

# THREE WAYS COMPANIES CAN BENEFIT FROM THIRD-PARTY CONSULTANTS WHEN PERFORMING SOFTWARE SELECTION

*Picking a new software solution is no easy task, it is important to consider bringing in expert help.*

Companies which lead in technology investment are increasingly dominating the global economy; according to a recent Accenture study, companies which lead in technology investment grow at quintuple the rate than those which lag in their investment. This gulf in growth has grown in recent years and is now twice the size as it was when previously measured several years ago<sup>1</sup>. Thus, it is no surprise that decisions to replace or implement new software solutions are gaining growing scrutiny as they result in longstanding effects on organizations – often with ramifications lasting past the tenure of the leadership who made these decisions. And as the Enterprise Resource Planning (ERP), Customer Relationship Management (CRM), and Human Resources Management (HRM) software market continues to mature, leaders are often left staring at a plethora of options with important but sometimes unclear differences. Given the size, longevity, and impact of decisions between different software solutions, it is important to understand how to best mitigate against future risk as well as promote the highest possible realization of expected benefits from the solution. Due to their unbiased opinions, relative experience, and ability to focus solely on the project instead of on day-to-day operations, third-party consultants are often the best positioned individuals to guide leaders and their organization through these initiatives from decision-making to implementation.

Business leaders may not be aware of the existence of bias within the software decision-making process, and its potential negative impact; biased data or decision makers lead to faulty conclusions. Finding objective viewpoints may be one of the hardest challenges that many businesses leaders face; individuals can be biased by all sorts of things, including but not limited to: their network, area of expertise, previous work experience, and function. However, the importance of finding objective viewpoints to reach the optimal outcome and drive alignment cannot be overstated. Herein lies one of the primary advantages that a third-party consultant can offer business leadership, their specialization in providing objective advice utilizing their “outside-in” viewpoint. To ensure that their professionals are knowledgeable in all potential solutions a client could use, the ideal consulting firm to run a vendor selection process will specifically refrain from starting vendor-specific practices so that the firm can remain objective, with no drive to push a client towards choosing a solution in which the firm has specialization. Additionally, experienced consultants understand best practices for selecting a software solution given their experience in seeing a multitude of different solutions over their careers. Skilled consultants know how to: run requirements gathering, manage vendors, and discern key features from “nice to haves”, while ensuring cross-functional collaboration and prioritization.

Given the often-broad impact of solution selection decisions and scope of the decision-making process, it is imperative for the process to be clearly understood and sufficiently rigorous. Bringing in a consulting team experienced with vendor/solution selection can ensure that a proven program structure is put in place with a governance system to effectively tackle the many responsibilities of the solution selection process, such as:

- Requirements gathering

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<sup>1</sup> Daugherty, Paul, et al. “Scaling Enterprise Digital Transformation.” *Accenture*, Accenture, <https://www.accenture.com/us-en/insights/technology/scaling-enterprise-digital-transformation>.

- Managing Stakeholders & promoting alignment
- Documentation
- Organizational change management
- Gap assessments, document comparison analyses
- RFPs & demonstrations
- Negotiations
- Implementation preparation

One final, but critical, advantage offered by consultants is their ability to save the time of your critical full-time employees. Many companies are not built to have staffing for infrequent one-off projects, such as choosing a software solution for their ERP, CRM, or HRMS. A variable workforce such as consultants is perfect to fill in the gap in labor force; additionally, this allows key stakeholders to focus more on participation instead of administration for important processes such as decision-making and requirements gathering. Not only that, but it will allow companies to ensure that they continue to keep their employees focused on current strategic initiatives and core operations. This advantage becomes especially pertinent when the project inevitably runs into unexpected complications or slowdowns. Finally, consultants are professionals who are skilled in bridging the gap between strategy, tactics, and execution; they can perform a variety of tasks successfully, helping to augment the abilities of current staff.

Utilizing third-party consultants can help to ensure the realization of maximum potential ROI by ensuring an objective decision is made, with a thorough program in place to ensure stakeholder alignment and successful implementation, all while ensuring key employees stay focused on their work keeping the business running. These factors, in coordination will mitigate risks of overall negative organizational impact of these changes and promote long-term expected benefits of the solutions.

For more information on Trexin's approach to vendor solution and selection, visit our website -

<https://www.trexin.com/capability-expertise/strategy-innovation/vendor-solution-selection>.



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