



White paper

Buying business software for the long term

Four steps to procuring future-
proofed solutions

Sponsored by Kimble and Sage Intacct

Sage

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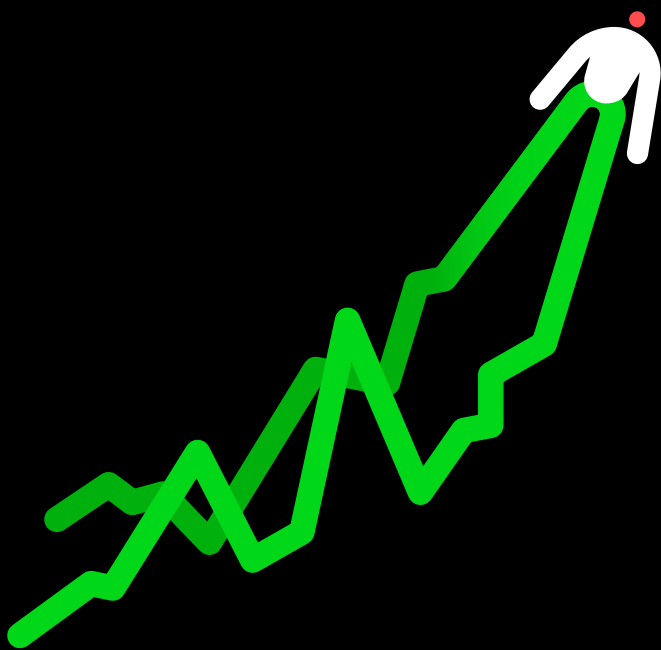
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Introduction

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Buying software in the digital age is a double-edged sword.

The more options there are—and the number of options is multiplying constantly—the more essential it becomes to approach the buying with strategies that keep you focused on long-term success and return on investment.

Procuring software may not seem like an especially complicated process - whichever solution most adequately solves the set of issues you have seems like the obvious winner. But the further you hope to extend the solution into the future, ensuring it's solving problems for years to come, the more complex the process becomes.

We find that most organizations have a strong understanding of their current, day-to-day problems and pain points. It is looking to the future that gets tricky. What problems might arise in five months? In five years? As software is a long-term investment, it

is important that businesses approach the procurement process with a clear vision of themselves and what they are trying to achieve in the long term. Investing in a software solution that cannot grow or extend beyond its initial capabilities presents almost as many challenges as not having any software at all.

Procurement is too often focused on solving problems that exist today and not driving outcomes tomorrow. This results in the selection of solutions that meet an immediate need but become cumbersome and outmoded as the years pass and needs change. In this eBook, Sage Intacct and Kimble Applications lay out surefire strategies for finding software solutions that will deliver business outcomes for the long-term. Each page tackles a step in the software procurement journey.

Conduct needs assessment

Step 1: Establish needs based on outcomes rather than functional requirements

Your organization has determined that there's a pressing need for a new piece of technology. It's time to kick off a buying process. But first you need to make sure you understand what the pressing need is. How do you take in all the inputs and set up the buying process for success without getting bogged down in requirements from every stakeholder?

When building a business case for, and then building a buying process for a solution, don't ask stakeholders what they need. Ask stakeholders what they are trying to achieve.

Many organizations begin to seek out software when they encounter a problem or challenge, and engineer a process to directly address that problem; this is an outdated method of evaluating software options.

In order to get the full benefit from the proposed system, make sure to approach the solution from an outcome-driven, long term perspective. Rather than thinking "What will this fix?" begin to think along the lines of "What can I achieve with this system?" Looking at the potential of the software to meet business

objectives, rather than the strict functional requirements is the first step in finding systems that will actually achieve what you are looking for in the long run.

What are the differences between business objectives and functional requirements?

Example business objective	Example functional requirement
"We know our utilization is lower than it needs to be, and we need to find a way to raise it evenly by 2% across the organization."	"A solution must include a utilization report that can show breakdown of figures into billable and non-billable by business unit."

When specifying your software requirements, ask the vendors what they can provide your business to achieve important goals rather than leading them down a rabbit hole of all the custom requirements you'd like to see. Give them enough information to provide you with an educational and specific demo, but put the onus on them to build an argument for how their software is suited to your business. You will have an easier time judging whether you're seeing the real deal at a big picture level—that is an ideal fit for your needs—if you don't over-specify what every need is.

This initial step in the buying process is all about taking a moment to step back and evaluate what behavior changes a software solution could and should drive, and how those changes align with desired outcomes. By approaching the software buying process with this behavior change in mind, you have a greater chance of investing in a solution that will actually grow and mature alongside your business.

Engage vendors



Step 2: Early evaluation of vendors with product relevance and domain expertise

It's early going in the buying process, and you're seeing a lot of vendors and a lot of high-level demos. You need to narrow the field by ensuring that all vendors on the list demonstrate product relevancy and have domain expertise in your world. Does each vendor really understand your domain and the business outcomes desired?

Software that is not designed to address the challenges your organization is facing—and expects to face—should be disqualified early in the procurement process. Actually, as you progress through the process and meet with vendors, some vendors will disqualify themselves. This is not because their

products are of less value; they simply do not comfortably align with your organizations' domain. As your vision becomes more distilled throughout the buying journey, both parties (vendor and buyer) will realize that only a few solutions are actually engineered to deliver what the organization is looking for.

The main objective is to shift focus away from vendors that are custom-building you a bespoke solution and towards vendors that already provide a solution that has built-in functionality that meets your needs. Ask at this stage of the buying process: who can deliver a low code, extensible solution and who is planning to customize a solution in order to land our business? Software that isn't extensible may fit like a glove when it's custom tailored to your specific requirements. But when you grow and change, that tight fit ends up being a straightjacket.

A solution, no matter its feature set, is only as good as its ability to become a part of your organization's tapestry of systems and processes. While one application may present itself as the ideal solution for your team or department, you must always keep in mind how it could benefit other individuals in the organization.

In order for a solution to deliver outcomes across multiple teams and business processes, it must be able to seamlessly pass information from one system to the next so each team has the appropriate data to base strategic decisions on. This comes down to understanding how your different software applications integrate and communicate with one another.

There is an outdated notion in the software world that integration between two systems that have the same brand name on either end is going to be a guarantee of a bulletproof integration. Many software suite providers have discouraged users from using open integration between best of breed solutions, presenting the implementation step of the process as innately complicated. In fact, vendors that embrace an open integration layer and take an agnostic approach to integrations give you the most flexibility when it comes to aligning their solution to your systems.

The same truth applies to business processes—specialist vendors that focus on one solution and the businesses that use that solution offer domain expertise and will be more likely to offer solutions that align with your business processes. They have dedicated themselves completely to understanding and addressing the needs of businesses like yours. You can trust that they have already seen many of your challenges with other clients and have built in solutions to address them. They also understand the journey you are on, and what systems and processes you might adopt in the future as you scale.

This is the key to this stage of the buying journey - understand what your current processes are, but be open to transformation. Be on the lookout for solutions that help you move past systems and processes that are holding you back while fitting into systems and processes that work.

Qualify vendors

Step 3: Narrow down solutions by ensuring they can perform on both “sunny days” and “rainy days”

At this point in the software buying process, you are down to a few vendors who've made your shortlist. Use this stage to confirm that the chosen vendor can react to challenges outside of those outlined in the initial scope. That is, can the vendor perform on both the “sunny days” and the “rainy days?” How do you make sure that you're not just seeing smoke and mirrors and that the promises and demos you're hearing aren't too good to be true?

It is up to you to discover which vendors are a true fit and which vendors are trying to seem like they are. With an RFP and enough time and wherewithal, a vendor can make themselves seem like a fit for your requirements by engineering a heavily customized

environment that is not repeatable upon implementation—at least not repeatable within your scope, budget, or timeline.

While most vendors can demo scenarios that would happen during a “sunny day” of business, the true test of a solution is how it performs when surprises come along. If the vendor has made it to this step of the buying process, chances are they promised to deliver on both the good and bad days - the “sunny days” and “rainy days”.

In this final step, give the vendor a “rainy day” scenario and see how they deliver. It's not just about throwing curveballs during the demo process, it's about having an honest back-and-forth about the day-to-day operational surprises that happen when business processes inevitably shift. When considering each vendor, take into account how extensible, flexible, and agile the software is with the current and future state of your organization. It is great for a solution to solve your everyday challenges, but it is an especially great fit if the application can handle the exception—or the especially difficult transactions.

At this stage, it is important to see through smoke and mirrors and get a true understanding of what each vendor can do for you so you can focus on vendors that have the built-in capability to meet your needs. There are a few simple steps you can use to start eliminating vendors that are not in line with your vision.

1. You are more likely to see through the illusion of a custom or wireframe model if you catch a vendor off-guard with a demo request rather than giving them days of development time to put something together. There will always be some requests that can't be facilitated instantly in a demo environment, but what you're trying to gauge is how functionally complete the standard application on offer actually is. If the vendor can't hit any of the curveballs you throw their way, you might be looking at a high-code solution that will be difficult to adapt and change. So, spring surprises on them in the moment—suddenly take them off their script and see how they react. If they stay focused on your business concerns while displaying the flexibility of the standard application, that's a good sign.
2. Beware of vendors offering steep discounts in hopes of securing the deal. As you are narrowing down your options in the software selection process, it is not uncommon for vendors to offer discounts or special offers when you are nearing your decision. Although it may be attractive in the short term, often times, discounts or special offers will generally diminish the long term value of the system. Keep an eye out that any discounts or offers you are reviewing do not come at the cost of essential system components.

Make a selection

Step 4: Select vendor that shares vision of success and can confidently deliver long-term value

This is the final stage in the software buying process; there might be one, maybe two, vendors left vying for your business. You're being introduced to customer success managers and implementation specialists - but the deal isn't done. This is the time to ensure that the final vendors are not only a cultural fit with your organization, but they have a genuine interest in helping you succeed.

This is the phase where you should do your homework. Seek out references, check review sites, ask around your professional network, and focus on this question: what is this vendor's track record when it comes to reliability implementing the required

functionality? Don't forget to take into account that there are people behind each of these software applications. Do those people have a reputation for delivering what was promised during the sales process on a reasonable timescale? When you're evaluating software, buy on culture as well as capability.

Most of the time, if a vendor has made it to the final step of the software buying process, they tend to be a pretty great technical fit. It is important now go back to the beginning and think one more time about the outcomes you wanted to drive — have all the final vendors offered solutions that are in-line with the outcomes initially discussed in step one? If not, consider why they are still in the running and what they can do to demonstrate ability to deliver value on a long-term basis.

This is the moment to do some deep thinking around whether or not this vendor could effectively grow alongside your organization. It is not just about them delivering on the first projects, it's about them having a proactive and positive attitude about a long term business relationship.

It is important that the final vendors make you feel confident that you can go to them on the "rainy days" discussed previously. Ask yourself: Are there open lines of communication? Will the implementation team be a good match? Are you confident that the support model is appropriate for your organization? These questions are critical when you are finalizing your software selection. While a product may seem like a perfect fit, make sure you are going with a vendor that can support you from implementation and beyond.

About Sage Intacct

Sage Intacct is the AICPA's preferred provider of cloud financial applications. Over 1.5 million projects are run on Sage Intacct for a variety of organizations including consulting, BioTech, marketing, technology, accounting and more. Sage Intacct streamlines project accounting, while delivering real-time budget vs actual visibility for project managers, and detailed financial reporting for finance teams.

Our modern, true cloud solution, with open APIs, gives project-based businesses the connectivity, visibility and efficiency they need to drive project performance. At Sage Intacct, we help service organizations strategically grow their business through detailed insights to support critical decisions.

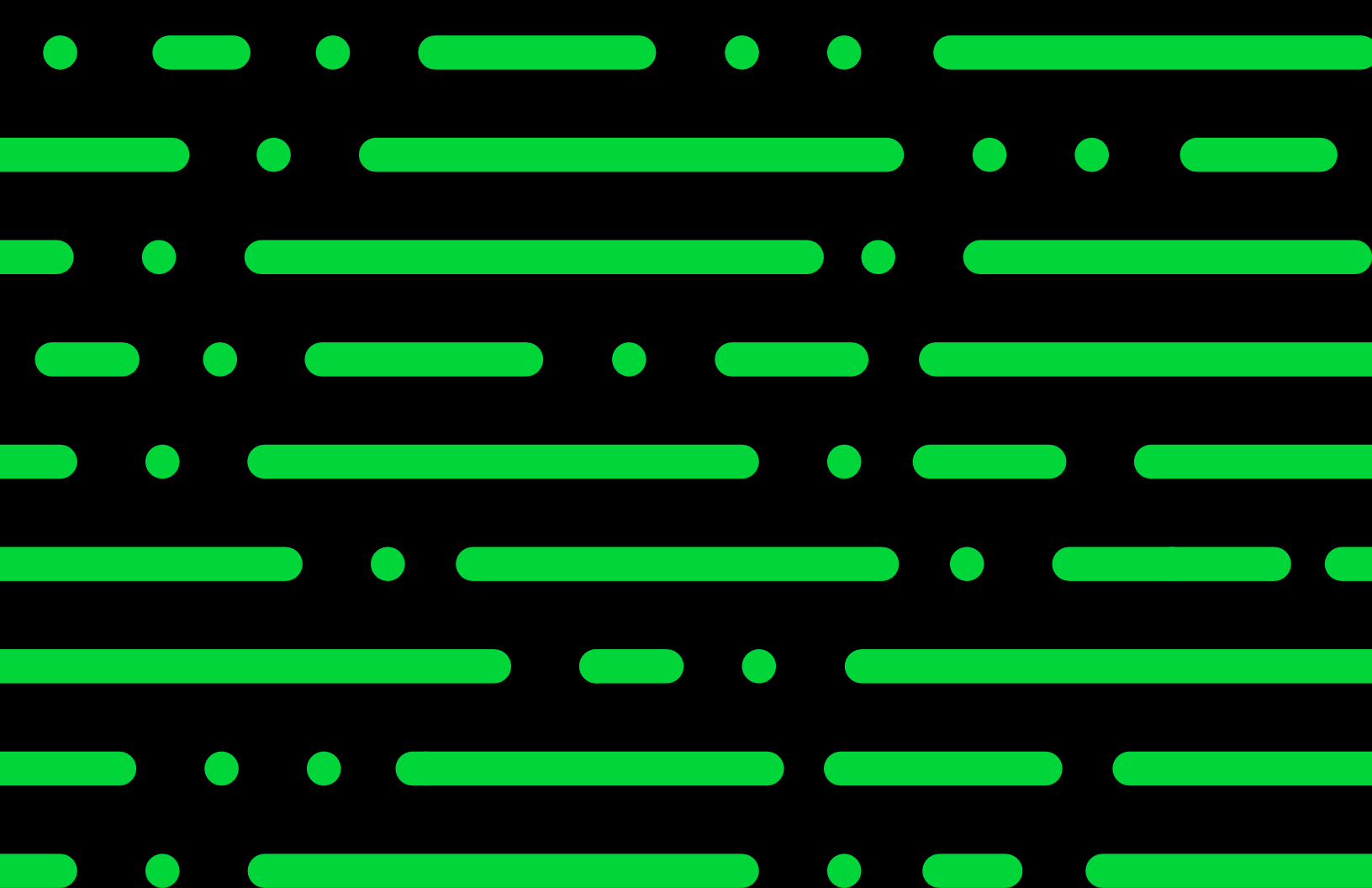


About Kimble

Kimble Applications helps professional services organizations run their project-based businesses better. Global leaders in consulting, software and hi-tech use Kimble to optimize resource utilization, profitability, and business scalability.

Kimble is the only leading software vendor that focuses exclusively on professional services automation (PSA), putting all its energy into innovating features and easy-to-use functionality that improve team collaboration and efficiency around the key services processes. Built to work seamlessly with CRM, Kimble drives a forward-looking focus and more timely decision making with intelligent insights and guidance.





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