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5 Easy Steps for Preparing to Change Software Vendors

– Lee Pearson, CIO

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So, you signed this great vendor: eager to please, experienced in all the right areas and sporting a great client list. Things were going well for the first few quarters, but lately your projects seem to be taking a backseat to the vendor's other affairs. The people you first started working with have been put on other accounts or have left. You've caught yourself making excuses for your vendor's lack of productivity and feel grateful when they manage to perform basic services. It's time to admit you have a problem and recognize you are in a hostage situation. The signs and symptoms of vendor [Stockholm Syndrome](#):

- SLAs (service-level agreements) aren't being met and that is OK with you: A sense of urgency and anticipation has been replaced by rote, lackluster attempts at satisfying basic performance metrics. You deserve better than a perfunctory performance where service agreements are concerned, and somewhere out there is a vendor that can appreciate that.
- SOWs (statements of work) are being accepted without question: Have you become part of the problem? If you've begun absently signing off on work orders, it's possible you're enabling your vendor's bad behavior. Take time to review the scope of work detail and hold your team accountable. Keep the home fires burning by treating each submission as if it were the first.
- "Currently out of the office..." Change orders are piling up, cost control is a joke and there always seems to be an excuse for why things aren't getting done: vacation, sick, other projects, boondoggle, etc. It's time to stop making excuses for your vendor and face the reality that you need a change.



Here are five easy steps for preparing to audit your current situation and set up your strategy for change:

Step 1: Establish your desired state

Take a few minutes to remember who you were before your vendor moved in. What were your goals and what are you doing *now* to reach those goals? Are you surrounding yourself with people who support those goals? Following your corporate strategy and outlining department objectives in line with that strategy will elevate morale, provide your team with a valuable prioritization tool and save you months of lost time.

Step 2: Assess your current state

Do your peers and your team know something you don't? If you find yourself reacting defensively to well-intentioned suggestions, it's time to sit up and listen. A simple "best practices" analysis, coupled with interviews with managers and end users, will yield valuable insights into how your company and practices are being perceived.

Step 3: Establish costs to meet your desired state

Measuring the distance between your present and desired states will prove what you've suspected all along: While it will take some effort, the costs associated with improving your situation pale in comparison to the price you pay for turning a blind eye to being taken advantage of.

Step 4: Secure peer buy-in

Congratulations! You've made the right decision and now it's time to share the good news. The net costs of changing vendors or redefining expectations with your incumbents is typically more manageable than you think. Armed with knowledge and newfound confidence, convincing stakeholders to participate in strengthening your company's profile will be straightforward.

Step 5: Research the market and create a vetted list of choice vendors

Talk to current and former colleagues, reach out to professionals you've met at conferences, find out what vendors your competition is using—whatever it takes to create a target list of vendors from boutique shops to the Big 5. With your cost analysis data and strategic plan in place, you are now in a position to conduct informed vendor interviews. Check references thoroughly by requesting client contact information and following up with the prospective vendor's current and past clients.

It's natural to feel a little overwhelmed. You've made significant investments in the current partnership, your credibility is on the line and you need value delivered. Whether you decide to make a clean break or redefine the relationship with your incumbent vendor, it *is* possible to prepare yourself for success and make a change.

Don't be held hostage!

Lee Pearson is one of those rare people who can say he is a consultant and mean it. He has been a significant contributor to many successful technology companies over the past 14 years. During that span, he developed extensive knowledge of software development, software systems integration and technology product launches for such companies as [Disney](#), [Apple's FileMaker](#), [Microsoft](#), JetEye and Mirixa.

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