

Selecting and Implementing Software

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My last column ([February 2002](#)) discussed the importance of developing a vision and strategic plan for the acquisition and implementation of technology in your financial planning firm. Your vision, which essentially is a breakdown of exactly what you are trying to accomplish through technology, is critical for providing a framework for evaluating and selecting software for your firm. This column will expand on the task of choosing and implementing appropriate software in your firm in order to accomplish your vision.

Write a Wish List

You should begin by writing down all of the things that you want a program to do. It is important to be as specific and detailed as possible. For example, if it is an office and contact management system you are looking for, a partial list might look like the following:

- Must have data fields for most of what you would want to track for your business
- Must allow for adding fields for tracking information specific to your business
- Must be relatively easy to use
- Must track and provide reporting capabilities for all financial and client contact data
- Must be extremely flexible in its ability to customize your business and reporting capabilities
- Must provide office calendar functions (or interface with existing systems such as Microsoft Outlook)
- Must be available to everyone in the office
- Must be easy to add or edit information
- Cannot be too expensive

Again, this is just a partial list and an example of what might be important to you.

Identify Available Options

The next important step is to identify all available software options. Although at first glance this appears to be an overwhelming task, it can be accomplished in a reasonable period of time by breaking the project down into manageable tasks. The importance of taking this time cannot be overstated! It is very costly to make quick decisions and purchase a piece of software, only to find out later that it isn't right for your firm. The costs not only are the out-of-pocket costs for the software, but lost productivity in wasted staff training time. Here are some sources of information for identifying available software:

- **Exhibits at industry meetings.** This is a great source of information, and you can usually try the program and ask questions on the spot.
- **Articles written in industry publications.** This is an excellent source of information because, many times, these articles are written by advisors who understand the issues that you face.
- **Networking with other advisors.** Do not purchase a program because a colleague or friend raves about it. Do your homework and evaluate the program for yourself (see "Evaluate Potential Programs" later in this column).
- **Advertisements from vendors.** This should be used only to find out about the existence of a program. A detailed evaluation should still be undertaken. Do not rely too much on the marketing!
- **Online Web searches.** This is a great way to find newer entrants into the field, as well as firms with smaller marketing budgets. They may have the program that is exactly what you are looking for.

Narrow Down Software Candidates

Once you have a list of available programs that address your needs, eliminate

programs that aren't good candidates for your firm. No software program does everything (at least none that I have come across!) and it is important to know your priorities. Factors to consider in narrowing your search are

- **Functionality and features.** How does the program address what you are trying to accomplish with your vision? For example, a financial planning program would have to be able to deal with the types of client situations you face in your firm.
- **Ease of use.** All software programs that accomplish a lot have a certain degree of difficulty in learning and using them, but certainly some are easier than others. What is the potential learning curve to becoming productive with the software? Are there training resources available?
- **Availability and quality of technical support.** What is the reputation of the vendor for availability and quality of technical support? Is the support knowledgeable and timely?
- **Compatibility with existing software/ systems.** Are the hardware and software (such as the operating system) requirements compatible with your existing hardware and operating system? Will the software interface with your existing programs, or other programs you are considering?
- **Cost.** Look at not only the direct cost of purchasing or licensing the software, but also the costs of training and annual maintenance. You also should consider the opportunity cost of not purchasing the software in terms of not being able to increase office efficiency or add client services to remain competitive.

Evaluate Potential Programs

Once you have narrowed your search to several programs (or even one), it is very important to perform a more detailed evaluation of the software before buying it. Evaluation steps should include

- Review all information provided directly from the vendor. This will mostly be marketing material, but also look at the hardware/software requirements, training material, support Web site material, and anything else the vendor provides. If the material raises questions or concerns, get them answered!
- Try the demonstration version provided by the vendor. Most software vendors provide fully capable demo versions, and this can be a way to find out if the program is a good fit for your needs. Be sure to test the software, using it the way you would in your firm.
- Talk with several (more than two!) existing users of the program and ask the following questions:
 - What are the strengths of the program?
 - What are its weaknesses?
 - What are the strengths and weaknesses of the vendor?
 - What has been the user's experience with technical support?
 - Do they have any frustrations with the program? Is there anything they wish it would do differently, or that it doesn't do at all?
 - What is their biggest complaint about the program? (Every user of every program will have a complaint.)

Implement the Software

Congratulations! Now that you have a complete and accurate picture of how the software will function in your office, and of its strengths and weaknesses, and you have decided to buy the software, it is time to plan your implementation. Here are some suggestions as to how to make this as smooth and productive as possible:

- Obtain information and suggestions from the vendor as to how best to install and implement the software. They should have suggestions to save you time and increase your productivity. You also may want to talk with several current users to get their opinions.
- Plan the timing of the installation. If your office is busy at the beginning of each calendar quarter producing client reports, this would not be a good time to install new software! Also be sure your computer consultant (if you use one) is not on vacation.
- Plan and schedule training. This is critical! The biggest problem I see in unsuccessful implementation of software is not that the program isn't appropriate, but that there has been insufficient training. The more a program does, almost by definition the more difficult it is to learn and use. In our firm we have regular, ongoing computer training for all staff members. Two sources for training are (1) directly from the vendor and (2) outside consultants that specialize in our industry.

Summary

Although the process outlined in this column takes time to carry out, the payoff is significant. Consider your time investment as just that—an investment with a high

return. You will avoid costly mistakes such as buying software that is never installed, improperly implemented, or under-utilized. In addition, you'll increase the odds of getting the most from your software, and that it will accomplish your objectives and solve the problems you have identified.

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