

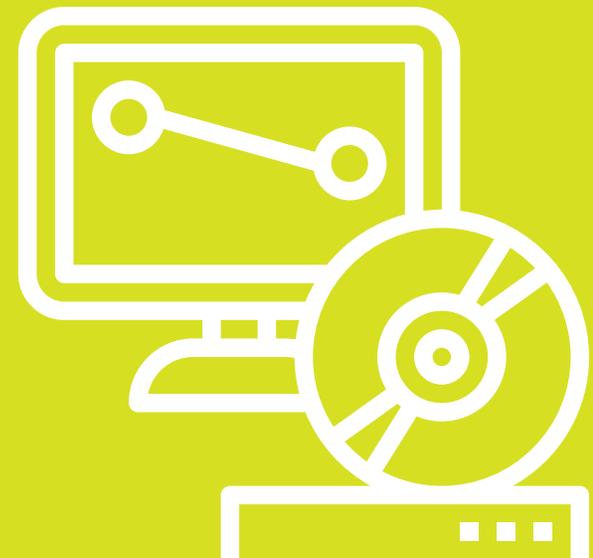


Custom or COTS Software? Here's How to Decide

Contents

Introduction.....	2
Which Path Provides Features and Functionality Value-Add?	4
How Will the Solution Integrate with Your Existing Technologies? ...	5
Which Pathway is More Flexible?	6
Your Pathway to Acceleration	7

As a business leader, one of the hardest decisions and biggest investments you will make is the selection of a software solution. In fact, according to the 2019 State of IT Report, 89 percent of companies expect their IT budgets to grow this year, with 26 percent of the budget going to software spend—the second biggest area of spend just behind hardware.



But choosing the right type of software can be difficult, specifically when it comes to figuring out what path to choose:

- Create custom software
- Select a commercial-off-the-shelf (COTS) solution
- Leverage the benefits of both custom and COTS together

“In many ways, choosing an effective software path is extremely similar to choosing a housing option,” says Trilix CEO/Founder Tim Hebert. “You can ‘rent,’ or continue to use the technology solutions you have today that are not meeting your current and future business needs. You can ‘buy,’ or purchase a COTS solution that may or may not meet your unique housing requirements. Or you can ‘build’ by creating custom software

specifically designed to address your business need.”

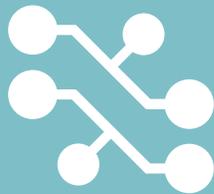
“Just as there are benefits to all the housing options, there are benefits to all software solution paths,” he adds. “It comes down to which solution is right for your business at this moment in time to help you scale, impact top-line revenue and differentiate yourself.”

So how can you begin to assess which path is right for you? By asking yourself three questions...

1

Which Path Provides Features and Functionality Value-Add?

Software solutions are leveraged for an endless number of reasons—from helping a business manage its invoicing processes to creating multi-channel ways for customers to interact with a brand to enabling companies to create intellectual property for competitive differentiation. Sometimes you need software that allows you to complete “run” and “keep the lights on” tasks. Other times you need it to help you disrupt. Sometimes you need it to help you both run and transform.



“Just as there are benefits to all housing options, there are benefits to all software solution paths.”

Tim Hebert, Trilix CEO/Founder

When considering your software solution, review the outcomes you desire:

- What financial, efficiency and performance impact will the software have on my department?
- Do I need the software to help me differentiate, transform, run—or all of the above?
- How do I want the software to help me today, tomorrow and in the future?

Your answers serve as validation as to the software pathway that will best address your business needs.

“When evaluating software solutions, it’s important to begin with a thorough discovery process—whether you perform that internally or with help from a partner,” says Randall Jackvony, Trilix’s Vice President of Technology and Client Services. “You want to understand your business needs and whether your needs are met by off-the-shelf software or require a custom approach. Sometimes, the answer is obvious, and the solution already exists. Other times, it’s unclear and you may want to leverage COTS along with some custom integration. Often though the features and functionality you require do not exist in an off-the-shelf solution.”

Adds Carrie Majewski, Trilix Vice President of Marketing, “At Trilix, we encourage our clients to consider the 80-20 concept; can COTS get you 100 percent of your desired features and functionality or will it get you 80 percent of the way, leaving you to compromise or forgo the 20 percent of value-add where transformation, disruption and peak performance occur?”

Specialized businesses that are looking to break new ground, for instance, may feel inclined to create custom software to be trailblazers in the space; other businesses may be looking for software to support everyday corporate processes and find the solutions already exist.

Consider your desired features and functionality—and how they support your run or transform goals—to begin to identify the appropriate software path for you.

2

How Will the Solution Integrate with Your Existing Technologies?

You have several systems and platforms upon which you depend to run your business, from your CRM to your office phone system to your billing platform. But are you leveraging each to its full capability?

A shocking CIO study found that U.S. organizations [wasted \\$30 billion on unused software](#) over the course of a four-year study. There were many reasons cited as to why the software went largely unused, from a lack of communication across departments and the software not properly addressing end user needs.

When you evaluate your next software rollout with either a custom, COTS or combined approach, it is important to consider how the system will integrate with your existing technology. Many solutions provide options for integration through an API or connector. But it can be challenging to complete the integration because of limitations of the solution or your existing system.

“Organizations invest a considerable amount of money in technologies but don’t often consider how to derive more value out of their existing IT spend,” says Jackvony. “When considering your plan for leveraging technology within your organization, consider how new systems will bring value

on their own and integrate with existing systems. When technology is properly rolled out, if done correct, it can exponentially increase the value of existing systems.”

Any new solution that gets introduced to your ecosystem has the potential to expedite or hamper your ability to drive financial, efficiency and productivity gains. Whether you introduce a COTS, custom or hybrid solution, ensure that information and data passes seamlessly throughout all your solutions to eliminate the risk of organizational waste and inefficient workarounds running rampant through your organization.



Your issues may be particularly acute if you find you are entirely rewriting your business processes to match the technology.

3

Which Pathway is More Flexible?

Have you ever got up-and-running with a plug-and-play solution, only to find yourself immediately wondering, “Can I create a system workaround to make the solution work the way I want?” If you are in Marketing, for instance, you might wish the lead scoring process could work differently. If you are in Sales, you may be frustrated by the limited amount of details your CRM shows in the Contact and Account views. Regardless of your role, you may find yourself repeatedly uttering, “If only the solution could do [fill in the blank].”

Often, COTS solutions impose boundaries and constraints around how we want to use technology to support our business processes because these solutions are designed with the general market in mind, versus your organization’s unique processes. Sometimes, we can get by and accept the rigidity because the most essential features and functionality are there. However, if you find yourself coming up against the limits of the system or wishing you could amend or tweak the COTS solution you just purchased, you may want to consider custom software. Your issues may be particularly acute if you find you are entirely rewriting your business processes to match the technology.

If flexibility is a chief criterion, custom software will be the preferred path. A custom solution allows you to build with your specific needs in mind, versus the needs of the general public. What’s more, you retain the ability to evolve and grow the solution as your needs evolve, versus logging an enhancement request to the COTS provider and hoping it will get noticed.

Your Pathway to Acceleration

Your next software solution can be your catalyst to achieving newfound business gains. From helping you deepen loyalty with your customer base to enabling you to better keep track of pertinent information surrounding your financial assets, the right software solutions can serve as accelerators for your organization.

As you assess whether to create custom software, leverage a COTS solution or embrace a hybrid approach, make sure you are clear on the problem you are trying to solve, the ways in which you hope to transform your business, and how you can use the technology to differentiate your businesses.

“Technology is never a silver bullet to solving business problems, but when applied strategically and intentionally, technology can help businesses reach an amplified level of success,” says Hebert. “One of the most important considerations is the pathway you will take to reach that level of success. Every software solution—whether custom or off-the-shelf—presents a number of gains. The job of a strategic technology leader is to ask the right questions to determine which pathway supports the business on the climb from good to great... not the one that is just good enough.”



trilixtech.com | info@trilixtech.com | (401) 285-8900