

## Questions to Ask Your Software Supplier:

As you narrow the field of software contenders, you'll begin examining the companies more closely to see how well they meet your needs. Consider asking these questions to weed out suppliers that won't fit with a long-term strategy for manufacturing excellence.

### **Are the standard accounting modules available for this package?**

Look for General Ledger, Accounts Payable, Accounts Receivable, Purchase Orders, Sales Orders, and a very strong Inventory Control module as a minimum set. You may also want to ask each perspective supplier about the availability of additional modules such as Payroll, Fixed Assets, or other vertical modules.

### **Which manufacturing modules are available?**

Light Assemblers should look for a product that offers features like BOMs, sales kits and product configuration. Discrete manufacturers should look for Material Requirement Planning (MRP I) and Manufacturing Resource Planning (MRP II) in addition to support for BOMs. Make-to-Order and Job Shop manufacturers will likely need all of these features plus a method for estimating and tracking costs on a project-by-project basis.

### **Do the accounting and manufacturing modules integrate completely?**

This is a tough question to answer. Just because the modules come from the same company doesn't mean they work together. The accounting company may have acquired the manufacturing modules from another company, and they may not integrate smoothly. Alternatively, just because the modules come from two different companies doesn't mean they won't integrate fully. Some accounting software companies provide open source code and programming standards for developers of add-on modules to follow. Seeing a product demo may be your only way of assessing the level of integration. Check to see that Bills of Material and Manufacturing Orders have solid integration with Inventory Control and Sales Orders. You should be able to maintain inventory items while defining BOMs, and configure orders based on BOMs during order entry.

### **How does the system handle data collection?**

You will need to consider how well a system monitors your critical work areas. Can you monitor production if you're running at 100 percent capacity for your staff? Has inventory actually been received, and if so, are the counts reliable enough to forecast material requirements? Data collection ties into true manufacturing as well as accounting. How well you collect vital data determines your ability to forecast production information. Data collection is an important part of the total solution for a company that requires MRP II.

### **What key features set this product apart from others?**

Before you tell the software supplier much about your business, find out what they think their product strengths are. You'll get a good feel for whether or not they design products for companies like yours.

### **What is the R&D budget for the software supplier as a percentage of sales?**

A company that's not putting at least ten percent of sales revenue back into product development can't possibly keep pace with technology. You want to buy software from a supplier that's serious about having great products today and tomorrow.

### **Does the supplier offer frequent updates and an upgrade path?**

Before you make a purchase, find out if your software publisher has a maintenance program in place that gives you access to frequent updates.

Good software suppliers update their software frequently, making new features and bug fixes available to resellers and customers. Software is one of the few industries where you can upgrade your product to the newest, hottest version for a fraction of the full price. Imagine being able to go to a car dealership and have all the features of this year's model added to your existing car! With most products you have to buy an entirely new model or do without. A good software publisher will provide frequent upgrades at reasonable prices.

### **Is software maintenance available?**

Before you make a purchase, find out if your software publisher has a maintenance program in place that gives you access to frequent updates. For a reasonable price, usually about 15 to 20 percent of the purchase cost, you should be able to get an annual maintenance contract that provides a continuous stream of product updates and improvements. This demonstrates that the developer has an ongoing commitment to the product and to your satisfaction.

### **Does the system have the capacity to grow?**

If you're not sure how well a system will accommodate your company's needs as you grow, here are some key questions to help you find out. What are the maximum number of customers, vendors, BOMs or inventory items that are allowed? What is the maximum number of users that can be working with a particular application at the same time? Can the software be customized to meet the changing needs of a growing company?

### **What kinds of reports does the system provide?**

Your system must be able to extract relevant information easily. A system using database files provides virtually

unlimited reporting capabilities. Ask for samples of reports to see the system's reporting capability. In addition to standard reports, the product should allow non-programmers to design custom reports using industry-standard reporting tools.

### **Is the system easy to use?**

Many buyers spend far too little time evaluating this aspect of the software. Yet ease-of-use will have a dramatic impact on the quality of your implementation. Poorly designed software leads to frustrated users who bypass the system or resort to manual "short-cuts." If you want a system that delivers maximum productivity, focus on how easily your employees can use it.

You want a system that lets you enter information quickly and efficiently. Look for features such as full-screen editing, embedded help systems and clear prompts. Now that Microsoft® Windows® has become the most popular operating system, it is important to ensure that production data entry (particularly in sales orders and purchase orders) does not require excessive mouse use. If the operator's hand must constantly move between the keyboard and the mouse, data entry can be too time-consuming.

You should also make sure the system can handle all the situations that will come up on a day-to-day basis. Is the sequence of steps to create a sales order simple and straightforward? Can you look up vendor information while you are in the middle of posting a line item on an invoice or purchase order? Can you search the item master file while you are creating a new manufacturing order? Can you add inventory items while you are in the middle of creating a manufacturing order?

### **How does the system handle data validation?**

This capability dictates how well the program prevents mistakes from getting into your system. The program should test for errors such as duplicate customers and vendors, incorrect item numbers, and unreasonable amounts and dates. Your system should notify the operator of unusually high quantities or unit prices for certain types of items and offer valid choices along with the notification message.

### **What kind of documentation is supplied?**

The quantity and quality of documentation is an excellent guide to the quality of the software. Look for software suppliers who offer other support materials such as CD-ROMs, tutorials, training guides, videos, and technical reference manuals in addition to basic documentation. Clear, accurate and useful documentation takes time to produce. Software companies that have a long-term commitment to their users tend to develop and provide outstanding documentation.

### **What kind of training is available?**

As knowledgeable as your reseller may be, nobody knows more about how the software works and how to implement it in

your plant than the people who wrote it. Ask whether there is a formal training course available for you and your staff.

### **What kind of security does the system offer?**

The degree to which sensitive functions and reports can be safeguarded through a password protection capability will affect how the program rates in security. Ideally, you should be able to specify which operations can be performed by specific users at specific times. With a good system, you should be able to set it up so that your assembly technician cannot see costs on the BOMs, but your production staff can.

### **How many people currently use this product?**

If the company you're buying from has already sold many units, they're probably doing something right. People vote with their checkbooks, and it's a good idea to give a popular product a serious look. A large install base is like an insurance policy for users. You can be sure that the product has stood the test of time, satisfied companies similar to your own and delivered good value. A large install base also generates additional products for you. If the product is popular, you'll find add-on software, worthwhile utilities, a training schedule with convenient dates and locations, and a large number of local dealers who can work with you.

### **Don't buy futures!**

A salesperson's promise of future releases is sometimes not grounded in reality. Make sure the software you're buying has the features you need today.

