



News You Can Use

Executive Summary:

- Trends we are seeing in organizations are leading to poor software selection
- 5 Key steps can help:
 1. Frame the Project
 2. Define the Business Expectations & Measures
 3. See it - Show me
 4. Compare Apples to Apples
 5. Pick a Partner
- Common pitfalls include:
 - Not involving the right people
 - Conducting steps out of sequence (i.e., software demo's before requirement writing)
 - No structure or rigor to the evaluation
 - No objective criteria to measure each option
- Himes Consulting Group offers a proven method for [Vendor Evaluation & Selection](#)

The **Order You Do Things** is **JUST AS IMPORTANT** as **What You Do** when Selecting a Vendor

Disturbing trends in the marketplace have led us to our next News You Can Use article. We have all heard the 5P's, "Proper Planning Prevents Poor Performance" but apparently this expression is not being taken seriously when it comes to vendor selection. In this article, Himes Consulting Group will describe the importance of generating and harnessing momentum for making a software selection, balanced by **doing the right things and doing them in the proper sequence** to achieve the desired results.

Assuming you have successfully defined (or redesigned) your process¹, you are now ready to begin your software evaluation and selection process. Below is a proven **5 Step Approach to Vendor Selection** that will ensure you have found a vendor that fits your needs.

1. **Frame the Project** – Make sure everyone involved understands what the scope of the effort is going to be (and more importantly, what it is not going to be). This should include the individuals involved in the effort, the time commitment required, and the timing of that time commitment. This will save a project from failing before it even gets out of the starting gate.
2. **Define Business Expectations and Measures** – Using the previously defined process as the foundation, develop business requirements that specifically articulate what the software is to do and the relative importance of those functions within your organization. Key steps to follow include:
 - A. Finish this sentence, "We want the technology to have the ability to..." for every aspect of the technology
 - B. Review and prioritize those requirements to differentiate between critical, must-have requirements (A priority), good-to-have requirements, but not a necessity (B priority), and nice-to-have, bonus requirements (C priority)

1 – Defining the process first may be the most important foundational step in successfully selecting a technology partner as all future work (business requirements, prioritization, and vendor responses) are linked to the accuracy of that effort. Take the time to invest in this area.



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- C. Identify any other key factors that could influence your decision on selecting a tool or partner. Things to consider could include:
 - Alignment to the requirements
 - Software demonstration scoring
 - Financial stability of the vendor
 - Implementation timeline
 - Implementation costs
 - Vendors experience in your industry
 - Vendors ability to respond according to submitted requirements
 - Reputation of the vendor

These business requirements, combined with the other evaluation criteria, are packaged into a Request for Proposal (RFP) and distributed to select vendors.

3. **See it - Show me** – Here the vendors are asked to come in and demonstrate how the software supports the business requirements. Key to the success of this step is:
 - A. Prepare structured scripts for the vendor to follow
 - B. Provide a structured sequence of transactions
 - C. Ensure common participation from your organization in all vendor demonstrations
 - D. Provide a consistent time frame for each vendor to demonstrate their tool

Your team's ability to objectively evaluate multiple solutions against each other comes from vendors showing a similar set of transaction types in a similar sequence with the same group watching for a consistent period of time.

4. **Compare Apples to Apples** – This step allows for a consistent comparison of each vendor and their tool. Key components here are the completed RFP from each vendor and the completed software demonstration score cards. This information will help you determine the best functional and financial fit to your organization.

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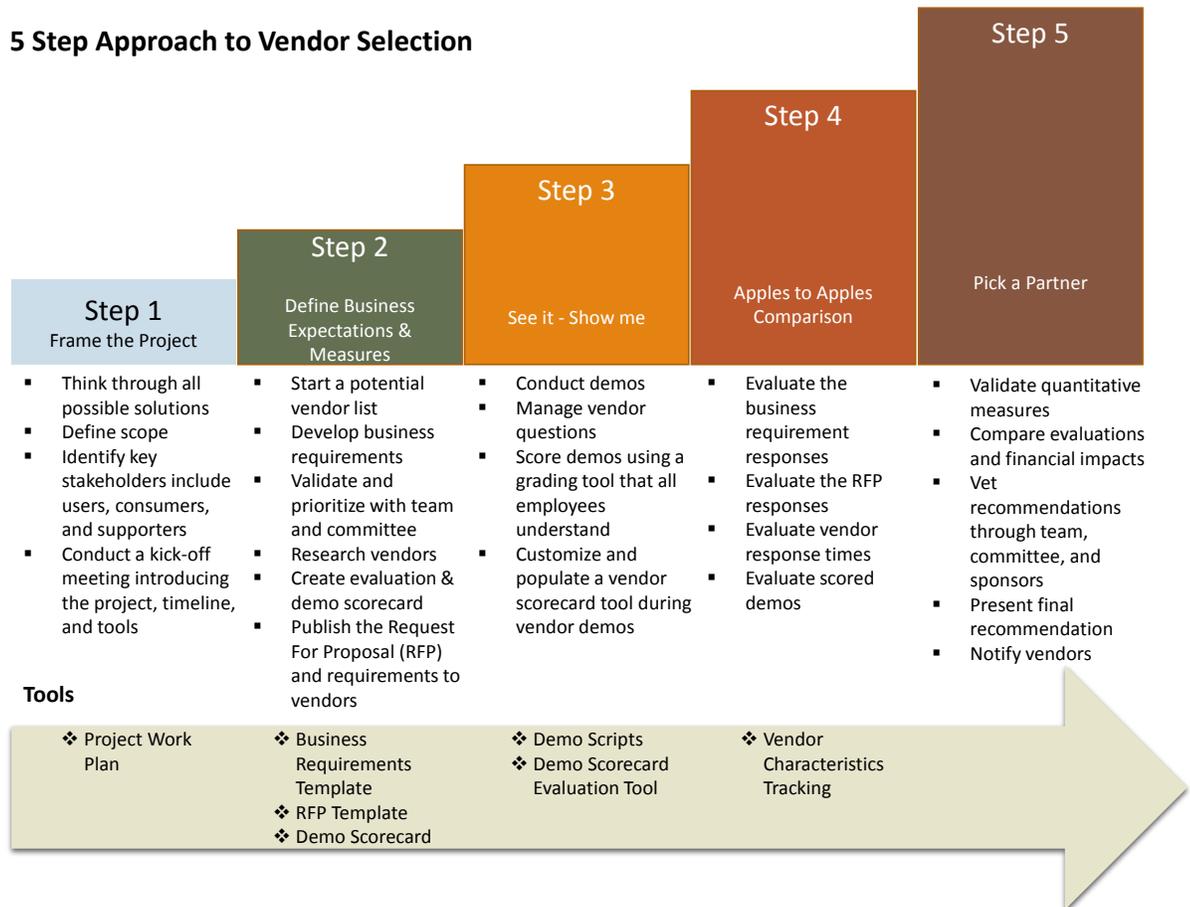
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5. **Pick a Partner** – In addition to the quantitative measurements, value should be applied to what your gut is telling you about your vendor candidates, the predicted “fit” that the vendor will have with your organization’s culture, and how flexible the vendor will be should they be selected. Assessing these before finalizing your decision on partners will increase the odds of long-term success.

Below is a summary of the key steps to follow when performing a Vendor Selection.

5 Step Approach to Vendor Selection



Drop the bad-habits of “Ready, Fire, Aim” that are trending in selecting a vendor by adopting a more rigorous approach that emphasizes “what” to do as well as “the order” in which you do it. Having a deliberate step approach like the one above with the appropriate activities, tools, and knowledge passed among the team will ensure a successful project and will yield more ROI.

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Below is a short list of common pitfalls that may be encountered by not following a step-by-step approach:

Common Pitfalls	Impact to the Organization
<ul style="list-style-type: none"> Not involving the right representatives from the beginning of the effort. <ul style="list-style-type: none"> ✓ By involving the right stakeholders, users, and consumers you have already set your organization up for success. Visit the article, “Change Management – A Planned Method Based Approach” for more information. 	× Negative cultural impact
<ul style="list-style-type: none"> The most common mistake made during the Vendor Evaluation & Selection process is contacting vendors for demos before an organization has defined scope or had a chance to think through business requirements. <ul style="list-style-type: none"> ✓ Ensure that your organization knows exactly what it wants and doesn’t want from your vendor before conducting a software demonstration. 	× Multiple iterations of the same activity
<ul style="list-style-type: none"> No structured approach to the evaluation. Situations like this happen when one-off software evaluations occur without taking a step back to apply some sequence and rigor to the process. <ul style="list-style-type: none"> ✓ By following the order of the steps above, you will not need to have multiple demonstrations because the stakeholders, users, and consumers will know the business requirements and have the evaluation tools necessary to grade all the vendors. 	× More organizational work effort than necessary
<ul style="list-style-type: none"> Selecting a solution that demonstrated well but does not work consistently with the needs of the organization. <ul style="list-style-type: none"> ✓ This usually is caused by poor requirement writing or performing the approach steps out-of- sequence. Take the time to create representative requirements and stick to the right order of steps. 	× Additional corporate dollars spent

Does your organization have a proven method for Vendor Selection?

Selecting the right vendor is an important decision for your organization and can lead to years of efficiencies or years of headaches. Consider a more robust [Vendor Selection](#) methodology as a mechanism to achieve better results and avoid years of working with a vendor that isn’t meeting your needs. As experts in [Technology Enablement](#), Himes Consulting Group can help customize your project and select the best fit for your organization.



For additional information on this topic or to learn how Himes Consulting Group has helped dozens of organizations achieve better results through a proven Vendor Selection methodology, please contact INFO@himesconsulting.com.