29 Questions to ask your Software Vendor

The “Cover All Your Bases” HANDBOOK

ClearPoint Strategy
So you've decided to improve your management reporting process. Congrats! Software can definitely take you out of “Excel Hell” and into a place where management reporting—and management meetings—are a pleasure.

But choosing the software to help with that transition can be hard. There are tons of options available and each one requires a different approach. And while software itself is important, the vendor behind the software is even more so. With each different software program comes an equally different vendor—no two are alike.

So how do you know which software vendor to choose? After all, it's a big decision. The vendor is basically your coach in this strategy game. They're there to help you choose the right plays, and those plays can affect the score of your game for years to come, either positively or negatively. That means you need to learn the facts about potential sellers before you make a decision. (If you want to know the best ways to choose the software itself, you should check out our other documents that talk about that, too.)

So here are 29 questions to ask about a potential software vendor that cover all the bases, from implementation to exit strategy, to make sure you pick the perfect one.
Most vendors make you pay for access to their support team, but that doesn’t mean the access is unlimited. It’s important to know just how much support you’ll get when you pay and what kind of help they’ll be giving you. Certain vendors may provide free technical advice when their product isn’t working right or you have questions, but chances are it will be a limited amount of help. Knowing this in advance will save you from the headache of not being able to get help when you really need it.
Knowing where their support team is located can help in a couple of ways. One, they could be close enough for you to either visit their office in person or for them to send someone to your location if needed. If they aren’t close, they may still be willing to send someone, but it will probably cost you more. Or, it could be that they’re far enough away to be in a different timezone. This can affect the hours they’re available to you, especially if they’re only open during business hours—you’ll have to think about the time difference before you call them. If they have after-hour or 24-hour support, their location is less of an issue. Also, do they speak your language? That might be important, too.
No one likes talking to a computer or answering machine, especially when you really need help. Ask the vendor whether or not you’ll be able to talk to a real person when you call for support and find out how long of a process it’ll be to get one on the phone. Some may get you to a real person eventually, but make you go through a difficult process to get there. Another question to ask is how long the turnaround time is when it comes to getting something fixed. If it’s going to take an hour before you can get a person on the phone, how long will it take after that to actually get the problem solved? Test them on it. Call their “support hotline” and see how long it takes to get a real person on the phone.
What kind of support options do I have? Is there an option to cut to the front of the line? If you’re a smaller organization, this might not be that big an issue for you. But if you’re trying to support 100s of internal users, this might be critical. Find out whether or not there is an option to purchase higher-level support for major problems. If that’s an option, find out what sort of help will be provided for the extra cost.
If you’re getting “basic” support (whether it’s free or paid) find out what’s included. Can you get actual advice rather than just technical support? Will someone be able to give you their opinion on how best to use the application? Or are they there to just log issues? If you don’t think they’ll offer you enough basic support and either don’t have a premium support plan or it’s too expensive, that vendor may not be right for you.
A lot of software vendors will provide customers with some resources or helpful tips in one form or another, whether it’s a manual or user’s guide, a website, or another source. There’s a good chance they’ll at least have a frequently asked questions (FAQ) document, either on their website or in print form. Make sure to ask if these resources will cost extra and how accessible they’ll be.
As technology advances and your company grows, it’s important for your software to update with your changing needs. Your software partner should be constantly looking for ways that it can improve its product, and this comes through creating and implementing new features. If they rarely release new tools, their software could become outdated in time. Conversely, if they release new features every day, you’d have to make sure you’re committed to keeping up and dealing with the changes they make.
Their development roadmap is basically their plan for the future. It will show you where they plan to be and what the evolution of their product looks like. It should link their business strategy and market data with their product and technology decisions, ensuring their decisions are based on the best value for the customer (you!). If they don't seem to have a good roadmap that helps them add value to their product, they probably aren't a great option.
After you’ve been using the software for a while, you’ll know what works and what doesn’t. If you figure out that the product is missing something or you come up with a new feature that you think should be added, how can you let the vendor know? Most software vendors would be glad to listen to your customer feedback if it will help make their product better.
What’s their process for coming up with new features? Where do they get their ideas? Do they listen to customer feedback? How they create new products and tools will give you a hint as to how innovative they are and whether or not their software will continue to evolve over time.
Do you have customers in my industry?

If a vendor has customers within your industry, they’ll at least know the basics about your field, which will make it easier for them to work with you. They’ll also have other cases to reference when giving support. For example, if you have a question for the support team, they can think through and process, “What did we do with the XYZ account to help with this? And did it work?” If they don’t already have customers in your particular industry, that doesn’t mean you should automatically kick them to the curb, but they will need to show that they’re willing and able to learn about what you do. If they’re a good vendor, that shouldn’t be a problem.
Seeing a few case studies of other customers is a great way to learn about both the software and the vendor, especially when the case study is from a company within your industry (but it doesn’t have to be). You can see exactly how the software helped those organizations and whether or not they had positive results. If you don’t like what you see in the case studies, you’ll know to cross that vendor off your list.
If their customers don’t have anything good to say about them, you probably won’t either. The way they answer this question will clue you in on their strengths and weaknesses, as well as give you an idea of how transparent they’re willing to be. (Transparency is a good quality for software vendors to have—it means they don’t have anything to hide.) Most vendors will give you a list of a few clients to contact for references, which you should take advantage of. Talking to their customers can be even more beneficial than talking to the vendor.
14 Do you ever have customer meetings?

Like we said in question 13, talking to a vendor’s current customers can be extremely helpful, both before you’ve decided on a vendor and after. Ask if the vendor has a community for its users. Is that community online, in person, or both? Which would you prefer? Being able to meet with their customers will allow you to get in depth information on how they’re utilizing the software’s features.
What’s the background of your management team?

Do they all have a sufficient amount of experience in management? Do any of them have previous experience in your industry? It’s good to know how their management team was put together and what each member did before working with this software company. It’s also helpful to know how long they’ve been with the company.
Will my account manager have technical expertise?

There’s a lot of technical stuff that goes into the development and implementation of software. That’s why it’s important to understand whether or not your account manager will have technical expertise, so you know if they’re someone you can go to for help in that area. Usually it’s OK if they aren’t a complete expert at the technical stuff as long as there is someone else you can contact who is (usually someone from the support team or call center). If nothing else, they should at least know the basics.
If the vendor is selling you a tool to help you improve your management, it would be pretty helpful for them to have experience in performance management, wouldn’t you say? Yes, technical experience is a must, but they should have a balance of expertise in both. That way they’ll have a better context of how the software works in real situations, and they can answer all of your questions rather than just the technical ones.
This is a very basic question, but it can easily get overlooked when you’re concerned with the technical side of things. If you don’t like the people, it’s not going to be a good experience no matter how great the actual product is. You’ll have a ton of contact with them, especially during the initial implementation process, so it’s important to know if they’re enjoyable to work with. Will your personality types work well together? Does the overall vibe of their company mesh with yours? You don’t need to be “buddy-buddy” with every employee in their organization, but you should at least be able to get along with the people you’ll be working with the most.
You can learn a lot about a company just by looking at their website. Read through their content to see if you like the way they talk about their product or services. Do you agree with their solutions? Does it sound like they really know what they’re talking about? Do they offer valuable insight into strategy management? You can also tell what kind of company they are based on the design and layout of their site. If it’s clean and easy to navigate, chances are working with them will be the same way.
The implementation process can sometimes take a while. Part of that process is getting the technical side of the software up and running in your system. This could take anywhere from days to weeks. By having a clear and realistic timeline established in advance, there will be fewer surprises for you along the way.
Everyone is different, so they won’t be able to give you an answer to this with complete certainty. But they can give you a relative idea based on previous customers’ experience. It will all depend on what kind and how much training they offer, as well as how quickly your users are able to pick up on new programs.
Each software vendor will offer different kinds and amounts of training. It could be in the form of online tutorials, training decks, videos, or onsite classes. Find out how many hours of training there are total and how quickly they can be completed. A plus to training videos is that trainees can go at their own pace, whereas onsite classes depend on the instructor's availability. But, having an instructor there to help in real time can also be very beneficial. Some vendors may offer extended or more in-depth training, but at a higher cost. Either way, make sure they are willing to help you be completely prepared to use this new software.
There are different kinds of software solutions, and the type you use will depend on your company’s needs and preferences. There is “cloud” software, where applications are hosted by the vendor and made available to customers over the internet. There’s also “on-premise software,” which is installed and run on the customer’s computer rather than at a remote facility or over the internet. And then there’s a hybrid of the two. The vendor should be able to tell which one is best for your company.
Over time, your company will grow and change. It’s important to know if the software solution is going to grow with you. Are there any restrictions to data usage with this software? Are there limits to scorecards and drill down levels? If these things are limited, you might realize after a while that you’ve used all the capabilities of the software before you’ve even made it out of one department. Will they allow you to customize the software by department? If so, that’s the sign of a vendor that’s going to grow with you.
While it’s important to take everything into account when choosing software, the fact is, cost plays a major role in the decision process. If you can’t afford the service, it’s probably not a good option. When you get an initial price quote, ask what that includes, and get details. There are tons of things that can affect pricing: the software, hardware, number of user licenses, upgrades, maintenance, training, integrations, modifications, conversions, and implementation services. (Yeah, that’s a lot.) You don’t want to find out later that the actual price is double the quote, so get it all on the table now.
There are different pricing methods for software packages. There could be monthly payments, a lump sum due upfront, or an amount due upfront and then monthly charges for extra services or maintenance fees. Find this out in advance so you know if their pricing will work with your company’s financial situation.
No one likes a breakup, but if it’s just not working, you need to get out. It may be that their software isn’t working right, you aren’t getting along with the vendor, or you’re just not satisfied with the results. Whatever the reason, find out how hard it’ll be to end your service agreement with them. You shouldn’t have to be worried that if you decide to move on, the vendor won’t be willing to let go.
Am I locked into a contract?

You don’t want to be stuck in a contract months after you’ve already decided it’s not working. Find out if you’ll be signing a contract and how long it will be in effect. If they have you sign for a short commitment period, it may just mean that they want you to give their product a fair try before you decide you don’t like it, which is a valid reason. But, if they want to lock you into a 10-year contract, you might want to think twice.
If you’ve decided you’re switching to a new software vendor, ask how difficult it will be to transfer your data from one system to the other. Will they offer someone to help with the process or are you on your own? Will they keep any of your company’s information or will it be erased from their database? You’ll want to know if the process is going to be a mess (before it’s too late to do anything about it).
As your team begins to align your strategy with its systems, a good partner should be able to coach you through the process—both with their people and the system itself. Choosing the right service can be a challenge, but it doesn’t have to be. If you have a list of potential vendors you’re considering, ask them these questions. Their answers will make it easy to narrow down your roster and ultimately choose a partner that will help you win the game.

Not only do we think you should ask these questions, we’d love to give you our answers. Talk to us today.

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