

# Selecting a Finance System

## 1. Introduction

The objective of this document is to provide a process overview on the selection of a finance system to a buying organisation. It outlines a proven and well established process designed to provide a fast-track approach to the selection of a system and how we can assist you in this selection process.

## 2. An overview of the Request for Information (RFI) process

The process that we recommended is based on the fact that software has changed significantly in the last decade with packaged solutions replacing bespoke systems. Modern applications are flexible and configurable and meet basic functional requirements therefore changing the emphasis to concentrating on key elements and reviewing these in detail.

The approach is commonly known as the RFI process and has the following benefits:

- Vendors find RFI's easy to evaluate (and therefore are able to respond quicker)
- They focus the buyers and vendors attention on the key requirements
- Inappropriate packages are eliminated early in the evaluation cycle allowing the buyer to concentrate on packages that are likely to fit the requirements
- A detailed review can be made of the preferred suppliers package

**The result of this is a significant lowering of risk and uncertainty and a reduction in the time taken for the procurement process.**

## 3. The RFI steps – an overview

There are four distinct steps in the RFI approach which are as follows:

### 3.1 Planning – Identifying your needs

- Assess the current business strategy and how this will impact selection
- Create a specification of requirements
- Identify the key requirements
- Prepare the RFI
- Identify suitable vendors (roughly 6)
- Send out RFI

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## 3.2 Evaluation

- Evaluate RFI responses and determine a short-list (ideally 3)
- Undertake initial demonstrations with the short-listed vendors – an explanatory meeting to form relationships
- Provide a briefing to short-list vendors – to go through the RFI and explain requirements
- Make telephone calls to reference customers
- Undertake detailed demonstrations with the short-listed vendors – assessing how the vendor will meet the specific requirements
- Cost/Benefit analysis

## 3.3 Preferred Supplier

- Select a preferred supplier putting other suppliers on hold
- Undertake detailed demonstrations/testing with each department
- Make reference site visits
- Prepare evaluation report

## 3.4 Implementation Planning

- Prepare Implementation Project Plan
- Negotiate contract with preferred supplier

## 4. How can we assist you in this process?

The extent and level that you require assistance on a finance system selection project will depend upon the resource and expertise available within your organisation. It could be possible that you require advice on one aspect or phase of the project or the whole of the project. The following outlines how we can assist you in each phase of the project.

### 4.1 Pre-Planning Phase – Systems Review and Process Mapping

Even before the decision is made to source a new finance system, we are able to assist you in reviewing your current systems and processes. We have sometimes found that the decision to change a finance system was an incorrect assumption and that the problems being encountered could be solved by another method. This review would give you the peace of mind that replacing the finance system is the correct decision.

Once decision is made to source a new system, we can assist you in mapping your current process, which from experience we know is a useful method to ensure nothing will be missed out when identifying your needs.

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## 4.2 Planning Phase – Identifying Your Needs

We are able to use our experience and expertise to assess your business strategy and how this will impact upon the selection process and requirements. Given our experience of financial reporting systems as well, we are able to provide an overview of a ‘complete solution’ and the part that a finance system plays within it.

We have RFI templates which will assist in the RFI preparation (ensuring all aspects are covered) and that are familiar to vendors.

Our in-depth knowledge of the finance system market (we have knowledge of over 100 systems) is invaluable as we will be able to quickly identify suitable vendors that fit your requirements.

## 4.2 Evaluation Phase

Attending a vendor demonstration can sometimes be a daunting task as the vendor has a vested interest in showing you what you want to see (sometimes by ‘smoke and mirrors’). Our intimate knowledge of the products and how they work enables us to attend demonstrations with you and to ask informed questions on your behalf, thus protecting your interest.

During this phase, which is one that you need to have a substantial input to as the buyer, we are able to give you an independent view and act as a sounding board for your decisions.

## 4.3 Preferred Supplier Phase

Whilst we may be able to assist you in the selection of the preferred supplier, the decision is ultimately that of the buyer. As in the evaluation phase, we would offer our assistance in the detailed demonstration/testing stage to ensure all key areas are adequately covered.

## 4.4 Implementation Planning Phase

During this phase we are able to offer our assistance in the preparation of the implementation and project plan adding our experience to highlight some of the problems and difficulties that you are likely to face.

## 4.5 Beyond the selection process

Whilst the purpose of this document is to provide an overview of the system selection process, it should be noted that our services do not stop there. Our consultants have experience of implementing systems either from a specific application point of view, project management, vendor liaison or business process re-engineering. These services ensure that you leverage the maximum benefit from the new system.

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## 4.6 Overall

All of our consultants are financially qualified, have worked in industry for a number of years and have been involved in the systems selection processes on a number of occasions, across various sectors and internationally. This enables us to offer a highly valuable service to our clients during the selection process to significantly reduce the risk of failure to your organisation and to ensure your personal success.

*Emcee Consultancy are independent specialists in financial reporting and management information systems.*

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