

Keep It Simple When Buying Enterprise Apps

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Selecting enterprise software is almost always a painful process, both for the software vendors and the potential clients. Software vendors roll out the dog and pony show, usually with multiple people involved in multiple meetings, presentations, phone calls, demonstrations, and RFP responses, all in the hopes of impressing the prospect with that one cool feature that will turn the vote their way. It's an expensive process, win or lose.

For their part, the potential clients frequently spend days or weeks developing an RFP containing detailed functional "requirements" garnered from every relevant member of the organization. They may develop departmental "wish lists," or they may develop "demo scripts" in the hope (usually a vain hope) that they can force the vendors to show them exactly what it will be like to run the software in their specific environment. A committee is then formed to sit through software demonstrations and make the selection.

Demonstrations are a delicate balancing act as the vendor tries to show only the best of the product while still satisfying the prospect that they have seen enough to have a sense of what life would be like when using the product. During the demo, different departments bicker over who should control the data or how the process actually runs today. Hardly anybody can see the screen, even with the best projectors. Hardly anybody understands the data they're shown, even when it's their own data supplied to the vendor for demonstration purposes. It's an expensive, frustrating, time-consuming process for everybody involved. There must be a better way.

THE HURWITZ TAKE: There is a better way. Packaged software applications have been around for a long time, and many mainstream packages are at a point of functional parity. Within specific price ranges or verticals, most packages will include a nearly identical feature set. Sure, package A may show a feature or two that package B doesn't have, but most likely package B has its cool feature, too. For most standard business processes, the functionality will be there. So how can companies choose which package to buy?

Instead of focusing on a detailed set of "desirable" features, companies should focus on why they have set out to buy a new package to begin with. Most likely, this package is meant to solve one or at most two or three business problems. Focusing on how each package solves those specific problems, and only those specific problems, makes choosing a package much simpler. Determine how you measure the problem, and what its value to the organization is. Articulate the problems in no more than one or two sentences, including how to measure the problem. Provide these few sentences to one or possibly two mainstream vendors. Invite them in to explain how they will solve those problems and provide feedback measurements.

If a vendor has a satisfactory way to solve the problem, invite that vendor back to explain the flexibility built in to its software's business processes. It doesn't make sense to buy software that only does business one way, even if it's an exact match for today's business process. A company can't even imagine how it may want to do business in the future, so the best assurance that the selected software will meet the business needs of the future is to ensure that it has flexibility built in, through switches, preferences, options, or components. Then pick one, and get implementing.

Selecting software in this simplified way will reduce costs for both vendors and clients. By reducing the time spent on evaluations, companies can work toward solving their most pressing business problems sooner, which gives them faster ROI. It also eliminates confusion about whether the implementation has been successful or not. Was the problem solved? Is the measurement improving? The implementation is successful.

The Rules:

- No more than three key problems are examined.
- No more than two vendors are invited to participate.
- Measure results before, during, and after.

SOURCE: Sharon Ward, VP for Hurwitz Group, *Keep It Simple When Buying Enterprise Apps*, CIO Magazine