



Software Selection

Managing the complexity of choosing the right software



Selecting the best-fitting solution for the business




Whether you are integrating robots into the production process, optimizing your back office, or improving customer communications, having the right software in place is a critical success factor.

Process digitization through software solutions that support process automation and standardization is traditionally one of the core tasks of a CIO. However, existing applications are often dated and lack advanced functionality to support a better understanding of the customer and to leverage all business process potentials. Inflexible software may even limit your ability to innovate with new products and services. Faced with disruptive business and IT trends that translate into new requirements, existing legacy systems are challenged even further (see figure 1).

Meeting today's requirements – and tomorrow's

Today, customers expect a seamless, end-to-end, multi-channel journey. Retail and supply chain partners want reliable and available integration. Employees expect to access applications and data anytime, anywhere and on any device to accomplish their business tasks.

Figure 1: Business and IT trends (selection)

Business		IT
<ul style="list-style-type: none"> Connected customer Seamless customer journey Multi-channel management due to changed customer behavior (e.g., mobility, online anywhere anytime) 	<p>Customer experience</p> 	<ul style="list-style-type: none"> Connected insights (e.g., additional product recommendations based on customer profile) Real-time customer analytics & prognosis ("Big Data") Social, mobile, analytics & cloud (SMAC)
<ul style="list-style-type: none"> Operational Excellence Industry 4.0 Connected, smart products & services Digitization of products, services, channels & supply chains 	<p>Business processes</p> 	<ul style="list-style-type: none"> The Internet of Things (IoT) Smart machines & context-aware systems Access to data & applications, anytime, anywhere, on any device Agile development & DevOps
<ul style="list-style-type: none"> Digitally modified & new digital business Shift from ownership to usage, from manufacturer to service provider Share economy ("shareconomy") Growing competition – also from non-traditional players (e.g., tech industry) 	<p>Business model</p> 	<ul style="list-style-type: none"> Mobile devices everywhere Scalable cloud solutions (e.g., Software-as-a-Service) Web-scale IT 3D printing Analytics enabled business models (e.g., data marts)

© Capgemini Consulting 2016

Software solutions now run the enterprise and have also become an increasingly important part of many products and services. Consequently, the need to introduce new and innovative solutions increases significantly. Replacing applications or introducing new ones requires a sound selection approach that considers not only current requirements but also relevant trends in the industry in

order to ensure investments are sustainable.

Software selection challenges

With limited time and resources, it is a challenging task to select the best software solution while considering industry-specific challenges and aligning the decision with all relevant stakeholders.



Manage the inherent complexity of the decision

Even in many niche software markets, a plethora of options is often available. Given that software is of crucial importance to most businesses and time for selection is limited, understanding all options and selecting the best is an inherently complex challenge. Mistakes can be expensive and waste precious time.

Tackle specific challenges

Typically, application landscapes are highly integrated – both internally and externally. Integrating state-of-the-art applications with legacy applications is often a non-negotiable requirement that needs to be taken into account when selecting software. For most international

companies, application scope is usually at least multi-country or global, but local requirements and variations also need to be considered (“glocal”).

Build acceptance for the process and decision

Since software has a great impact on everyday working lives, the selection process should involve key stakeholders representing all user groups. Different stakeholders’ expectations and requirements regarding a new software solution may differ widely. What IT believes to be the best option might not be in line with the views of stakeholders in other departments. However, even the best solution will fail without acceptance from the group of people who will actually use the software regularly. This

consideration is especially important for solutions with social components that are adopted “bottom-up” by the users rather than implemented “top-down”.

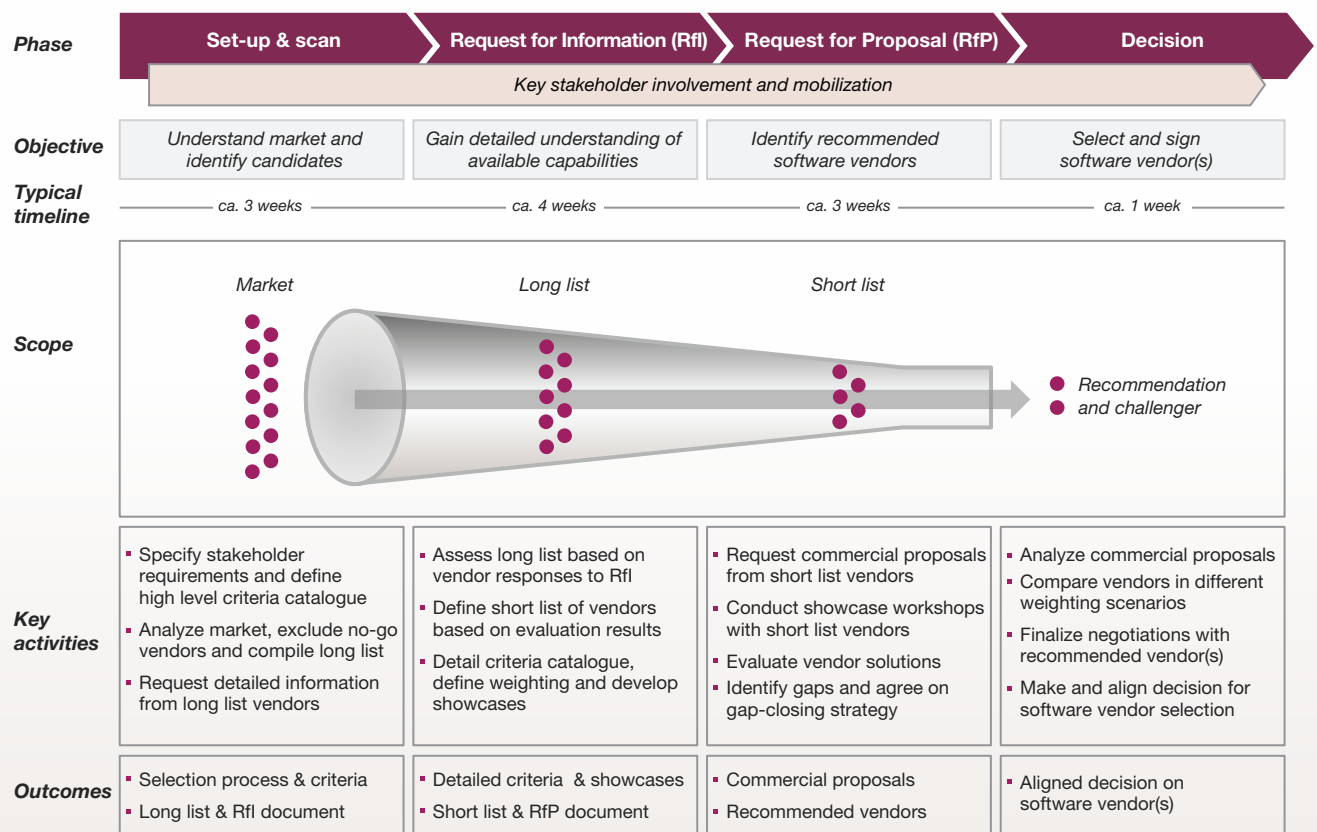
Our recommended software selection approach

To overcome these challenges, Capgemini Consulting recommends a four-phase approach (figure 2). This approach makes it possible not only to select the best-fitting software and vendor, but also to build consensus and acceptance for the selection process and the decision among key stakeholders.

Phase 1: Set-up and scan

Stakeholders specify their requirements, which are captured in a high-level

Figure 2: Capgemini Consulting’s recommended project approach to software selection



“criteria catalog”. An overview of the relevant software market is provided with the help of your own subject matter experts as well as external advisors, resulting in a vendor long list. No-go candidates are swiftly eliminated in this phase. The result is a long list of 10-15 vendors.

Phase 2: Request for Information (RfI)

The long list vendors receive an RfI; their responses are assessed in order to compile a short list. In addition to the product’s coverage of functional and non-functional requirements, it’s important at this point to consider the vendor’s ability to deliver (figure 3 gives examples of selection criteria). This ensures selection not just of a suitable product, but also of a partner who can provide ongoing product support and innovation in the long term.

Phase 3: Request for Proposal (RfP)

Based on the results of the RfI assessment, short-listed vendors – typically three to five – are included in an RfP phase. An important step during this phase is to assess whether a product can meet the process requirements. This can best be achieved by inviting vendors to demonstrate to your subject matter experts how their products cover selected process scenarios – usually in interactive live demonstrations. An example of such a “showcase” is displayed in figure 4.

By evaluating functional requirements this way instead of through a checklist approach, a common software selection pitfall can be avoided: ensuring that functional requirements are met, but failing to check if the software can actually be used in the specific process context.

Phase 4: Decision

Finally, an in-depth analysis of the commercial proposals is conducted. Vendors

Figure 3: Selection criteria (client project example)

Selection criteria			
Fitness of product		Ability to deliver	
“Does the software fit our requirements?”		“Is the software vendor the right partner for us?”	
Functional requirements <ul style="list-style-type: none"> Core functional domains Additional functionality Multi-product Multi-client Multi-currency Multi-language 	Non-functional / technical requirements <ul style="list-style-type: none"> Availability & scalability Technology Architecture Security & compliance Integration 	Vendor characteristics <ul style="list-style-type: none"> Market commitment Release strategy Resources Regional availability 	Track record <ul style="list-style-type: none"> Standardization of software product References Past experiences Implementation partners Project approach Support

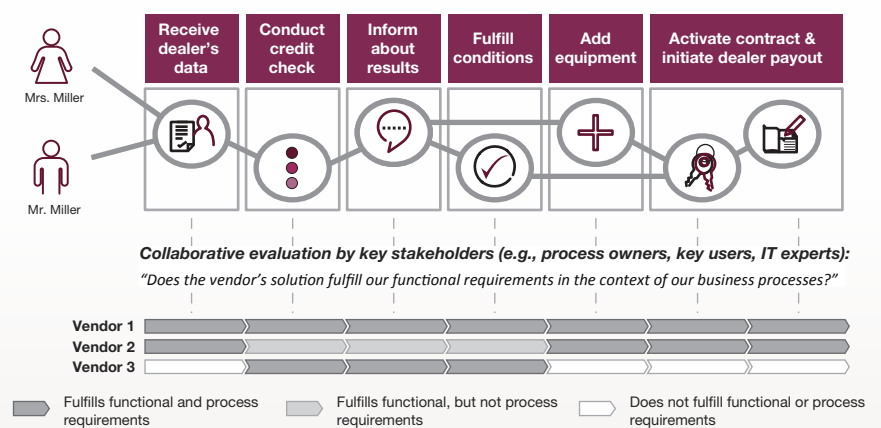
© Capgemini Consulting 2016

are compared in multiple scenarios using different weighting schemes, each of which gives a different perspective to stabilize the resulting ranking. The ranking enables an accurate and well-informed decision regarding the best product and vendor.

Aligning the selection process, as well as the decision, with your key stakeholders takes time, but leads to a sustainable selection recommendation. With our support, clients can usually complete the selection process within eight to twelve weeks, depending on scope.

Figure 4: Process-oriented evaluation of functional requirements (client project example)

Showcase example: fully automated financing / leasing contract origination process (captive finance)



© Capgemini Consulting 2016

Next Steps

Capgemini Consulting's recommended software selection approach guides you from a comprehensive market overview to an objective, fact-based decision in a structured and focused way. At the same time, it helps you acquire buy-in from all stakeholders. Clients that rely on our recommended approach achieve benefits that include:

- Increased transparency and understanding of the relevant software market
- Focused reduction of complexity and of the number of software vendors in scope
- Reliable identification of the best-fitting software solution and vendor
- Deep stakeholder involvement
- Well-informed and sustainable decisions, aligned with business needs

Software selection is a complex challenge that requires expertise and experience. Capgemini Consulting is your ideal partner for software selection, because:

- Our best-practice approach for software selection is thorough and pragmatic, and comes with project accelerators (e.g., tools and templates)
- We understand the importance of stakeholder alignment for sustainable decision-making
- Building acceptance for the selection process and the eventual decision is an integral part of our approach
- We contribute methodological know-how, IT expertise, and deep industry knowledge



Contact:

Felix Middendorf

Business & Technology Innovation
Capgemini Consulting
felix.middendorf@capgemini.com

Dr. Guido Kamann

Head of Business & Technology Innovation
Capgemini Consulting
guido.kamann@capgemini.com

About Capgemini Consulting

Capgemini Consulting is the global strategy and transformation consulting organization of the Capgemini Group, specializing in advising and supporting enterprises in significant transformation, from innovative strategy to execution and with an unstinting focus on results. With the new digital economy creating significant disruptions and opportunities, our global team of over 3,600 talented individuals work with leading companies and governments to master Digital Transformation, drawing on our understanding of the digital economy and our leadership in business transformation and organizational change.

Find out more at

www.de.capgemini-consulting.com

About Capgemini

With more than 180,000 people in over 40 countries, Capgemini is one of the world's foremost providers of consulting, technology and outsourcing services. The Group reported 2015 global revenues of EUR 11.9 billion. Together with its clients, Capgemini creates and delivers business, technology and digital solutions that fit their needs, enabling them to achieve innovation and competitiveness. A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

Learn more about us at

www.de.capgemini.com

Rightshore® is a trademark belonging to Capgemini