

Software Evaluation

Due Diligence



Choosing the right software for your business can make a huge difference in terms of cost savings, and your ability to properly manage your business. The process of making the right selection is something most business people have little experience in.

For over thirty years now we have seen at first hand literally thousands of software installations. Some are very successful, others are disasters. Most are only moderately successful.

So, how can you make the right decision, and then have a highly successful installation ?

Suggested approach...

1. **Download** the relevant documents from the InterAcct web site (www.interacct.com.au).

- Software Modules
- Industries Suited
- Latest News, and News Snippets
- Print to a colour printer if you have one available
- Register for more info - Input the Username = *interacct*, and Password = *me*

2. **View the Software Demonstrations on the InterAcct Web Site**

- Have a pad & pencil to make notes and questions (Pause Video)

3. **Read documents**

- Use a highlighting pen on key words
- Tick those features you like
- Cross out those areas you consider are not applicable to your business
- Put “?” question marks against those features that require more explanation
- Make notes
- Ensure all key staff members read them, and give their feed back

4. Phone InterAcct to discuss (Toll Free 1300 66 2626, extension no 2)

- Get your questions answered
- What software modules might be required ?
- What software personalisation might be required ?
- Get an initial Cost Estimate for a fully installed system.

5. Your Software Requirements List

- Prepare a list of your “Must Have’s”, and “Like to Have’s”
- Identify any unique software requirements you might have
- What areas are a High Priority to you ?
- Collate copies of your existing reports and forms

6. Learning about InterAcct

- Have all your staff thoroughly read all the relevant InterAcct documents
- Prepare a list of your questions
- Would you first like an On-Line demonstration of InterAcct ?
(not so much ‘what’ InterAcct does, but how easy to use, quick to search, flexible ?)
- Arrange a date for a **Detailed Software Review** of InterAcct

A ‘quick’ sales demonstration of the InterAcct software package (for an hour or so) is a totally inadequate way of evaluating the system that you will potentially be using for many years. Given the relatively high costs involved with changing software, it is essential (as part of your “**Due Diligence**” process) that you complete a **Detailed Software Review**.

Experience tells us that you should balance your time between ‘what’ the software application does, and ‘how’ it does it. In other words, the long term success of having your software satisfy your changing business needs will largely depend on aspects of software design flexibility, speed of handling large volumes of historical data, and report generation tools.

So, the professional approach to evaluating a package (like InterAcct) is to properly understand these aspects by making an appropriate investment of your time and money.

Step 1 : Detailed Software Review

This takes (at least) a full day to complete –

- Review of your existing systems (manual & computerised)
- Discussion with you and your staff as to their specific requirements
- “Walk-Through” of your business processes (right from an initial Sales Enquiry)
- Detailed software demonstration of InterAcct – entering your data – each business process
- Identify where the standard InterAcct package may need to be personalised.

Sometimes this first step cannot be completed in just one day. It obviously depends on to complexity of your software requirements, how many questions are asked, and how much detail you want to get into with the software demonstration.

InterAcct Special Offer :

- There is no charge for the first day of this Detailed Software Review. It is effectively treated as a sales exercise, even though the person conducting the review is actually a Senior Analyst/Programmer.
- For systems where the InterAcct software content is less than \$5,000, the limit of the ‘free time’ Special Offer is reduced to a half day.
- If extra time is required (beyond the first day), then this is chargeable at the special rate of \$1,500 per day (normally \$1,900 a day – including any travel time).
- The detailed Software Review can be conducted at your offices, or those of InterAcct Software (Frenchs Forest, NSW). If you come to our offices, we will refund 50% of your associated travel costs (for one person) – up to a maximum of \$300.
- Alternatively, if you would prefer us to come to your premises, the same offer applies – except that you would refund 50% of our travel related costs instead.
- There is no obligation to proceed with the purchase of the InterAcct system beyond this stage.
- A natural progression from this stage would be to either –
 1. Purchase and implement the InterAcct package, or
 2. Request an Outline System Specification be prepared, or
 3. Arrange for a Pilot Site installation of InterAcct.

Step 2 : Outline System Specification ?

In the situation where a large number of software changes/additions may be required to the standard InterAcct system to meet your specific (database/reporting) requirements, then the preparation of an Outline System Specification is always a good idea.

- A more thorough discussion of your requirements
- A more detailed "Walk-Through" of your existing systems
- Focus on the system "Outputs" – visual search enquiries, data exports, and reporting.

As a result, the Outline System Specification report would then –

- Schedule each area where the database/reports are to be personalised
- An estimate of the associated time/costs for each software change
- An estimate for your "Contingency Fund" – to cover extra requirements not yet identified.
- A suggested implementation timetable
- A revised overall cost estimate completed – for a fully installed system.

It is not a perfect process, and with the necessary time/cost restraints, it is quite normal not to identify all the required software changes. Plus, despite our experience in this process, there is always the chance of some misunderstanding.

However, the main purpose is to get a more accurate cost estimate for the likely software changes – having discussed the options and alternatives that are often available.

The provision of these services to prepare the Outline System Specification (OSS) is covered within the document called the "*Products & Services Agreement*". Costs are based upon actual expended time at charge rates applicable to the person completing the OSS, plus any related travel costs.

As a guide, it can take 1-3 days, and therefore the costs might be between \$1,500 and \$5,000.

Step 3 : Pilot Site Installation

Without purchasing the InterAcct package initially, there is the option of commencing the implementation process in the form of a "**Pilot Site**". This is where we can fast-track the process to concentrate on just those areas of the system that are of greatest importance to you.

You will get the essential Operator Training, plus the 'hands-on' experience of using the system with your data, in your office.

- Import your existing data files into InterAcct ?
- Data input some masterfile records ? (eg. Customers, Suppliers, Products, Jobs)
- Enter some Opening Balances ?
- Walk-through each essential business process to see what InterAcct does, see how easy it is to use, discuss the numerous software options available, and print the standard reports
- Discuss what software personalisation is required.
- Complete the minor 'cosmetic' software changes as you go
- Decide if you want to start development on some of the software changes – to actually see how they would work in practice.

The costs of doing a Pilot Site are again on the normal basis of expended time, and related travel costs. Again, please refer to the "*Products & Services Agreement*" for further details.

It is entirely up to you how far you decide to proceed with the work on the Pilot Site before deciding to purchase InterAcct, and continue with the 'normal' implementation process. You could also decide to put a stop to the Pilot Site work at any stage.

In some instances, a Pilot Site installation may be an alternative to doing an Outline System Specification.