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**
What Is Project Management Software?

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.
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.

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.

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.
### Common Features

<table>
<thead>
<tr>
<th>Feature</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Document Management</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>Budgeting, time and expense tracking</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>Billing and invoicing</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>
</tbody>
</table>
### Common Features

<table>
<thead>
<tr>
<th>Feature</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<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><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.,
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 it’s 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
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](#)