

# Best Practices for Software Selection



➤ *Methodology Outline*

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## Introduction

Selecting an enterprise software solution requires a significant investment of an organization's time, energy, and resources. Due diligence during the selection process requires time and resources that must be subtracted from core operations. As a result, the cost of an enterprise system begins before a software package is even selected—and extends long after it is implemented.

Technology Evaluation Centers (TEC) provides impartial decision support and selection services to help take the risk, cost, and complexity out of the software selection process.

We offer many levels of service to meet the diverse needs of our clients. Over time, TEC has developed a proprietary, best-practice approach for software selection—an iterative methodology that can be flexibly adapted to meet specific project objectives.



TEC supports the entire selection process by offering you the ability to identify, prioritize, and evaluate your current and future technology requirements, while providing an appropriate level of visibility and objectivity—integral components of any decision-making process.

Our experienced team of professionals have employed our proven best-practice process, and have refined it over the years during hundreds of past projects.

During the selection process, solution providers present their products and services in the best possible way, and that's simply good business practice on their part. However, this leaves decision makers in a less-than-optimal position. Our goal is to support and offer guidance to companies faced with this type of challenge.

By outlining the recommended, phased process in this document, we will share our proven best-practice methodology for software selection. This document is to serve as a simplified guide and support for enterprises already in the process of selection, or for those that are considering upgrading existing enterprise systems, building new ones, or migrating to other platforms.

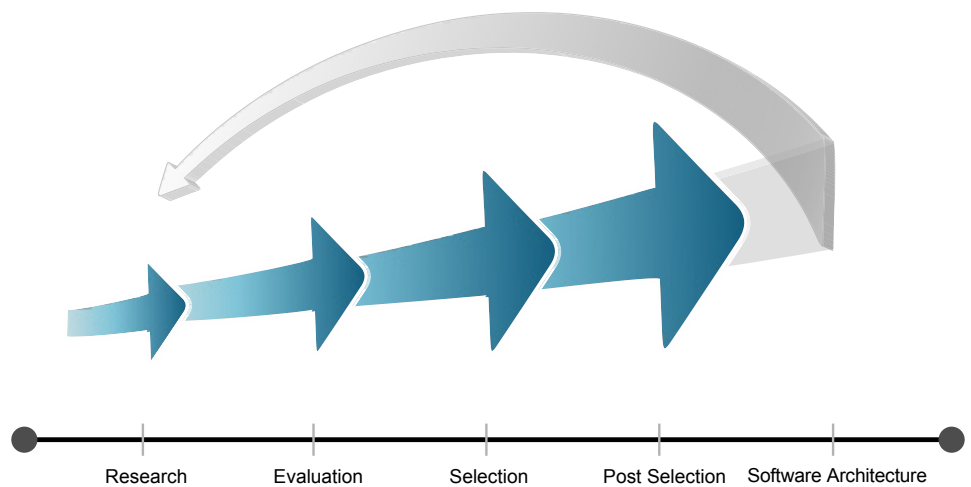
# Best Practices for Software Selection

## Phases of TEC's Best-practice Software Selection Process

Enterprise software selection can be broken down into four main phases:

- ▶ **research**
- ▶ **evaluation**
- ▶ **selection**
- ▶ **post-selection**

In this document, we'll provide a broad overview of each phase and highlight some of the most critical steps you should take in each one. Even after the selection or implementation is complete, organizations benefit greatly from using the critical information gathered during the process to support an overall software architecture life cycle management strategy. This information helps to create visibility into the existing systems driving their business, ensuring a cost-effective and rationalized approach.



▶ **Figure 1. The best practice phases of software selection**

## Phase One: Research

The initial research phase consists of preliminary study and the defining of your organizational strategy and tactics. Organizations at this stage should begin to understand what their overall strategy is regarding the software they are looking to implement. In addition, they need to know both their short- and long-term objectives and constraints with respect to their business processes.

During this phase, it's also important for you to review systems currently in place in order to gauge whether it's worth upgrading your current software, as opposed to acquiring an entire new system.

**Important steps involved in this phase include the following:**

- ▶ defining your objectives
- ▶ developing your business case
- ▶ identifying and interviewing your stakeholders
- ▶ selecting your project team
- ▶ achieving internal consensus and developing your list of requirements
- ▶ creating your long list of vendors

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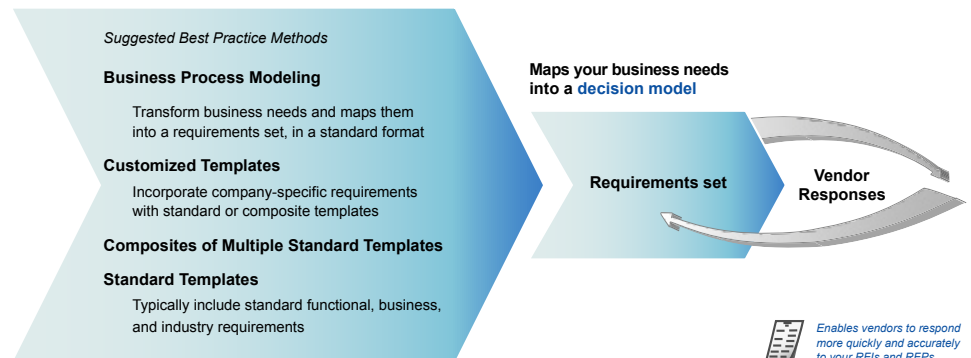
## Phase Two: Evaluation

Once you have a basic grasp of the different functional requirements of the software, you can begin to evaluate software vendors and put together a shortlist of products for further, more in-depth analysis.

### Important steps involved in this phase include the following:

- ▶ requirements-gathering and prioritization
- ▶ transforming requirements into a decision model
- ▶ publishing your request for information (RFI) or request for proposal, based on your decision model. (RFI/RFP will be referred to as RFX later in the document).
- ▶ collecting RFX responses
- ▶ performing preliminary qualifications, resulting in a working list of vendors
- ▶ validating and analyzing RFX responses
- ▶ creating a ranked shortlist of vendors

### Requirements Gathering



▶ **Figure 2. Phase 1 (research) and phase 2 (evaluation outputs)**



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## Phase Three: Selection

You benefit from enterprise software only when you make the right selection. By using accurate and relevant criteria on enterprise software functionality, you are better informed of your options.

Using proper analysis, your selection team can make accurate assessments about how well a vendor can meet your needs, which should ensure that you select the most appropriate enterprise software.

### Important steps involved in this phase include the following:

- ▶ creating scripted scenarios based on your most important business requirements
- ▶ issuing an RFX to include costing information
- ▶ inviting vendors for a site visit
- ▶ conducting vendor demos and proof of concept
- ▶ evaluating vendors' implementation strategies
- ▶ conducting a total cost of ownership (TCO) analysis
- ▶ identifying the best-fit solution
- ▶ developing selection audit and report
- ▶ obtaining executive approval
- ▶ notifying winning and losing vendors
- ▶ performing reference checks
- ▶ negotiating contract

## Phase Four: Post-selection

TEC can serve as your implementation auditor to monitor that your interests are best served throughout this crucial phase of your investment. Our program allows you to better monitor, measure, and report on the progress of your implementation project regularly.

Because implementation is such a complex process, you may find that you and the implementing party have different perspectives on many implementation issues. You may also find it a challenge to execute the implementation on time and within budget.

### Important steps involved in this phase include the following:

- ▶ auditing each implementation milestone
- ▶ coordinating necessary resources to keep the project on track
- ▶ auditing the progress of implementation against products and services promised
- ▶ negotiating additional costs associated with increase in the scope of projects
- ▶ monitoring the implementation process
- ▶ briefing the stakeholders from an independent perspective on the progress of the implementation

Your implementation will meet your expectations only if you ensure all project objectives are met. TEC's implementation auditing service ensures that the strategies and processes within the software implementation contribute to the goals of your organization.



## Support Your Software Architecture Life Cycle Management Initiatives

Once the software selection or implementation is complete, the information gathered can be used to support an overall software architecture life cycle management strategy. Access to accurate, detailed documentation allows for easier auditing and helps organizations to remain in compliance with government regulations.

Managing and maintaining critical information about existing IT systems is a best practice that places enterprises in a better position to assess future questions on whether it is most cost-effective to upgrade, replace, consolidate, or introduce new technologies. You'll only reap the full benefits of an enterprise system by continuing to track its ability to meet your organization's needs. We recommend you constantly track your systems for continuing suitability, particularly if you have multiple, interdependent systems.

There are many advantages to leveraging the information gathered throughout the software selection process. One major benefit is that it helps to present a snapshot of your organization's IT infrastructure, complete with lists of features and functionality related to each system. This information also provides vital documentation and visibility into what systems are driving your business, ensuring a cost-effective and rationalized approach.

### Conclusion

Enterprise software selection can be broken down into four main phases: research, evaluation, selection, and post-selection. After a selection has been made, we recommend a software architecture life cycle management strategy is put in place to create visibility into the existing systems that drive your business ensuring a cost effective and rationalized approach.

Organizations that carry out successful software selection projects typically ensure they accomplish the following goals:

- ▶ identified business needs and mapped them to software features and functions
- ▶ achieved consensus throughout the selection process
- ▶ conducted an objective and quantifiable process
- ▶ conducted scripted demonstrations to level the playing field
- ▶ chose the software that was the best fit for the organization

### Important final points to consider

- ▶ Do you have documentation detailing the features and functions of the current state of your solution mix?
- ▶ Can you easily identify redundancies, gaps, interdependencies, and integration points among your current systems?
- ▶ Are you continuing to document business priorities and processes as changes occur, ensuring you have an up-to-date view?
- ▶ Can you map current processes and workflows onto the functions of all systems within your organization?
- ▶ Are you able to cost-effectively make the necessary upgrade decisions based on your organization's true needs?



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## About Technology Evaluation Centers (TEC)

To ensure your needs are met, TEC's software selection services team can help manage your software selection projects and offer additional advisory services by providing cost-effective, supplemental resources, orientation, or training services—on demand.

We've worked directly with global enterprises in the public and private sectors, active in industries such as manufacturing, utilities, construction, chemicals, and mining.

To learn how leading organizations have benefited from TEC's enterprise software selection and services, read case studies and customer success stories online:  
[www.technologyevaluation.com/company-information/success-stories/](http://www.technologyevaluation.com/company-information/success-stories/).

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Version 1.0

