



Buyers Guide for Financial Consolidation and Reporting Solutions

Performance Management Buyers Guide Series



2022 Edition



Buyers Guide for Financial Consolidation and Reporting Solutions

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Overview

The BPM Partners Performance Management Buyers Guide Series is designed to provide an unbiased and up to date view of the latest trends, developments, requirements, best practices, and vendor options in the world of business performance management. The information provided is intended to enable companies to have meaningful and informed discussions as they plan their performance management projects.

Financial Consolidation and Reporting Solutions

Financial consolidation and reporting solutions are a key component of performance management systems (BPM, CPM, EPM, FP&A Systems, Extended P&A Systems). The use of these solutions has expanded dramatically over the last several years. Initially seen primarily as a solution for large global statutory reporting systems; today elements of these solutions are included in almost every performance management project. Many organizations require alternate rollups: legal, management, regions, products, etc. Others want detailed audit trails, the ability to enter journal entries, or to collect and report data in multiple currencies. While there are several ways to address these needs, only financial consolidation and reporting solutions are designed and optimized specifically for them. More than 50% of companies today are dealing with multiple GLs or ERPs that need to be consolidated. Add in the need for intercompany matching and eliminations, minority ownership, acquisition modeling, allocations for true costing and profitability analysis, cash flow, and you can see how almost every company could benefit from a consolidation and reporting solution.

In the past few years more companies have started to plan at a more detailed level, and this has created the need for consolidation capabilities such as alternate rollups, intercompany eliminations, currency conversion, and journal entries during the budgeting and planning process. The use cases for consolidation and reporting of actual data have grown as well. Running a trial balance or performing account reconciliation in the performance management system is now a common occurrence. Of course, many companies still use these solutions to meet their external reporting and compliance requirements. From a performance management perspective, the key use of financial consolidation and reporting solutions is to improve management reporting, which is the primary driver for performance management initiatives in the first place. These solutions deliver the one version of the truth that is required for trustworthy performance reporting that executives can rely on to inform key decisions.

To meet these growing consolidation and reporting needs existing vendors have been adding functionality and enhancing scalability, while at the same time making their systems easier to use. Several new vendors have also arrived on the scene with a goal of reducing the cost and complexity of these solutions to make them more accessible to midmarket organizations.

Requirements



Financial Consolidation, Reporting & GRC

- Companies still striving to attain 'one version of the truth'
- Users unable to easily produce their own ad-hoc reports and analysis
- Monthly close that takes too long
- The need to address changing regulatory requirements

Most organizations know why they need a new consolidation and reporting solution, and its usually because they are facing one or more of the challenges highlighted in this graphic. Often it is their existing systems that have caused or exacerbated these issues in the first place. After years of manually cutting and pasting data from multiple systems to produce reports they realize how risky and labor-intensive it is. If they don't have 'one version of the truth', or reports are difficult to create, how will they produce timely and reliable reports to drive decision-making? Once they recognize the need, the challenge becomes trying to define exactly what they require from a new solution. Requirements need to be spelled out with enough detail to be able to differentiate solutions.

Financial Consolidation and Reporting Requirements

To help you begin thinking about your own requirements, on the next few pages we will share data from your peers, collected as part of the most recent BPM Pulse Research Study. We will examine their challenges, as well as what they prioritized during their own search for a new budgeting and planning solution. Below is a demographic profile highlighting the largest respondent groups.

Responses

457

Company Size

Small
7%

Midmarket
63%

Large / Enterprise
30%

Industries

Financial services, manufacturing, healthcare, higher education, not for profit, construction, government

Geography

North America
83%

Europe
14%

Business Area

Finance
58%

Senior Executive
15%

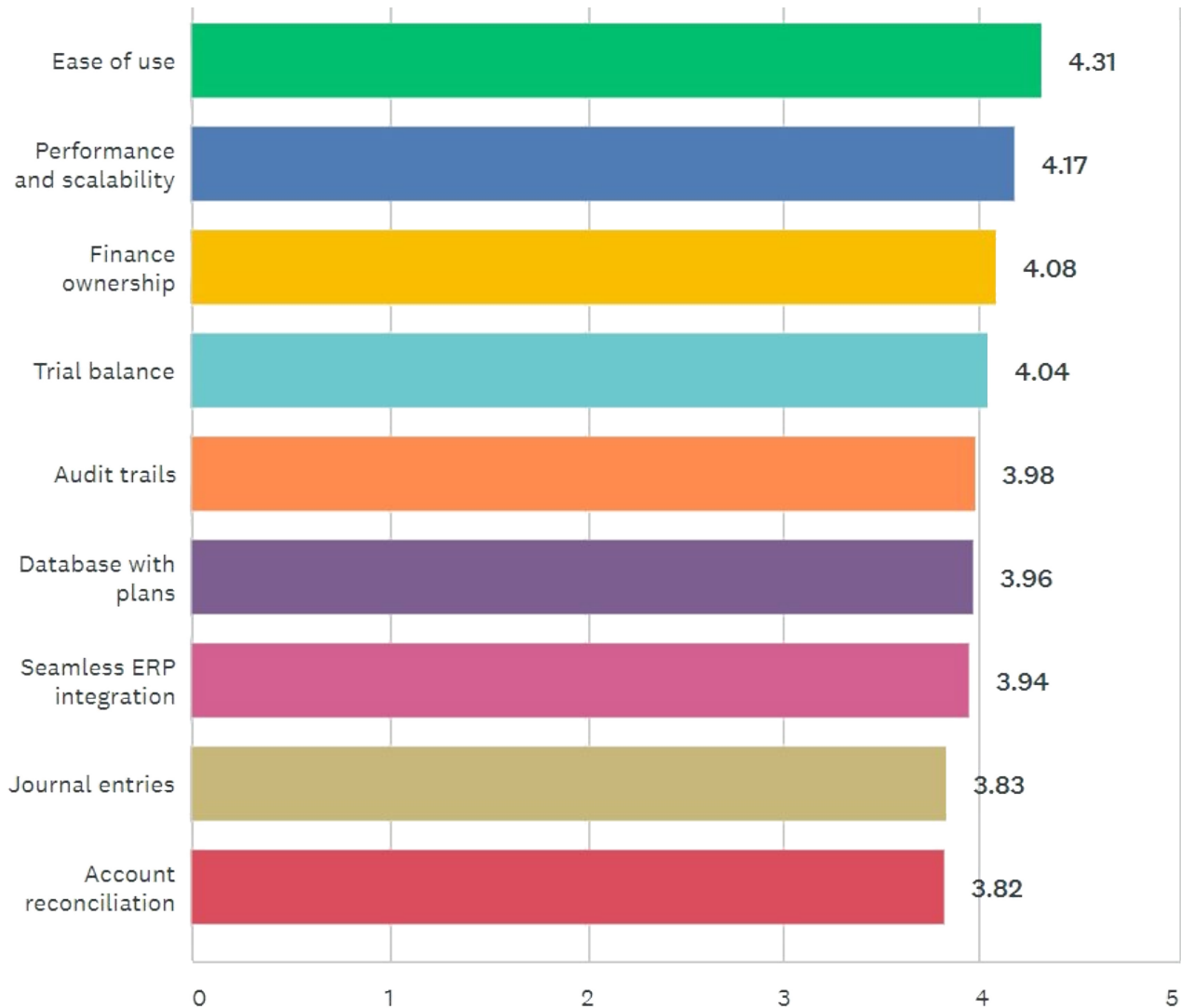
IT
12%

Performance Management
Research Study Results



Date: April/May 2021

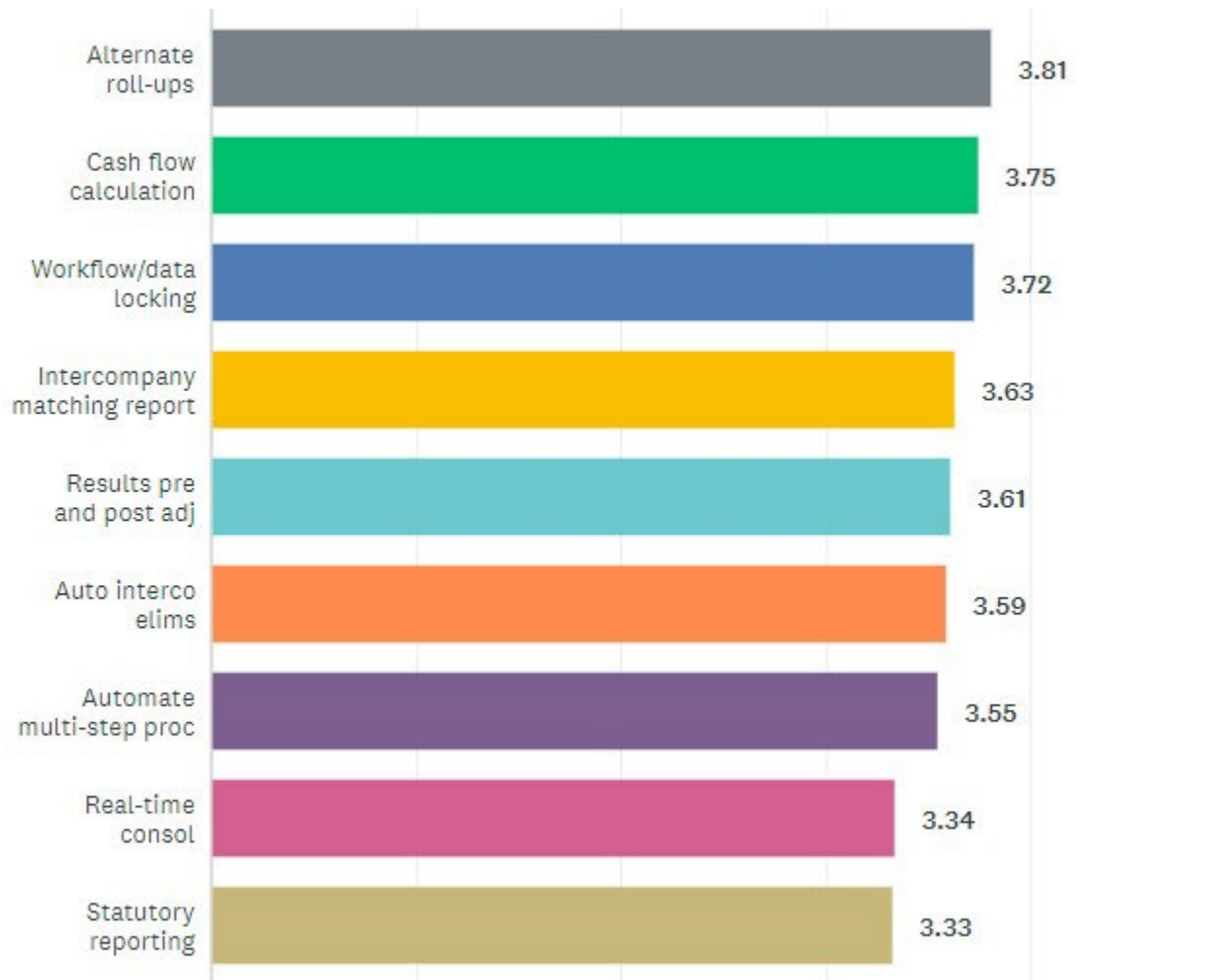
Key Features of a Consolidation Solution



Source: BPM Partners 2021 BPM Pulse Survey

Respondents were asked to rate a list of features on a 1 - 5 importance scale, with 5 being most important for a new consolidation solution. This graph displays the top-rated items. Ease of use and performance and scalability top the list. While consolidation systems typically have fewer direct users than a budgeting and planning solution, it is still important for the system to be easy for the accountants to use to minimize errors and keep the process moving forward. Performance and scalability is particularly important for these systems. As the number of accounts, cost centers, currencies, allocation rules, intercompany eliminations, etc. grow, you will feel the pain of an underpowered solution. Trial balance and account reconciliation are two capabilities that more and more companies are relying on their performance management consolidation solution for. Support for journal entry capabilities is also a growing demand, even in some cases to post back to the general ledger. Having consolidation solutions in the same unified system with planning makes producing management reports a much more seamless process.

Key Features of a Consolidation Solution pt. II



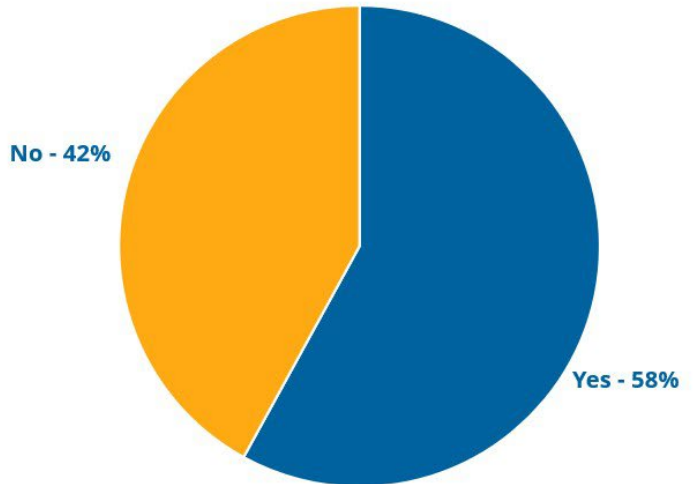
Source: BPM Partners 2021 BPM Pulse Survey

As we continue to look at the list of top requested features we see alternate roll-ups which almost every company requires in some form, and cash flow calculations which have become even more important in the last few years. Workflow and data locking relates to how data is released for consolidation and then locked to prevent any changes after consolidation has taken place, unless unlock permission is granted. For many companies intercompany matching reports and eliminations continue to be critical elements of consolidation. One of the newer items on this list relates to automation of multi-step processes (sometimes called robotic process automation if AI is utilized). This is important not only for ease of use, but to reduce errors by making sure no steps are inadvertently skipped in the loading and processing of source system data for example. Real-time consolidation essentially consolidates as you go as each set of data becomes available, as opposed to consolidating in one big and time-consuming process at the end. Statutory reporting is the lowest item on this list, but that is because not every company requires it. For companies that do, this is a vitally important capability.

Consolidation for Budgeting and Planning

- The majority of 2021 survey respondents see the need for robust consolidation capabilities during the budgeting and planning processes.
- The primary uses:
 - 76% - Intercompany eliminations
 - 52% - Alternate roll-ups
 - 47% - Journal entries
 - 46% - Currency conversion

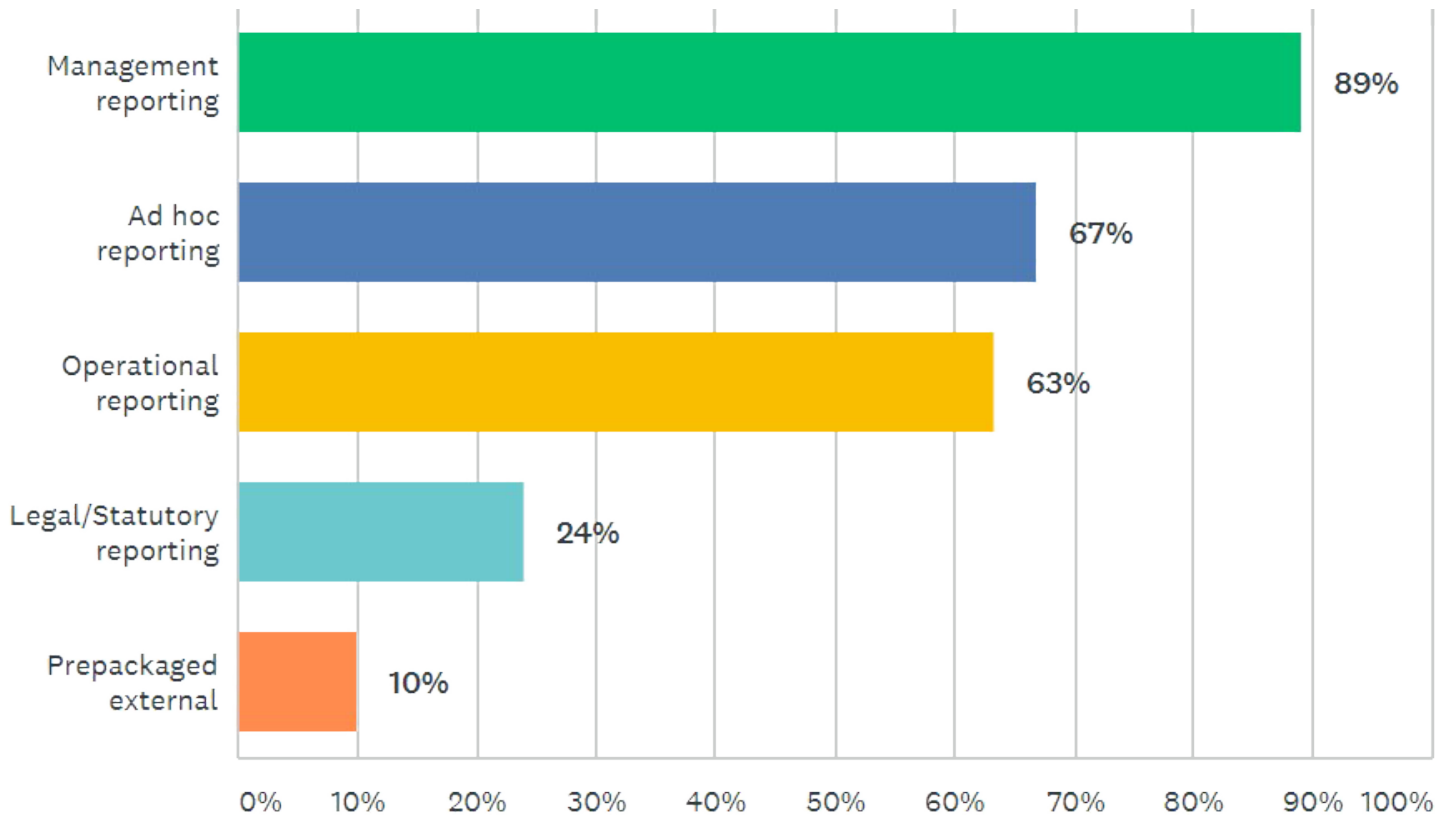
Consolidation for Budgeting



Source: BPM Partners 2021 BPM Pulse Survey

The consolidation process is usually associated with the loading and processing of actual transactional data from source systems to provide 'one version of the truth' to enable management reporting and support external statutory reporting. While those are the primary uses, another key use case has evolved over time. More and more companies are budgeting at a very detailed level and they want to use consolidation functionality on budget and plan data. In the most recent survey that was the case for almost 60% of the respondents. More specifically, they need the solution to perform intercompany eliminations and support alternate roll-up paths. As noted above, even in the budgeting process a sizeable group wants the ability to create journal entries. Currency conversion clearly adds value for those companies collecting budgeting and planning data in local currencies. We have been tracking this trend for several years now and 50-60% of survey respondents consistently ask for the ability to use consolidation functionality during the budgeting and planning process. It's something to think about as you consider your own requirements for a consolidation and reporting solution.

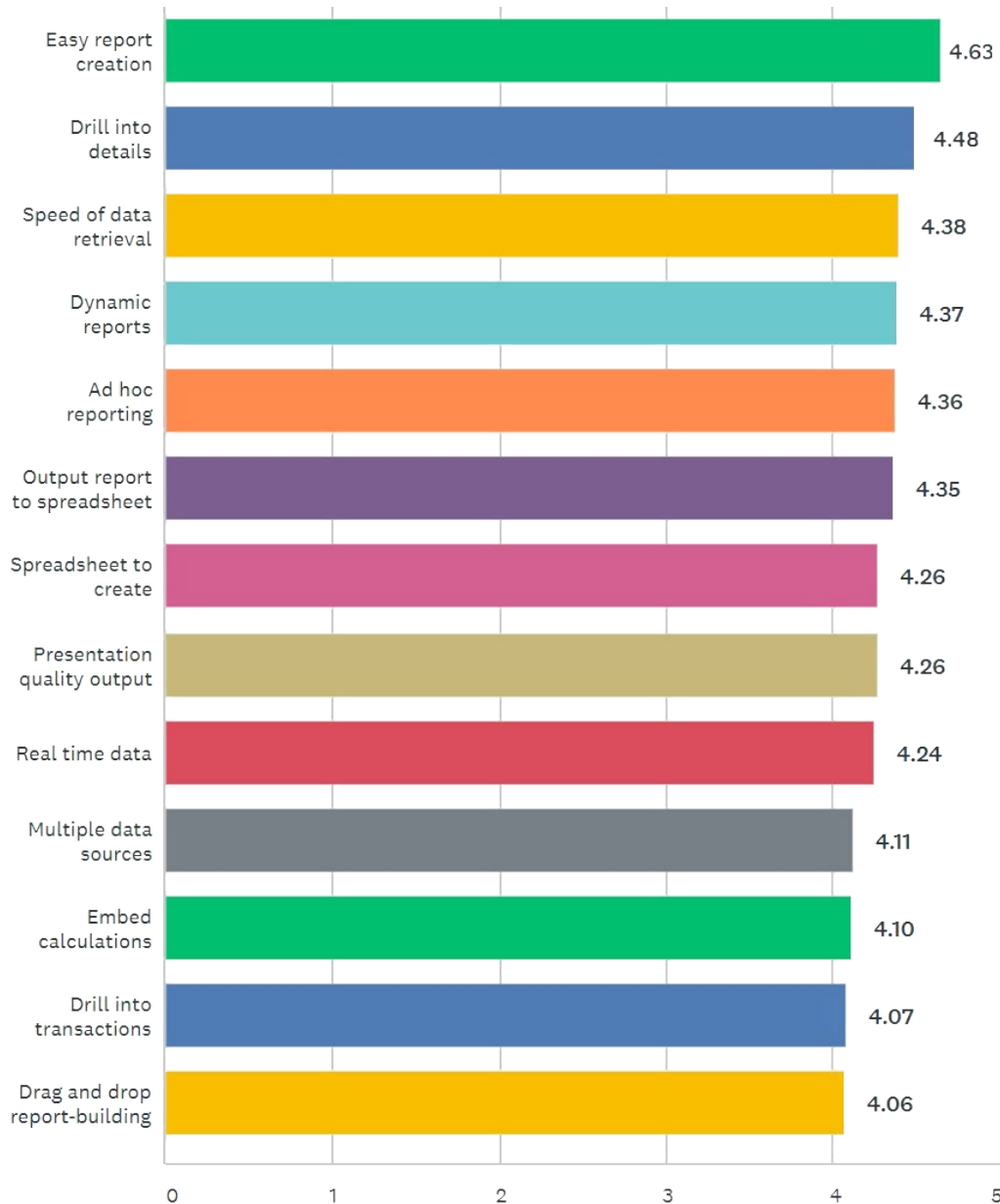
Reporting Focus



Source: BPM Partners 2021 BPM Pulse Survey

The key deliverable for a performance management system is providing reliable and timely information to enable better informed decision-making. That is reflected in this chart with management reporting being important to almost 90% of survey respondents. To produce these reports you need a very capable consolidation solution with powerful but easy to use reporting functionality, in a unified system with planning which provides the data that actual performance is measured against. Ad hoc reporting has become more important in the last few years due to rapidly changing market conditions. The ability to quickly pull selected data out of the system as needed enables companies to respond to changing conditions in real time. This can be done without having to create a new, formal production report as is used in management reporting. Operational reporting has also been growing in importance as it has become more apparent that the best planning processes take a holistic view of the business that enables you to understand the full impact of changes as they ripple through the system. Legal reporting as previously mentioned is very important to those who require it. Pre-packaged external SEC reporting with XBRL/iXBRL tagging is low on this list because most companies that need this capability already utilize a third-party solution, and therefore don't need performance management systems to supply it.

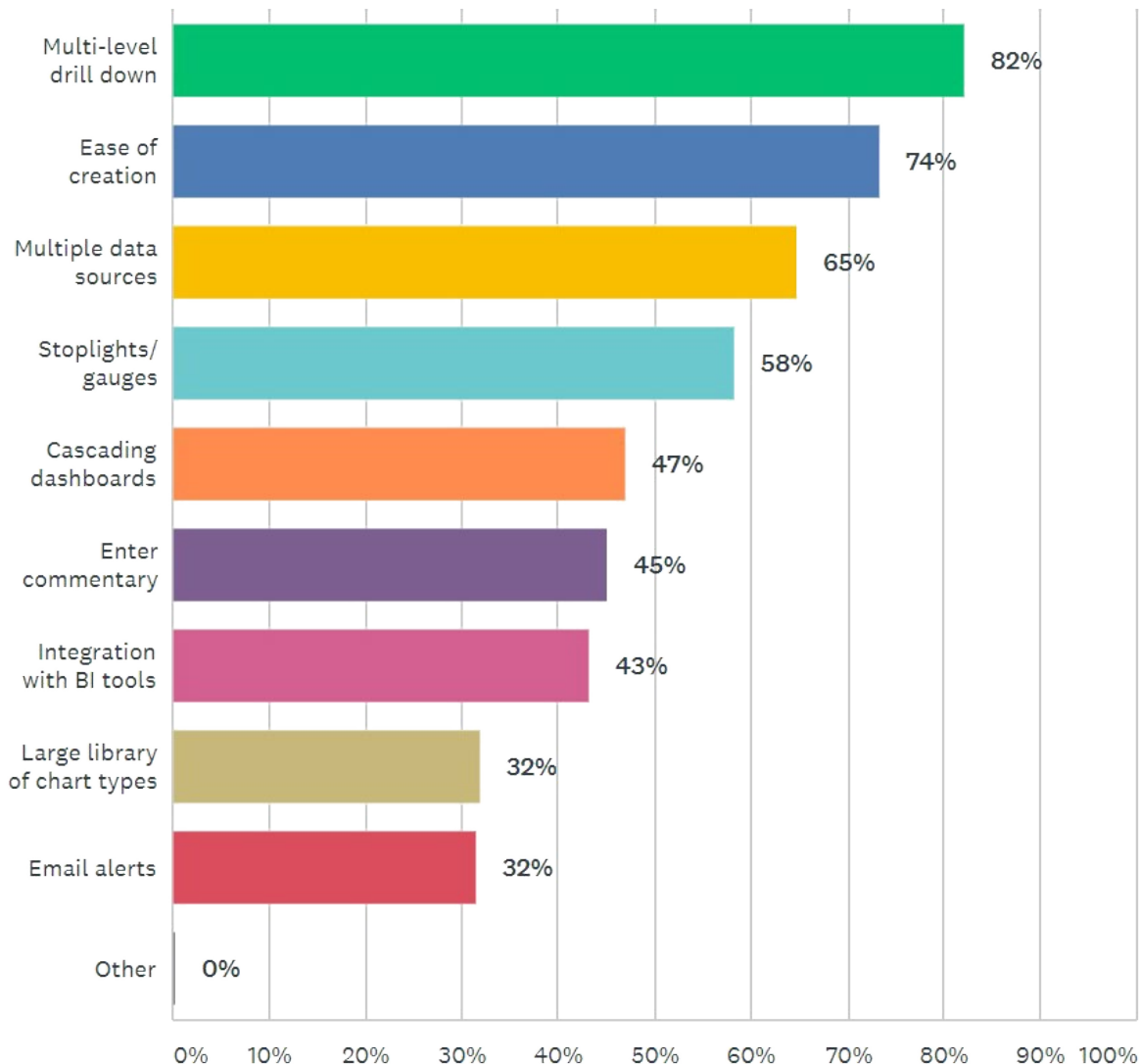
Key Features of a Reporting Solution



Source: BPM Partners 2021 BPM Pulse Survey

This chart uses the 1 - 5 importance scale and shows reporting capabilities that scored a 4.0 or above in importance. The list is fairly self-explanatory, but a couple of highlights: as we have seen everywhere else ease of use (in this case easy report creation) and performance (speed of data retrieval) are high on the list. Unique to reporting is the importance of being able to drill down into details. This could mean drilling from a consolidated entity into the cost centers that roll up into it, or from a major account into the subaccounts that make it up. In some situations it could also mean drilling down into the transactional details. Although there is some expectation of drilling back to the source system to retrieve this data, the reality is more often drilling into details already pre-loaded into the performance management system for this purpose.

Key Features of a Performance Dashboard



Source: BPM Partners 2021 BPM Pulse Survey

For many senior executives, as well as casual users of the performance management system, the performance dashboard is where they see the results of all that has gone before. As with standard reports, being able to drill into the details is important. Ease of use, in this case related to dashboard creation, continues to be a key requirement for all areas of performance management systems. A couple of newer requirements noted here are worth considering for your own project. The ability to enter commentary allows users to begin a discussion around specific key performance metrics. Ideally, the person responsible for the metric could offer up an explanation of why it is outside of its tolerance range. This saves time and helps avoid many back and forth emails. Integration with BI tools recognizes the fact that you may already have a business intelligence solution that your organization has standardized on and would like to use to create your dashboards. Some requirements that were more popular in the past have returned to prominence. Cascading dashboards are a series of linked dashboards that start at a more detailed operational level and tie back to corporate level key performance indicators. The iconography of stoplights and gauges has been replaced in recent years by standard graphs, but there is clearly interest in the return of these intuitive visual performance status indicators.

General Financial Consolidation and Reporting Solution Requirements



While your detailed list of requirements should focus on your unique business needs, this chart highlights key capabilities to consider when evaluating a Consolidation and Reporting solution.

Easy to Use: What does that actually mean in terms of product capabilities? Some companies believe familiarity equates to ease of use, so using a spreadsheet interface would be viewed as easy since many employees are already comfortable working in that environment. Another way to think about ease of use is to ask yourself this question – will the team be able to pick up this product and start using it without any special training or user manuals? Finance self-sufficiency means that most tasks could be handled by the business users themselves, but not all tasks. Connecting new source systems for example will almost certainly require IT involvement, as it should. Workflow enables everyone to know where they are in the process and who is responsible for the next step. Out of the box functionality is a key differentiator in consolidation solutions – how much is pre-built vs. coded by the implementers. Pre-built functionality is easier to use and maintain.

Rich Functionality: Which particular consolidation and reporting capabilities you need today will depend on your specific requirements. However, you will hopefully be using this system for many years to come, and your needs will likely grow. That's why it makes sense to select a solution that contains the core set of functionality spelled out here. As your business evolves and management requirements change, it's reassuring to know you have a consolidation and reporting solution that will be able to handle whatever the future holds.

Cloud-based: It's not much of a debate anymore: from the smallest start-up to the largest financial institution or government agency, and everywhere in between, a cloud-based performance management solution is the preferred choice. The chart above highlights the benefits of this approach which have only grown in importance with the increased number of people now working from home all or part of the time. Also, while every vendor in this guide offers a cloud-based solution, less than a third still have an on-premise option.

Technology/Architecture: No matter how many accounts, entities, and source systems you start with, it is almost a certainty that they will grow. Make sure that your system can handle today's volume as well as tomorrow's, with adequate performance. Impacted (only re-consolidating impacted branches), or real-time consolidation (consolidating each entity as its data is approved) can speed up the process when it matters most. An integrated close management process can streamline the last mile of finance. A solution that unifies budgeting and planning with consolidation and reporting ensures a consistent set of data, at the same level of granularity, for timely and accurate report production as soon as the period is closed.

The Core Vendors

The BPM Partners Core Vendors for Financial Consolidation and Reporting are your best choice for selecting successful, proven, and trustworthy vendors for your evaluation shortlist. They have met the following criteria:

- BPM Pulse Customer Satisfaction Rating of Good, Very Good, Excellent, or Outstanding for Financial Consolidation Functionality (4.0 or better out of 5)
- Positive BPM Partners Analyst Assessment of Management Team, Product Roadmap, Strategic Direction, Growth Rates, Customer Retention, Employee Retention
- Positive BPM Partners Field Consulting Assessment of Ease of Doing Business, Accuracy of Product Representation, Responsiveness to Prospect Requests

Financial Consolidation and Reporting Vendor Categories

Most vendors will claim to offer consolidation capabilities. While that may be technically accurate, it can be very misleading. Some vendors simply add things up, which fits the dictionary definition of consolidate (to combine), but not the performance management definition. Those vendors are not included in this guide. The remaining consolidation vendors fall into two major categories which we have labelled 'focused' and 'comprehensive'. The key difference between the two comes down to the depth and breadth of out of the box functionality. The focused consolidation vendors can address several key consolidation requirements through a combination of product functionality and implementation design. The comprehensive consolidation vendors address a broad range of consolidation requirements, from the simplest to the most complex, primarily through pre-built product functionality. The following table shows some examples of how these vendor categories may differ.

Focused vs. Comprehensive Consolidation Solutions

Capability	Focused Solution	Comprehensive Solution
Aggregation	Yes	Yes
Alternate Roll-Ups	Yes, but usually only in reports	Yes, true alternate hierarchies
Currency Conversion	Yes, but usually through calculation set-up	Yes, with auto calculation of gains/losses; actuals at budget rate, etc.
Intercompany	Yes, but through complex account design and calculations	Yes, built-in with standard matching reports and auto eliminations
Legal/Statutory Consolidation	No	Yes
Regulatory Compliance	Limited	Yes
Disclosure Management	No	Yes
JE Capabilities	No, or limited	Yes
ETL	Basic, with selected pre-built connectors	Streamlined integration, data quality
Ease of Use	Usually easy for end users, but can be challenging to modify/maintain calculations	Usually easy for end users, but can take time to implement all capabilities
Acquisition, Disposal, Discontinued Ops	No, handled manually	Yes
Complex Allocations	Either done outside of consolidation or with poor performance	Yes
Minority Ownership	No, handled by partial entry	Yes
Account Reconciliation	No, or limited	Yes
Optimized for High Performance	No	Yes

Key to Core Vendor Chart

Consolidation Category – *focused* or *comprehensive* appears under vendor name to indicate which category their solution most closely aligns with (see table above for details)

Solution Summary – brief description of the vendor's offerings, highlighting the main components and unique elements

Target Customer – company size (by revenue), and specific verticals that the vendor primarily sells and markets to

Selected Strengths – four defining attributes of the vendor's solution, as determined by BPM Partners based on its annually updated list of fifteen possible choices; vendor input (where provided) is taken into account

Learn More: Info – this hyperlink takes you to a BPM Partners curated page for that vendor containing a further description of their offering, their overall BPM Pulse rating, links to analyst reports, the latest news on product releases, key partnerships, growth and revenues, acquisitions, as well as articles, blogs, whitepapers, and webcasts related to that vendor

Learn More: Details – this hyperlink allows you to request a custom report comparing any two vendors that includes detailed write-ups, feature checkboxes, all sixteen BPM Pulse attribute ratings, referenceability ratings, and typical price ranges; also included is a comparative rating chart for the two selected vendors

The Core Financial Consolidation and Reporting Vendors

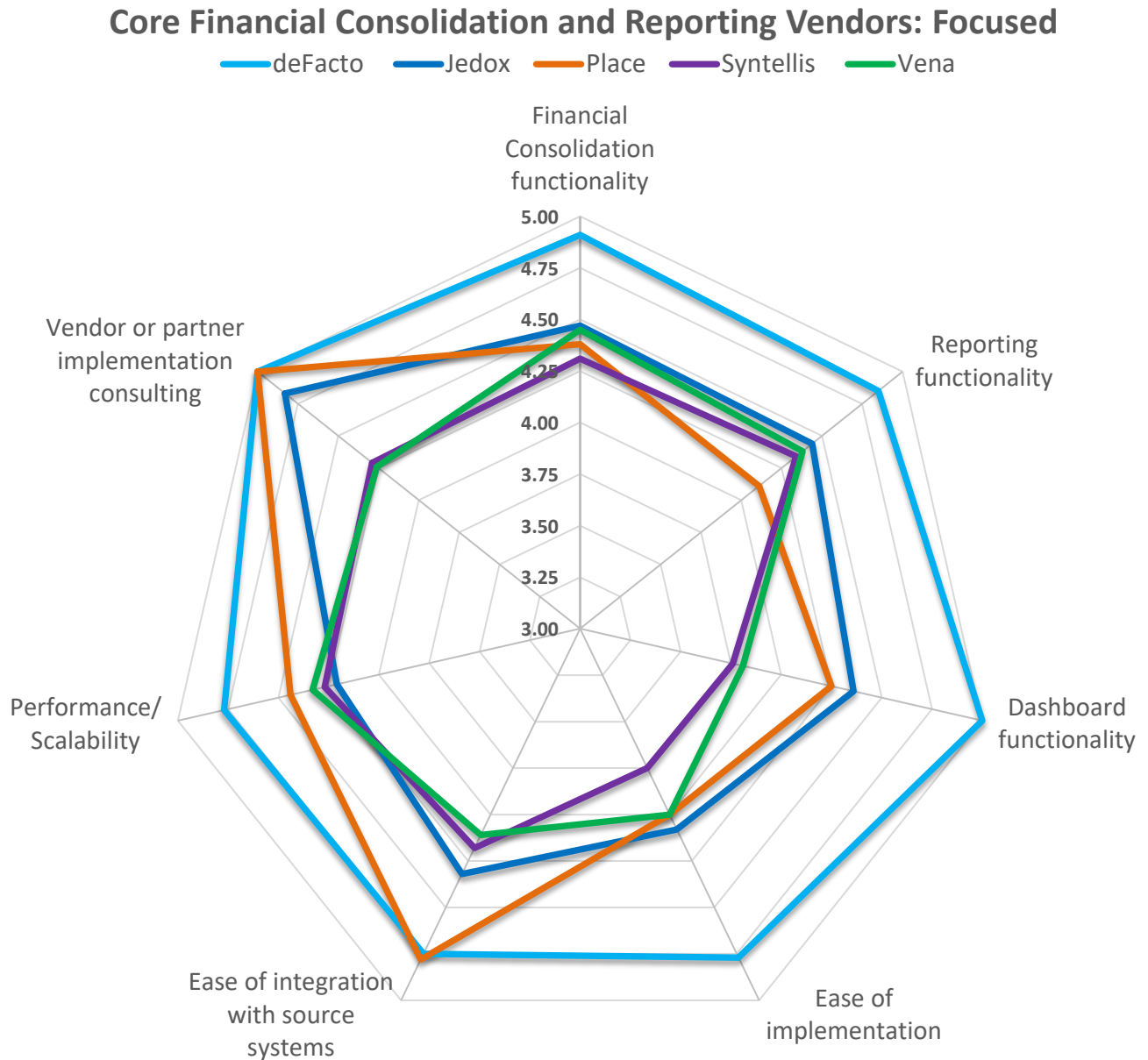
Vendor	Solution Summary	Target Customer	Selected Strengths	Learn More
<i>Board comprehensive</i>	Unified decision-making platform for planning, consolidation, analytics, and BI	Midmarket to Large	Complexity Handling, Scalability, Integration, Depth/Breadth of Functionality	Info , Details
<i>deFacto focused</i>	Unified, integrated planning, consolidation and analysis, built within Excel and Power BI	Midmarket	Ease of Use, Low TCO, Scalability, Depth/Breadth of Functionality	Info , Details
<i>Fluence comprehensive</i>	Consolidation-first platform, management reporting, cash flow, with Excel UI	Midmarket to Large	Ease of Use, Complexity Handling, Out of the Box Functionality, Depth/Breadth of Functionality	Info , Details
<i>IBM comprehensive</i>	Planning, analytics, consolidation, and BI that is ERP independent	Midmarket to Large	Flexibility, Scalability, Expandability, AI	Info , Details
<i>Jedox focused</i>	Planning, analytics, consolidation, and BI with Excel, web, and mobile UIs	Midmarket	Ease of Use, Flexibility, Integration, Quick Implementation	Info , Details
<i>OneStream comprehensive</i>	Planning, consolidation, and analytics that can address complex requirements	Midmarket to Large	Ease of Use, Scalability, Operational Analytics, Depth/Breadth of Functionality	Info , Details
<i>Oracle comprehensive</i>	Full suite of planning, consolidation, analytics, and BI modules	Midmarket to Large	Scalability, Operational Analytics, Depth/Breadth of Functionality, AI	Info , Details
<i>Place focused</i>	Planning, modeling, consolidation with revenue focus, built on Salesforce platform	Small SaaS Tech	Flexibility, Quick Implementation, Scalability, Operational Analytics	Info , Details

The Core Financial Consolidation and Reporting Vendors (continued)

Vendor	Solution Summary	Target Customer	Selected Strengths	Learn More
<i>Prophix</i> <i>comprehensive</i>	Planning, consolidation, and analytics for Finance and operations	Midmarket	Ease of Use, Low TCO, Operational Analytics, AI	Info , Details
<i>Syntellis</i> <i>focused</i>	Unified planning, analytics, consolidation and benchmarking with industry-specific content	Midmarket to Large Healthcare, Higher Ed, Banks	Flexibility, Vertical Content, Depth/Breadth of Functionality, AI	Info , Details
<i>Vena</i> <i>focused</i>	Planning, analytics and consolidation solution leveraging native Excel as a complete planning platform	Midmarket	Ease of Use, Flexibility, Complexity Handling, Scalability	Info , Details
<i>Wolters Kluwer</i> <i>CCH Tagetik</i> <i>comprehensive</i>	Unified financial and operational planning, analytics, consolidation and regulatory compliance	Midmarket to Large	Flexibility, Operational Analytics, Depth/Breadth of Functionality, AI	Info , Details

The Core Financial Consolidation and Reporting Vendors Customer Ratings: Focused Solutions

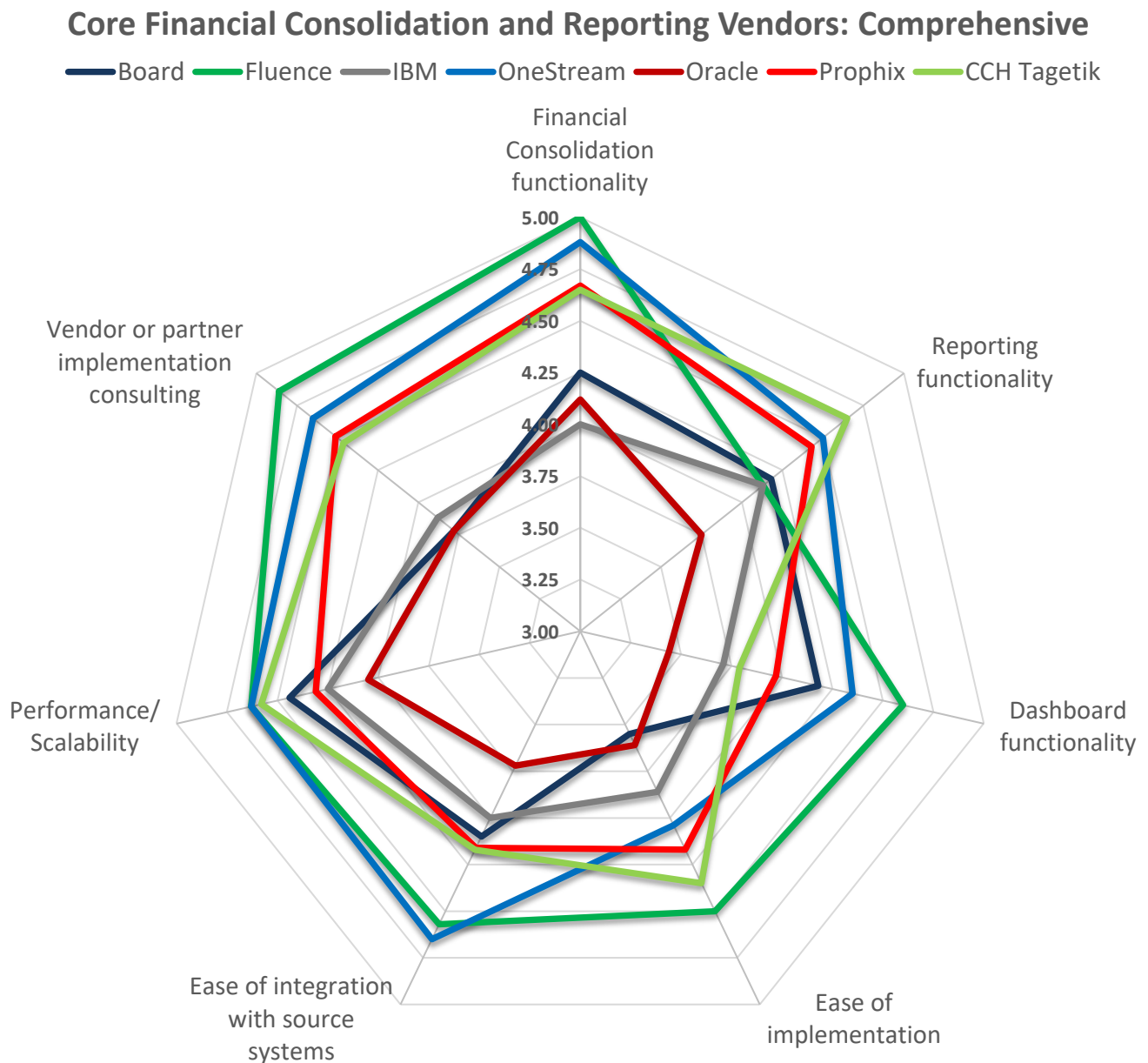
This chart compares key customer satisfaction ratings related to budgeting and planning for the Core Vendors primarily targeting the small and/or midmarket market segments.



Source: BPM Partners 2021 BPM Pulse Survey

The Core Financial Consolidation and Reporting Vendors Customer Ratings: Comprehensive Solutions

This chart compares key customer satisfaction ratings related to budgeting and planning for the Core Vendors primarily targeting the upper midmarket and/or large/enterprise market segments.



Source: BPM Partners 2021 BPM Pulse Survey

Additional Vendors

The following vendors have been evaluated by our team but did not meet one or more of the BPM Partners Core Vendor criteria. While this does increase the risk somewhat, it is still likely you will find additional vendors that fit your requirements on this list. If you decide to include them in your evaluation you will need to allow extra time for a more thorough due diligence process:

- Several of these vendors are so new that there is limited feedback from analysts and customers to confirm their product and market success claims
- Some established vendors on this list have reduced their interactions with analysts and industry surveys in recent years so reliable up to date assessments are not readily available
- Other vendors on this list simply did not achieve the high ratings and/or positive assessments required to make the Core List for Financial Consolidation and Reporting Solutions

Additional Financial Consolidation and Reporting Vendors

Acterys – Unified planning, *focused consolidation* and analytics, leveraging Excel and Power BI with low TCO and quick implementation [Info](#), [Details](#)

Centage – integrated budgeting, forecasting, *focused consolidation* and reporting, for small to midsize businesses [Info](#), [Details](#)

FYIsoft – offers financial reporting and *focused consolidation* that integrates with a wide range of GL source systems, coupled with analytics and budgeting [Info](#)

insightsoftware – provides reporting, planning, *comprehensive consolidation*, equity management and tax solutions for small to large organizations [Info](#), [Details](#)

Planful – midmarket FP&A platform for financial and operational planning and modeling along with *comprehensive consolidation* [Info](#), [Details](#)

Talentia – midmarket solution that emphasizes *comprehensive consolidation* and close with planning, management reporting, and quick implementation [Info](#)

Unit4 – solution combining planning, analytics, *focused consolidation*, and BI with a vertical focus [Info](#), [Details](#)

The Vendor Selection Process

Note: If you have read other guides in this series you can skip this section which is largely unchanged (other than the examples used).

In prior sections of this guide we have given you some ideas to think about in terms of your requirements, as well as an overview of some of the best vendors available to meet those requirements. This is where it all comes together. How do you finalize your requirements and make sure you choose the best vendor for your unique needs? In this section we are going to share some proven best practices. First, some general guidance:

- This solution is part of a high visibility, mission critical front office system that the company will rely on to make key decisions. You don't want to be stuck with a sub-optimal choice for the 8 - 10 years (or longer) that these systems typically remain in place. That is why it is essential to go through a formal evaluation process.
- The starting point for any performance management vendor selection project is to identify an executive sponsor. They should be a senior executive with the authority to make decisions for the team. Among other tasks, they will need to do the following:
 - o Create a vision that considers the full potential of performance management and doesn't limit the focus to a current pain point
 - o Initiate and enable change, to prepare the company for revised processes, new roles and responsibilities, the transition to a new system
 - o Make the tough decisions as there will be trade-offs that have to be made
- To get the necessary buy-in and adoption required to make this initiative a success you will need to assemble a cross-functional team of key stakeholders from Finance, IT, and operations. They will need to be actively involved throughout the process.
- Some organizations may be required to go through an RFP process. That step is not covered in this guide.

Learn how to ensure you get the right product, at the best price, while minimizing risk and maximizing buy-in and adoption: [BPM Partners process benefits](#)

The Vendor Selection Process for Financial Consolidation and Reporting Solutions



Roadmap: This is where you define the overall project scope and lay out a 3 – 5 year phased rollout plan. Without a roadmap you will inevitably focus on today's most pressing issues and potentially select a solution that falls short when it comes to the other elements of performance management you may need in the coming months and years. While you may be focused initially on consolidation and reporting to create 'one version of the truth', if your vision also includes adding budgeting and planning, performance dashboards, account reconciliation, cash flow, profitability analysis, or anything else, you need to capture that up front through a roadmap. This roadmap leads into your requirements and ensures that you select a solution that can continue to meet your needs as your use of the system grows and evolves over time.



Requirements: While your requirements do not need to be at the level of detail required to build a custom system from scratch, they do need to be detailed enough to differentiate vendors. For example, just saying that “the new solution needs to support intercompany” does not go far enough. You would need to explain your planned usage: an intercompany matching report, automated intercompany eliminations, integration with journal entry capabilities, etc.

The best way to start gathering requirements is to interview your key stakeholders from the cross-functional team discussed earlier. They should be asked to share the unique challenges they face in their business area, what they like about the current systems and processes, and where they see the opportunity for improvement. These conversations should cover all areas included in the roadmap.

The next step is to consolidate these business requirements into a unified list organized by common themes, and then work with the team to define priorities (hint: they cannot all be the highest priority). These business requirements then need to be converted to functional requirements; what capabilities does the new solution need to address these business requirements. In addition, you will need to document all the required system integrations. The last key element to include is related to volume and dimensions (which impact performance and pricing): number of users, accounts, entities/cost centers, currencies, allocation rules, products, and more.



Vendor Identification: Armed with your requirements and this guide you are now ready to identify the vendors to evaluate. At this stage you should select 6 – 8 vendors to consider. To decide on this list you need to consider several factors: which vendors offer the type of consolidation you need (focused or comprehensive), does the vendor target companies of your size (or industry), do they seem to address all of the areas of performance management contained in your roadmap, do their strengths line up with your requirements, and how did their customers rate them for the attributes that are most important to you. At this stage you should cast a wide net and consider vendors you may not be that familiar with. They could turn out to be the best fit, at the best price.

If you have not already done so, for each of the selected vendors you can gather additional information at their [Info](#) and [Details](#) links in this guide. In addition, you should visit their websites, take a look at a standard demo, and get some basic questions answered including ballpark pricing for software and services. After doing this preliminary research bring the team together to compare notes and reduce the list to a final 3 – 4 to advance to the next stage.

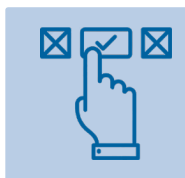
Not sure which vendors to include? Get help [here](#).



Vendor Evaluation: It's now time to determine how well each vendor finalist meets your unique requirements. Everyone will have strong opinions, so you need to follow a formal process that ensures a level playing field for the vendors, and equal input from each of your team members. It also needs to be transparent and self-documenting. At the end of the process you want everyone in agreement and fully supporting the company's selection.

The best way to accomplish this is to have each of the vendor finalists follow the same Proof of Concept custom demo script, created by you, that ties back to your requirements. Your cross-functional team members will each be scoring the vendors on how well they meet your detailed requirements in each major area (consolidation, reporting, planning, UI, system administration, technology, etc.). The demo script should be divided into an end user portion and a system admin/technology portion. Not everyone on the team will need to participate in both portions of the demo.

After the demos you should collect and consolidate the scoring sheets to prepare for the final step in the process.



Vendor Selection: This is the step where you and the team select the winning vendor and a backup (in case there are contract or pricing issues with your first choice). The consolidated scoring results should show an overall winner as well as the vendor with the second-highest total score. These should be the two that you move to final steps with. You can also consider individual section scores for the most important areas if the total scores are very close.

Once you are down to the final two you will need to do the following with each of them. First, determine if one or both of them require any final proof steps. Were there key questions not answered during the demos? Is there a particularly complex calculation or report you would like to see them demonstrate? Do you need to load some data and do a volume/performance test? The next step is to request 2 - 3 references from each. Try to ask probing questions during the reference calls as it is unlikely vendor-provided references are going to voluntarily discuss issues they have encountered. You can ask them something such as “has the system been rolled out to the number of users originally planned, if not, why?”.

The final step is to get proposals with software and service pricing from both vendors, along with a sample agreement to review. When asking for software price quotes make sure to be clear and consistent in terms of modules/components, users by type, number of years for cloud subscription, required connectors, etc.

For implementation quotes you may need to have a scoping discussion with the vendor or their implementation partners. Be prepared to discuss the volume of work to be done, any specific complexities, and the scope to be included in their estimate - is it just phase 1 (which you need to clearly define), or the full implementation. From a resource side, what will you be able to bring to the table in terms of FTEs, and what type of implementation are you looking for: 50/50 joint implementation, customer-led implementation, or a consulting turnkey implementation?

All that is left to do is review the contract. Besides any legal concerns, pay attention to any year to year price increases in a multi-year subscription agreement and what the terms are for renewal. Assuming your top choice is still on top after these final steps you are now ready to move forward. If you need to go with your backup instead, make sure the reasons are communicated clearly to the team.

To complete all of the above vendor selection process steps with minimal work disruption in just 4 – 8 weeks: [BPM Partners vendor selection packages](#)

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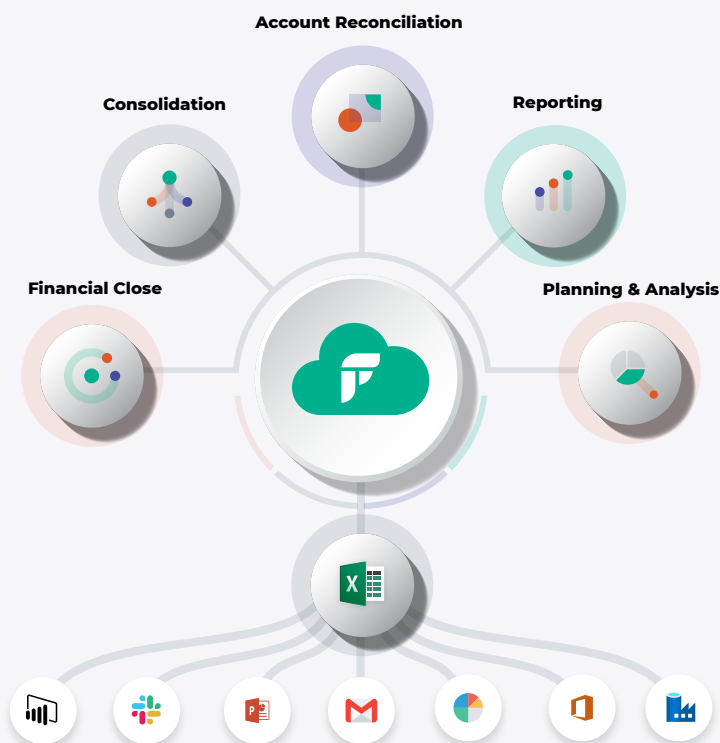
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