



# Best Practices for Purchasing Software

ADDRESSING THE IT NEEDS OF COMPANIES



## Contents

---

- The importance of buy-in
- Price structure vs. investment
- Customization
- Compliance
- What happens after the purchase?
- Things to avoid

Technology has become such a ubiquitous part of our lives that these days, even companies that AREN'T expressly tech businesses still depend on it to succeed. In a lot of ways, technology is more than just a simple productivity tool. It's how you establish meaningful relationships with your customers. It's what enables your employees to work more efficiently and to drive profitability. It's what allows you to rise up to meet the demands of today and better prepare yourself for the challenges of tomorrow, regardless of the form they may take.

Or at least, that's the way it should be.

With that in mind, there are a number of key best practices for purchasing software that you should always keep in mind. Not only will they help the process go as smoothly as possible, but they'll also go a long way towards guaranteeing that you end up with an asset that you can actually depend on day in and day out.



### Think About Buy-In Early and Often

Whenever you're looking to invest in a new piece of software, one of the most important things you can do is involve ALL key stakeholders in the purchasing decision. In order to truly get the maximum return on investment from a purchase, you need the support of everyone who will actually be forced to use it every day.

That means sitting down with all relevant parties, discussing what you want to purchase and - most importantly - why you think this is the best move to make at this particular time. What may look like a home run to you could appear to be anything but to the people who actually have to use that program every day, which is why you want to consider all purchases against the context of those opinions first and foremost.

This point alone is one of the major reasons why many organizations choose to invest in a custom solution to meet their needs. It's impossible to please "all of the people all of the time" with an off-the-shelf solution that was designed to mass appeal to the largest possible audience. Those things become far easier, however, when the solution IS custom built with one specific business in mind: your business.

**“Off-the-shelf software typically costs far more than the price that it's initially purchased for in a variety of ways that people just don't think about.”**

## Weigh the Price Structure Against the Investment

Equally important to consider is the pricing structure of any software solution you're thinking of purchasing. Are you being asked to pay one up-front fee? Is the price based on the number of licenses you'll need or on a per user basis? What does any up-front fee actually include in the way of updates, upgrades, patches, bug fixes and things of that nature? Is there an annual license fee?

A low up-front fee may seem enticing now, but if you're left with nothing in the way of support and will need to fend for yourself, it may end up being more trouble than it's worth over time.



## It Pays to Be Objective

By far, one of the most critical best practices to adhere to when buying ANY type of software involves being as objective as possible at all times. Yes, you have a pressing challenge that you're trying to address and this software may be the way to do it. But then again, it might not be. Remember that your goal is less about finding a tool for this task at this time and is more about finding THE RIGHT tool.

What, specifically, do you NEED this software to do? Does each option that you're considering completely fulfill a particular objective, or only partially meet those needs? Is a partial solution really a solution at all? Nail down your absolute, hard and fast requirements at the beginning of the procurement process and stick with them above all else.

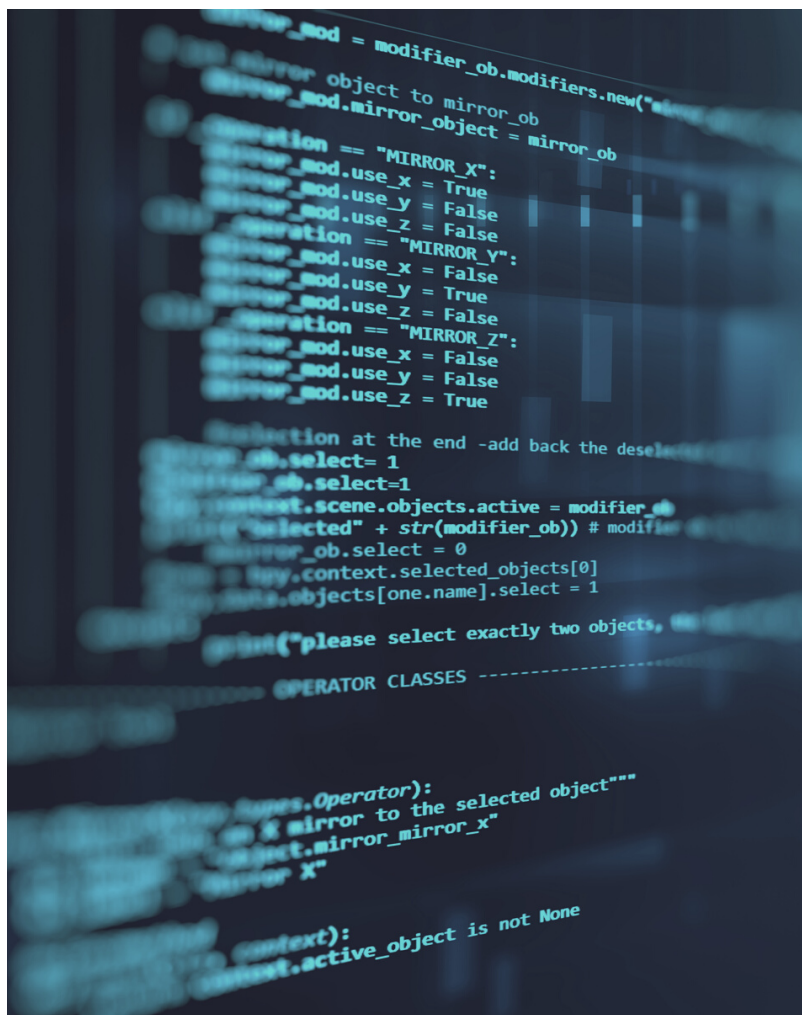
Likewise, are there any hidden costs that you need to be aware of that will only add up over time? How are things like license renewals handled? What do you have to pay beyond the initial purchase price in order to integrate a solution with your legacy systems? Are there any necessary upgrades that you absolutely have to buy or the software won't work without it? These things add up - fast - which is why it pays to remain objective all throughout this process.

### Speaking of Customization...

Along the same lines is the topic of customization. Remember that a pre-existing solution will almost never meet your exact specifications right out of the box. Either it won't be built to support your existing workflows or you'll have to dramatically re-configure everything to guarantee proper integration with the software you're already using or, in most cases, all of this and more.

Because of that, you need to ask the question - can this software even be customized more than it already is to meet your specific needs? If so, what technical ability will be needed in order to do so? Does the vendor have to do that on their end? Can you do it on yours? Do you have the manpower and expertise necessary to get the job done as fast as possible to get everything up and running?

This is another one of those instances why a lot of businesses tend to lean more towards custom software. When something is built from the start with your business in mind, little-to-no customization is actually needed because it was designed to be the most specific solution possible from day one.



**“Every time you make an additional investment into configuring and reconfiguring off-the-shelf software for your specific needs, you waste a tremendous amount of time in development, employee training & education.”**

## Never Forget About Compliance

By far one of the most critical topics to concern yourself with when purchasing ANY new piece of software is one of compliance if there is some type of governing body, rule or regulation that your business must adhere to, that absolutely extends to both the software you use and how you use it.

Case in point: if you're a healthcare organization, you need to worry about HIPAA as it extends to electronic records and data security. If your software is not in proper compliance, your organization isn't, either. Even if you did not know that you were in violation, you could still be subject to between \$100 and \$50,000 per violation with a maximum financial penalty of up to \$1.5 million per year. If it is argued that your use of non-compliant software falls under the category of willful neglect (which is likely), even if you correct the issue you could still be subject to fines ranging between \$10,000 and \$50,000 per violation.

Are those the types of expenses your organization can afford to bear? Probably not, which is why compliance always needs to be on the forefront of your mind.



## You Shouldn't Have to Change For Your Software

Another critical best practice to stick to when purchasing software involves once again getting your perspective in order. Ask yourself the following question about any solution you're evaluating: how does it currently fit into your existing processes?

To put it another way, would it be a seamless fit or would you have to change your processes in order to make things work just so that the investment can justify its own existence?

As a rule of thumb, your business systems and processes should always maximize employee efficiency and profitability. Forcing you to change the way you do things runs contrary to that goal. This is another advantage of custom software in most cases - rather than trying to make you adjust to fit into a "one-size-fits-all" box, it's built specifically for you and you alone.



## Think About What Happens AFTER the Purchase

By far, the part of the software purchasing process that far too many people don't think about until it's too late has to do less with the purchase itself and more with what comes almost immediately after.

Your IT department likely has very strong security requirements that software must meet in order to be integrated with your existing systems. Along the same lines, they're probably working from a list of very strict technical requirements, too. Does this software, as it exists today, actually meet both of those things? If not, what will it take to get it to the point where your IT people are satisfied? How much time will it take? How much effort will it require? How much overtime will it end up costing your business?

Similarly, you have to think about the actual deployment process. Is this new piece of software something that people can jump right into soon after it's gone live, or is there going to be some type of training required? If so, how much training will it take to get people up to speed? Is there going to be a knowledge gap? Will you have to go through this same process each and every time you bring new employees into the fold? Do you actually want to do that?

This is perhaps the biggest reason why even small and medium-sized organizations often turn to custom software rather than an off-the-shelf solution. When something is thoughtfully and carefully designed with your own unique business in mind, it isn't just a better fit for your business - it's a more natural fit for the people at the heart of it all. Completely avoiding these types of issues altogether is often more than worth the price for some people.



### Things to Avoid: Know Your Warning Signs

Finally, always be very, very wary of any re-purposed, borrowed or one-size-fits all support materials that vendors may try to pass off as legitimate "customer service" collateral. Product information should always be specific to what you're actually buying. Demos should outline precisely what you want to invest in. The same is true for requests for proposals (RFPs) and more.

If the vendor can't provide you with unique, specific support for the software itself, how on Earth would you ever expect the software to provide the same level of care for your business?

This is why custom software is so critical - because it single handedly brings to the table a wide range of benefits that you literally will not be able to recreate in any other way.

**“Ask yourself the following question about any solution you're evaluating: how does it currently fit into your existing processes?”**

### In the End

Buying software for your business can often be a lengthy process, yes - but from a certain perspective, that makes a great deal of sense. What you're trying to buy is more than just a computer program or application. It's an invaluable tool that your employees will use to work harder, smarter and faster all day, every day for the benefit of everything you've tried to build up to this point. When you put it like that, anything less just won't do.

Always keep in mind that your software should maximize employee efficiency and profitability, not make these goals harder to achieve. It should be able to scale as your business grows tomorrow, not trap you inside a status quo that you'll soon grow out of. It should also support the way you need to work and should absolutely never force you to compromise. Provided that you're able to find a solution that allows all of these things, rest assured that these best practices will carry you far.

- Keene Systems, Inc.



**“Custom Software single handedly brings to the table a wide range of benefits that you literally will not be able to recreate in any other way.”**

**“Smarter development, experience and discipline”**

**WE HAVE DEVELOPED SOFTWARE FOR SOME OF THE  
MOST PRESTIGIOUS COMPANIES IN THE WORLD**



**Dana-Farber**  
Cancer Institute



**TEXAS**  
INSTRUMENTS



GlaxoSmithKline



 **Elizabeth Arden**



**Keene Systems**

**Schedule a consultation call  
with us**

**START A CONVERSATION**

Lance Keene  
CEO  
Keene Systems, Inc.

[lance@keenesystems.com](mailto:lance@keenesystems.com)  
(603) 726-5058