



TenStep Supplemental Paper

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How to Select a Software Package

There are times when all organizations look for software packages to fill certain needs. Of course, the first question to ask about new software is whether or not the company already has a package that will meet the needs. If so, this is the best way to go.

However, if an appropriate package does not exist, you can go through a simple process to find one that will. The process is simple. However, depending on the software, this might be a lengthy process to complete. For a small package, this may take just a few days. For a large, complicated package, this might take months or years.

The following process can be used in most any vendor or package selection process. This is described at a high-level, and will require some drill-down on the details to make sure that it is performed with appropriate diligence.

Plan the Project

Plan the project to ensure you have overall agreement on the objectives, deliverables, scope, timeframe, approach, etc. This should include the background on what type of tool you will be selecting, why it is needed, where it will fit into your technology architecture, etc. You should also build the workplan that you will use to manage the project. This planning step takes place just as it should for all projects that you manage.

Gather and Rank Business Requirements

It's hard to select a tool or package if you are not sure what your requirements are. Again, this work is similar to the analysis you would do for any project. Ask questions such as:

- What will people be using the package for?
- What problem will the package solve?
- What features and functions are required?

Many times, you will not be able to determine all the requirements just by asking the customers. You can also look for other potential requirements by reviewing prior research from industry analysts, reading magazines and periodicals, and doing web searches. These searches can be used to generate potential requirements that can be validated by your customers. Each requirement should be weighted on a numeric scale, or high/medium/low, to reflect the relative importance of some requirements over others (other weighting scales can be utilized as well). Your sponsor and major customers and stakeholders need to review and approve this total list of requirements and weighting

Create Package Long List

At this point, look for any and all packages that might meet your needs. This can be done by searching the web, looking at trade magazines, talking to other companies, etc. The purpose of this step is to gather a comprehensive (but not exhaustive) list of vendors and packages that you want to consider further. If you think you already know the particular packages you are interested in, this step can be skipped, moving directly to the short list.



TenStep Supplemental Paper

But this step helps ensure that there is not an obvious candidate of whom you were not aware.

Create Package Short List

Perform an initial, high-level evaluation of the long list, looking for obvious reasons to eliminate some of the alternatives. For example, certain products may not fit within your technology architecture, some may be too new, some may be obviously too expensive, etc. In some cases, there may be a feature that you absolutely need that is not available. The purpose of this step is to create a short list of potential packages that look like they will have a reasonable chance of meeting your needs. If the long list is not too large, you could send a Request for Proposal to them for their feedback. You could also ask for their product brochures and other literature. But, you must narrow down the packages to a small enough number that you can compare and contrast them for your final selection process.

Evaluate Package Short List

This can be the hardest part of package selection. You must map the package features and functions against your requirements and weighting factors to determine which package most closely meets your needs. If you did not send out a Request for Proposal (RFP) to the long list, you might now want to send one out to the short list. You can also interview the vendors, set up product demonstrations, make vendor site visits, etc. Usually some type of numerical calculation is made based on how well the package meets each requirement, multiplied by a weighting factor. The package with the highest score across all requirements should be the one that best meets your needs. When you have completed this step, you should have a first and second choice for the packages that best meet your needs.

Make Final Selection and Negotiate Contract

In many organizations, the project team makes the final recommendation and then turns the process over to a formal Purchasing or Procurement organization. The actual final selection can be complicated; however, at this point you should have all the required information to make the choice. If you are selecting strictly based on the highest score, then you should have the numbers available. Whatever criteria you defined up-front should be applied to make this final decision.

When the final selection is made, you may still have to negotiate a contract or license. If that process does not proceed in a satisfactory manner, you should be prepared to move down to your second choice, and your third, as long as those options still meet your minimum requirements.

Summary

This is an overall process that can be used to make a package or vendor selection. Of course, if the software is complex and expensive, these high-level processes might be broken down into 100 distinct activities. In fact, for large, strategic purchases (such as with the Department of Defense), the selection process could take months or years. On



TenStep Supplemental Paper

the other hand, for a simpler, commonly used package, the process might be streamlined and completed in a matter of days or weeks. Still, you must understand your requirements first, and then go through the process of finding and subsequently narrowing down the field of potential packages and vendors until you can make an intelligent decision about which one to purchase.