

A GUIDE

Choosing the Right Partner to Implement Your Business Software Solution

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Who should read this?

If your company is looking for a professional service firm to help implement your new business software solution, this document is right for you. Reading through this will help you navigate through the process of selecting the right business partner.

Customers looking to purchase a new business software solution or replace an existing one tend to underestimate the importance of finding the right business partner that will assist in the implementation and training of the solution. Choosing the right partner to implement your solution will increase your chances of success by 40%-50%. Generally customers have the option to either use the software publisher, a value added reseller (VAR), or choose to self-implement. There are advantages and disadvantages under each scenario that we will cover.



Using the Software Publisher

ADVANTAGES

- They wrote the software application; therefore, they know the product functionality better than anyone else does.
- Tend to be larger companies, therefore resources should be abundant and consultants are certified and trained by publisher.
- The implementation team only sells the publisher's product offering and is knowledgeable and experienced at setting up their solution.
- A team that knows your configuration and setup will handle post-sales support in-house.
- All aspects of the buying cycle will be handled by a single entity.

DISADANTAGES

- Most publishers are product centric. Their main goal is to sell products and gain market share. The implementation teams enable the publisher to continue to sell more products while they build a channel where the project and/or business risk is that product weaknesses are not highlighted during the sales cycle for fear of losing the sale.
- Implementation teams are under heavy time pressure to move on to the next project. The customer

must adhere to the speed of the publisher or risk delays and business interruption.

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- Even though the professional service groups (PSG) for a publisher have product expertise, most small and medium enterprise software solutions using "off the shelf products" deliver 75%-80% of the functionality required. The gaps are usually filled by 3rd party products. Generally, publisher implementation teams will either lack knowledge about these products or require you to engage another firm to implement them.
- Post sales support teams are usually different from the original implementation team. Therefore, you will run the risk that the help desk personnel is not familiar with the details of your set up and implementation. Many companies use inexperienced teams that follow scripts for Level 1 support. If you experience a serious issue, you may have some delays before proper follow-up can take place.
- Publishers only sell their core products and may have some endorsed or OEM agreements with 3rd party product publishers referred to as independent software vendor (ISV). This community of ISV's often offer vertical solutions that extend the functionality of the core products. Publisher implementation teams may be unaware of these solutions since they do not sell these products.

Using the Business Partner/ Value-Added Reseller (VAR)

ADVANTAGES

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- VAR's generally offer numerous products and service offerings that go beyond what publishers can offer. This includes IT support, programming, business analysis, etc.
- VAR's have consultants with formal business backgrounds that are able to deliver additional value by leveraging the technology in the business management solutions and their business acumen.
- Most established VAR firms are customer and service centric. In order for their companies to survive, they have to establish long-term and mutually beneficial relationships.
- Most successful VAR's understand how critical postsales support is to their future success. Generally, VAR firms rely on customer referrals and testimonials to ensure their success.
- Many of the larger software publisher's use VAR's to sell and support their products. Most markets have numerous VARs that must compete to earn your business. This ensures that pricing for products and services are fairly positioned. It also offers options in case the original implementation team does not work out.

DISADANTAGES

• Offering numerous options is important. However, VAR's have more limited resources than software

publishers. There may be scenarios when a VAR represents numerous product offerings that are sophisticated and complex. If the VAR uses the same consultants for the all offerings, their expertise may be limited or product knowledge is diluted.

- Depending on the size and complexity of the implementation, some VAR's may not have enough of these resources available. Mitigate risk by asking for a Bio of the implementation team that will be assigned to your project. Make it as a condition for acceptance of proposal.
- Engagements can get costly if all the work is performed by the VAR. This risk can be mitigated by committing internal resources that will collaborate with VAR to formulate implementation plan and gathering the requirements.
- Due to limited resources, some firms do not have a help desk and response times for support cases are not handled as timely and efficiently as required. Ask prospective firms how they handle post-sales support and whether they offer service level agreements.
- Because competition for new customers is fierce, do not equate price with value. When evaluating prospective firms consider their knowledge of business and technology, investment in continuing education, certifications of team members, etc.

The Pros and Cons of Self-Implementation

PROS

- Saves company money.
- The company controls implementation timing.

CONS

- Unless the implementation is not complex or you are merely adding an additional component, we do not recommend self-implementation. Even if you have employees that have working knowledge of the solution, they only know the features that they are familiar with. In addition, most publishers upgrade their products every 12-16 months. There may be many features that have been added to the product that internal staff may not be aware of.
- Saving time is usually not accomplished. Internal teams have to deal with issues that include office politics, slower response times from their peers, lack of experience, etc.
- Limited knowledge of technology and product expertise may end up costing the company more money over many years. Incorrect configurations of modules can lead to poor performance, lost productivity, poor user adoption among others.

 If the self-implementation fails and an external firm is subsequently contracted to complete the engagement, the well may already be poisoned. Attaining user adoption will be a challenge, especially if users are required to re-do the planning, training and implementation process.

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SUMMARY

Carefully selecting the right business partner is a critical step toward effective solution implementations and training. Ensuring a smooth implementation will bring your organization one step closer to achieving a successful project.

We also recommend that you read our other related white paper, "How to Select the Right Software Solution", that provides a structured approach in choosing the best solution that will meet your company's business requirements.

