

Sorting out **Software**

To maximize ROI, research options and demand a lot from the solution and its provider

BY CHERYL HIGLEY | Editor

As business owners continue to look for cost-saving ways to streamline operations, more are looking to software to help increase efficiencies.

Whether it's taking that first step with an off-the-shelf accounting program or pulling out all the stops with a customized cross-platform business management solution, implementing a software program requires businesses to rethink the processes in place and to carefully consider the costs, which can be expensive—especially if you make a wrong choice.

At this summer's Snow & Ice Symposium in Louisville, software booths were buzzing, packed with snow and ice pro-

fessionals looking for guidance and the right match for their companies. Making the leap into software can be daunting—how do you know when you need to implement a solution? And when you do, how can you keep from making a costly mistake?

When to buy?

Industry experts agree that there is no set timeframe for purchasing (ie. years in business, number of trucks or employees). Rather, a primary decision-maker is when a process, such as invoicing, is taking too long, doesn't work properly or doesn't exist at all—any of those cost your company money.

"If you are continuing to add people to push paperwork, it's a good time to look at a software solution that can

make your company more efficient, reduce overhead and add money to the bottom line," says Nanette Seven, vice president of Include Software.

Choosing an application that can streamline and organize your business, save on labor costs and allow you to automate simple tasks and reallocate staff to improve customer interaction cannot be underestimated.

Peter Smolka, founder of New Edition Software, says implementing a good software system can be a game-changing experience: "In our day-to-day operations, we don't always realize that quick and always-accessible information can revolutionize our businesses. Software in today's information age is one of the most important invest-

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Choosing a software solution is a detailed process

» **Randy Spivey**, owner of SOHO Information Systems Consulting Inc., offers a comprehensive process for making a more successful software purchasing decision:



1 Gather your requirements. What do you need the system to achieve? Get input from all departments that will be affected by the implementation (invoicing, routing, accounting, etc.). At least three people should be involved. Be as specific as possible. For example, "I want training" is not specific enough. "I want the vendor to provide on-site training at no additional cost" is specific.

2 Decide what's most important. Have your team rank every requirement in order of importance.

3 Gather solutions to evaluate. Research your options and, ideally, choose at three to five that can be vetted.

4 Evaluate and individually score each solution. How well does the product meet the needs of your team?

5 Calculate weighted scores and consolidate. Use a formula that, once each solution is scored, will allow you to compare apples to apples.

6 Clarify differences. Look for differences in the importance of items. "For example, if one employee rates something a 5 but another rates it a 2, why the difference? Make sure everyone is on the same page," Spivey says. "By this stage, you should have a good idea of the solution that will best meet your needs. If you don't—start over. Don't settle for a system that won't meet your needs, or it will fail."

7 Calculate and consider ROI. A 3- to 5-year return on investment is a good benchmark to use.

Spivey, who worked with Daniel Gilliland, CSP, of Snowfighters US to develop CrewTracker software specifically for snow and ice professionals, spoke at length on this topic at the Snow & Ice Symposium in June. His entire presentation, which included an in-depth solution process and potential requirement list, is available at no charge at www.sohoinfosys.com/files/whiteoutofchoices.zip.

To make the best choice, take tips from the pros

1 Choose a provider who understands the industry. “With the complexities involved in snow and ice, it is imperative that your vendor understands and has experience in the industry, and that the product addresses every aspect of your business. Taking a product and trying to make it work for snow and ice management will likely bring unacceptable results.”
– Nanette Seven, *Include Software*

2 Check references. “It’s easy for a software vendor to say, ‘This will work for you.’ The reality is that they don’t know the nuances of your business. Talk to your peers in the industry who use the software for their input, and ask for references.”
– Nanette Seven »



3 Involve key personnel in the buying decision. “Not having enough opinions and voices involved in the early phases will torpedo your choice. Make sure the people who will be responsible for using the software are involved in the selection process.” – Randy Spivey, *SOHO Information Systems Consulting Inc.*

4 Be aware of hidden and ongoing costs. “Be clear on the company’s policy regarding ongoing costs for technology updates, training, system/data/network maintenance, etc. Look for hidden costs that can significantly increase the price of the solution.” – Peter Smolka, *New Edition Software*

5 Avoid the “high cool factor.” “Resist the temptation to ignore your research and opt for a solution that doesn’t meet your needs because you become starstruck by the bells and whistles.” – Randy Spivey

6 Never settle. “Don’t tailor your requirements to make it fit a software solution. It will fail every time. Know what you need the software to accomplish—if the package you are considering doesn’t meet those requirements, don’t buy it.”
– Randy Spivey

7 Keep your vendor accountable. “Continually assess whether you are getting everything you can out of the investment. Those question whether they’re using it to its full potential—who want to get more out of the software—tend to be more successful.” – Randy Spivey

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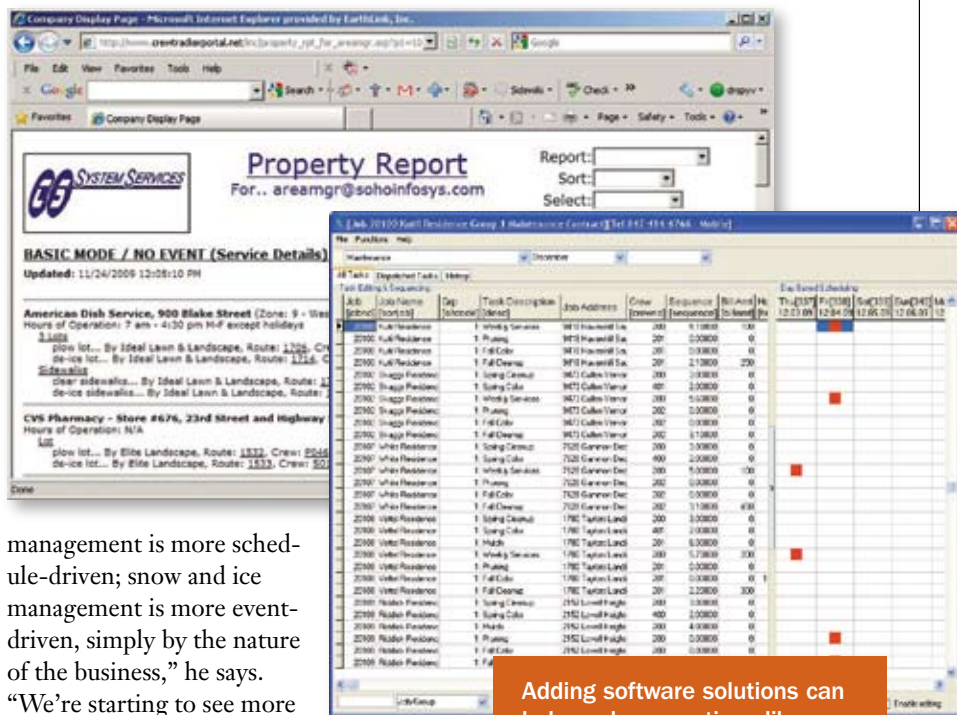
ments a business owner can make.”

Making the right selection

Software is not a one-size-fits-all purchase. Careful consideration is needed to make sure the solution you choose best solves the problem (inefficient routing, for example). As you gather potential solutions, research the possibilities and make sure the software will achieve what you need it to do. (*Quick hints for choosing a software solution: Page 30*)

Randy Spivey, owner of SOHO Information Systems Consulting Inc. and co-creator of CrewTracker Software, believes a key differentiator should be whether the solution is specific to snow and ice management.

“In the past, it was all about taking lawn software and trying to make it work for winter events. But landscape



management is more schedule-driven; snow and ice management is more event-driven, simply by the nature of the business,” he says. “We’re starting to see more specific options enter the market.”

Many solutions are available, but Seven says a good provider will guide

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Adding software solutions can help make operations like routing and billing more efficient. Choosing the right solution, however, takes careful consideration.

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potential buyers to an appropriate solution.

“We look at the structure of the business, how it’s operating and whether our product is a right fit,” she says. “An owner who is just getting started doesn’t have the resources to operate our main program. But smaller programs, for example, an estimating or accounting package, can help make tasks more efficient. Hopefully he’ll become successful and will one day grow into a solution like ours.”

The key, says Smolka, who also runs a snow and ice management company: “The more organized the data, the more your business will grow.”

Fear factor

Spivey knows that contemplating a software solution can strike fear into the toughest snow and ice pro—and that it

Technology is continually changing, which can render your investment obsolete quickly—unless you choose a company that provides ongoing training, updates and service.

is, for some, the 21st-century snake oil. “When they buy a plow, they know what it does. When they buy software, they often don’t have a clue. Buying software is a little more scary.”

“The technology is out there—grasp it and enable your staff to embrace it,” adds Seven. “In this day and age, we need to use all the resources available to make our business run better.”

Get good follow-through

Once you’ve chosen a solution, the implementation process and continued relationship with the provider can determine whether your purchase is a hit or a bust. Technology is continually changing, which can render your investment obsolete quickly—unless you choose a company that provides ongoing training, updates and service.

“Your implementation plan is huge,” Spivey says. “If the system doesn’t need training or support, it probably isn’t worth buying.”

Education and training are essential, says Seven. For example, Include offers webinars when new technology is added and to help companies effectively train new personnel on the system.

“You can’t have someone walk away after implementation,” she says. “We update our system every three to four

months to make things better and faster. That type of support becomes a key component to the validity of the solution you choose.”

Make the most of the investment

Affordability is often a concern for owners considering a software solution. But Spivey cautions buyers not to look solely at price.

“You look at your budget, of course. But when you narrow your focus to what you can afford now and don’t look long-term, you may eliminate an opportunity. Affordability isn’t just cash outlay—it ties into ROI,” he says.

The bottom line, Seven adds, is that software must be viewed like any other piece of equipment—as an investment.

“People will spend \$50,000 on a truck without blinking an eye because they can see it. Software should be looked at in the same way; because once you go down this road, you want the system to work with you, grow with you and be able to change as the company changes.” **SB**

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