making technology pay!

Selecting a Business Management IT Partner

For those following this mini series then, as I have suggested before, you will have identified your business needs; they have been agreed with your management team and a cross section of affected end users. You are now ready to begin the selection process. A key part of this will be the selection of an implementation partner. To set this in context, it is necessary to understand how business management solutions are brought to market by the IT industry.

The IT business management marketplace is currently very fragmented in the UK with over 100 vendors competing for market share. Industry experts predict that consolidation will reduce this to single figures over the next three years. The suppliers operate direct, indirect and a mixture of both models as a means of taking their products to market. The direct model is the easy one to understand i.e. you are dealing directly with the software authors. In the indirect and mixed model, you are likely to encounter implementation partners working with the software authors.

In the direct model where you are dealing with the product authors, you may have the advantage of influencing their future functionality. However, this could be offset by the fact that they may be on the small side and therefore at risk from the industry consolidation. The indirect model is where authors have appointed authorised implementation specialists. Here you are not only likely to have a choice of partners from which to choose but arguably a much more solid product.

The common mistake made by purchasers in the past has been to assume that all system centres operate to the same standards. The reality is that skill profiles vary enormously among reseller channels. Following a few basic guidelines may assist in weeding out what may at first impressions seem like a suitable implementation partner.

The first priority should be to carry out the basic "hygiene" checks on a potential partner. This includes financial stability, expertise in the field of finance and business operations

solutions, company reputation and any relevant industry accreditations. Few medium sized companies have the time and resources to carry out a full scale evaluation of all possible supply source options. The following may provide some useful indicators in the assessment process.

On the financial front, a quick search on the company's house web site www.companieshouse.gov.uk will tell you when they last filed their accounts. For a £5 fee, you can download their latest report and accounts and annual return. While this is no guarantee of future financial stability, it will at least give you a useful insight into their trading history, balance sheet and current share ownership.

The approach taken to your enquiry is also a useful indicator. Professional business management solution providers try to understand the culture, business issues and barriers to growth of any company they plan to work with. Expect some probing questions on this aspect of the approach. Be concerned if this is curtailed to get to the demonstration.

Ask to see documented evidence of their implementation process. Professional companies will have detailed scoping procedures, deployment planning aids and monitoring procedures. Get the potential supplier to define who is likely to be responsible for your installation and try to meet some of the people. Establish whether they are full time employees of the potential supply partner or self employed consultants.

Demand customer references but be thorough in your questioning. Ask how the company reacted when things went wrong. Were the implementation procedures followed and how well did they work? Who were the consultants working on the project and how effectively did they liaise with end users? What was the quality of the end user training? Was the project implemented to timescales and to budget? If not, why not? If you were to do it again, how would you improve the way in which it was handled?

Hopefully, this will provide you with some useful guidelines on partner selection. In the next article, I will be looking at the importance of a reliable and secure infrastructure platform for your business management system. For further information email linkfresh@angliabs.com