



A WHITE PAPER

6 Simple Steps for Selecting the Perfect Project Management Software





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INTRODUCTION

Project management software was created to make your life easier. It's supposed to coordinate your team members' efforts and create an easy-to-track structure for the projects you're all juggling.

A quality project management solution does this by letting you view all of your time, budgets, invoices, and transactions—as well as the data that makes sense of them—in one place. Today, there's an abundant array of desktop and web-based alternatives that are capable of handling your project management needs. This article will help you evaluate and choose the best solution for your AEC firm.

Software requirements will differ depending on your firm's size, type, amount of work, and typical projects. Before you start gravitating towards one or another project management platform, you should identify what type of buyer you are in order to narrow down your key requirements.

WHICH TYPE OF SOFTWARE BUYER ARE YOU?

ARCHITECTURAL/ENGINEERING FIRMS

Project-based information, especially from timesheets, is vital to the development of accurate proposals for future work and for overall financial projections. This information needs to be readily accessible and visible in the general accounts. Architects also need invoicing capability along with various financial and performance reports and graphic tools for project tracking.

GENERAL CONTRACTORS

Contractors are looking for robust functionality that will help them track costs, manage documents and, in many cases, schedule the project. Project

managers at such companies will seek best-of-breed solutions, while C-level executives may push for integrated construction management and accounting suites.

INDEPENDENT CONSTRUCTION MANAGERS

Construction managers require advanced construction project software functionality that includes budgeting, costing, and document control. However, smaller managers may not have the resources to deploy enterprise-class CPM systems. These buyers will do well with SaaS systems or independent desktop licenses.



SUBCONTRACTORS

These buyers approach managing projects from the standpoint of maximizing their crew's performance, while minimizing liability. This requires subcontractor PM software with scheduling functionality to make sure the right crew is on the right job at the right time. Document control is critical to create a paper trail on change orders, transmittals, Requests for Information (RFIs), and other documents.

There's a wide selection of software to suit these different buyer profiles. Some programs are designed for individuals to manage specific projects. Others provide centralized project management systems are ideal for small or mid-size firms, as they provide some of the features of a high-end system without the complexities or price tag. Then there are also very advanced systems for companies the size of Walmart or Apple.

While the size and needs of buyers varies, project management software usually falls into two functional categories: standalone specialty platforms and integrated project management solutions.

STANDALONE SPECIALTY SOFTWARE

consists of separate packages that perform one or two functions very well, such as word processing, business graphics and presentations, spreadsheet, databases, accounting, or time and information management.

INTEGRATED PROJECT MANAGEMENT

SOFTWARE combines databases, spreadsheets, graphics, and word-processing capabilities to support many of the activities normally associated with planning and executing projects. Typically, such packages enable you to:

- *Create a hierarchical list of activities and their components*
- *Define and store key information about projects, activities, and resources*
- *Define activity interdependencies*
- *Develop schedules by considering activity durations, activity interdependencies, and resource requirements and availability*
- *Display your plan for performing project activities in a network diagram*
- *Display a schedule in Gantt-chart and table formats*
- *Assign people to work on project activities for specific levels of effort at certain times*
- *Schedule other resources for project activities at specified times*
- *Determine your overall project budget*
- *Determine the effect of changes on the project's schedule and resources*
- *Monitor activity start and end dates as well as milestone dates*
- *Monitor person-hours and resource costs*
- *Present planning and tracking information in a wide array of graphs, tables, reports, and dashboards*

As you seek a compatible software solution for your business, you will need to consider cost versus functionality, capability versus ease of use, compatibility with other systems, documentation, startup support, and ongoing technical support. Find out how scalable the software is. Can it be customized easily and cost efficiently as your organization grows?



The right software can take your company to a whole new level of project organization, and consequently profits. You can divide one project into multiple sub-projects in order to track time and expenses for each sub-project. Billing for all of your complex projects can be done in half a day to a day, meaning that your employees' hours are always billable. Plus, billing can be tackled efficiently by one administrative employee, leaving more time for

him/her to get on with other responsibilities. And since all the information and reports you need are at your fingertips, you can rapidly answer clients' questions, spot inefficiencies, and make the best choices for your projects and firm.

The following six steps will get you on the path to greater efficiency and productivity.

Step 1: Define Your Needs

Before you go any further, you need to identify what your firm needs from this software investment. What are your current processes? Do you want to change them? What about your needs and goals? And what specific problems are you trying to solve?

One of the best ways to identify what you're trying to accomplish is to **get feedback from others** in your company. Pinpoint two to three key problems that need to be solved, like poor communication, a lack of innovation, inadequate time management, and so on.

Make sure that you and your employees have reached a consensus on objectives, deliverables, scope, time, frame, approach, and so on. Include the background on what type of tool you'll be considering, why it's needed, and where it will fit into your technology architecture. Review prior research from industry analysts, read magazines and periodicals, and search the web to generate potential requirements that can be validated by your customers.

Create some key business cases that will help you solve the issues your employees identify. A business case is a process you need to perform with the software, such as creating a project from a standardized template to reduce missed steps, or viewing all active projects to foster communication.

In addition to assessing all of these current needs, it's vital to **plan as much as possible for your firm's future**. Do you anticipate hiring more employees eventually? The software you choose should let you grow your company without having to add administrative staff. Beyond these human resource needs, ask the software vendor how they envision their platform's future. Is there a roadmap for new capabilities, and can the software be easily updated? It's wise to look for a cloud platform that can be easily modified, like a cloud solution built on APIs. You should invest in a system that will work for you today and tomorrow.

To get more specific, try to answer these prompts as well:

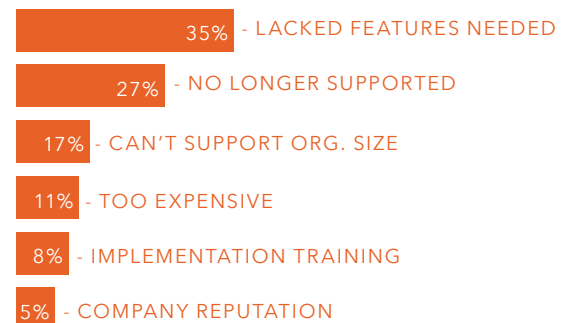
- *What is your staff's general comfort and familiarity with computers and software? How much time and effort will it take to install and to learn to use the platform?*
- *How does your staff usually work? How much time is spent on project sites or at clients' offices? Perhaps you need something more mobile than you're used to.*
- *Consider your current and prospective IT burden. How does this play into the costs and benefits of the systems you're evaluating?*
- *What type of communications do you have with your clients? How can the project management software expedite them?*
- *Make a list of the other software your firm considers indispensable. Will your project management solution need to integrate with it?*

Step 2: Narrow It Down

You should **make a longlist** of potential software packages, looking for any and all that might meet your needs. The purpose of this exercise is to gather a comprehensive, but not exhaustive, list of vendors and packages that you want to consider further. This ensures that there isn't an obvious candidate you're overlooking, but you can skip it if you think you already know the specific packages you're interested in.

According to Capterra, users decided to switch to a new software solution primarily because the old one lacked the required features, was no longer supported, or did not support the size of their organization. Through online reviews by software users, you can discern similar red flags (or benefits) to help you make your final decision.

REASONS FOR SWITCHING FROM PREVIOUS PM SOFTWARE



SOURCE: CAPTERRA.COM

Look for obvious reasons to eliminate some of the programs on your longlist. For example, certain products may not fit within your technology architecture. Some may be too new and others are too expensive. In some cases, there may be a feature you need that is not available. After this evaluation, you should be able to create a shortlist.

Step 3: Compare and Contrast

Once you have a shortlist, ***compare each platform's cost, functionalities, user-friendliness, logistics, and security.***

Get on the phone with each vendor and communicate your needs and goals. If necessary, send a request for proposal (RFP) for comprehensive feedback. Discuss the materials you receive with your team, and talk about which functions and characteristics matter most to you.

Map the features of each package against your requirements and weigh the factors to determine which one most closely meets your needs. Assign a number to each solution based on how well it meets each requirement, multiplied by the weighting factor. Naturally, the one with the highest score across all requirements should be the platform that best meets your needs, but you should also have a second choice.

Here's a features checklist that you may find helpful. You won't necessarily need all of these functionalities, but it's useful to be thorough in defining what you want¹.

- *Accounting capabilities or integration*
- *Native apps for iOS and Android*
- *Cloud-hosted*
- *Visual resource forecasting*
- *Billing/invoicing*
- *Resource and skill matching*
- *Project portfolio management*
- *Ordering/procurement*
- *Analytics and reports*
- *Budget/expense tracking*
- *Time tracking*
- *Business intelligence*
- *Notifications*
- *Document management/sharing*
- *Application program interface (API)*
- *Security*
- *Data ownership (who gets custody if you switch vendors)*
- *Level of customization and scalability*

Step 4: See It in Action

Now that you know exactly what you're looking for and have one to two choices in mind, it's time to get a personalized demonstration. Of course, you can attend remote walk-throughs earlier in your decision-making process, perhaps before you compare and contrast platforms. However, it's vital to *invite all potential stakeholders to a demonstration*, and you won't want to waste their time repeating the process if you haven't done your research. Ideally, you should get the opinion of everyone who's a current or potential user of the project management software.

Many SaaS companies offer a free trial, which you should take advantage of as well. However, it's wise to have a vendor representative explain everything to you and address your specific questions and concerns.

Whether you're testing the software yourself or attending a walk-through, *take note of the solution's ease-of-use*. If you and your colleagues find yourself glazing over with confusion in the midst of a demonstration, take it as a sign that the software isn't the right fit.

Step 5: Consider the Logistics

Even the most seemingly straightforward programs can give you a headache if they don't fit into your office's ecosystem. Whether it's customizations, integrations, or IT, you need to be sure that the software will work for *you*.

Once you've tested each program, you should be able to come to a conclusion as to whether or not there's an out-of-the-box product that will fulfill your needs. Talk to each vendor to see how customizable their software is and how much it would cost for them to include all the functionalities you require.

Additionally, a lack of consistency or integrations can render project management software virtually useless. Whether you're choosing a standalone specialty solution or a comprehensive one, make sure that it has the integrations you need. If it currently doesn't, ask if the integrations are software vendor's roadmap or can be substituted in some way.

Of course, you must also consider the software's IT requirements. Do you need to run your own server? Is the solution complicated to install? Ask how the vendor will manage updates and upgrades. Ideally, updates should be cloud-based for ease of installation, and they should not disrupt business.

Step 6: Know Who You're Dealing With

In terms of implementation, support, and everything else, who your software vendor is matters.

Find out if the vendor will provide personalized training, either remotely or on site. Consider the documentation you'll receive, the setup and startup support, and the long-term technical support. Ask if support is available 24/7 or only between certain hours. Note if the vendor has live support technicians standing by the phone, or just an online forum or FAQ page.

Ask yourself: ***Is it easy to work with the vendor? Do they focus on your needs, or are they just interested in selling software? Are they in it for the long-haul?***

The last thing you want is a fly-by-night software provider. No one wants to buy an application only to have the vendor go out of business a year later. You should be as careful about vetting potential vendors as you are with potential software systems. Look into the vendor's business plans, goals, and financial stability, and check references. How long has the company been in business? Are they growing or downsizing?

Obtain references to a few of the vendor's current clients, and interview them about customer service quality and product knowledgeability.

CONCLUSION

Choose your project management software wisely and you'll reap numerous benefits, including improved accountability, financial visibility, and collaboration. Remember that the technology will only produce results that are as good as the data entered into the system. This is particularly true when it comes to financial data, and sophisticated buyers will seek to integrate their project management and job costing systems.

As you perform your evaluations, be sure to ***ask yourself the following key questions:***

- ***What does the software do? How will it facilitate your key business goals and cases?***
- ***How easy will it be for your average team member to perform the relevant business cases?***
- ***How much does the software cost? Ask for a written summary from the vendor and ensure that it includes the initial purchase and any recurring maintenance and support fees, as well as any implementation and training fees.***
- ***What training options are available? Is there online training? Is there personalized training from the vendor, either remotely or on site?***

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