Essential Principles of Software Selection
Introduction

We understand how important deciding on the right software is for your company and we hope the principles provided in this eBook will help you in the discernment process.

This eBook will cover the following topics:

1. Is your corporate software system expired, tired or wired?
2. Is it really true that no one gets fired for buying IBM? What to consider when selecting software.
3. A guide to using consultants in the software selection process.
Is Your Corporate IT Strategy Expired?

Do you need to purchase new software? Defining a corporate IT strategy can be one of the most difficult feats undertaken by corporate managers today. The IT landscape is continually changing with new software and capabilities emerging all the time.

Picking the right software for your company can mean the difference between success – with high productivity and efficiency – and failure due to wasted time and resources.

Before deciding if your company is in need of purchasing new software, take an overall look at your company’s overall corporate IT strategy. This will give you perspective on where your company’s strategy is coming from in the past, where it is in the present and allow you a space to imagine a vision for what you would like it to look like in the future. This could help you in deciding which particular product is best for your company now and if more than one product is required due to the manner in which all the different systems interact.

Consider whether your current system is one that is expired, tired, or wired.
Expired:
An example of an expired IT corporate strategy is one which does not take into account any sort of change or scale to a business. Often in an expired strategy, heavy emphasis is placed on what has worked in the past.

Most businesses in this category are reluctant to consider changing their existing systems. They sacrifice their human resources or financial strategy to their IT systems, often wasting more money on IT legacy systems while re-defining the organizational structure of employees to maintain the status quo.

Often in this scenario, certain software requirements are overlooked or patched up with human resources in an effort to conserve budget or reduce headaches in IT. However, in the end, this ends up costing these businesses significant amounts of extra money in wages or overtime.

Tired:
An example of a tired IT corporate strategy would be one with legacy systems patched together with new cutting edge systems.

These corporate systems have a non-uniform appearance when viewed from the outside. Many businesses in this category use a mix of cloud software systems integrated with legacy or aging hosted systems. These are hosted
together on the same network or using middleware clients. While data flows successfully from system to system, the features, and structure of each system are so different that it can cause compatibility issues. Certain departments within an organization will have differing capabilities from their counterparts based on the features enabled in their software. This corporate strategy will ultimately require extensive re-work and upgrades to maintain functionality.

**Wired:**
A wired strategy consists of an IT infrastructure which is essentially plug and play. Emphasis on strong middleware and interchangeability of company systems makes this strategy versatile and adaptable.

In a wired scenario, a business can add or jettison software by using a strong middleware client to control and manage the interfaces between the systems. Businesses can add new systems by simply connecting to the middleware, and performing master data management and configuration. By doing this, businesses have the ability to extract and leverage the most value possible from their IT systems, using new and cutting edge systems which can provide exceptional value for a lower price point.
If your system falls within the expired or tired categories, you’re in need of new software. Consider your corporate IT system as a whole and what products you need to transform it from being expired or tired to being one that is totally wired.
‘No one ever gets fired for buying IBM’ is a well-known phrase. This brilliant branding tactic suggested that choosing the larger, more established option, was the right decision for a corporation, not because of any intrinsic quality but because it was the industry standard. However, is this really the truth today?

As CEO of a cloud-based contract management company, Emil Stefanutti talks to many people who in recent times have been responsible for choosing software systems for their companies or clients. He says,

“One by one these individuals contact me about my company’s product, they have often realized their company has spent millions implementing pieces of software with little functionality, only solving a small fraction of the pain and with hardly any adoption by their staff, due to the clunky, inefficient and inflexible nature of these systems. Many are now coming around to reassess their company’s needs, realizing that these days the real solution for their pain may only be coming out of a startup like ours, with great products that are more aligned to their needs. Still they sometimes request
for our product to integrate with aspects of the previously implemented system, even if it makes little or no sense at all. Presumably this could be to make it less obvious that implementing that incumbent software was a mistake. However, there is only so long until the truth will come into the light. How is it that someone is not going to be fired when it comes out that millions of a company’s funds have been wasted?"

So, how do you avoid being in the situation where you realize you have wasted your company’s funds on unsuitable software?

Make sure you honestly ask yourself these three questions before signing off on the purchase of any product:

1. Are you making the decision based off choosing the ‘safest’ option, i.e. what you perceive to be the industry standard, or have you thoroughly done your research?

2. What is your company’s current software system? Is this sufficient (or too much) for your company’s current needs? Are there any gaps?

3. What exactly does your company need the product for? Be sure not to purchase a product simply because you think you are meant to. You have to be able to say no.
From the budget perspective, the availability of nimble, cloud-based, SaaS applications should make it more cost-efficient for a company to implement a robust enterprise-grade platform. A high price tag doesn’t mean that the product will be any better, it just means that you’re paying more.

Don’t spend more thinking this will ensure you will keep your job. Product considerations like “what you get for your money” is where choosing the best-known and most successful solution may truly get you in trouble, as leading-edge software with more functionality for a better value may be available in the market. Make sure to focus on exactly what problem you are trying to solve and where your key pain points are as you continue your software selection. This can involve anything from simply asking users what their issues are to a full scale gap analysis.

In either case, make sure that you select software that will ultimately make your life easier.

Is “industry standard” software your best choice?
Remember that industry standard software often becomes standard because it’s reached the peak of its product life cycle. With IT products coming to market more quickly than ever, this means that your industry standard product today will be outdated and obsolete tomorrow.
Naturally, many young companies will not be able to provide the type of documentation you’d like to make an easy, risk-free decision. It’s more than likely that the company you’re evaluating will not provide you with a five-year financial track record or a list of blue-chip clients yet. Keep in mind that all companies you trust today (Google, Salesforce, Docusign, Box, etc.) were “unsafe bets” not long ago. If the technology does what you need and it feels right, figure out a way to make it work. It’s most likely that the software vendor will give you options to de-risk your decision.

While selecting software can often be a difficult process, an open mind and a little understanding can go a long way towards avoiding funds spent on products that don’t have the functionality or capability to solve your problem. In selecting software, considering the value and functionality of a software package – even if it’s not industry standard – will go a long way towards making sure your business has the right solution for your needs. Keep in mind that there’s always the risk that you’ll end up looking like a hero!
As a corporate manager, it can be a difficult, even daunting task to evaluate which software has the right functionality, the right price, and the right model to fit your business while trying to avoid buyer’s remorse or realizing, after completing an expensive implementation, that another product does exactly what you want it to do.

You may decide to retain some consultants to assist you in the purchasing process. So how do you make sure you pick the right consultants to assist your search, and work with them to ensure you purchase the best software for your company? While using consultants can certainly help make the process easier, faster, and ultimately cheaper overall, it is by no means a one-size-fits-all solution to software selection. Here are a few tips to keep in mind when using consultants to help select your software solution for your business.
1. Choose the right consultants

Choosing the right consultants to help with software selection can be as challenging as choosing the software in itself. This ultimately boils down to what problem you’re trying to solve and who is the right person or firm to help you along.

If you’re simply putting in a check-writing program or something simple like an e-commerce management program, you won’t need to hire consultants skilled in complex ERP design and integration. Similarly, if you’re looking to spend $1 million or more on your software, you’re going to want to have the assurance that things are done right and the solution works exactly as needed, in which case you’ll want to go with a larger firm with lots of experience. Try to choose a consultant or company who has experience using, supporting, and implementing software for the process you’re considering.

Try to get three consultants to each give you their price point, and then narrow the field from there.
2. **Determine what resources you will need and make sure you and your consultants agree on resourcing**

Before even thinking about beginning work, make sure you and your consulting firm agree on what resources are needed. While you both should have an idea of who will be needed and how long they need to work for, it’s important to get to the specifics. This will keep you from having any major surprises down the line, and will help you explain to upper management exactly what value the consulting firm is providing when it comes to the new software.

Make sure you understand everything before jumping in, and don’t accept generic or unsubstantiated claims such as “general support” as the reason for a resource. The question why is the consultant’s best friend and in a software selection, it should be yours as well.

3. **Be an active participant in the process**

While competing corporate priorities make it difficult sometimes for corporate sponsors to be active participants in the software selection process, make a point to be involved. The more involved you are with
the consultants and with understanding the actual software and how it will work, the higher the chance of success your project will have. Simply delegating everything to the consultants or taking time to answer questions from them will result in delays and higher than expected costs.

4. **Insist on at least three different demos**

Make sure that you and your staff get at least three demos from three different software providers. Do your homework before each demo and have a list of must have features, along with nice to have features which you will be looking for in the software. Your consultants should help you come up with this beforehand. Also have a list of well thought out questions to ask the company software reps, such as “how will this integrate with my current software?” or “How expensive will it be?”. Your consultants should help you come up with these questions as well.

5. **To Cloud or Not to Cloud**

The cloud computing software revolution which has come about in recent years has significantly streamlined the software development and deployment process which has helped many software companies create more scalable and complex products which are more easily delivered.
Still, consider the risks when asking yourself whether to choose cloud software or not. How fast can data be retrieved from the cloud? How can I get data to and from the cloud? How will this cloud software solution integrate with my current IT systems? These are all important questions to ask and ensure your consultant guides you through as you look at different systems.

6. Obtain a consultative opinion

While you may not necessarily have to take it, make sure your consultants give you a presentation on their opinion and what they think would be right for you. Make sure they also back up their opinions with well thought out facts and arguments and don’t be afraid to challenge them on their thinking and consideration. While you don’t have to go with what they are proposing, it’s always helpful to have an outside proposition, especially if software selection is uncharted territory.

If you follow these 6 tips you should be well on the way to having a productive relationship with your consultants that produces positive results and the right software choices for your firm!
So to sum up the principles advised here for selecting appropriate software for your firm, make sure you do the following:

1. Assess the current corporate software strategy of your firm to determine its current status as being expired, tired or wired.

2. If you decide your corporate IT strategy needs upgrading, make sure you consider what your firm really needs and make a decision based upon proper research. Purchase the product that offers the functionality required by your company rather than whether a prospective product is an industry standard.

3. If you are using a consultant to assist you in the software selection process take steps to ensure you hire the right consultants and be an active participant in the software selection process even after you have retained them.

If you follow these tips you are well on the way to ensuring that your company’s corporate IT strategy is one that contributes to its success and profitability.
About Mitratech

Mitratech is a proven global technology partner for corporate legal, risk & compliance, and HR professionals seeking to maximize productivity, control expense, and mitigate risk by deepening operational alignment, increasing visibility, and spurring collaboration across their organization.

With Mitratech’s proven portfolio of end-to-end solutions, organizations worldwide are able to implement best practices and standardize processes across all lines of business to manage risk and ensure business continuity.

Mitratech serves over 1,500 organizations worldwide, including 30% of the Fortune 500 and over 500,000 users in 160 countries.

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