New Research Reveals Strategic Portfolio Management Is Becoming a Competitive Advantage

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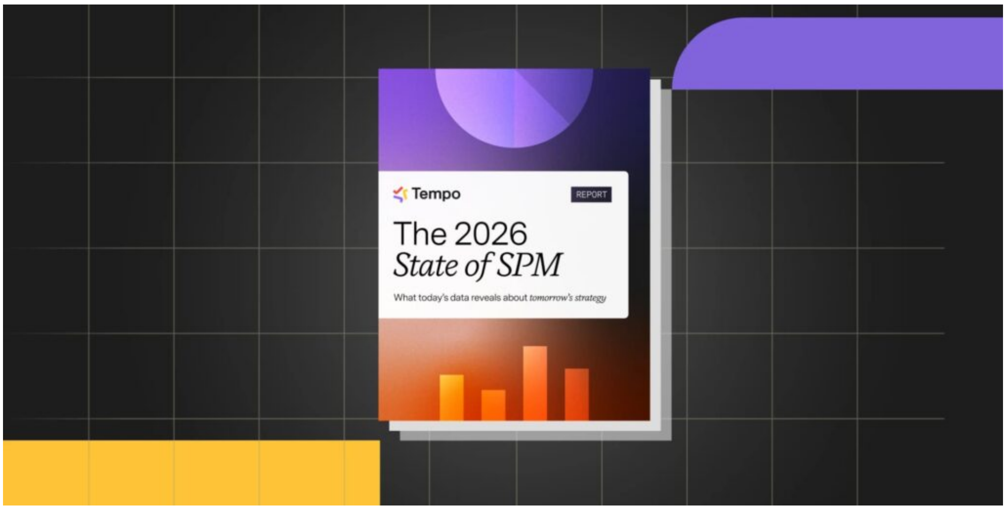

A new global report from Tempo Software suggests organisations embracing Strategic Portfolio Management, or SPM, are significantly outperforming peers still relying on traditional annual planning models.

The *2026 State of SPM Report*, based on a survey of 667 planning and PMO leaders across 43 countries, paints a picture of enterprises under growing pressure to adapt faster, prioritise more effectively, and improve visibility across increasingly complex portfolios.

According to the findings, organisations with mature portfolio management practices report an 81% success rate for projects delivering measurable ROI or strategic value, compared with 45% among less mature organisations.

The report identifies a widening gap between organisations that continuously adapt strategy and those still operating in siloed planning structures. Researchers found that nearly one in three projects across surveyed organisations fails to deliver meaningful strategic value or ROI.

Tempo CEO Vic Chynoweth said the findings highlight the growing importance of aligning strategy with execution in real time.

“Strategic Portfolio Management is fundamentally about resource allocation: are you dedicating money, people, and time to the work that drives measurable value?” Chynoweth said in the report foreword.

One of the report’s strongest findings centres on scenario planning. Organisations using scenario planning tools reported a 17-percentage-point advantage in ROI delivery over teams not using such tools. Those organisations were also significantly more confident in their ability to adapt to market and business changes.

Capacity planning emerged as the single biggest execution challenge for respondents, followed closely by prioritisation and resource allocation. The findings suggest many organisations continue to struggle with translating strategic ambition into operational reality.

The report also highlights what it calls the “cancellation paradox”. Organisations with more mature planning and portfolio management practices tend to cancel more projects, but ultimately deliver stronger ROI outcomes. Researchers argue this reflects greater organisational discipline rather than poor planning, with frequent portfolio reviews enabling businesses to redirect resources away from underperforming initiatives earlier.

Integrated portfolio management processes were also linked to significantly improved performance. Organisations with integrated planning structures reported better project visibility, faster resource reallocation, and higher confidence in adapting to change than organisations operating in silos.

The report estimates that strategic drift and inefficient portfolio management could cost large enterprises hundreds of millions annually through duplicated work, misaligned initiatives, and slow decision-making.

Despite growing industry discussion around artificial intelligence, the report found that portfolio leaders remain more concerned about market volatility, resource constraints, and visibility across workstreams than AI adoption itself. However, organisations with mature SPM capabilities were found to be significantly more likely to use AI extensively within planning activities.

Tempo concluded that the highest-performing organisations are no longer relying on static plans or fixed roadmaps. Instead, they are prioritising continuous planning, cross-functional alignment, and faster decision-making.

“SPM is giving teams something far more valuable than a static roadmap,” the report concludes. “The ability to keep choosing the right work, at the right time, with eyes wide open.”