



PBCS Consulting Services

Technology Investment Plan

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Client

Mr. NO NAME
President
ABC CORP
123 Street Avenue
Toronto, Ontario, M6N 3P8
Fax number: 416-754-2654

PBCS

Mr. Vartan Kasbarian
Sr. Consultant
93 Bradgate Drive
Thornhill, Ontario L3T 7M4
Contact number: 416-720-3737

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Introduction

At PBCS we realize how important it is for Entrepreneurs to obtain a positive return on their technology investments. PBCS's Technology Investment Plan (TIP) is tailored specifically to Entrepreneurs looking to obtain clear, concise, and actionable investment advice relating to Information Technology solutions. By leveraging our extensive market intelligence and network of qualified Vendors, PBCS can help Entrepreneurs find solutions and services that are best suited to meet their business needs and objectives.

The objectives of this mandate are as follows:

- > Uncover technology adoption opportunities through a value chain analysis of your business.
- > Identify qualified solutions and Vendors that are best suited to meet your technology needs.
- > Provide advice and tools to help you invest in technology with confidence.

We trust this report provides value to your organization and appreciate the trust you have provided us. Rest assured that by partnering with PBCS, you are choosing a partner that is committed to your success.

Company Profile

This section summarizes our understanding of ABC CORP's business, based on the data gathered, and observations made.



Project Stakeholders

The project sponsor was Mr. NO NAME, President of ABC CORP. The Technology Investment Plan was developed by Mr. Vartan Kasbarian, Senior Consultant in PBCS Consulting Toronto's office, under the supervision of Mr. Craig Holden, Consulting Partner in PBCS Consulting Toronto's office.

Information collected to generate this report was the result of meetings with several stakeholders at ABC CORP. Information from the stakeholders identified below formed the basis of the observations, findings and recommendations made in this report.

Mr. NO NAME President	Mr. NO NAME Warehouse/Distribution Manager
Mrs. NO NAME Operations Manager	Mrs. NO NAME Bookkeeping & Finance
Mr. NO NAME Sales and Marketing lead	

Company Profile

Founded in: 1996	Industry: Logistics/Supply Chain 	Last year's revenue: \$1.3M
Location: Toronto, Ontario	Number of employees: 20 	\$

ABC CORP is a full service commercial office furniture firm specializing in installation, logistics, storage and relocations which markets itself as a one stop relocation service experience for its clients and customers. This all-encompassing approach is based on a focus of understanding customer requirements and consistently meeting or exceeding them, with the goal of established long-term partnerships.

ABC CORP's Mission Statement is an ongoing guarantee to deliver superior customer service to ABC CORP clients at competitive rates. ABC CORP is committed to providing relocation solutions that consistently exceed client expectations. ABC CORP's service offerings include:

- Commercial relocation and logistics – assisting companies to efficiently track inventories of furniture, equipment, corporate artworks, archives/records, display/AV materials and managing the planned execution of transporting articles/items within an office.
- Installations and reconfigurations – of modular office furniture, equipment and workstations by industry certified installers ensuring complex client requirements or design specifications are achieved. All installation and furniture designs are meticulously planned by the ABC CORP with the client's approval.
- Warehousing & Storage – ABC CORP provides flexible warehousing options tailored to meet client needs. Storage options are both short and long term with separate pricing models.
- Corporate records storage – Provides secured, reliable and controlled access solutions for off-site records management for corporate records.

ABC CORP's Group's largest customers include:

- Public Works and Government Services Canada (PWGSC)
- CORCAN, Government of Canada agency and office furniture supplier.
- The Office Shop
- Staples Canada Inc.
- GMP Securities Inc.

Competitive advantages are unique value propositions that provide a company with the upper hand over competitive business rivals and the ability to generate greater value for customers, leading to greater revenues. The more sustainable a company's competitive advantage, the more difficult it is for industry competitors to neutralize the advantages. ABC CORP's Group's competitive advantages include:

- Unique one stop shop service offerings based on client's needs.
- Integrated document management and storage offerings.
- Single point of contact for all customer support issues related to offered service.
- Waste management or reclamation services for dated or repurposed equipment by request.

Some of ABC CORP's Group's competitive opportunities include:

- Continuous improvement - adopting a culture that focuses on eliminating inefficiencies by rewarding and recognition of staff/customers for providing feedback, innovative ideas and operational process improvements. Good ideas should be acted upon in a timely manner.
- Workforce management and optimization – better use of technology to streamline the resources scheduling process, including work on-call scheduling and client notification.
- Storage inventory and warehouse management process - Improve traceability by implementing real-time tracking system of inventory in from receiving to delivery.
- Performance management practices to improve employee productivity and reduce labour costs.
- Implement standard operating procedures and a better racking flow, to ensure that reliance on key personnel is not a "bottleneck".

Other considerations

- Website redesign to effectively market ABC CORP, integrate web service offerings with ecommerce options, required to improve website to client conversion ratio and AIDA factor:
 - **A – Attention/Awareness:** attract the attention of the customer.
 - **I – Interest:** customer interest by demonstrating ABC CORP service advantages & benefits.
 - **D – Desire:** convince customers that they want and desire the product or service and that it will satisfy their needs.
 - **A – Action:** lead customers towards taking action (i.e. scheduled call back, sales lead call and/or online purchasing).
- Based on ABC CORP's corporate strategy, revenue growth objectives, projected annual sales increases and an increasingly competitive market, ABC CORP can adapt a variety of marketing strategies. Such strategies are effective as marketing spending is limited to potential customers specifically engaged or offering ABC CORP-like service offerings in real time as internet marketing strategy based on keyword search, location and specific user demographic attributes.
- Corporate relocations is an extremely competitive industry, as such ABC CORP should consider attaining industry certifications and joining business associations as a differentiator factor from competitors and to help build market credibility with a new customer base - (i.e. BIFMA level - Sustainability Certification for Commercial Furniture, Warehousing Education and Research Council (WERC) certification, Better Business Association (BBB) Workplace Hazardous Materials Information System (WHIMIS) and some examples).
- Centralized information systems with standard descriptions, classifications and established data validation practices – with better quality data, more accurate forecasts and useful corporate insights become available.
- Accessing Federal and Provincial government tax credits, grants and other special funding.
- With relatively low barriers to entry ABC CORP needs to maintain a competitive advantage by continuing to build out their service offering based on customer needs. Other potential services include:
 - Additional and/or related corporate move or relocation services – (i.e. Employee Relocation Services, Bin rental as a service with applicable penalties in case of loss or damages).
 - Office Furniture Rentals – short-term, long term rentals and lease to own options can improve monthly cash flow and provide additional services to attract new potential customers.
 - Used and/or refurbished furniture sales, including equipment repair and scheduled maintenance services.
 - Office Interior Design Services – paired to the office Installation as a value-add service.
 - Corporate flooring options, sales and installation and removal of replaced flooring, as a value add service.
 - Specialization opportunities to work with specific NGO, Government or industry verticals that may have unique needs that can be catered to for a premium, (i.e. contact centre, science/technical/computer laboratory's, private education providers or design studios).

Business Objectives

For many organizations, having clear business objectives is critical to the success of the business. Based on our observations, ABC CORP INC's current business objectives are as follows:

> Improved Financial Stability

Setting financial targets to grow top line revenues while focussing on reducing the cost of delivering ABC CORP services and thereby improving earnings quality. This objective requires 2 general approaches – innovation, defined objectives and firm management controls:

- Sales must improve monthly revenues to a target of \$250,000 in 18-24 months. This requires increased customer relationship management activities, improved value propositions (based on existing customer feedback) and sales force growth. This objective requires close leadership attention to sales, channel conversion rates and sales made vs. targets.
- Financial Expenditures - All fixed and variable costs expenses should be reviewed at a specified frequency (semi-annually/annually) and revisited for both best market price and cost benefit analysis. This will ensure ABC CORP is receiving the best value and building profitable Vendor relationships aligned with growth plans and strategy.

> Revenue and Sales Growth

Increasing revenues by expanding on current lucrative service offerings, targeting sales lead growth opportunities and optimizing work process or workforce.

- Sales and Marketing efforts, development of new (Product) client applicable service offerings and advertising activities must be considered for this objective to be realized and funded appropriately.
- Traditional, online and industry trade shows should be researched as strategic growth opportunities. Each campaign should be measured for ROI etc., at a specified date and/or frequency.
- Explore industry disruption opportunities are available – New innovative non-traditional methods of delivering service to new markets or demographics. Technology is an enabler for disruptive technology opportunities.

> Standard Operational Procedures

Implementation of standard operational procedure and applying for recognizable industry standards/certifications to grow credibility and potentially provide alternative business perspectives.

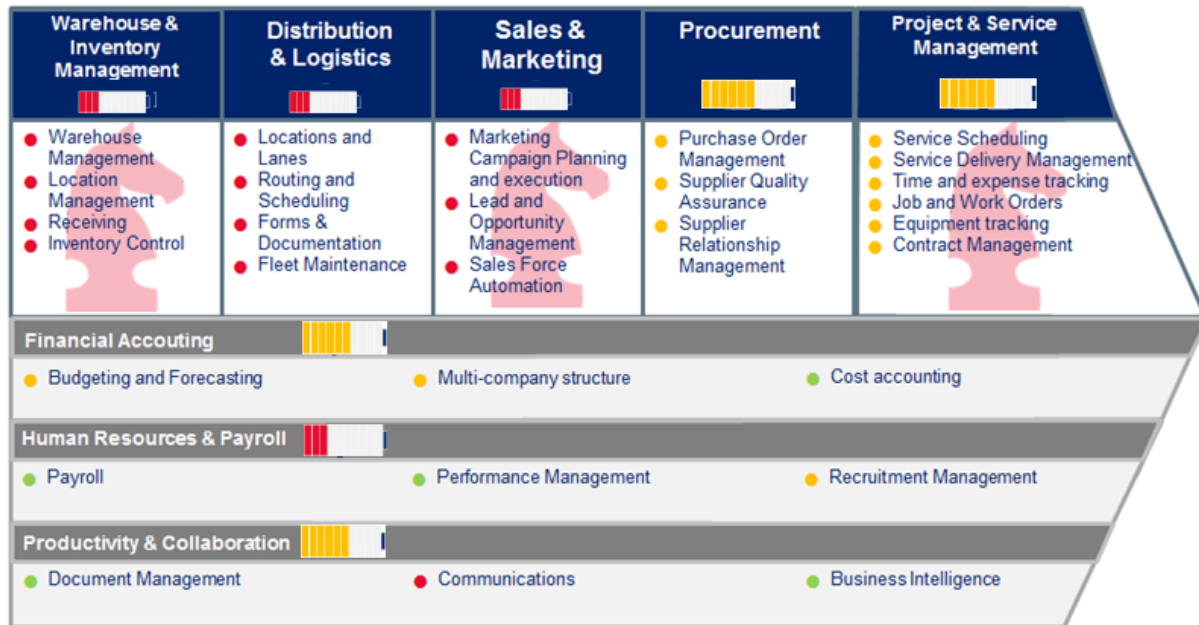
- Operations should be streamlined activities by completing an end-to-end business review and service processes to eliminate waste, human error and improve information systems. Service delivery optimization and reduced costs. ABC CORP's system should be integrated with all its core business processes.
- Procedures should be optimized and posted to a locally available intranet/internet website.
- This review should be completed within the next 6 months.

The objectives are aligned with the ABC CORP vision as discussed in on-site interviews, with clear management direction, and are attainable with implementation of stringent operational process controls.

Value Chain Overview

To support the detailed analysis to come, a value chain framework has been used. The value chain aims to identify the core functions of your business and the relative importance of technology within each function.

The following value chain has been developed for ABC CORP INC.'s business.



The critical focus areas identified on ABC CORP Inc.'s value chain were selected based on the company's strategic objectives to grow top line revenue, capitalize on improved business opportunities and implement process improvements to reduce operational costs. In order to achieve this, ABC CORP must concentrate their business efforts in two capacities – Growing the Business (GTB¹) within its current market vertical (government agencies, Medium-to-Large Enterprise, etc.) and running the business (RTB) as efficiently as possible. A suitable enterprise resource planning (ERP) system will assist both by integrating Sales and Marketing, Warehouse and Projects/Client service activities while providing ABC CORP with real-time data to evaluate actual performance vs. targeted goals based on predefined key performance indicators (KPI's).

Implemented properly, a software system will integrate both internal and external business processes used by ABC CORP within a single, comprehensive solution. This solution will effectively manage the commercial functions of business operations, not limited to the focus area's but also including functions such as: (planning, inventory/materials management, accounting, human resources and service/product development etc.). This proven approach will streamline existing business operations, processes and user activities/inputs to standard workflows as determined by ABC CORP and its

¹ According to ITIL IT Service Portfolio Management principles, grow the business (GTB) investments are intended to grow the organisation's scope of services, while run the business (RTB) are investments centred on optimising existing service operations. All business services should be grouped into these areas for re-organizational review purposes.

customer requirements.

Regardless of the configuration and cost of the solution, typically ERP solutions use a common database to hold information from the various business areas making information accessible in some form or another by various users. The use of an integrated database to manage the solution's multi-module application framework within a common information system is one of the primary ERP benefits of this kind of system over – *'point solutions'*².

Unlike best of breed solutions that historically were used by small to midsize businesses that relied heavily on multiple applications and databases with manual system integrations that burden IT resources threatening system function availability, most suitable ERP solutions can now be tailored (and priced) for small to medium sized businesses, standardizing the use of one application to run an entire business. This approach not only increases efficiencies, but also decreases the overall total cost of ownership (TCO), thereby reducing operational costs, improving the company's growth capabilities and profitability.

High Level Needs Analysis


With the Value Chain now defined for ABC CORP INC. we can delve deeper. For each of the core functions identified in your value chain, the following sections will identify the **business requirements** that should be met by any potential future information technology solution.



Warehouse and Inventory Management

The ability to store, track and retrieve inventory is core to any business' ability to deliver goods and services to clients in a timely fashion, and ultimately reduce costs within a business. For ABC CORP INC., we have mapped the key business requirements we feel are important to this area of the business.

² Point Solutions – are systems implemented to solving or address one particular problem without regard to any underlying or other operations related issues. Point solutions often start as a fix to a single problem or used promptly implement. Typically “band – aid” solutions quickly grow into operational process constraints limiting business capabilities and as such should be avoided.


Business Requirements	Overall importance 
> Warehouse Management	Business Objectives: Revenue and Sales Growth, Improved Financial Stability and Standard Operational Procedures Storage Inventory management is a critical System function. Stored items should be traceable by location and quantity to ensure storage inventory accuracy.
> Receiving	
> Location Management	
> Inventory Control	
> Picking, Packing and Kitting	

Recommendations

- Measuring Seasonality and remaining adaptable: ABC CORP's warehouse will operate differently in peak and off-peak seasons; both should be considered for optimization, asset scheduled maintenance and rationalization opportunities. Peak season is generally a good time to assess space and if systems in place are most efficient or can be optimized.
- Monitor Storage, Picking and Packing: These areas which together typically account for 70 to 80 percent of all warehouse space. ABC CORP should maximize the use of existing facilities before spending to add resources. Any future justifications for warehouse expansion should be valid and generate a predictable return on investment.
- ABC CORP's new system must include a Warehouse Management System to track orders full cycle throughout to the fulfillment process and integrate order status to your customer service department. This information is also a critical input to Sales and Service system modules.

Distribution & Logistics

The ability to transport goods effectively from one location to another brings with it many challenges, as well as several opportunities for improvement. We have listed the key requirements that we believe are necessary for ABC CORP INC.


Business Requirements	Overall importance 
> Locations and Lanes	<p>Business Objectives: Revenue and Sales Growth, Improved Financial Stability and Standard Operational Procedures</p> <p>Through delivery process integration, ABC CORP can eliminate the time of double input and/or human mistakes that can be made by staff having to manage multiple computer systems within a manual process.</p> <p>For example, once the equipment is collected and packed for shipment, automating the inputs from real-time activities eliminate the need for data entry.</p> <p>Another key benefit aligned with ABC CORP's objectives around delivering product/projects to the customer as quickly as possible. By having a warehouse shipping system integrated with main transactional system, you can help speed up the time between the order received date and the time when furniture or equipment arrives at ABC CORP's customers' location.</p>
> Routing and Scheduling	
> Forms & Documentation	
> Fleet Maintenance	

Recommendations

- Automate maintenance tracking – a system requirement should include tracking and organizing preventive and repair maintenance information for your fleet. This information should be based on manufacturer recommended best practices, including unscheduled maintenance and regulator recall notifications alerts.
- Optimize GPS fleet tracking - Ensure to incorporate event based alert management within GPS fleet tracking software.
- GPS functionality should include features to reduce fuel and operating expenses by tracking driver behavior, route optimization and many other expense-reducing activities, providing faster service to customers.
- Tracked attributes should include mileage, GPS location, fuel cards and fuel tax linked to specific sales orders completely integrated in real-time.

Sales and Marketing

The success of any business depends greatly on the company's ability to market and sell its products or services. This is no different for ABC CORP INC., below is a list of requirements that should be present in the new technology solution.


Business Requirements	Overall importance 
> Marketing Campaign Planning and Execution	<p>Business Objectives: Revenue and Sales Growth, Improved Financial Stability and Standard Operational Procedures</p> <p>Sales and marketing must include activities which begin with effective targeted customer communications – for the entire sales cycle.</p> <p>Target setting for marketing personnel will allow management to monitor target achievement by individual. These features are standard in most ERP software and will monitor the effectiveness of the marketing department work activities, ensuring personnel are working successfully.</p> <p>ABC CORP would significantly benefit from automating sales function, including order processing, contact management, information sharing, order tracking, customer relationship management and sales forecasting analysis.</p>
> Lead and Opportunity Management	
> Sales Force Automation	
> Client Portal	
> Customer Service and Support	

Recommendations

- **Website Redesign** - Implementation of redesigned website to better market ABC CORP services and appeal to customers.
- **Customer Relationship Management** - Increase the value of your customer relationships with a true 360-degree view of the customer portal, including displaying all sales interactions, support cases and financial transactions.
- **Sales Forecasting** - Gain real-time and accurate visibility into pipeline and forecasts. Monitor sales team performance against quotas based on sales conversion ratio, real-time invoices and cash sales.
- **Better Marketing Alignment based on sales channel** - Boost sales efficiency by effectively collaborating marketing activities with targeted sales activities selling.

Procurement

For many companies, the ability to manage suppliers and procure goods quickly and at the best possible price provides a significant competitive advantage. Given ABC CORP INC.'s current business operations, we have included a list of key requirements that should be sought in a future technology solution.


Business Requirements	Overall importance 
<ul style="list-style-type: none"> > Demand Planning > Supplier Relationship Management > Supplier Bid and Quote Management > Supplier Product Catalogue > Purchase Order Management > Supplier Quality Assurance 	<p>Business Objectives: Improved Financial Stability and Standard Operational Procedures</p> <p>ABC CORP should investigate potential operational benefits to be reflected in cost savings by through the use of business-to-business (B2B) procurement technologies for office furniture suppliers. ERP system usage increases the potential for cost reductions associated with on-line procurement especially within B2B marketplaces.</p> <p>In order to reduce overall costs a formal procurement process should be investigated to ensure, ABC CORPs is consistently receiving the best price for the best products.</p> <p>Additionally, formal procurement procedures will also lead to an improved customer experience by providing better product options.</p>

Recommendations

- Gaining an external perspective - Office furniture is a global business that has typically been a category with a much more regional or even local supplier structure - ABC CORP may want to take advantage of global producers that may be willing to partner or provide local distribution opportunities.

Project and Services Management

The on time and on budget delivery of projects and services to clients is a complex process, requiring information consolidation and task assignments to be completed in a timely fashion. A listing of requirements that are relevant to ABC CORP INC. have been included below.


Business Requirements	Overall importance 
<ul style="list-style-type: none"> > Service Delivery Management > Service Scheduling > Time and Expense Tracking > Job and Work Orders > Equipment Tracking > Contract management 	<p>Business Objectives: Revenue and Sales Growth, Improved Financial Stability and Standard Operational Procedures</p> <p>Prior to investing in a new technical ERP solution, ABC CORP should also focus on reducing operational costs and improving process cycle times. All business processes should be reviewed for potential reengineering or reorganizing opportunities.</p> <p>After review, processes typically group into six categories, known as the 6 R's – (Retain, Replace, Rationalize, Refactor, Renew or Retire). This objective approach reduces costs and cycle times by eliminating unproductive activities, after which ABC CORP can focus on delivering new services as dictated by client demand. Reorganization of teams decreases the need for management layers, accelerates information flows, and eliminates the errors and rework caused by multiple manual handoffs of information or data.</p> <p>Implementation of better controls, standard work process and dedicated workforce optimization techniques will lead to a reduction in overall operational costs, improvements in service cycle times, enhanced productivity, improved quality of system information and overall a better customer service experience.</p>

Recommendations

- **Create Standard Operational Procedures (SOP's)** – produce a document that describes the regularly recurring operational activities relevant to the business. The purpose of the SOP is to execute operations systematically and always in the same manner. An SOP should be available at the place where the work activity is done and written in simple, descriptive language. This ensures both standard usability and adherence, eliminating ambiguity and waste.
- **Business Process Reengineering** - the radical review and redesign of core business processes to achieve dramatic improvements in productivity, cycle times and quality. They typically adopt a new value system that places increased emphasis on customer needs.

Financial Accounting

The ability of any business to manage its finances is critical to its ongoing operation. Below is a list of key business requirements that are necessary for ABC CORP INC. to be able to manage its finances.


Business Requirements	Overall importance 
<ul style="list-style-type: none"> > Multi-company Structure > Budgeting and Forecasting > Accounts Receivable > Financial Reporting 	<p>Business Objectives: Improved Financial Stability and Standard Operational Procedures</p> <p>ABC CORP's current finance system limitations make a 2-tier company structure difficult to manage cost allocations, and project expenditures easily. A system redesign can ensure that ABC CORP's finance team is prepared to scale and is responsively capable of managing costs based on strategic growth objectives.</p> <p>ABC CORP should explore finance process automation & control opportunities for routine tasks reducing manual inputs/interactions which are labour intensive and error prone.</p>

Recommendations

- **Forecasting** - Increase forecasting and planning accuracy to improve cost accounting by implementation of better system controls. Proactively plan for strategic development objectives and manage business performance, profit, and growth.
- **Accessibility** - Make finance accounting information easily available via role based portals.
- **Traceability** - Collect, assign, and analyze cost information by project, order, cost center and business process.
- **Business Intelligence** - Evaluate the profitability of market, sales channel, service offering and customer segments.

Human Resources Management

The success of any company depends greatly on the company's ability to manage its human resources. Below is a list of requirements that should be found in the future technology solution.

Business Requirements	Overall importance 
> Scheduling & Shift Planning	Business Objectives: Revenue and Sales Growth, Improved Financial Stability and Standard Operational Procedures
> Learning & Training Management	
> Employee Management	
> Performance Management	
<p>Better forecasting can be implemented based on future sales cycle and historical sales information review. Proper use of forecasting tools and work intake controls can help ABC CORP create a resource workforce forecast for the future schedules up to a month in advance.</p>	

Recommendations

- **Capacity planning** – Planning tools balance the forecasted sales against the available workforce, enabling ABC CORP to make better recruiting, training, relocation and overtime decisions. In addition to required parts, equipment and vehicles for upcoming work activities.
- **Mobile workforce management** – implement ability to communicate with remote workforce in real time via mobile device. Allowing ABC CORP to provide more well-timed updates and change schedules in real time.
- **Learning and Development** – objectives should be clearly defined and systematically managed by customized workflow based on tenure and performance. This training plan should be aligned with ABC CORP's growth strategy.
- **Performance Management** – by measuring jobs after customer complaints, job error rates and follow up occurrences. ABC CORP can optimize its workforce by recognizing and rewarding top performers who wish to grow with the company. Adversely, structured performance management based on set criteria can also quickly identify poor performers and coaching opportunities.

Business Requirements Summary

This section provides a summary of the business requirements for ABC CORP INC. This table should be used to complete the RFP you will issue to the recommended solution Vendors following this mandate.

Warehouse and Inventory Management	
> Warehouse Management	> Inventory Control
> Receiving	> Picking, Packing and Kitting
> Location Management	>
Distribution and Logistics	
> Locations and Lanes	> Forms & Documentation
> Routing and Scheduling	> Fleet Maintenance
Sales & Marketing	
> Marketing Campaign Planning and Execution	> Client Portal
> Lead and Opportunity Management	> Customer Service and Support
> Sales Force Automation	
Procurement	
> Demand Planning	> Supplier Product Catalogue
> Supplier Relationship Management	> Purchase Order Management
> Supplier Bid and Quote Management	> Supplier Quality Assurance
Project and Services Management	
> Service Delivery Management	> Job and Work Orders
> Service Scheduling	> Equipment Tracking
> Time and Expense Tracking	> Contract management
Financial Accounting	
> Multi-company Structure	> Accounts Receivable
> Multi-company Structure	> Accounts Receivable
> Budgeting and Forecasting	> Financial Reporting
Human Resources Management	
> Scheduling & Shift Planning	> Employee Management
> Learning & Training Management	> Performance Management

Technology Assessment

Information technology has become a complex and multi-faceted discipline. As a result, adopting best practices can directly contribute to obtaining a higher return on any technology investment and ensuring business continuity. This section contains our assessment of ABC CORP INC.'s current technology solutions. For each area analysed, the findings and an assessment is provided.

Solution Integration

In an ideal world, all businesses would operate off a single technology platform. However for most business' this is often not the case. This section aims to expand on the integration points between the various applications used at ABC CORP INC.

- **Contact & Account Integration** - Customer Relationship Management (CRM) and Enterprise Resource Planning (ERP) systems contain contact and account information, ERP will focus on project or warehouse management and CRM on prospects and sales/support. ABC CORP's integration must address the differing business rules for process, while also supporting ongoing changes.
- **Service Integration** - The application should provide access to services that are availed in the system in real time. If true process integration is achieved. Allowing sales team to view, or even order from existing inventories.
- **Order and Quote Management** - Necessary to turn proposal generation which are created in the CRM into actual orders executed and monitors at from and ERP level.

Business Intelligence

Business intelligence (BI) is the set of techniques and tools for the transformation of raw data into meaningful and useful information for business analysis purposes. This data can be presented in the form of reports that can be manipulated by users to help support business decisions.

- ABC CORP lacks the ability to transform incongruent data points into meaningful business intelligence and decision-making information. With integrated analysis and real-time reporting of business operations, ABC CORP will be able to selectively access critical data and identify issues earlier and act to improve performance.

Disaster Recovery

Disasters are inevitable and, in most cases, unpredictable. For businesses that are dependent on technology it is important to have some kind of disaster recovery plan in place for your technology assets.

- Currently ABC CORP's backups are manual and can take from 12 -72 hours to recover while in its current sate this Recover Time Objective (RTO) may be acceptable, in a more integrated system environment this gap will have to be address by a 99.9% system availability target.
- ERP systems should be included in an organizations disaster recovery plan, including redundant network connections, a fail-over site, backup systems, and database synchronization tools.

Security

Technology today allows organization to store and use large amount of information that is critical to their operations. This information consists of knowledge capital that is valuable and a potential target for both internal and external individuals.

- Implementing and managing security controls such as user access and permissions to physical systems are critical.
- Solutions should support Secure Sockets Layer (SSL) and Virtual Private Network (VPN) deployments without jeopardizing the performance or scalability of the application.

Vendor Support

Success requires most companies to leverage the skills and expertise of technology suppliers to maximize benefits from technology and avoid having to maintain a large internal Information Technology team. However, to ensure that your company is well supported, it is important to enter agreements that are beneficial to both parties.

- ABC CORP currently is supported one IT Vendors with a strong understanding for the company's current needs. While this may be sufficient for today's operations it would serve ABC CORP more technical options available to ensure quality and cost management are not compromised.
- ABC CORP should consider building a diverse IT Vendors environment; a single-Vendors environment is convenient but also prone to resource constraint.

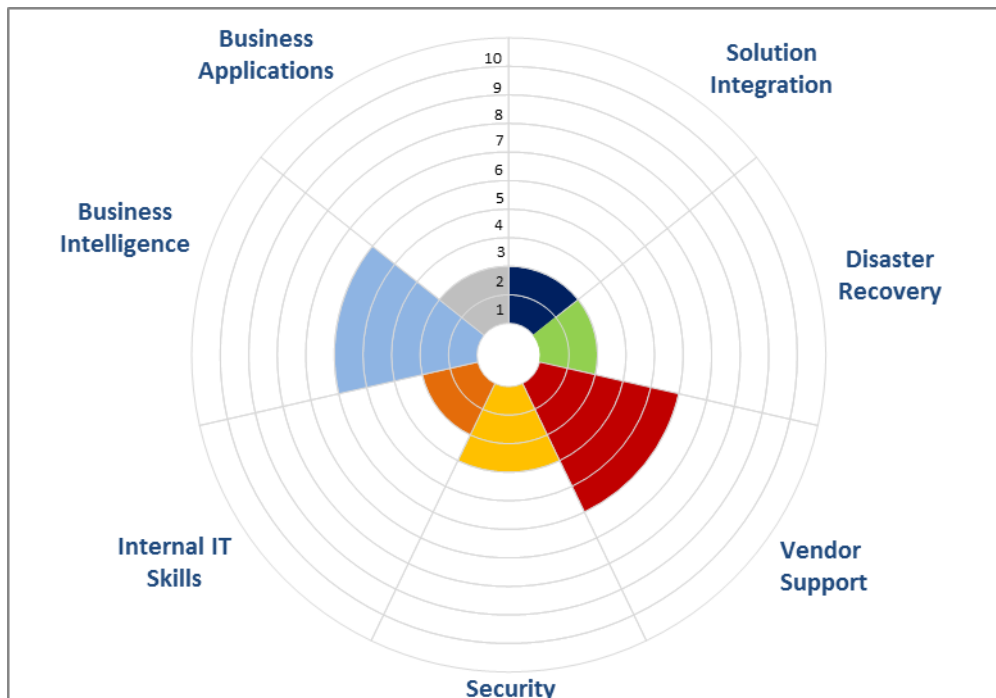
Internal IT Skills

As companies mature and expand, the need for dedicated internal IT staff becomes more apparent. However, with the breadth information technology, not all organization can justify having all the necessary information technology skills sets in house. The purpose of this section is to detail which skills sets ABC CORP INC. currently has, and which skills it should consider to acquire.

- ABC CORP should consider hiring an external service provider to monitor system health and performance of their IT environment.
- ABC CORP cannot justify having any full time IT employee's onsite at this time.

360 Technology Assessment

This section provides a qualitative assessment of the ensemble of ABC CORP INC.'s technology situation. This 360 assessment is based on our findings and professional opinions and provides a holistic view of the performance of your organization.



Although ERP implementations are complex undertakings that change the way an organization does its business. If implemented successfully, ERP systems can allow ABC CORP Inc. to quickly change their business direction and take advantage of new business opportunities.

However, ABC CORP Inc. must prepare well before starting the implementation process or risk facing tremendous problems after implementation of an ERP system. These problems may include lowered employee morale, loss of customer confidence and huge financial losses.

Even if an ERP implementation itself is successful, it will be difficult for ABC CORP to reap full benefits of the system and may face challenges regarding full system usage and process efficiencies if proper and precise planning isn't completed upfront.

Overall organizational quality and operations may also suffer during the post implementation period resulting in loss competitiveness and lowered employee morale. However, if proper communication planning and business process reengineering is done prior to ERP implementations, significant improvements and benefits may be realized.

Finally, the ABC CORP must periodically do root cause analysis of operational gaps after go-live and implement corrective continuous improvement action plans to maximize the return on its investments for the total product lifecycle.

Qualified Solution and Vendors

This section contains technology recommendations we believe can help ABC CORP Inc. achieve its strategic objectives and obtain a better return on their technology Investments. These recommendations are based on the observations, findings and analysis presented in the previous sections.

Recommendations

The following section includes our recommendations based on our observations and findings. We believe that our recommendations, properly planned, managed and executed, will provide ABC CORP Inc. with significant benefits.

> **RECOMMENDATION 1 - Project and Services Management
Business Process Review and Rationalization**

Conduct end to end walkthrough of all business services currently sold to ABC CORPs customers. Reviewed services should be grouped in to the 6 R's – Retain, Replace, Rationalize, Refactor, Renew or Retire. This process will form the base for ABC CORPs business requirements for a solution. Also it will minimize costs since only viable business services will be considered in scope.

> **RECOMMENDATION 2 – Project and Services Management
Understand all Critical Business processes and complete Standard Operational Procedures**

For every aspect of ABC CORP's business. These procedures should be documented to ensure that the document is updated as your SOP's change. While this is a large undertaking, it is critical to the success of your system implementation.

> **RECOMMENDATION 3 – Financial Accounting – Traceability
Collect, assign and analyze cost information by project, order, cost center and business process.**

Minimize process downtime and waste by implementation of financial controls and processes that incorporate traceability and KPI's based on business objectives.

Qualified Solutions

Based on the business needs identified, this section presents a list of PBCS qualified vendors that we feel are best suited to provide ABC CORP Inc. with relevant services and solutions to meet the needs identified.

Solution #1

Below is the relevant contact information for this Vendor. The last section of the table identifies the proposed solution that we believe ABC CORP Inc. should consider or inquire about. Solution #1 was selected based on their demonstrated capability to implement solutions tailored to ABC CORP's specific needs, business objectives and requirements.

The Solution #1's strengths include – Related industry experience, authorized solutions reseller and established expertise within delivering solutions to similar sized companies. As a business solutions provider, they design, develop and implement software products for mid-market organizations.

General Data and Contact Information	
Company Name	SOLUTION #1
Company Website	www.solution#1.com
Company Head Office Address	
Street and Number	123 Street Ave
City	Toronto
Province	Ontario
Postal Code	M6N 1Z7
Locations of other offices (City, Prov)	Mumbai, India
Contact Person Name	Contact Person #1
Email Address	Contact Person #1@solution#1.com
Phone Number	416-720-3737
Client References	
Client 1 Name and Contact Person details	Reference #1 (Toronto) Contact: Reference Contact #1 office # 416-720-3737 Reference #1@gmail.com
Client 1 Project Description	Upgrade / Data Conversion
Client 2 Name and Contact Person details	Reference #2 (North Carolina) Contact: Reference Contact #2 office # 416-720-3737 Reference #1@gmail.com
Client 2 Project Description	Dynamics ERP Implementation
Solution Information	
Solution Name	Microsoft Dynamics AX
Solution Description	ERP for small businesses

Vendor #1

Below is the relevant contact information for this Vendor. The last section of the table identifies the proposed solution that we believe ABC CORP Inc. should consider or inquire about. These Vendors were selected based on their demonstrated capability to implement solutions tailored to ABC CORP's specific needs, business objectives and requirements. The Winward Software's strengths include – Related industry experience, authorized solutions reseller and established expertise within delivering solutions to similar sized companies.

They provide a fully integrated business management solution designed for independent retail and wholesale businesses. This solution is scalable and can be customized to the needs of ABC CORP make our solution a must have for businesses that want to reduce errors, save valuable time, and increase business and profitability. Windward also offers live 24/7 support and informative workshops and training sessions offered by our knowledgeable staff.

General Data and Contact Information	
Company Name	Solution #2
Company Website	www.solution#2.com
Company Head Office Address	
Street and Number	123 Street Ave
City	Montreal
Province	Quebec
Postal Code	V2A 7K2
Locations of other offices (City, Prov)	Australia, USA, Philipines
Contact Person Name	Vendor Contact Name
Email Address	Contact@Solution#2.com
Phone Number	416-720-3737
Client References	
Client 1 Name and Contact Person details	Reference #1 (Toronto) Contact: Reference Contact #1 office # 416-720-3737 Reference #1@gmail.com
Client 1 Project Description	Upgrade / Data Conversion
Client 2 Name and Contact Person details	Reference #2 (North Carolina) Contact: Reference Contact #2 office # 416-720-3737 Reference #1@gmail.com
Client 2 Project Description	Dynamics ERP Implementation
Solution Information	
Solution Name	Microsoft Dynamics AX
Solution Description	ERP for small businesses

Next Steps

Guiding Principles

For most businesses technology can require a significant investment of time and capital. For this reason, it is important to make sure that your investments support your company's business objectives and provide positive returns. To support your upcoming technology investment decisions, we have provided a list of guiding principles we believe every organization should adhere to when investing in technology.



Invest in Technology: Technology should be an investment and not an expense. Technology can help a business operate more efficiently or gain a competitive advantage on the market.



Respond to Business Needs: Technology investments should answer clear and important business needs. Defining these needs is the first step.



Scalability: Technology investments should be made with long-term benefits in mind. Technology solutions that are more scalable will always provide a better return of investment.



Business Continuity: Technology should not expose a company to business continuity risk. Ensure your selected Vendor has the ability to support your business if a problem is to arise.



Internal Expertise: Without the proper knowledge and training, technology investments cannot provide a return on investment. Investing in internal expertise can pay large dividends.

Next steps – step by step

To support ABC CORP INC. in moving forward in contacting, evaluating and choosing the right technology partner for its business, we have provided the following next steps to help guide you through the process of evaluating and selecting a Vendor. These next steps are based on information technology best practices and we strongly recommend ABC CORP INC. follow these instructions.

The Demonstration Script, Reference Questionnaire and Request for Proposal (RFP) templates provided as part of this project are meant to serve as a reference. The client bears sole responsibility to review, amend and adapt these documents to reflect the needs of their business. Clients are advised to exercise sound business judgement during all procurement activities following this mandate.

Vendor Evaluation Kit

- **Reference Check Questionnaire**



Vendor Reference
Questionnaire_EN.do

- **RFP template**



RFP_Template
v2.1.doc

- **Demo Script template**



DemoScript_ClientMa
sterTemplatev2.xls

Contract Review

6

Invite Vendors to demonstrate their solution,

5

Create a demonstration scenario

4

Evaluate Vendor responses

3

Develop and issue an RFP

2

Contact Vendor references

1

For each Vendor identified in this report, you should start by contacting their references. Vendor reference checks can provide good insight into the quality of service, timeliness of response and level of post-sales support.

Please note:

Vendors may offer multiple solutions or products, as a result the reference checks are meant to provide insight into the Vendor and not the products they offer. We have provided you with a **Vendor reference check questionnaire** as part of this mandate.

For Vendors with satisfactory references, the next step is to fill out a request for proposal (RFP) and send it to your shortlisted Vendors. Although it may seem labour intensive, an RFP will allow you to clearly detail and communicate requirements to technology Vendors and ultimately ensure clarity of scope. Vendors should be expected to respond to the RFP and confirm which requirements are met by the proposed solution and associated costs **in writing**.

To ensure maximum protection from additional fees, the final contract signed with any chosen Vendor should reference the RFP issued. To help, we have provided an **RFP template** for you to complete and distribute.

Using Vendor responses to your RFP, you can begin to evaluate suppliers. The evaluation should consider which of the business requirements in the RFP are supported, the level of customization of the proposed solutions (*less customization is better*) and the total cost of ownership of each solution.

While the information sent from potential suppliers is certainly useful in supporting an investment decision, we strongly recommend you invite Vendors to participate in scripted demonstrations. These demonstrations should be based on a script produced by you, which includes several scenarios across the various departments within your company. Vendors should be required to demonstrate how their solution can support each of these scenarios.

To help you in this endeavour we have provided a **demonstration script template** for your convenience

Having defined your demonstration script, you must now invite potential suppliers to a meeting where they will demonstrate their ability to meet your needs with their proposed solution. Once the meetings are completed, you'll be able to decide which supplies are able to meet your needs in real life situations that meet the requirements of your business.

Once these demonstrations are over, you will be well positioned to identify which supplier is best suited you're your needs...

With a finalist identified, a contract should be requested. The contract or contracts should include licensing information for the software as well as details around the implementation costs. The contract should also include terms that relate to the maintenance fees, on-going support and warranty. Contracts can vary greatly among Vendors and it is suggested that you seek professional advice before signing any legally binding agreement

Before you start

Before moving forward to apply some of the recommendations made in this report it is important to consider the following:



Evaluate the cost-benefit: For each investment, weight the cost-benefit against other new and ongoing initiatives within your organization.



Use Proper Governance: Adhere to proper governance principles, by assigning an internal sponsor for each project, a project lead and stakeholders who will provide the necessary input to support decisions.



Makes a Detailed Plan: For any technology implementation, ensure you have a detailed implementation plan with a defined timeline.



Budget Properly: Ensure adequate funding is available for each investment, this should include a contingency fund.



Secure the right people: If you need to obtain external help, ensure a detailed contract or statement of work is provided, and where necessary have it reviewed by an expert.

We appreciate the trust you have put in us and hope this report has met your expectations.