Vetting Your Government Software Provider To Ensure a Perfect Product Fit

For jurisdictions frustrated with an underperforming or end-of-life Permitting & Inspection system, it is important to note that the long-term cost efficiency and sustainability of your chosen software solution will be directly impacted by the operational model of your chosen solution provider.

As you progress into more concrete procurement and vendor vetting processes however, you will inevitably discover that companies like Computronix are a rarity in this space (i.e. a privately owned, debt-free company with a 40+ year history devoted exclusively to developing award-winning software for government agencies).

The more common operational profile for a government enterprise software vendor is a formerly independent company now publicly traded or guided by a private equity firm.

Why is this relevant to your vendor vetting efforts? To answer that question it's important to first appreciate the primary objectives of private equity firms in principle. Such firms are in the business of investing in or outright acquiring 'growth' companies to maximize their return on investment. Achieving this end typically involves: A) a focus on extensively 'streamlining' operations of the acquired company to maximize profit margins, and/or, B) a focus on increasing the short-term profitability and marketability of the acquisition to facilitate a profitable re-sale.

Wait a minute, you say. Isn't increasing the profits and business valuation the goal of all successful companies? Why is this a concern?

Recognizing Potential Conflicts of Interest Associated With a Publicly Traded or Private Equity Model

A predominant focus on profits alone is a concern because the implementation of a legitimate enterprise software solution for a broad government footprint anticipates a generational product lifecycle that is considerably longer than that of more conventional product lifecycles. Given the cost and complexity associated with deploying such solutions, it is imperative that the software vendor possesses the commitment and wherewithal to design, develop, maintain and upgrade such solutions for this generation AND the next. Doing so ensures that a government client achieves the ideal solution profile where operational skills and technology improvements are advancing in unison over a period of years, thus maximizing returns on your technology investment while simultaneously attaining peak efficiencies in your organization.

At Computronix for example, we've been building and implementing government enterprise software solutions for over 40 years with an unprecedented 100 per cent project success rate, and we fully intend to continue doing so for the next 40 years! **This type of generational product and services commitment runs contrary to the shorter-term profit expectations and timescales of a prototypical private equity firm or publicly traded software vendor.**

Over the years, the pitfalls of this potential conflict of interest have become abundantly clear as we meet with prospective clients who are consistently expressing some of the systemic challenges associated with maximizing the benefits from an equity-owned government software vendor relationship.

Whether you're pondering the possibility of replacing your current P&I solution to solve these issues permanently or simply looking to improve a deteriorating situation with an existing vendor where possible, it is important to be aware of the drawbacks associated with this short-term investment profit vs. long-term product commitment conflict of interest.

Potential Pitfalls of the Equity Funded Software Vendor Model

1. Support Costs Increase While Support Quality Decreases

While an equity funded model is undoubtedly beneficial in the beginning stages when exorbitant R&D costs threaten the viability of even the most well managed company intent on building a true enterprise scale solution, it becomes less beneficial as products mature and investor interests dictate the need for ever-growing profit margins. For this reason, equity funded software vendors typically follow a shorter lifecycle approach to product implementation and solution support, ramping up support resources when products are first released and then scaling back available resources as products mature to maximize profit margins.

A clear indication of such motivations are increasingly punitive support models designed to push clients towards self-service or automated support solutions.

2. Core services are increasingly outsourced

In addition to support automation, equity owned software vendors are increasingly outsourcing core services such as new product development and onsite implementations to third-party companies lacking the nuanced understanding of these complex systems that is best acquired through initial and ongoing immersion in product development and client implementation.

Such practices, while undoubtedly more profitable, are doubly problematic from a new client perspective. Not only does an outsourced implementation carry the potential for your system launch to take longer, cost more, and be more fraught with errors; this multiple degrees of separation from the actual product development experts compromises the experience and acumen available to you as ongoing resources throughout the extended lifecycle of your solution.

Lacking an intimate knowledge of the codebase and product design architecture, outsourced implementation and support teams will invariably fail to deliver the same quality and timely turnaround of support outcomes as those realized from a vendor delivering a full product and services solution, from implementation to maintenance to upgrade and beyond.

"I've never had a vendor that's as responsive to our support requests as Computronix. They are there for us anytime we've ever asked for anything."
Julie Crask, Applications/Database Manager, Hamilton County, Indiana

3. Client Input Into Current and Future Product Development is Minimized

Another area in which equity guidance seeks to maximize its investment returns is an ongoing effort to commoditize product(s) to facilitate a 'one size fits all' approach to initial project requirements and ongoing product development priorities. This strong avoidance of product customization manifests itself in: A) profit skewed implementation proposals that proactively push clients away from much needed custom configuration work in favor of more limited 'vanilla' solutions, and B) marginalization of client requirements in ongoing product roadmap and upgrade plans.

The evolution towards COTS, and now COTS+ solutions, is undoubtedly a positive trend in enterprise software delivery, mitigating as it does the excessive risks associated with building a custom solution from scratch. That said, there truly is no such thing as 'one size fits all' for an enterprise scope government software solution when you consider all of the variables of existing technology infrastructure, operational processes, data availability, and staff resources that factor into an agency's optimal system requirements.

For this reason, Computronix developed its award-winning POSSE Platform as a highly configurable workflow and business processes engine designed specifically for the purpose of facilitating the integral configuration work required to ensure a precision fit between client and software.

Further, with the ongoing provision and perfection of government software solutions alone as our sole corporate mission, it is to our mutual benefit to invite and facilitate an inclusive dialogue with each of our customers to best inform future product roadmaps and upgrade plans. This product input and our adoption of same ensures the total client satisfaction and repeat business upon which our privately-owned business model is predicated, to be your preferred provider of government software solutions for this generation and the next.

While facilitating product commoditization to maximize per project yields is undoubtedly a more profitable pursuit in the short term, such investor driven motivations are antithetical to a more long range, customer-service-centric philosophy focused on broadening the utility and appeal of a product platform, as opposed to limiting its functionality and implementation flexibility to reduce short term overheads.

"Whatever we need, POSSE has been able to provide in terms of process management. POSSE is such a solid, configurable product and they are so open to inventing new things with us."
Terence Quinn, Community Development Director, Douglas County, CO

4. Software Vendor is Slow to Embrace Emerging Technology Trends

One of the most telling aspects of the public equity investor and government software provider relationship is the timing of the partnership. Typically, such relationships are cemented when most, if not all, of the cost-prohibitive R&D work has been completed to arrive at a viable product solution. New technology innovation, while marketable in a re-sale scenario, is not nearly as profitable for the umbrella investor as immediate product commoditization and monetization.

For this reason, government software providers guided by equity investment interests are often slow to research and develop new technology and product applications until the demand for such innovations reaches a drastic tipping point requiring such innovation to remain competitive in the marketplace.

By contrast, an enterprise software provider prioritizing long term customer retention over short term profit maximization places a large emphasis on preserving a fixed R&D investment over the lifetime of their business to ensure their product platform maintains its utility for both current and emerging usability applications. Additionally, the maturation of the client and customer relationship over a generational lifecycle inevitably leads both parties to broaden the solution footprint into other business areas to better leverage the employee skills and experience associated with the established and widely adopted toolset. As an example, the City of Edmonton, one of our first

POSSE customers now includes over 3500 internal named users utilizing over 250 active business workflows!

With these customer centric priorities in mind, Computronix invests in excess of 12 per cent of annual revenue into ongoing product research and development to further refine a government enterprise platform that we've already been developing for nearly 40 years! That is the kind of commitment that a software vendor demonstrates when they are interested in one thing, and one thing only, to build the very best government software solutions in the world to ensure total client satisfaction.

"POSSE is the most adaptable work management system that I have seen on the market. It can be supported by non-IT professionals. The company has been extremely responsive to our needs and is one of the most technically knowledgeable organizations that I have ever worked with."
Ken Schmidt, GIS Administrator, Planning and Permitting,
City and County of Honolulu, Hawaii

Building Your Ideal Vendor Profile

Given the critical importance of avoiding the potential costs and conflicts of interest identified in the preceding section of this report, we highly recommend that your agency develop an optimal Vendor Profile using the reference checklist that follows. Developing this profile with your key project stakeholders, in advance of developing your project specific requirements, will help your organization to identify the key attributes that you require and value in a prospective project partner. Remember, picking the right partner at this stage not only sets the stage for project implementation success in the short-term; it empowers your agency to achieve true generational impact from your technology investment—setting a foundation for vibrant innovation within sustainable budget expectations for many years.

Once you've completed this Vendor Profile checklist, you'll have a much better sense of the specific attributes that your technology partner should possess to provide both an optimal fit for your immediate project requirements AND your agency as a longterm partner compatible with your corporate culture.

COMPUTRONIX®
Distinctive Software. Exceptional Service.

Our preferred software solution provider:

1. Provides full service delivery from development to implementation to support (no third party outsourcing).

   ● Yes ● No

2. Applies best practice implementation and project management methodologies.

   ● Yes ● No

3. Has codified a proven implementation approach and service philosophy specific to government technology.

   ● Yes ● No

4. Utilizes a phased approach to project implementation to gain user acceptance and build project momentum.

   ● Yes ● No

5. Possesses an intimate knowledge of business processes and workflows specific to our government agency.

   ● Yes ● No

6. Excels in change management consultation with internal experts and processes dedicated to same.

   ● Yes ● No

7. Encourages citizen participation to optimize user experiences for citizen engagement and usability.

   ● Yes ● No

8. Provides access to their entire client roster to reference check vendor's implementation track record.

   ● Yes ● No

9. Leverages decades of experience specific to government-centric enterprise software implementations.

   ● Yes ● No

Vendor Profile Checklist

Technology Solution

COMPUTRONIX®
Distinctive Software. Exceptional Service.

Our preferred software solution:

1. Leverages feature rich COTS solutions AND a fully configurable workflow automation platform.

   ● Yes
   ● No

2. Utilizes a Low Code development platform enabling quick delivery of apps.

   ● Yes
   ● No

3. Empowers our green initiatives via automation workflows reducing our carbon footprint and paper processes.

   ● Yes
   ● No

4. Facilitates full data accessibility (integration, transparency, actionability) for all internal stakeholders and citizens alike.

   ● Yes
   ● No

5. Ensures stringent cybersecurity with FedRAMP certified data centers audited to SOC 1 & 2 standards.

   ● Yes
   ● No

6. Creates feature rich and cost-efficient citizen services improving service delivery times and outcomes.

   ● Yes
   ● No

7. Facilitates operational efficiencies driven by robust data access and automated business workflows.

   ● Yes
   ● No

8. Encourages user acceptance with easy-to-use operational interfaces and citizen services user experiences.

   ● Yes
   ● No

9. Presents leading-edge technology with demonstrable awards and extensive customer references to verify.

   ● Yes
   ● No

10. Enables sustainable longterm ROI as confirmed via an extensive and directly comparable project portfolio.

    ● Yes
    ● No

Our preferred software solution provider:

1. Facilitates reference access to their full client roster to confirm effectiveness of support methods and satisfaction with same.

   ● Yes
   ● No

2. Commits over 12% or revenue annually to ongoing research and development to ensure technology remains leading edge.

   ● Yes
   ● No

3. Presents a strong technology and innovation pedigree with demonstrable international award recognition.

   ● Yes
   ● No

4. Specializes in government enterprise software solutions only with a clear focus on workflow automation.

   ● Yes
   ● No

5. Emphasizes a strong service commitment with strong customer satisfaction ratings.

   ● Yes
   ● No

6. Confirms industry leading staff retention rates ensuring long-term domain expertise & skills maturation.

   ● Yes
   ● No

7. Maintains the highest industry certifications for every aspect of its technology stack and service offering.

   ● Yes
   ● No

8. Conducts business to a high ethical standard with zero failed projects, lawsuits, acquisitions or bankruptcies.

   ● Yes
   ● No

9. Demonstrates the acumen and infrastructure to serve large citizen populations at a high performance level with extremely minimal downtime.

   ● Yes
   ● No

10. Possesses a client verified track record of successful government software project implementations.

    ● Yes
    ● No

Our preferred software solution provider:

1. Is a debt-free, privately owned vendor with no conflicts of interest inherent to the public or private equity investment model.
   - Yes
   - No

2. Delivers a robust and viable upgrade path ensuring our services remain cost effective and leading edge.
   - Yes
   - No

3. Gives us a strong voice in ongoing feature prioritization for upcoming product roadmaps and upgrades.
   - Yes
   - No

4. Maintains an accessible client community and annual conference to share and compare best practices with comparable agencies.
   - Yes
   - No

5. Provides a dedicated 24/7 support desk staffed by technology stack certified experts.
   - Yes
   - No

6. Manages full lifecycle product support for a broad client list utilizing directly comparable software systems.
   - Yes
   - No

7. Leverages modern low code technology encouraging widespread adoption and internal skills retention.
   - Yes
   - No

8. Utilizes experienced technical support staff with firsthand knowledge of our agency specific configuration (No third party support outsourcing).
   - Yes
   - No

9. Avoids product/support pricing ill equipped for widespread user adoption and extended product lifecycles.
   - Yes
   - No

10. Demonstrates extensive experience sustaining government software solutions over extended lifecycles (30+ years).
    - Yes
    - No

Building Your Ideal Vendor Profile

Does your prospective partner need to match a 'Yes' response for every item on this checklist? Not necessarily, though Computronix does! What's most important in this exercise is that it enables you to start considering every facet of your new technology project from initial implementation to ongoing operations & support, to full lifecycle product management for new features and emerging technologies.

Are you ready to start vetting your government software provider to ensure a perfect product fit? If yes, we encourage you to utilize the resources provided throughout this document to help inform your planning. Additionally, our experienced solution consultants are available at your convenience to help you develop your initial business case and subsequent procurement plan.

Ready to take the next step? Visit us today @
Computronix.com

White Paper By:

Computronix provides state and local government agencies with transformative enterprise software solutions for land management, alcohol beverage control and enterprise licensing. Powered by POSSE, an award-dinning platform cited in the Smithsonian Institution's collection of ground-breaking software, this wholly integrated suite of enterprise products empowers public sector agencies to automate critical processes and streamline business workflows for improved efficiency, accessibility and civic engagement.

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