

## Buying IT – how to avoid disasters

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According to [recent research](#), many owners of small- and medium-sized enterprises (SMEs) consider the prospect of investing in technology intimidating. It's not surprising. Surveys show that anything from 30% to 60% of these investments fail to deliver on time or on budget, or fail to deliver the expected business results. This article describes how you can avoid wasting your time and money on IT failures.

### Three ways to guarantee disaster

- don't write down what you want – just chat to your chosen supplier, web developer or IT service provider and rely on them understanding what you need
- ask your friend, neighbour, cousin, aunt or partner to build your system or web site, or to look after your IT network and computers – it's so much easier, and you don't have to go hunting for a supplier that you don't know
- don't worry about protecting your business – a contract, particularly one that protects your intellectual property or which sets out deadlines and payment terms, would get in the way of a good relationship with your supplier

### Four ways to fail to achieve value for money

- don't think about your overall business – it's simpler to buy the system or service you need just now to solve that particular problem, and worry about the rest later
- don't think about the people who will have to use your new system or web site – after all, you know best about your business and how it should operate
- don't set realistic objectives, dates or budgets for your investment – you want it as cheaply as possible and you need it "yesterday"
- don't keep tabs on your supplier – interrupting them with questions about progress or deliverables will only slow them down

### The seven steps to success

If you want to avoid disaster or failure, then there are some basic steps you can take.

1. think about your business needs as a whole, as well as the needs of your users, and write down a structured specification of what you want – that specification provides the basis of requesting quotations from a number of different suppliers



2. set your budget and timescales (realistically) and define what the investment has to achieve, e.g. the time to process an order reduces from 2 weeks to 2 hours
3. research and/or ask around for recommended suppliers – make sure that the suppliers are familiar with the type of technology or development that you want
4. ask at least 3 suppliers for quotes AND for references for similar work, and contact all of the references to ask about the supplier – remember to ask your potential suppliers to sign a confidentiality agreement if you have intellectual property or commercially sensitive information to protect
5. assess the responses, then interview at least 2 suppliers to make sure that they understand your needs, that you are comfortable working with them and that you understand what will be delivered when
6. agree a price, deliverables, timescales and payment schedule and encapsulate that in a contract between you and your chosen supplier
7. monitor progress against the plan and build a good working relationship with your supplier

#### **Further information**

You can find more detailed help on [choosing suppliers](#) from the Business Link site.

Clearsight Consulting helps businesses to invest wisely in technology through their [Buying IT service](#).