Top 10 Tips to Achieve
Software Budget Approval

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One person in one department advocating for a new software package is one thing; many people in many departments advocating for the same software package is another.

You've discovered a new software application that will improve your business processes, save your company money and make you and the rest of IT look like a hero. But someone else has to approve the purchase—and persuading stakeholders that the investment is in everyone's best interests can be a tough sell.

We're here to help. These 10 tried-and-true tips will put on you the path of budget approval bliss.

Ten Tips to Achieve Budget Approval

1 Remember that software use is not strictly a tech issue.

Companies often leave evaluation to the tech folks, but software use is not strictly a technology issue. It is a business issue that reflects your company's vision and day-to-day operations.

Early on, involve those outside of IT because:

- You're more likely to end up with software that the majority will agree is a need and not an extravagance.
- Non-tech folks who give input early on are more likely to approve IT's selection simply because they were part of the software selection process.

2 Demonstrate the cost of doing nothing.

"Our generation was raised (fill in the blank), and we turned out okay." Sound familiar? Businesses often use the same logic. They don't understand how the current system is draining the company, and you have to explicitly show the cost of the status quo.

You can show value in four steps:

1. **Spell out what your current solution is costing you.** Lay out fairly obvious costs such as wasted time and lost customers, along with less quantifiable costs such as frustration leading to lower employee morale.
2. **Calculate the ROI of the new software.** The vendor may be able to help by providing you with an ROI calculator. For an example, see Windward's ROI calculator.
3. **Compare your current setup to the proposed solution.** Show how the new software would lead to a better ROI. A significant difference between the two can be a powerful persuader.
4. **Back up your comparison with references.** Ask the vendor for references who are willing to disclose—via phone call, case studies, testimonials, etc.—how switching software improved their bottom lines.

Demonstrate the cost of doing it yourself.

Your company has talented developers, and you may be feeling some pressure to build a program yourself instead of purchasing a third-party program. But building your own application comes with many, often-overlooked costs, including integration, performance, training, support and upgrades.

To show the cost of creating a software app yourself, we recommend you download Windward's "Should You Buy or Build?" white paper. The paper is focused on reporting software, but many of the considerations apply to all third-party applications. Going through the paper's checklist and presenting your conclusions to stakeholders can be a powerful tool in helping overcome purchasing software objections.

Understand the origin of the technology you're replacing.

It's the stuff of nightmares: You go into a meeting to make your case for new software and say, "Some idiot chose this inadequate software," only to find out you're speaking to the idiot. Do your research on who made the original solution decision and you will avoid any potential landmines.

Create a working demo.

As a general rule, show is better than tell. In addition, some people are visual learners, and they just won't get it unless they can see it. **As eloquent as you may be, a working demo can make your case much more effectively by illustrating exactly how the new system would work and what it would encompass.**

Along with the demo, present a list of your company's requirements and mention how the chosen solution meets each point. This is what Arland Head of LeBlanc's Food Stores did. He built a proof of concept and presented that proof of concept to his bosses to show exactly how the new system would work and what it would encompass. As a result, he received the go-ahead to purchase a new application.

A note of caution, however. Creating a proof of concept can drag out the buying cycle, so be sure to balance the need for a hands-on demo with the need for speed. (More on this in a minute.)

Take advantage of safety in numbers.

One person in one department advocating for a new software package is one thing; many people in many departments advocating for the same software is another.

Can this application help other groups at your company? Reach out to your peers in other departments to ask about their pains/needs, and then use that info when stating your case about why this software would be a valuable purchase.

Show them the money. In detail.

Enterprise software has the notorious reputation for being a mess when it comes to licensing and support. Be sure you understand the financial details around:

- **Internal vs. OEM/ASP vs. Reseller pricing.** How will you be using this technology and does the vendor impose any constraints on how you may use it?
- **Maintenance, support and training.** Are the fees spelled out as to how much maintenance and support is included? What exactly are the maintenance and support costs—a percentage of the contract, a flat fee, or something else? Does the company offer complimentary trainings, or will additional outlays be necessary?
- **Documentation.** Some third-party vendors charge additional fees for documentation, while others offer detailed documentation for free. For example, Windward has created a comprehensive documentation wiki that customers may browse, search and update.
- **Server and end-user licenses.** Is the software installed on a server and if so, does the vendor differentiate between standard server licensing and development server licensing? Does the vender provide licenses for client systems? Which client systems need licenses and which do not?
- **Upgrades.** Which upgrades, if any, are free, and what the cost will be for upgrading the software application down the road?

Get to know your internal buying cycle.

When's the best time to ask for money? **Do purchases of any kind, but especially new software, tend to be approved earlier or later in the fiscal year?** Will you have more chance of success in one quarter or another? How will other purchase requests affect this request?

Also, know where this program falls in the overall budget scheme, such as whether it's part of a miscellaneous bucket for smaller purchases or a line item that needs a different type of approval.

Approach with your request early in the day.

A fascinating study detailed in The New York Times piece "Do You Suffer From Decision Fatigue?" proves that timing has much more of an influence on decisions than previously suspected. An excerpt:

> "The more choices you make throughout the day, the harder each one becomes for your brain, and eventually it looks for shortcuts, usually in either of two very different ways. One shortcut is to become reckless... The other shortcut is the ultimate energy saver: do nothing... You start to resist any change, any potentially risky move."

When you ask for budget approval earlier in the day, you're less likely to trigger the "do nothing" default in the decision maker.

Bear in mind that time kills all deals.

Act swiftly after you've identified the problem the new software will solve.

The longer you go on and the longer the buying process takes, the more likely the decision makers are to decide the company will stick with the current solution.

Putting These Budget Approval Tips to Good Use

Getting budget approval can be downright difficult. Large companies resist switching out existing systems, and the process can be excruciatingly slow.

But armed with the above tips, you *can* guide your company into putting just the right software in place.

About Windward

For businesses in document-intensive industries, Windward Studios is the document generation and reporting software company that empowers business professionals to create beautiful, professional reports.

Windward OEM and enterprise customers span over 70 countries and all industries, including financial services, insurance, energy, healthcare, HR and technology. We've been delighting customers since 2004.

Our primary products are AutoTag , a design tool that creates custom templates with Microsoft Office, and a Java or .NET engine that connects to virtually any data source.

Windward delivers exceptional support, training, and documentation, with a 98% satisfaction rating from our customers. We're a Microsoft Gold Partner and an Oracle Gold Partner.

The Windward Difference

If you're working to achieve budget approval for a new reporting or docgen application, we invite you to look at our embedded solutions. At Windward, we believe that document generation should be simple and that free-form template design is a must. You deserve attractive, informative and impressive documents.

Windward provides a unique experience using Microsoft Office to format and edit report templates. Behind the scenes, Windward's sophisticated engine pulls data from multiple sources and merges that data into your reports, creating a fast and hassle-free experience that can make generating reports fun.

Windward delivers a solution that allows IT professionals to create basic templates and business users to customize those templates and create variations to meet their document generation needs. For details about the technology and how it has been successfully deployed, please visit the Windward Studios website for an overview video and free trial.