ectobox
We get it. We build it.

Do You Need a Software Solution?

INTRODUCTION

Do you have some problems in your business?

Do you think those problems can be solved by software, but you're not sure?

This document will help you think through that question, **"When do I need a software solution?"**

WHEN IS A SOFTWARE SOLUTION NEEDED?

A software solution is helpful to a company when that software helps the company operate more efficiently and profitably.

WHAT ARE THE PROBLEMS I HAVE?

You need to start by clearly defining what problems you have. Can you type up a short document on what problems exist in your company that you want to solve? Can you clearly communicate it to a teenager or (gasp!) to your father or mother who doesn't work in your industry? When you can communicate it that clearly and succinctly, then you've already made great strides in solving your problems.

Additionally, it'd be helpful to have at least a general vision of what the solution looks. You don't need to know exactly what the solution is, but rather what life would be like with a solution. That vision then becomes the goal to reach.

HOW CAN SOFTWARE HELP ME?

Now that you've defined the problems in your business that need to be solved, let's think about how software could help...if they can at all.

Software applications are tools which help people perform tasks more efficiently than otherwise possible. They are tools much like a hammer is a tool to a carpenter for hammering in nails, where hammering without the tool is much more difficult than with the tool.

So, software solutions can help people become more efficient. Here is a short list of some of the ways software can help people:

- Generate reports of complex data for making decisions in a business
- Automatically send out reminders
- Create invoices
- Collect payments
- Find errors in a business process
- Track steps and documents in a complex business process.
- Share information with multiple people and be assured they are receiving and consuming the data
- Organize and store more data than is possible in a non-digital format

Are any of these applicable to your situation? If so, then maybe there is hope with software as a solution. If you're not sure, call us for a short discussion on whether software can help.

ARE THERE RISKS?

Yes, there are always risks to creating a software solution. There are risks to making any kind of change to a business, whether it's buying new equipment, adding more people, changing business processes, adding or creating software applications, etc.

The more important questions to ask are:

- Can you predict what those risks are?
- Do you know how to handle those risks if they do occur?

If you can answer Yes to both of those questions then you have a higher chance of success implementing a solution to your business problems.

One additional question to ask is, are you working with something that can help you assess and handle those risks, who as experience doing so? If yes, then your potential for success increases even further.

WHAT IS THE COST OF THE PROBLEM?

Before you go much further you need to figure out if the problem is really serious enough to fix. If it isn't, then invest your money somewhere else in your business.

To understand the cost of the problem you need to look at what money are you losing with your current situation, and what money you aren't generating in revenue and/or profit. These calculations can be difficult because there are many areas you might not think your current situation is impacting your business. Some common areas to consider reviewing for costs of your current problem are:

- Cost and value of person's time spent performing tasks manually that could be performed faster by a computer
- Tasks that aren't performed because they are forgotten (e.g., forget to send out an order, forget to collect on an invoice, forget to call back an important customer with a big problem)
- Analysis and reporting of information that isn't possible by hand, but could be invaluable to the company
- Get data and decision making processes out of a person's head and into a software application where they can be documented and automated.

Good software companies will help you determine the cost of your current situation.

Once you can calculate hard numbers, or even make some educated guesses, then it's time to move on to the next question.

WHAT IS THE MSP, MINIMUM SUGGESTED PAYBACK?

What is the payback for creating the software solution? What is the ROI?

The answer to this question is entirely up to you.

Many companies have a minimum required rate of return or payback period for any investment. A good absolute minimum payback period would be 1 year, i.e., have the software solution save the company the same amount of money it cost to acquire the solution within the period of 1 year. A faster return of the investment is better, and often required, but that's a minimum to consider.

A good provider of software should be asking you about the payback of the software within the first one or two conversations you have about their software.

NEXT STEPS

Once you've considered how the software can help, what the costs are, and how quickly you can get a payback of the solution, then next step is the Build or Buy question, i.e., build the solution from scratch, or by it off-the-shelf.

Can we help? Call Ectobox at 412-923-3002 for a complimentary evaluation and estimate.