# Everything you need to know about getting new business software.

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A 7 chapter overview of everything you need to know about getting new business software.

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**Introduction**

**A tale of building houses.**

About two years ago, just before the birth of my third child, I built an extension onto our house. I have never undertaken a Grand Designs type project before and the likelihood of doing so again are slim.

I went to market to find an architect. I say I went to market...what actually happened was I invited a female architect who had been recommended by a friend of a friend to my house and bombarded her with stupid questions about the project and requirements. I felt safe. Partly because she was female and I was less intimidated, and partly because I owned up at the start and declared myself a Grand Designs virgin. She reassured me she would hold my hand through the project, assuming I knew nothing, and help me get the result I needed.

She almost did that. She fell down at the final hurdle when building control asked for change forms as a result of amended designs part way through the build. But that is another story.

I was inspired to write this, what started as a series of blogs for our Cofficient website, when it occurred to me that many of our potential customers are me, pre-build. Never having gone through the process of sourcing and implementing new business software our clients didn't have any learnings to draw from. After all, it's not something you do every day; and if you do it right you only need to do it once.

What follows is a seven chapter overview, in rough chronological order, of everything you need to know about getting new business software.

**You don't know what you don't know.**

You might ask about my impartiality. And you'd be right. Whilst Cofficient provision two specific cloud based ERP products, I have made this a product neutral white paper. My advice in the subsequent chapters pulls from Cofficient's methodology and particular modus operandi. Feel free to take what you want and leave the rest. But just like my architect who advised me on my build, there are some things which just "are" and don't change, regardless of implementation methodology or product. Those are the things I have tried to address.

Questions which most often arise, and which I have attempted to address in this white paper, include:

- How do I know when I need new software?
- How do I identify my requirements?
- How do I go out to market?
- What kind of software do I need?
- What sort of selection process should I use?
- How do I go about implementing the software?
- What happens after I have implemented?

Hopefully I can guide you towards good choices and great results.

**Chapter 1 - How do I Know I Need New Software?**

It's worthwhile asking this question.  In some cases you *won't* need new software.  Even if there is better software on the market than the one you are using, sometimes you just won't require it.  There are some businesses which cope adequately with a series of spreadsheets and word documents.  A good software provider will always give you honest advice about whether you have a need or not.

However, typically you will require something new if you are experiencing difficulties running your business the way you would like.  This could manifest itself in some of the following ways:

- You haven't got good business intelligence
- Increasingly, important things like tasks, sales, invoices, slip through the net
- Your business is expanding but your software can't cope
- Your business procedures are dictated by your software rather than the other way around
- You keep adding new bits and pieces of software to your portfolio in a bid to "patch things up"
- Business information isn't secure (can someone delete an important spreadsheet?)
- You're concerned about a big change round the corner cause you know you're business couldn't cope in its current guise

If you recognise two or more of the above I would suggest you start to go to market for information on different solutions.

**Another anecdote:**

"I used to write a 30 page report at the end of each month for the managing director.  This report contained tables of information on sales; facts such as volume of customers, value of products, profitability, sales per employee.  These tables were produced by accountants and I was expected to analyse and comment on their contents.  It was a very thorough report.  Every commercial metric you could imagine was examined each month from a year on year, quarter on quarter, month on month

perspective.  I'd look at variance to budget, variance to forecasts and would examine what we should have done to get better results and how we would adapt moving forward.  It seemed a bit odd that I would be commenting on things such as having more custom in the same month last year *...retrospectively*.  What's the point of getting that kind of information after it's too late to affect the outcome?  My report would often contain some bullshit strategy of how I was going to prevent some decline or other from happening the subsequent month.  The truth was, I didn't know the decline was happening (how could I?  I didn't have access to the information until the month end was closed) and my "strategy" was made up in the four days I had to analyse and write the report.  Now, I have all the tables and graphs on my dashboard so I can see all the measurements I am required to comment upon at the end of the month.  Every time someone adds a sale into the system my graphs re-render and I have the opportunity to influence the results throughout the month *before* it all closes off"

Sound familiar?

**Chapter 2 - What Solution?**

So, you know you need new business software. What now?

The answer is that you need to start researching software solutions so you can create a short list of preferred options. Start by identifying what you need. Ask yourself the following:

- What sector do I operate within and which sectors do I service?
- What will my software have to do?
- What are my growth plans?
- When do I need to implement?
- Who will be using the software within my organisation?
- Why am I getting the software?
- How can I absorb the implementation into my time?
- Where will the software be located?
- What's my budget?

On the basis of these answers you can start to pick your shortlist of – I would suggest no more than 3 – software options. Here are some musings to help you with your selection process.

Some software providers cater for a specific sector such as EZ Builder for construction or FutureProof for advertising sales. Other software offer verticalisations. NetSuite have verticals for wholesale distribution, retail, professional services, manufacturing and software for example. The former is usually less easy to adapt or scale but could still be the right solution for you. Consider adding both types to your shortlist

BUT make sure that any software you add has the capability to handle all your requirements. As well as identifying early on what those should be, ask any implementation partners for their advice on other areas of functionality you may not

have already tapped into.  Make use of their software expertise to help you with your selection

Make sure the software you select can expand with your business. You can lock down any functionality you don't want to use, but it can be comforting to know it is there if your business grows or changes.  For example, you may just need financial software at the moment but it would be good to be able to unlock CRM functionality further down the line.

If you need to get a solution pronto then consider something out the box or something which comes with a short implementation time. Don't be tempted to customise the crap out of a solution if you have an urgent need.  Customisation can come later if needs be.  Some cloud based software, such as SAP ByD can be very swift to implement and comes with over 40 standard end to end business processes out the box.

Your software is only going to be as good as the people using it. People are at the pinnacle of success for any software project so think about things like user adoption.  Ease of use and exciting user interfaces generally help with adoption.

Likewise, consider how much man power you will have to expend when implementing the software. You may be faced with a toss-up between getting some free software out the box which cannot be customised or getting something more sophisticated but compromising on staff availability for the duration of the implementation.  Weigh up the options and make the best decision you can under the circumstances.  What will have the biggest impact

Where will your software be? If hosted or on premise, do you have the bandwidth, hardware and key personnel to cope?  Will people be accessing the software from remote locations or out with standard office hours? If so, perhaps a vpn line won't cut it and you'd be best placed to consider cloud

When thinking about budget remember to consider implementation costs as well as the software costs. Software as a Service can be a great way to keep control of budgets and to ensure that you are always running off a version of the software that is fresh as a daisy.  It's becoming the preferred option these days

**Chapter 3 – Which Partner?**

So, you know you need new software you've decided on your shortlist of business software solutions.  Next you've got to go to market and start talking to suppliers.  There's a lot to consider at this stage.  Choosing a good implementation partner is at least as important as picking the right software.  You don't want to end up spending a lot on good software then hiring a Mickey Mouse partner.

Your choices are four fold:

1. Use the software providers implementation team
2. Use a channel partner (or VAR (value added reseller)) of your chosen software
3. Use an independent software implementation team/expert
4. Hire a team to work in house

There is no right and wrong way to approach this, although typically each choice will be driven by a different motivation.  For example, people who use channel partners often do so because they want to work with someone who is local to them and who can be very responsive to their needs.  And those who hire a team in house usually have very lengthy and complex implementations.  Hiring dedicated resource under these circumstances can be more cost effective.

Whatever you decide, a good implementation partner will:

- Be impartial
- Spend time understanding your business and what's driving the need for the project
- Offer you the best advice for YOUR business (not theirs)
- Introduce you to the "real" implementation team from the preliminary discussions (we often hear that the people introduced pre-implementation are often not those carrying out the work)
- Help you scope the project – even if it's standard functionality being deployed
- Be on site where possible

- Be as involved with your people and processes as with the software itself
- Stay with you until the end (and often beyond as you roll out other phases of the implementation)

Creating an RFI for potential partners could help you to test the business case for the software and give you a good basis for a point by point comparison between one team and another. Plus, the way a partner engages with an RFI (request for information) can often be indicative of what they would be to work with.

At the very least you will want to interview all the potential partners by getting them to demo the software solution to you. Look for understanding of the software, sure, but more importantly look for a willingness to understand your business. This is often more important for the long term success of the project. The size of the team or company is less important than their bandwidth to cope with your project. In fact, smaller organisations often have more skilled people and a greater desire to make the software sing for you!

Look for a partner who is a good cultural fit for your business. You'll be working together for a few months, so at least make sure you get along!

**Chapter 4 – Creating an RFI**

A Request for Information (RFI) is a typical business process which companies go through as part of the search and select procedure. Typically created by the project manager it is designed to extract information from potential suppliers about their specific capabilities and about their thoughts on the software.

Here are a few tips on developing a good RFI:

- Use the development of an RFI to **help you define the project**
- **Get all departments involved** in the software project to input into the document. The earlier you involve them the more buy in you will have as a result
- Don't let all the departments request the same information. Often RFIs become several different ways of asking for the same thing. **Sense check the final version** to ensure this hasn't happened
- **Limit the length of the document**. It doesn't have to be a dissertation. Use it to collect the information you need then STOP
- **Use caution when asking for pricing** information – otherwise you might be tempted to look at the quotes and select the cheapest, which sort of defeats the purpose of the RFI in the first place. You'd have been as well just asking for a request for proposal (RFP)
- **Ask for further input**. It might be that the supplier has further suggestions of how your business might be able to get the best out the software. The danger of taking an RFI at face value is that the job grows arms and legs afterwards
- **Look for honesty** in the responses. Sometimes you might be asking for the moon on a stick. Respect someone who is prepared to tell you so
- **Show some consideration** for the potential bidders. Allow enough time to respond. Make the response mechanism easy and, for God's sake, acknowledge response and get back to the potential vendors with some feedback. There's nothing worse than taking time out to complete an RFI then never hearing from the potential customer again

If you have received a response to your RFI which has interested you enough to want to meet the partner then you need to ask them to deliver a demo.  The next blog in this series will examine what you should be looking for during the demo process.

**Chapter 5 - The Demo**

If you're still with me then you've decided you need new software and you've decided which solutions to shortlist. You've even looked for implementation partners and sent out your RFI. The next stage is to receive demos of your chosen software packages from your shortlist of potential solution consultants.

The best partners will remember that you are interviewing both *them* and the software and will tailor the demo to suit your business needs and terminology. This takes a bit of time and effort (in both understanding your business and in the customisation of the software) so if this hasn't happened you have to question the company's bandwidth or desire to win the business.

During the demo look for a partner who:

- **Speaks normally**. Doesn't use jargon to try to impress you
- **Focuses on fixing your problems**. Doesn't show you every function of the software, but instead the bits which really solve your particular pain points
- **Doesn't waste your time** – by showing you useless functionality or by steering the demo off course
- **Sets an agenda** for the demo with some process flows to help guide you through what you're seeing
- **Asks all the important questions first** to ensure you don't just get the whistle stop tour of "standard functionality", but rather something meaningful and interesting
- **Encourages interactivity**
- **Has answers to your problems**. Look for confident responses – which can also include, by the way, "I don't know the answer to that but I know how to find out and will get back to you"
- **Arranges a follow up**

Be prepared to invest some real time and effort into this demo stage. You may need to receive more than one demo to ensure you are OK with the software and/or partner capability.

**Chapter 6 – Software Funding**

Once you have reached this stage, it might be possible to secure some financial support for your project (amongst other things)

**Applying for Software Funding**

If you are an emerging business or have been identified as high growth, it might be possible for you to get some grant funding for your software project.

Typically the implementation services might be part funded, or a full scoping exercise might be funded up to a point. Software licenses are usually not included in the grant funding award.

If you are in Scotland, Scottish Enterprise have a wealth of experts and various grant and funding options available to businesses of certain size and criteria. Speak to one of their technology advisors to get the most up to date information on how to apply for grants towards your innovative technology project.

You can also take a look around the Finance Scotland website for some more funding ideas. They provide some really practical information and support on helping start ups and moving you from microbusiness to SME.

Since investment in new business software is deemed to be a crucial step towards the ongoing success of your business – and pump priming you for growth – most funding bodies will offer some kind of assistance with the costs.

If you are preparing to raise finance for your business overall, here are a few ideas to get you started:


**Local Government**

EOS Technology Investment Syndicate – an entrepreneurial led group of private angel investors who provide seed funding to start p or early stage science and technology businesses.

[SMART:SCOTLAND](#) – a Scottish Enterprise service which provides grant funding to Scottish SMEs to undertake things such as feasibility studies

[Scottish Loan Fund (SLF)](#) - offers funding to established businesses with sustainable operating profits and positive cash generation across all sectors

**Angel Investors**

Angel Investors can be a good place to start when looking to secure funding. Your typical angel investment can be between £10-750k. Decisions can be made quickly as long as you have the basics completed early – such as a brilliant idea backed by a thorough business plan, evidence of performance to date (including audited accounts) and a reasonable P&L for the up coming year. Try and find a group who match your industry sector or have the same sector experience. This will make the concept easy to visualise and also provide a rich source of added expertise.

Here are some technical investors you might be interested in checking out:

[Gabriel Investments](#) – recognises the need to ensure a safe environment for the right business ideas, innovation and ambition in Scotland and have created an access to funding for pre-start up and start-up businesses. The ideas are put before the Gabriel Syndicate and one idea is chosen for investment, nurturing and support.

[Archangels](#) – an Edinburgh based angel syndicate which has been investing in Scotland early stage technology business for over 20 years. Typically £10 million per annum is invested into Scottish businesses by this group of over 60 investor members.

[Investing Women](#) – A community of female angel investors whose goal is to help other female entrepreneurs achieve growth in their business

**Innovation Funding**

There is funding to be had for innovation and development - especially if you work in collaboration with Scottish Universities and their academic expertise.  Companies such as Interface can connect you to academic expertise and can help with funding options.   Since 2009 they have helped issue over £4.5m in funding to innovative businesses to help develop products, services or processes.  If you are in the technology or innovation sector, Email them for more information.

**Crowdfunding**

Crowdfunding, or crowd sourced capital, though less conventional, can be a great way to get build investment through small amounts of donations.  There are multiple crowdfunding websites available, but remember to make sure your idea is protected through intellectual copyright before releasing it into the public domain.

Crowdfunding can be a useful PR exercise too – you never know, your idea might go viral.  But make sure you don't set your target too high.  If you fail to reach your targeted amount by your deadline then all investment will be returned to the donors.  And make your concept easy enough to understand – if people don't "get" it then they won't want to back it.

Good luck!

**Chapter 7 – The Implementation**

We've been on a bit of a journey, you and I, since the start of this white paper. You have determined that you need new software for your business. You've picked your solution. You've asked partners to demo and selected your preferred choice and you may even have applied for funding. There is nothing left to do but implement.

**Here's 4 Tips to Ensure a Smooth Implementation**

**1)Don't customise the crap out your software.** Let's just put something out there from the start – there is no software which is 100% correct for your business. Not a single one. Not even bespoke software. Better to operate on Pareto's 80/20 rule. If 80% of the software meets your needs then that is a great result. There is a real temptation to customise the crap out of a system when it doesn't exactly and completely match your business process or methods. It's best to avoid this if possible.

When you meet these stumbling blocks, use it as an opportunity to examine your process. Are you doing it correctly? Could there be another (dare I say easier or more efficient) way? If not and you *have* to customise ask yourself if you have a proven and measurable benefit. If not? *Don't do it*.

Another myth I am going to bust is that your business is unique. Everyone thinks that what they do is dramatically different from their peers, competitors and wider world. On the whole this isn't true. Of course, there will be points of differentiation between you and the competition. There are going to be things that you do astonishingly well and you will absolutely have areas of uniqueness, but when it boils down to it, most business processes are the same – from one business to another.

Take advice about what you should be customising and integrating. Don't alter the software beyond all recognition – moderate your demands to suit your core purpose and importantly, your budget.

**2) Make sure you have picked the right software in the first place.** Assuming you haven't customised the software beyond recognition, sometimes the software just isn't the right fit.

"How is it possible to get something, this fundamental wrong?!" I hear you ask. The answer is two-fold. Either your implementation partners have sold you the wrong product, or, you haven't provided them with the right information to enable them to offer you the right product.

Your software implementation specialist will come to the table with a wealth of business information. They will have implemented into multiple other companies across the discipline divide and can bring you best practice, from their own experience and from the software provider they represent. Take SAP for example; their software has been implemented into hundreds of thousands of companies around the world and they have honed best practice processes and built them into the software as a result. This is really very useful for you in terms of adding capability to your team. But you mustn't ever confuse this kind of experience with experience within YOUR business.

It is absolutely necessary for you to ensure that your implementation experts have all the crucial information required to provide the right kind of software for your business. A good implementation consultant will make sure there are several check points or milestones throughout the process – make sure you use these to identify gaps which will have an impact on the project success. The earlier the gaps are found, the better the opportunity to plug them.

And when taking the crucial decision of who to implement with, go with someone you trust (preferably someone with multiple software products who won't be tempted to shoe horn you into one specific solution).

**3) Ensure the staff are prepped for the change**. Much as I would like to become a better cook, I know that installing a new and expensive oven in my kitchen won't improve my culinary skills unless I learn how it works and am prepared to invest in my own personal development.

Never lose sight of the fact that people will be running the software, not the other way round. You can't expect the system to have much impact in your organisation if your people fail to engage with the process or have a vested interest in seeing the project fail.

Remember that software automates many manual processes, which could be perceived as a threat if not managed delicately and with respect to staff. Likewise, the software may change the process completely so your staff need to be supported through this change if it is to take effect and deliver the benefits expected to the company. If uptake on the new system is slow and reluctant then the benefit will inevitably take longer to be felt.

**4) Plan plenty of time for the project.** All too often, business owners don't accept that it can't be "business as usual" during the implementation and fail to put the right people in and for the right amount of time during the implementation. It's unfortunate, but true, that you will pretty much be pulling your best people from their regular business tasks to form your implementation team. It's also true that the implementation will consume much their time.

However, it is also true that this is an opportunity to develop more junior members of staff who will inevitability have to get more involved in the business to back fill for the senior staff. These should all be seen as great investment opportunities for any business because your great team, coupled with great software will be the dream outcome for you.

Inevitably it is decisions made at the top which have the biggest impact on ERP Implementations. Good decisions, made well are often fraught with difficulty, but get it right and you'll reap the benefit for years to come. Anyone can make a decision, but making a smart decision is tricky!

**One More Anecdote**

Remember my architect from the start of the paper? Here's what happened:

About six months after the builders had left but about six months before the completion certificate came through we received a visit from Building Control. During the build a change had been made to the outdoor construction of the property which required new drawings to be submitted for approval before a completion certificate could be issued. Something the architect should have picked up. Although

mildly annoyed I hadn't been advised to make the change by the architect, I was more concerned about getting everything completed correctly and duly got in touch with the architect. But she had washed her hands of the project. She had moved on to something else and refused to help me reissue the drawings. Instead I had to amend them myself using Tippex and a biro.

The point is this. I don't want you to have a Tippex and biro experience with your software project. I want it to be completely right for you, which is why I have penned this piece. If there is anything it doesn't cover or if you need more feedback, help or advice, regardless of the phase your project is in, just get in touch.

All that remains is for me to wish you well with your software project.

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About Cofficient: Cofficient resell and implement NetSuite and SAP ByD into small and mid sized companies across the UK.

**How we work:**

We recognise that buying ERP is a big decision and that the customisation and implementation process can be very stressful. We want to support you by providing you with all the information you need to run your software project effectively. Using SAP and NetSuite methodology we take your business from scope to solution with minimum disruption.

**Why we work:**

When you choose Cofficient you are choosing some of the best solution consultants in the business, one of the longest standing NetSuite partners in the UK and the only NetSuite & SAP ByD partner in Europe. You will be hard pressed to find a partner with broader industry and implementation experience.

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