



Helpful Hints for Selecting Software

by Laura Dallas Burford, President

A new year is here as well as a new budget cycle. Times are tough and capital investment spending in 2003 will require companies to remain prudent. The challenge is technology has become an essential element in every business's strategy and critical applications can cost quite a bit more than planned if not selected and implemented wisely. Here are some hints to assist you not only when selecting software, but also with the implementation.

Stay focused on your Business Objectives and Organizational Needs

Keep in mind the underlying reason why you are considering investing in new technology. Is it to increase your company's performance, to have better customer information or to have a significant return on investment? If you do not have a business reason for changing your technology, maybe you should revisit your decision. In addition, vendors may attempt to shift the focus of your project from your needs to the software's latest features and not focus on how their software will meet your needs. This can result in buying software that is more complex and expensive than you need.

Get Consensus of the Team

Identify and empower those who should be the decision makers. Keep the decision making capabilities in the hands of the of the knowledge experts who will feel ownership in the solution and in the implementation.

Consider all the Software Options

Just because a vendor has the most customers or greatest revenue, does not make them the best vendor for your company. Every company has unique needs and what is right for one company is not always right for another.

Perform a Needs Assessment

Many companies end up with so many requirements for their software that they are unable to manage the selection process. Focus on 5 to 10 key items or "Differentiating Criteria". These represent the items that are unique or must haves and assist with pointing out why some software is a better fit than others are for your company. Do not just consider functionality as you review the needs. Consider items such as how the software's technology fits the vision of your company, training needs, customization requirements, and support issues.

Select the Right Vendor to Implement

Research each vendor you are considering carefully. Know whom you are dealing with on the software installation. There is a great difference in quality and competence between software resellers. Technology markets are expanding and the number of software and hardware vendors who have partnerships and alliance arrangements have increased. Partnerships and alliance arrangements have their merit, but you might not always be obtaining the objective advice or the most knowledgeable implementation team.

Use Demo Scripts

If you are looking at two or three possible solutions, use a demo script to compare and confirm the fit. A scripted demo is a detailed script for the vendor to follow that includes actual data such as vendor master data, transaction data, product codes, reports and any other of your actual operational needs.

Set a Budget for the Total Project

Software costs are normally only a small portion of a project's total cost. Companies forget to include the costs associated with modifying business processes, implementation, training, ongoing maintenance and hardware. If you use a vendor's model for determining the costs – be careful. Sometimes a vendor's model is only a subset of the total cost.

Last, don't be afraid to ask for help

If you have not worked with vendors or are not comfortable with the progress of a project, consider using a "general contractor." Look for a person who understands the integration issues, who can work the software and necessary hardware vendors and understands project management.

For more information, contact:

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