ease of use with a cloud delivery model, ability to help align organizations and teams for collaboration and data access, its marketing domain expertise, and mobile and hybrid agile support (being able to toggle between agile Kanban and Scrum or waterfall views and Gantt charts). The company has an on-demand model that is engaging, as are Workfront's intuitive product interface and high-level project and portfolio and in-depth work management capabilities, which the company has evolved over multiple years. (There tend to be shelfware problems for on premises, legacy enterprise IT PPM and PPM with arcane interfaces, and outdated data and disparate systems for accomplishing work; we see provider shifts to cloud adoption, more intuitive and adaptive, better coordinated products as a result.)

In 4Q19 Workfront acquired goal management company Atiim, to augment its existing product portfolio, with the intent to release Workfront Goals in 1H20. With this recent acquisition, Workfront seeks to evolve its approach from team orchestration and automation of repetitive tasks to create complex levels of coordination across multiple organizational functions, products, and services with the goal to help enable "system thinking" that bridges disparate work areas. (Much earlier, in 3Q15, Workfront acquired ProofHQ in the marketing arena and successfully incorporated those capabilities into the company portfolio.)

Workfront has momentum and is gaining market attention and revenue with adaptive approaches to work collaboration and coordination and its strength for other areas, particularly marketing, and has helped drive evolution of this space (with its long-term focus in the work management arena for 10+ years). Workfront's land-and-expand approach has enabled the organization to grow significantly, and

to evolve its way from initial team-centric deployments to cross-functional execution with increasingly large enterprises, moving into 2020-2021. (Though customers with whom IDC spoke for this research hovered around the 1,000-users mark and not beyond it, Workfront cites growth of 200% for customers with 1,000+ employees, though not the size or number of multithousand user deployments.)

Company Strategy

To address the needs of emerging, "modern" enterprises, Workfront has focused its product strategy on democratizing work to help enfranchise teams and executives. Workfront has emphasized a differentiating focus as a high-engagement work ecosystem for the enterprise, as part of an on-ramp for customers and its goal to become a unifying platform to coordinate work for digital innovation and optimization in an increasingly dynamic and polarized global economy.

Workfront has gained an audience with the tone of its approach and delivery model and is also succeeding from an execution perspective for user availability with its strategy. Workfront offers an open, RESTful API for partners and customers and offers its own integration to marketing automation, CRM, social collaboration, and digital campaign management tools such as Salesforce Marketing Cloud, Atlassian's Jira, Broadcom's Rally, PeopleSoft, Jive, Oracle, Workday, SAP, Dropbox, Box, Google, and Dell Boomi. In 2018, the company introduced an open integration platform that enables organizations to build their own connectors; Fusion provides prebuilt connectors to well over 150 applications and doesn't require partner services. The company is growing its partner network via leverage of Workfront's integration environment and open API.

Key differentiators for Workfront include ease of use and adoption, with interaction, design, and collaboration tools applied to the context of work to help enable higher adoption rates; work management (end-to-end management of the work life cycle, including structured and unstructured work); configurability to multiple use cases and workflows; mixed methodology support (support for some agile and traditional waterfall development methodologies in parallel, including SAFe for enterprise agile; handling request management; work prioritization; ad hoc work; and collaboration in a single solution. As the sheer amount and range of data expands with a growing customer base, Workfront is adding a new analytics feature called Work Insights. Leveraging its work management expertise, Workfront has developed prescriptive, relevant views that make data actionable and proactively enabling additional visibility into pattern analysis and anomalies with machine learning targeted to be available in early 2020. Workfront's functionality and product offering are targeted primarily for enterprise work management (the company's strength), and it has focused on specific integrations with solutions for enterprises that are seeking deep, traditional, and high-end project and program, portfolio, resource, and financial management and enterprise agile support.

Sample reference commentary mentioned resource management limitations (and scaling needs as adoption within the organization increases), report distribution constraints, and the lack of direct access to filters on the otherwise "cool" new home-page menu, although changes coming in early 2020 will allow customers to customize their home-page and landing experience. We see Workfront investing in R&D support and evolving the product further; the company has resources to invest; users noted that they have seen renewed engagement in 2019 for needed refocusing here. Workfront is investing in additional capabilities for resource management and also for machine learning, which will increasingly play a role for companies such as Workfront that are seeking to act as the core system of record for "all work." Also, partnerships and integration are key aspects of the company strategy, which are further supporting Workfront's expansion as part of its land-and-expand approach.

The much earlier and now integrated acquisition of ProofHQ augmented Workfront's work management with asset review and approval capabilities to deepen the company's push into marketing. The combined capabilities enabled marketing organizations to plan, coordinate, and manage delivery of marketing materials; help streamline review and approval for marketing assets by digitizing and enabling on-demand capabilities, and improve project execution workflow for teams when combined with Workfront's cloud delivery.

Organizations seeking robust, collaborative, and dynamic work management tools and a quick on-ramp for general, foundational project and portfolio management capabilities can use Workfront for speed of adoption and implementation as a common system of record across groups. Because Workfront addresses the key issue of adoption and enables effective collaboration for project and portfolio management with fundamental capabilities for many companies getting started and seeking communication for a broad swathe of users (technical and nontechnical), IDC expects the company to continue to execute well overall, augmenting its intuitive SaaS offering across other PPM areas while leveraging its differentiation in work management. For these reasons, Workfront is well positioned for work management and for PPM cloud/SaaS view of IDC's PPM analysis. Workfront is positioned for enterprise IT PPM as it further evolves its strategy, and it has an opportunity to put increased focus into targeting IT specifically with higher-end features, integrations, and process support demanded by enterprise IT PPM and DevOps implementations. On the agile PPM front, Workfront has multiple customers using agile strategies as part of marketing and other initiatives; as systemic agile adoption becomes a core focus for enterprises targeted by Workfront, we expect additional product evolution for SAFe and other agile methodologies.

Strengths

Workfront's strengths include excellent execution for its intuitive cloud-based work management platform across gathered information and for support across initiatives as a common data platform (with particular strength for marketing) and the company's mature, long-term presence in this work management arena. Workfront's ease of use, configurability, and effective targeting of a range of markets with product capability are solid. The company is seeking to evolve product capabilities further with fundamental PPM functionality, strong cloud services support and execution, and an engaging product packaging and delivery approach for the diverse needs of a "modern" workplace. Workfront offers the ability for teams to map and align their current approach to agile to the work they need to complete. Workfront's flexible user interface allows teams to toggle between traditional top-down marketing plans and agile views that feature epics, storyboards, swim lanes, and burndown charts. References mentioned increased efficiency and improved focus on implementation timelines, better incorporation of user feedback and project durations on which they were focused, and increased team visibility for collaboration and for client visibility and relations with timely access to production portfolios of programs and products. Work transparency and ease of administration (one organization cut management staff from 22 to 2 with Workfront) also were cited as benefits.

Challenges

Workfront's functionality and product offering are targeted primarily for enterprise work management (the company's strength), and it has focused on specific integrations with solutions for enterprises that are seeking deep, traditional, and high-end project and program, portfolio, resource, and financial management and enterprise agile support.

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APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information and end-user experiences to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

The work management and project and portfolio management (PPM) market resides under IDC's application life-cycle management (ALM) and team collaboration application (TCA) software markets as a "competitive" market with revenue from the project and portfolio management functional market and TCA market. IDC's focus in this IDC MarketScape on PPM provides visibility into work management-specific use of collaboration, team management, and workflow and also includes capabilities associated with PPM (such as project, program, and portfolio management). The primary focus here, however, is work management-specific capabilities.

In addition to PPM and business evolution of related products, we see agile playing a key role to fully incorporate agile DevOps automation, bringing in additional providers, and broadening revenue allocation to encompass continuous release and continuous deploy. As is a focus for this agile PPM IDC MarketScape, beyond development, agile is increasingly used cross industry to enable more adaptive and collaborative development and business approaches. Agile PPM enables agile project execution as a key aspect of that trend.

LEARN MORE

Related Research

- *IDC MarketScape: Worldwide Agile Project and Portfolio Management 2020 Vendor Assessment - Enabling Business Velocity for Digital Innovation* (IDC #US44483219, January 2020)
- *IDC MarketScape: Worldwide Cloud Project and Portfolio Management 2019-2020 Vendor Assessment - Agile Deployment Enables DX Management* (IDC #US44483419, December 2019)
- *IDC MarketScape: Worldwide IT Project and Portfolio Management 2019-2020 Vendor Assessment - Coordinating Adaptive DevOps for Digital Transformation* (IDC #US44483519, December 2019)
- *Market Analysis Perspective: Worldwide Agile Application Life-Cycle Management, Quality and Portfolio Strategies, 2019 - Driving Digital Optimization* (IDC #US44636919, September 2019)
- *Worldwide Project and Portfolio Management Software Market Shares, 2018: Evolving and Scaling Agile Execution for Projects and Programs* (IDC #US43883519, July 2019)
- *Worldwide Project and Portfolio Management Software Forecast, 2019-2023* (IDC #US44637419, June 2019)
- *Atlassian Acquires AgileCraft for a Strategic Perspective* (IDC #IcUS44942119, March 2019)

Synopsis

This IDC study uses the IDC MarketScape vendor assessment model to evaluate the work management and project and portfolio management market. This research enables analysis of quantitative and qualitative characteristics to provide metrics and context for users evaluating solutions in this area and to help analyze a vendor's current comparative success in the marketplace and to anticipate vendor evolution. Main user focus areas for this market include work management-specific capabilities in the context of coordination with project and portfolio management functionality, with established, significant numbers of user deployments, intuitive access, and support of highly collaborative approaches across business initiatives, IT, and new product development. As work modernizes with digital transformation and innovation, we are seeing the coupling of work management via strong workflow and collaboration to enable innovation and business execution in highly dynamic competitive environments to complement PPM leverage for DevOps with evolving advanced analytics with ML and AI. These emerging capabilities help support growing demand for future of work initiative with changing workforce demands. Metrics with analytics based on this data (with the emergence of ML/AI capabilities) can help provide visibility and iterative collaboration to understand and improve internal and external execution for resource communication and allocation and across varying digital media initiatives. Also included are in-depth vendor profiles with user reference summaries for the 9 vendors assessed. This analysis complements the IDC MarketScape

evaluations for IT PPM, cloud PPM, and agile PPM being published concurrently, which enable three weighted PPM IDC MarketScape views (for a total of four distinct IDC MarketScape PPM vendor evaluations). The IDC MarketScape for cloud PPM includes assessment of multitenant and single-tenant PPM SaaS offerings, with intuitive, configurable product capability playing a role in adoption. IT PPM includes evaluation of high-end PPM capabilities primarily in the context of IT initiatives and agile-specific functionality within a PPM context, such as agile processes, agile-specific functionality (work in progress, burndown charts, backlog, agile metrics, etc.), and agile frameworks.

This current work management and PPM analysis includes assessment of work management focuses on intuitive, highly collaborative automation.

"IDC sees adoption of work management solutions for dynamic execution and innovative decision making via automation to enable speedy responsiveness and invocation of dynamically changing initiatives," said Melinda Ballou, research director for IDC's Agile ALM, Quality and Portfolio Strategies service. "Complementing these capabilities, increasingly, we observe demand for collaboration, workflow, and highly intuitive interfaces for an easy on-ramp coordinated with sufficient project and portfolio management approaches for businesses and technology helping focus teams with targeted execution, cutting delays to benefit, and improving metrics. It is in part due to these trends that IDC has chosen to prioritize this area as one of several areas of focus for our IDC MarketScape series of PPM."

About IDC

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