Guide Successful Technology Vendor Selections for Best Outcomes

Business improvement stems from technology investments that advance automation and apply intelligence to your work and processes, increasing the potential achievement of desired outcomes. Assessing vendors and utilizing technology for optimization and innovation is the foundation for digital transformation, and our chief research officer asserts that by 2025, over one-half of organizations will determine that the chaos of digital technology usage requires a rationalization of vendors to ensure operational excellence.

The process for determining an appropriate vendor should not be difficult. It requires a structured approach that utilizes processes to ensure an objective and thorough evaluation and selection. Our methodology is to ensure a business and technology team committed to the initiative uses an efficient and effective approach comprised of eight steps:

Digital Transformation
Market Assertion

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VENTANA RESEARCH

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1. Define the business case and goals expected from technology.
2. Specify the requirements for the technology under evaluation.
3. Assess the required roles and responsibilities of those involved with the technology.
4. Outline the critical path and milestones that are necessary for your process.
5. Develop the technological approach that best fits the organization's needs.
6. Establish evaluation criteria that covers the product and customer experience.
7. Evaluate and select the technology, using proper weighting and priorities.
8. Assign the team to start the initiative and journey with the technology vendor.

Ensuring that the request for information or request for proposal are framed properly protects you against limiting your evaluating to the features of a product. The features are one small part of what should be assessed to select a vendor and products, but you also must review the entire life cycle of technology use in your organization. The product with more features is not automatically the best choice; usability and manageability are equally important, as is the reliability of the technology operating in your environment and its adaptability to your existing technology investments and architecture. All of these factors require a more comprehensive approach to assessing technology vendors' products and your experience in utilizing them for your requirements.

The process of researching vendors and products to address an organization's needs should be comprehensive and not based on a list you find in an industry analyst's report. Our methodology used for almost two decades in our Value Index research examines the product experience and how it aligns with an organization's life cycle of onboarding, configuration, operations, usage and maintenance. Too often vendors are not evaluated for the entirety of products; instead, they are rated on what they do with marketing and sales in execution or their vision of the future, which is a flawed approach that prioritizes how the vendor operates over an organization's requirements.

Ventana Research defines the products and experience in using them across five evaluation categories — Adaptability, Capability, Manageability, Reliability and Usability. Ratings for these categories usually comprise four-fifths of the total evaluation weighting and will shift based on an organization's requirements. Each rating should include evaluation of the vendor's investment in that category as well as applicable innovation over the past year and announced future efforts. Ratings take into consideration:

- Adaptability, which assesses the degree to which products and technology can be adapted to an organization's specifications via configurability and customization while still maintaining integrity of integration across the worker, device, business, processes, application and data with internal and external systems.
- Capability, evaluating the products and features across a broad range of requirements, use cases and roles of those using the product. This often includes management, manager, analyst, administrative and IT personas.
- Manageability, which is evaluated by how well the product can be managed technologically and by business, and the governance, compliance, security, licensing and support included in a service level agreement.
- Reliability, which assesses the necessary performance and scalability within a defined architecture operating across enterprise and cloud computing environments, with the

required operations and performance of the configurability across data, users, instances, activities and tasks.

- Usability, recognizing the vendor's ability to meet the varying business requirements of roles for use with the vendors' products that could be executives, managers, workers, analysts, IT and others involved in operating the technology across workflows, through conversational and digital experiences, or on the web and mobile devices while using artificial intelligence and machine learning.

The importance of a customer relationship with a technology vendor is essential to the success of the products and technology. The advancement of the customer experience and the entirety of the journey an organization has with its vendor is critical for ensuring inevitable satisfaction in the long-term relationship. Thus, a vendor's offering is not just about technology and should be evaluated using a lens that ensures proper assessment and selection. Technology providers with chief customer officers are more likely to have greater investments in the customer relationship and focus on your experience and success. These leaders must also take responsibility for ensuring the marketing of their commitment is made abundantly clear on the organization's website and in the buying process and customer journey. Our approach defined in our Value Index research examines customer experience across two categories — Total Cost of Operation or Return on Investment and Vendor Validation — which usually represent one-fifth of the overall evaluation criteria. Ratings should recognize the vendor's investment in each category, recent innovation and plans for the future.

- Assessing TCO/ROI helps your organization understand how effectively the vendor demonstrates its business case, including the product's strategic value, total cost of ownership and the total benefit of ownership you can expect to achieve. The criteria also include an evaluation of the tools and documentation provided to enable customer evaluation of TCO and ROI and what the vendor cites as its investment and services to support it.
- Validation assesses the vendor's ability to support a customer relationship through the journey of marketing, sales, onboarding, support, services and partners. It also examines the product roadmap and release track record. It looks at its investment into these areas ensuring the vendor commitment to the customer experience from leadership, processes and systems. The viability of a vendor from financial growth, management and customer growth are also essential, and all information should be easily found on the vendors website.

In the end, your organization will determine the level of detail that meets your business needs for a vendor evaluation process. Factors beyond features and functions are essential for your organization's success, making it important to evaluate vendors in a comprehensive and efficient manner. Our methodology used for almost two decades in our Value Index research and helping organizations can help guide your efforts and ensure you are being fair to your organization and to technology vendors being evaluated. Simply taking a recommendation from a consulting firm that may have built-in bias or provide services to the vendor can result in a subjective assessment and selection.

Now you have the secrets and best practices for how we help our clients at Ventana Research. Need more help? Just ask. Our depth and knowledge of ensuring technology vendors meet your expected business outcomes is core to our role.

Regards,

Ventana Research

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Ventana Research is the most authoritative and respected market research and advisory services firm focused on improving business outcomes through optimal use of people, processes, information and technology. Since our beginning, our goal has been to provide insight and expert guidance on mainstream and disruptive technologies. In short, we want to help you become smarter and find the most relevant technology to accelerate your organization's goals.