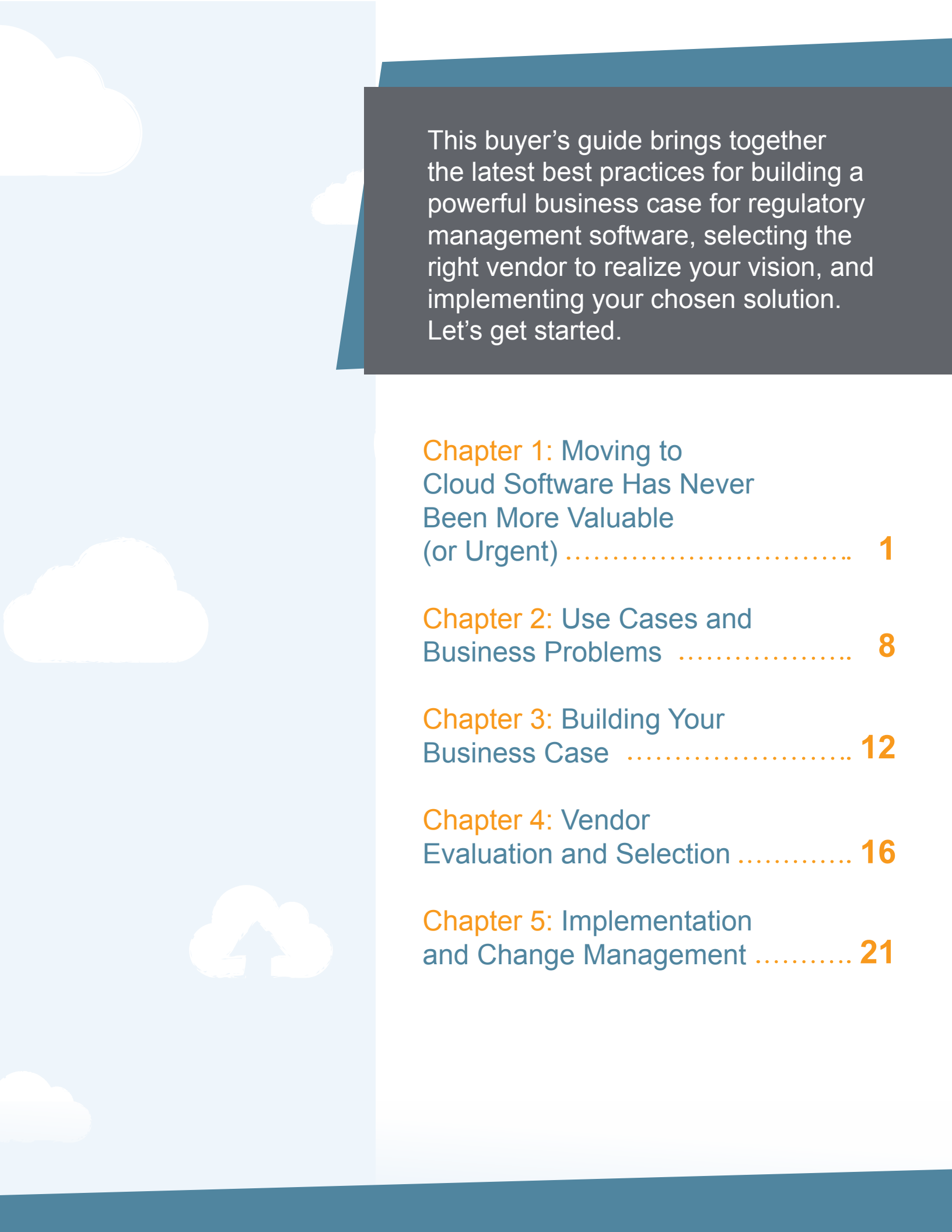# veeva

Buyer's Guide for REGULATORY INFORMATION MANAGEMENT SOFTWARE

Step-by-step guide to selecting the right software to enable regulatory teams to maximize their business impact

This buyer's guide brings together the latest best practices for building a powerful business case for regulatory management software, selecting the right vendor to realize your vision, and implementing your chosen solution. Let's get started.

Moving to Cloud Software Has Never Been More Valuable (or Urgent)

For the last 20 years the move to cloud software has been under the rhetoric of "it's not if, it's when." I believe we'll look back at 2020 as the year that "when" was replaced with "NOW".

In March of this year, the world abruptly changed as the Covid-19 pandemic swept the globe. The last time we experienced a global pandemic of this magnitude, there was no such thing as a computer. But today, not only are computer systems pervasive, technology has advanced so fast that its role has shifted from supporting our society's evolution to defining our future.

Let me guess, you are reading this on a computer, tablet, or smartphone. And I'm going to assume not as a document you got attached to an email? Times have changed.

How Prepared Were Businesses to Adapt to Disruption?

In response to the Covid-19 pandemic, work previously done face-to-face has been forced into real-time, remote collaboration as companies focus on business continuity. Leaders are also adapting standard processes to enable their companies to thrive in this so-called "new normal". Connecting people, information and processes has never been more urgent. Those connections must be easier, more flexible, more secure, and more accessible than ever before. Cloud software is equipped to do just that.

These circumstances have laid bare which companies have already invested in modern cloud-based solutions for their workforce and across their supply chains, and the 65%[1] that are trying to function with a patchwork of email, spreadsheets, and legacy software.

So it's no surprise that the companies that are struggling to achieve business continuity from their now largely remote workforces have shifted "cloud-based software" to the top of their priority list.

1. Hanover Report

WHAT IS CLOUD SOFTWARE?

Cloud software, also known as multi-tenant cloud or Software as a Service (SaaS), involves leveraging a single, scalable, and always-current version of software or infrastructure, which is managed and hosted by the software vendor.

We sat down with Veeva SVP and GM and 20 year cloud software veteran Frank Defesche to explore some of the most common questions about "the Cloud" and its value in these turbulent times and beyond:

DID YOU KNOW

Cloud software has been replacing the "installed" or "on-premise" software from the prior generation for almost 20 years now. However, 65% of companies are trying to get by with a patchwork of email, spreadsheets, and legacy software.

~ Hanover Report

① WHAT REALLY IS CLOUD SOFTWARE (IN A NUTSHELL)?

Cloud software, also known as multi-tenant cloud or Software as a Service (SaaS), involves multiple customers leveraging a single, scalable, and always-current version of software or infrastructure, which is managed and hosted by the software vendor.

Much like systems used to separate bank accounts or medical records, multi-tenant cloud uses virtual partitioning (think firewalls) to securely segregate customer's data, configurations, and customizations. Each customer's configuration or customizations are their own. In other words, each customer (a.k.a. tenant) shares computing resources, but each "tenant" is autonomous and remains invisible to other tenants.

Cloud software has been replacing the "installed" or "on-premise" software from the prior generation for almost 20 years now. Just like streaming music has replaced the compact disc….or to be more accurate with the comparison, the cassette player.

② HOW DOES CLOUD SOFTWARE HELP PRODUCTIVITY?

Productivity has many enemies working against it. At a company, team, or individual level. I will focus on two of productivity's key nemeses and how Cloud helps.

The first nemesis is making mistakes due to outdated or missing information. People conduct business operations and make decisions every day based on information they have or instructions they are following. If that information or instructions are not accurate, mistakes are made. In addition to the impact of the mistake, there is also lost time to correct that mistake. With Cloud software, a definitive source of information is collected, enriched, and shared across the enterprise in real time regardless of where people are or the hardware they are using.

BEWARE!
Productivity's Nemeses

- Outdated or missing information

- Distance between collaborators

The second nemesis is distance. Distance between people, sure, that's obvious. Cloud shrinks the world so that we can operate the same regardless of if we are in the same room or in different countries. Be it the day-to-day collaboration, crunching numbers, or improving a process, cloud software brings the where, why, when, how, and by who altogether in a single application that can be accessed anywhere and on any device. A trusted single source of truth matters.

Ask Yourself

Would you trust a document or spreadsheet you received in an email three months ago to make a critical decision or conduct an important task? Or could something have changed since then?

3 HOW DOES CLOUD SOFTWARE MAKE OPERATIONS AND CONNECTING EASIER?

For this one, I'll draw upon the fact that in early 2020 social distancing suddenly became a mandate. Supply chains and manufacturing operations have to keep going, people still need to interact with customers and coworkers, and timely information is critically important to get as well as give. The adjustments organizations needed to make to implement social distancing measures would have been far more disruptive with "legacy" tools and systems, such as:

• Installing or upgrading hardware

• Sending out technicians or shipping files (physically or via email attachments)

• Struggling with an application interface that drives people to not use the software

How is Cloud different? In short, it leverages the latest and greatest technical innovations instead of applying bandage after bandage to old software paradigms.

Need Proof?

When Covid-19 hit, clinical researchers needed to rapidly mobilize to test existing and new medications to see if it could help with a cure or vaccine. At the same time, for safety reasons those researches were not able to monitor patients the traditional way. Within weeks, Veeva was able to quickly innovate and offer a remote monitoring solution to clinical research sites. Read the Interview

4   IS CLOUD SOFTWARE SECURE?

Cloud software providers know that security and scalability are table stakes for success. Their customers include governments, banks, pharmaceutical companies, and other industries that need to protect highly sensitive information. If a software vendor has security or scale issues, they are finished!

Reputable cloud software vendors apply greater expertise, investments, and resources to ensure the infrastructure and their customer's data is as secure as possible. And with multi-tenant Cloud, each investment benefits every customer automatically. The ROI is massive and greater ROI leads to larger and more frequent investments. So when new innovations in security become available, your Cloud software vendor is more inclined to make those investments and you get the benefit. This is also why security investments made by a reputable Cloud software provider surpass security investments a non-software company can make.

DID YOU KNOW

Cloud software providers MUST prioritize security and scalability or their business will fail. Their success rests in keeping your information secure.

ASK YOURSELF

Do you have your money at a bank or is it under your mattress or a safe in the closet?

5   HOW DOES CLOUD SOFTWARE PROVIDE GREATER FLEXIBILITY?

Better flexibility and agility tend to lead to accelerating innovation. **Without innovation, companies become more vulnerable, less efficient and lose competitive ground.** Without software innovation, your applications may not deliver the productivity gains that are needed to stay competitive.

As we were reminded in early 2020, change is not always predictable, but it is constant. Flexibility is how you support or enable change by becoming more agile. If you don't have agility, you fall behind as the world continues to change….at a faster pace than ever.

BEWARE!

- Lack of innovation
- Inefficiency
- Comfort with the status quo
- Fear of trying new things
- Resistance to change

Multi-tenant cloud software is an appreciating asset. New capabilities are included with your subscription and are typically released two to three times a year. In each of those releases, customers receive continuous improvement to usability,performance and feature enhancements.

CONSIDER THIS

Cloud new releases are published on a regular basis and are included in your subscription. Updates are done in minutes instead of weeks/months. Which would you prefer?

6 IS ALL CLOUD SOFTWARE THE SAME?

No. At a high level there is multi-tenant cloud and private cloud. A private cloud software delivery model provides each customer with their own instance of software. The key difference compared to on-premise software (software hosted and maintained on your company's premises by your IT department) is that with private cloud, the software vendor hosts the supporting infrastructure in its data center or on a cloud infrastructure (ex. Amazon Web Services, Microsoft Azure).

Despite appearances, private cloud is closer to on-premise than it is to multi-tenant cloud. In many cases, private cloud providers are merely disguising on-premise software with a cloud delivery model.

DID YOU KNOW

Private cloud is closer to on-premise than it is to multi-tenant cloud. Main difference being it's hosted on your vendor's data center rather than your IT department's.

ASK YOURSELF

Did you have a better experience with Netflix when they mailed you DVDs or with its current cloud-based streaming service?

7 IS CLOUD SOFTWARE MORE EXPENSIVE?

Most cloud software is offered via a subscription license model that renews on an annual basis, similar to a Netflix subscription. So when it comes to evaluating Total Cost of Ownership (TCO) it is important to understand different software delivery models (Cloud vs on-premise software) shift costs between licenses, maintenance, upgrades, resources, and other areas. This lack of parallelism makes it difficult to establish accurate cost comparisons.

If you are solely comparing license costs, Cloud software will appear more expensive. But if you add up all the direct and indirect costs across traditional installed software and Cloud software, not only will Cloud software carry a lower TCO, it will deliver a higher ROI and greater cost predictability.

Need Proof?

A company could buy on-premise software for say, a one time perpetual license fee of $4000 per user. Or it could go with Cloud software for say, an annual license fee of $1500 per user. Within 3 years, the Cloud software license cost will exceed the on-premise license cost. But that is just the cost of the license. With on-premise software the hardware, storage, maintenance, upgrades, additional personnel, and higher costs to make changes all need to be factored in. Those costs add up to be higher than just the license cost. In fact in many cases, the annual maintenance and upgrade costs with on-premise are comparable or higher than the annual Cloud software subscription cost. And with Cloud software, all those maintenance, upgrade, and additional indirect costs are included in the predictable license subscription allowing your business to flexibly scale without a long-term contract.

8 HOW SHOULD I GET STARTED?

Take a moment to reflect on how much has changed in your organization in the past few months. Probably more than you ever imagined possible. Often it takes a crisis, or something else that drives a powerful sense of urgency, to show us what we're capable of when we set our minds to it.

This time last year, would you have believed that LVMH could adapt its perfume factories to produce hand sanitizer in 72 hours? Or that Dyson could design and start production on a new ventilator in 10 days?

Knowing what we're capable of, it now seems incredibly wasteful to take over a year - filled with countless meetings, demos, RFPs, and the like - to make a decision to invest in cloud software. It's certainly not agile, which is what we all need to be in these circumstances.
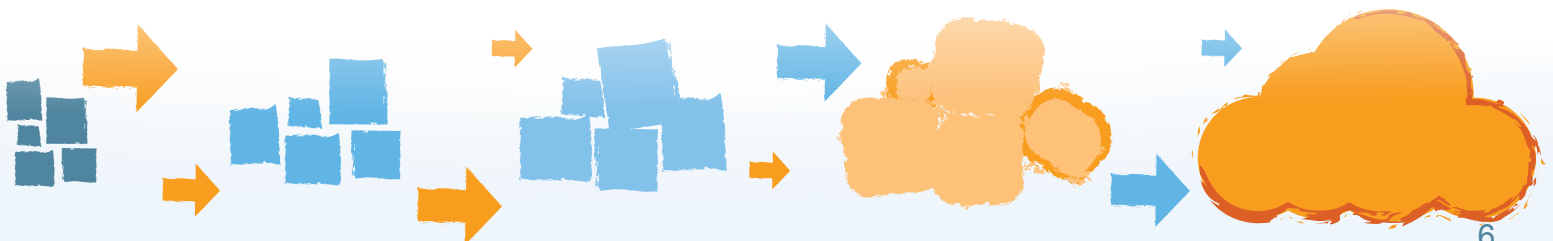
So my challenge to you, no to us, is to identify an addressable piece of one of the most painful parts of your business today. Maybe it's performing remote supplier audits to keep your employees safe in a remote work environment. Or how you manage product claims, if you're looking to emphasize the health or cleanliness aspect of your product.

Whatever it is, spin up a proof of concept (POC) or pilot project to address it. Small projects have the agility to move fast, and produce quick wins that build momentum. And with Cloud the work can be flipped right into a production application and scaled to meet your organizational needs.

Your organization, and your customers, are counting on you to meet this moment. Let's get started.

PRO-TIP: THE PIZZA CONCEPT

Wondering what the ideal team size would be to get started? You should be able to feed them with a single pizza.

2

Use Cases and Business Problems

In Chapter 1 of this buyer's guide series, Veeva General Manager Frank Defesche challenged us to identify an "addressable piece of one of the most problematic parts of your business."

If you had no hesitation identifying what needed to be fixed, or came up with a long list, you are probably in constant firefighting mode. If not obvious from the name, this problem (or problems) significantly impacts your business today and demands immediate attention causing constant disruptions to your daily activities.

If this describes you, you probably need a solution right away and don't have the luxury of going through a full buying cycle. You need to talk to a trustworthy technology partner who has the experience, agility, and speed to address your urgent needs. We hope you'll give us a chance to show you how we can help.

For most of us though, it's not so simple to pin down what makes a business process or relationship painful or inefficient. With growing product portfolios and increasing regulatory requirements and restrictions, regulatory teams are constantly challenged with meeting expectations with less resources. Market or business norms slowly evolve until how you are working just doesn't "work" anymore. And perhaps over the years, well-meaning people slowly added new reporting steps or stakeholders to a process, and the build up of inefficient and constricting process flows has left you in a tangled web.

However you got to this point, it's time to reclaim your life by identifying business problems that have the potential to free up significant time for more strategic activities. Think of what you could accomplish with all the extra time not firefighting! In most organizations, this level of increased efficiency is well within your reach with the right technology.

In this chapter, we'll walk through **three best practice steps** for describing clear, compelling business problems that will form the foundation for your business case for regulatory software. By focusing on business problems, as opposed to detailed requirements gathering, you'll maintain the agility and speed needed to achieve quick wins and gain leadership buy-in for bigger follow-on initiatives. **Let's dive in!**

WHAT IS "A HAIR ON FIRE" SITUATION?

A pressing problem that demands your immediate attention because it significantly impacts your business TODAY. "Hair on fire" situations are identified as the issues that need to be fixed, and quickly.

Step ①

Form a (Small) Working Group

As tempting as it may be to just go at it alone gathering information and then building your business case, we highly recommend enrolling select stakeholders in this effort from the beginning to ensure you are incorporating multiple perspectives. Whether the budget sits in regulatory, IT or elsewhere a cross-functional working group will drive better outcomes in vetting and selection.

Think about it - regulatory will need others to use the system to complete actions. Wouldn't it be better for adoption if other groups also agreed on the solution? They will want to know that the system can also meet their needs, whether its providing supporting documentation to dossiers or approving workflows and outputs, and so on. If together, you can find a single solution that can be used across the organization, this will streamline and simplify processes.

Regulatory Process Owner

Why? This person (possibly you) is intimately familiar with regulatory processes, and is often the program or system owner. They understand how the process you're planning to focus on fits within the broader organization. They understand the regulatory requirements and standards that impact the process, and will ensure ongoing compliance and avoid any unnecessary risks/ errors that could impact the regulatory function.

Cross-functional User Representative(s)

Why? This is someone who has direct experience with the process being explored but doesn't own it. They are well networked within the user community and can represent and articulate user needs and be an influential user to accelerate adoption later. Ideally there should be a representative for each department or group involved in the process to allow for a holistic picture of challenges and needs.

IT Business Partner

Why? Even though cloud solutions require less resources than other types of software, IT is often still driving or heavily involved in technology purchase decisions. Their expertise will be valuable in accurately understanding your company's existing technology, integration needs, and requirements.

Business Buyer Representative

Why? The person who controls the regulatory budget is likely in senior leadership, and wouldn't prioritize being a part of a working group. Is there someone on their direct team who would be appropriate to include? You'll want someone who can help anticipate the priorities, questions, and motivations of who will ultimately decide whether to pursue your business case. This person will also be aware of specific internal processes and can help navigate those requirements.

Note: Depending on company policies and existing technology, consider inviting an IT integration / data architect to the team at this or a later stage.

This group is charged with identifying and quantifying the most pressing business problems within your chosen scope, and then exploring opportunities to address them. Define each member's role, and use this opportunity to set expectations and working norms. Here's a template for a charter and your first meeting agenda to get you started.

Step ② Interviews to Identify Use Cases

Depending on your organization, it's possible you already have a mandate from leadership to explore regulatory as an area for digitization or improvement opportunities. If so, this is the time to dig into that mandate. If not, use your working group to identify a process or system problem that appears:

1. **Urgent** (this may be an audit finding that needs immediate attention)

2. **Greatest impact to the business** (e.g. involves multiple departments)

3. **Potential to generate early "quick wins" and positive ROI** (low impact process with high potential for efficiency gains)

With your initial problem identified, your team needs data to better understand what's going on in this area today. Data will help support your case of why you need a Regulatory Information Management (RIM) solution and how this new technology can help you improve not just your regulatory processes, but overall company goals.

We recommend short interviews with colleagues and partners directly involved in this area, as well as key members of your IT organization. The purpose of these interviews is to collect use cases or stories that will roll up into clear, solvable business problems. Don't keep KPIs narrowly focused on reactive processes, such as # of registrations, formulas, submissions and how long they took to complete, etc. Instead you can look at data proactively and determine where there are trends and address those before they become an issue.

It's important to correlate regulatory data to larger business trends such as:

- What are the roadblocks that prevent my submission to be complete on time, so that I can address and ensure we consistently meet the launch date?

- Which Regulatory Authorities are providing feedback on our submission packages, and how can we reduce the cycle time to expedite approval?

Focus on savings by eliminating some of these issues, which will come with the increased efficiency and effectiveness of using a modern RIM solution.

We recommend formatting each use case as, "**[Role]** has **[to take action]** with **[frequency]**, requiring **[time/resources]**" to ensure you have consistent, relevant information for later comparison.

Example: The safety assessor receives 20 new assessments to complete weekly. This process involves 3-4 other employees, and approximately 6 steps in 4 different systems including sifting through paper batch records. Total employee time: 10-15 hours per request.

[Click here](#) to download a list of starter questions you can customize to your circumstances.

Step ③ Turn Use Cases into Clear Business Problems

After the interviews and data gathering, reconnect with your team to theme or "bucket" the use cases you collected to roll them up into business problems.

Example

Business Problem: Regulatory Dossiers are prepared using inefficient, siloed, and outdated technology tools. Our research shows this costs the business at least 2,550 work hours, translating to approximately $150,000 per year across departments.

Supporting Use Cases:

- Each Regulatory Specialist creates about 200 dossiers per year. This process involves 5-6 other employees, and approximately 10 steps in 4 different systems. Total employee time: 20-40 hours to collate and prepare each dossier.

- Incomplete dossier submissions to regulatory authorities have delayed 2% of our product launches this year, costing the business approximately $250,000.

Once you've developed your business problems, we recommend an additional step: socialize your work with a few of the colleagues you interviewed to validate that you're accurately representing their experience and the business problem's impact.

Looking Ahead: Building a Compelling Business Case

We've gone from ideas for loosely defined business problems, to a diverse team producing data-driven use cases for urgent, impactful, and ultimately promising business areas. In the next chapter, this work will form the foundation for your business case. We hope you'll join us for the next phase in the RIM software buying journey.

Tips and Key Takeaways

Form a team: select, diverse perspectives will lead to a stronger business case and increase the initiative's likelihood of ultimate success.

Don't rely just on people's opinions: support your business problem(s) with clear, quantifiable use cases that bring the problem to life.

Be on the lookout for quick wins: rather than focusing on solving a big organizational challenge, identify where you could solve a small piece of the problem and establish if your proposed solution works. Smaller pilot projects are typically easier and faster to fund and get underway.

3

Building Your Cloud RIM Business Case

In Chapter 2 of this buyer's guide, we went from loosely defined challenges, to a cross-functional working group producing data-driven use cases for an urgent and impactful business problem. In this chapter, you'll use your team's research as the foundation to build your RIM business case.

What is a Business Case for RIM Software? For the purposes of this buyer's guide, we define abusiness case as a written document or presentation with five essential sections:

1. Current state
2. Business and industry environment
3. What's at stake
4. Vision for future
5. Strategy to achieve vision

Why Do I Need One? Developing your RIM business case is critical to achieving executive buy-in, cross-functional alignment and support for your strategy, as well as the overall success of your initiative. This format for a RIM business case ensures that the right people have a shared understanding of how this initiative gets them from the current state to the future state, and what is at stake if they do not change.

From our experience, without alignment around all five of these areas from the beginning, you are providing opportunities for people to poke holes in or derail your strategy, putting the whole initiative at risk.

The 5 Elements of Your RIM Business Case

Book time with your working group to have the conversations necessary to draft each section. Have your interview data and use cases on hand for reference. You may also want to do some preliminary research related to section two (business and industry environment) to bring into the conversation.

We recommend assigning someone to facilitate these conversations, either a trusted colleague or a member of the working group, to ensure the conversation stays on track and that all points of view are surfaced. Whether you tackle each section back-to-back in one day, or one by one in subsequent meetings, we highly recommend maintaining this order.

SECTION 1: CURRENT STATE OF THE BUSINESS PROBLEM

The goal of this section is to describe the business problem as clearly and objectively as possible. Use quantitative data or measurable business cases wherever possible as it will be valuable going forward for generating ROI scenarios and assessing business impact. Answer key questions such as:

- How does this problem impact our business?

- How long has it been going on?

- What have we found that is contributing to this problem?

- Who does this business problem impact and in what ways?

Truly staring down the current state can be uncomfortable. It can cause people to get defensive, or you might be tempted to start "solutionizing" to address elements of the problem. Try to call out these behaviors in real time (without judgement) and table ideas to discuss later in the appropriate section.

SECTION 2: BUSINESS AND INDUSTRY ENVIRONMENT

Understanding what's happening within regulatory and related departments at your company is only a partial picture. The purpose of this section is to identify anything that is driving or contributing to this business problem that your company cannot influence or control.

Prior to having this conversation, leave some time for your team members to conduct preparatory research, and to engage your peers on industry working groups or forums you might be a part of. Then you'll be collectively ready to answer questions like these:

- What regulations and authorities impact your regulatory compliance?

- How are our peer companies tackling this issue (or not)?

- What is the state of our competitive landscape? Is there something competitors or consumers are doing that is putting pressure on regulatory?

- What are industry thought leaders recommending related to this issue?

- What technology is available out there that purports to modernize regulatory?

With a clear understanding of the current state and the environment, your working group is ready to consider what's at stake.

## SECTION 3: WHAT'S AT STAKE?

We recommend approaching this question from at least two angles:

- What does it cost us to keep things the way they are?
  - Financially
  - Strategically
  - Emotionally / People Management
- What opportunities might we miss out on if we don't change?
  - Time to focus on more strategic projects?
  - More resources to go towards higher value investments?
  - Get more products to market faster?
  - Industry stake - will we get disrupted / left behind?
  - Are there compliance gaps we should be considering?
  - Any product and process improvements to consider?

If this section isn't impactful, and clearly convinces stakeholders that a transformation is necessary, it will be hard to gain leadership buy-in and funding to go forward. This is your opportunity to shift the conversation from "should we take this on?" to "how we're working is untenable, how do we proceed?"

SECTION 4: VISION FOR THE FUTURE
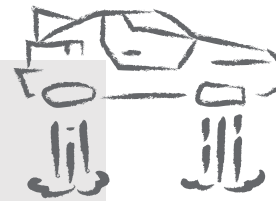
You've made it through the tough conversations - congratulations! Take a stretch break, eat a meal, grab a cup of coffee or a drink. Now is the fun part.

Your team gets to imagine, without conventional restrictions, what regulatory could be like at your company. Challenge your assumptions (we call this "the art of the possible") so you don't simply propose to do tomorrow what you did yesterday, but faster. This section should answer questions like:

- What value does regulatory have the potential to bring to the overall organization?
- Who should be involved in regulatory? What perspectives would make it perform at its full potential?
- How should these stakeholders collaborate?
- What data would you like to have to make proactive business decisions?

The goal of this section is to enroll readers in your vision for regulatory that covers financial, strategic, people-driven aspects. It should leave them eager to understand how your working group proposes to make this a reality, which brings us (finally) to the strategy.
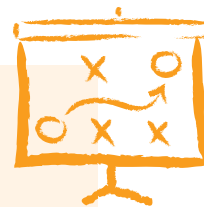
You've been itching to get to this topic since section one, and it's finally time to talk about how your working group proposes to solve this problem. We recommend avoiding outdated "waterfall" projects that run the risk of trying to do too much at once and accomplishing nothing. Instead, work with agility to quickly spin up a pilot with a bias for achieving quick wins, and then use the momentum and learnings to expand on successes.

- Outline criteria for prioritizing use cases
- Define the scope of a pilot program to solve the top one to two use cases in 2-3 months (not several years)
- Assuming success, lay out how you'd expand on the pilot to address other use cases and eventually transform the full business problem area
- Recommend the stakeholders you believe will need to be involved to make this initiative successful

Download this free Microsoft PowerPoint template to capture your business case content.

Looking Ahead: Vendor Evaluation and Selection

We've gone from business problems and use cases to a comprehensive business case that will compel diverse stakeholders to buy into your vision and strategy for this business area. In the next chapter, you'll take your vision and strategy and find a trusted partner to help make it a reality. We hope you'll join us for the next phase in the buying journey.

Tips and Key Takeaways

- Each of the five business case sections is essential to compel diverse stakeholders to buy into your proposal. Don't skip over the tough elements of the current state, or stay small in the vision.
- Take a phased approach for your strategy: quickly spin up a pilot, learn, and expand on what works. This helps avoid the trap of trying to do too much at once and accomplishing nothing.

4

Cloud Software Vendor Evaluation and Selection

In Ch. 3 of this buyer's guide, we turned business problems and use cases into a comprehensive business case that will compel diverse stakeholders to buy into your vision and strategy. In this chapter, we'll provide best practices for finding a trusted technology partner to help make it a reality.

Before we dig into the core content of this chapter, it's important for you to be aware of a shift that's recently taken place in the dynamics of cloud software.

Essential Context: How New Cloud Software Vendor Norms Benefit You

If you have never purchased software, or the last time you were involved in the process was for an on-premise system, I'm happy to report that circumstances have changed in the past few years (to you the customer's benefit).

Cloud computing has pivoted the software industry away from perpetual licenses with annual maintenance fees to annual software subscriptions. Under this new model, customers' financial and legal obligations only last one year before they're given the opportunity to renew or walk away. This licensing shift provides two benefits.

Did you know

Cloud computing annual subscriptions allow companies a low risk way to try new vendors. Financial and legal obligations only last a year - and then they can choose to renew or walk away.

First, **it limits your organization's financial and effort exposure to one year,** aligning with the notion of agility so you can tackle individual or smaller use cases with speed and reduced exposure. It's a lot easier to take a chance on a new vendor if you're only committing to one year, versus the iron clad multi-year agreements of yesteryear.

Second, this new subscription model **aligns your technology vendor to your annual objectives**. If the vendor doesn't perform, cancel the subscription at renewal time. If the vendor performs, then you renew the contract for another year and the clock starts again.

Under this model it is far easier to start making progress with a quick win pilot while limiting your organization's exposure. This should unleash groups to work with speed, create momentum for growth, and ultimately lead to more successful digital transformations.

How to Find the Best Cloud Software Vendor Partner

With your business case and leadership support secure, you need a trusted partner to help turn your vision and strategy into reality. In this chapter, we'll run through key aspects like:

1. What vendor selection criteria should be on your short list?
2. What resources should you consult in your vendor research?
3. What are the latest best practices for cloud software vendor evaluation?

5 ESSENTIAL CLOUD VENDOR SELECTION CRITERIA

Utilizing the members of your working group, as well as key stakeholders you engaged in your internal research, solicit criteria that are most important to them for a software vendor and solution for regulatory.

Here is a starter list of criteria categories your team can customize to your unique needs:

1. **Critical Capabilities:** Focusing on features and functionality is a relic of the days of static on-premise software. In today's cloud software environment, it is more important to ensure your chosen vendor is capable and eager to meet your needs, versus whether they can "check every box". The reasons for this are two-fold. First, because cloud vendors add new capabilities to their software frequently. And second, because just like the software, your business needs will change over time too. So don't fall into the trap of just looking for features that will mimic how you're working today. Revisit the vision section of your business case, and determine what critical capabilities align with how you want to work.

2. **Total Cost of Ownership:** Cost needs to be looked at as a holistic measure. Don't simply see a lower license price and ignore significant annual maintenance fees. Expect vendors to offer one year contracts, and consider it a red flag if they don't.

3. **Implementation and Service:** Your relationship with this vendor doesn't end when you sign the purchase order. Achieving your vision and strategy depend just as much (if not more) on a vendor's implementation and customer service expertise. Take this time to explore what kind of support you expect. How does this vendor work with customers to achieve their goals, and what kind of additional support would they provide if you're unsatisfied? Will you be okay with support only by phone, email, ticket system? What resources do you expect the vendor to offer in terms of training, events, best practices consulting, and go-live support? How long are you willing to wait to resolve an outstanding issue?

4. **Innovation and Flexibility:** Without innovation, companies become more vulnerable, less efficient, and lose competitive ground. Will this vendor encourage your company to adopt best practices and suggest innovative new solutions to address your business problems? Is the software easy-to-use and does it have a modern user interface? Without software that is constantly improving and flexible to your needs, it may not deliver the productivity gains that are needed every year for you to stay competitive.

5. **Vendor Fit and Referencability:** How stable is this company? Do they have strong references within your industry? And, to borrow from the classic candidate hiring criteria, sometimes you just know that a vendor will be someone you'd work well with. Don't ignore this instinct, as you'll (hopefully) be engaging with this company and team members for years to come.

After you've identified what criteria satisfies your stakeholders, determine how important each category should be to your decision making with weighted scoring. For example, should functionality be more important than security? What about innovation versus total cost? Unsure where to start? Take advantage of our vendor criteria template:

Click here to download a complimentary Microsoft Excel vendor criteria template.

TOP 3 VENDOR RESEARCH RESOURCES

We recommend approaching software evaluations like you are interviewing a potential employee. Look at their past. Their pedigree. Get references, ideally blind. And get to know them to assess the impact they can make in the future, how their goals align to your company's, and culture fit (open API, fast, scalable, flexible, etc). Don't make a bad hire, as they are more costly than doing sufficient due diligence.

1. **Talk to peer companies you admire** to get referrals - what are they using to address your priority use cases?

2. **Seek out case studies from industry events and publications** of how companies are addressing problems similar to your use cases.

3. Since this vendor should turn into a long-term partner, look beyond the product offering and **dig into the business of potential vendors.**
   - How long have they been in business?
   - Have they always been cloud, or are they adapting from on-premise software?
   - How often do they improve their products (will my 'asset' appreciate over time?)
   - Are they publicly traded or owned by private equity?

4 BEST PRACTICES FOR CLOUD SOFTWARE EVALUATION

RFIs, RFPs, and pilots. Bake-offs, ROI/TCO calculations, demos, and feature comparison checklists. These can all be effective software evaluation tools, but not every company uses them the same way.

When making a strategic software investment, the evaluation process often varies but the objective is the same: find the best solution for my company. Here are five best practices to help you in this stage of the buying process.

1. **Be exclusive** in who you allow to have a seat at the table, and take the time to ensure your decision makers are aligned to your vision, strategy, selection criteria, and preliminary research before putting them in front of vendor candidates. Bringing in new voices just for the evaluation stage lengthens and weakens the process due to unnecessary tangents and having to provide context again and again.

2. **Ask the right questions** to expose the weaknesses of vendors who might appear strong on paper, but don't match up on a real-world use case or work with the agility and speed required to realize your vision and strategy. Here are 20 questions from a cloud software veteran to get you started.

3. **Stick to your weighted scoring.** It's easy to be swayed by a flashy presentation or emotions during the buying process. By sticking to the weighted scoring your team agreed to while building your selection criteria, you're more likely to pick a vendor and software that reflects your organizational priorities.

4. **Make them work for it.** No trick questions required - we're talking about making reasonable requests during the evaluation process to ensure the vendor has the flexibility and dedication to deserve your business. Here are two areas we think you'll benefit from exploring:
    *   **User experience:** Software isn't worth a dime if no one uses it. So pay close attention to the user experience and overall ease of use. Would your team members find it intuitive to navigate? Does it behave like other websites and applications your colleagues are familiar with?
    *   **Flexibility:** How easy is it to extend the software or configure new functionality? Will it require you to go back to the vendor for minor changes, or is it easy enough to do on your own? Don't take the vendor's word for it - ask them to rename or reconfigure something during your demo.

Pressing on these points will result in selecting a software solution that your organization will actually use, with lower total cost of ownership, and ensure you are empowered to extend and add new processes as your needs change and grow over time.
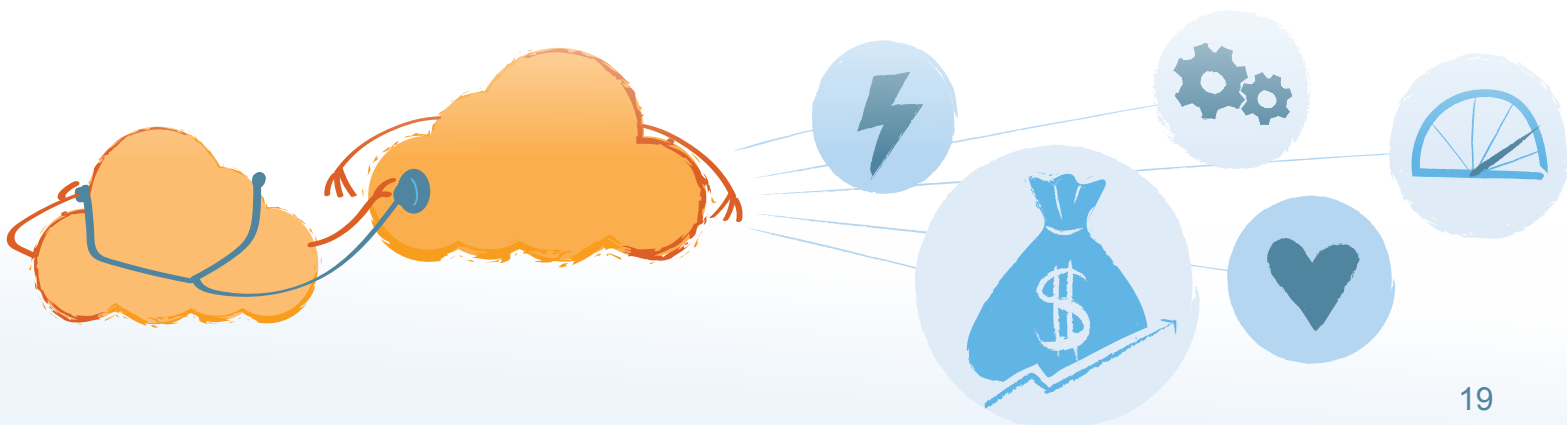
Looking Ahead: Change Management for Cloud Software

In this chapter, you learned best practices for finding a trusted partner to help make your business case vision and strategy a reality. In the final chapter of the buyer's guide, we'll share our synthesized change management learnings from hundreds of successful cloud software implementations to set your organization up for success.

Tips and Key Takeaways

- Focusing on features and functionality is a relic of the days of static on-premise software. In today's cloud software environment, it's more important to ensure your chosen vendor is capable and eager to meet your needs, versus whether they can "check every box" today.

- Approach software evaluations like you are interviewing a potential employee. Making a bad hire is more costly than doing sufficient due diligence.

- Ask the right questions to expose the weaknesses of vendors who might appear strong on paper, but don't match up on a real-world use case or work with the agility and speed required to realize your vision and strategy.

5

Cloud Software Implementation and Change Management

In the previous chapter of this RIM buyer's guide, you learned best practices for finding a trusted partner to help make your business case vision and strategy a reality. Selecting a vendor and software solution is usually where buyer's guides end, but there's a final topic critical to successful implementation and adoption of your new solution.

In this final chapter of the buyer's guide, we're sharing implementation and change management best practices from hundreds of customers so you can set up your organization for long-term success.
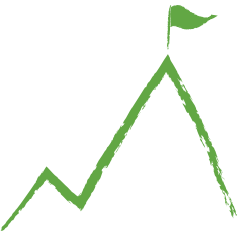
Why Implementation and Change Management?

If you've been through a new system implementation, you know first-hand how critical it is to have a clear plan for changing your organizational structure and way of working. If this plan is thorough and well executed, you'll make progress towards achieving your vision and maximize the value of your software investment. If not, stakeholders are unlikely to ever embrace the vision and strategy for regulatory or your chosen software solution, and may actively resist the change.

We don't want that to happen to you - so let's dive into the change management best practices Veeva has seen our customers employ to ensure a successful cloud software implementation and drive user adoption.

WHAT DOES "KPI" MEAN?

"KPI" means "key performance indicators." These indicators should be identified and measured before and after an initiative to provide measureable data on value added to the organization.
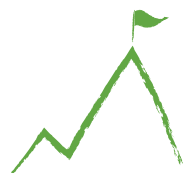
5 Implementation and Change Management Best Practice Areas for Cloud Software

1) LEADERSHIP AND GOVERNANCE

Your initiative should have a clear, public executive sponsor that is ultimately responsible for the project's outcomes. This individual should lead a working group or steering committee that includes your original working group members. These people can draw upon their valuable experience building the business case and evaluating vendors. The executive sponsor should also encourage ownership thinking within the group, empowering members to "own" their respective focus areas and delegating responsibility appropriately.

Kick-off the initiative with a meeting to establish clear scope and outcomes, as well as expectations and norms for the group members. Be sure that this group sets up feedback channels so they receive and review regular input from the user community, and communications channels to push messaging and priorities to relevant audiences. The group should also determine how they'll measure success (more on this in section three) and set up a dashboard to track key performance indicators at regular intervals.

2) COMMUNICATIONS

Whether you hire outside communications support or involve your corporate communications team, it's essential to have an owner and plan for internal communications. Start by introducing the initiative in a variety of ways - just an announcement email is insufficient. Consider a short video of your executive sponsor explaining why this initiative is happening, who it will impact and how, and the value your organization hopes to achieve. Reinforce this content in written form, through email and even posters in your office, and in-person comments during relevant town hall or departmental meetings. Err on the side of over-communicating. Set an expectation for how often people will receive updates (bi-weekly, monthly?) on the initiative's progress and stick to it.

Once you're confident all of the relevant people have heard of the initiative and have a general idea of the key messages, kick-off with a launch celebration. Make it fun - you're introducing a new tool to help make people's jobs easier and give them time back for more important tasks! We've seen everything from branded cupcakes, goody bags, and posters to help generate interest and excitement from the user community.

3) VISION TO VALUE

Your team worked hard to gather quantifiable metrics of your current state for the business case. Now is your opportunity to use that data as a baseline and measure the impact of the new system through a "Vision to Value" project. Simply identify key performance indicators (KPIs) that would signal true value for your organization, and establish baseline values for how you were working "before" leveraging your original research.

As your new solution gets up and running, measure these same KPIs to see the efficiency and other gains everyone is making. Include encouraging data from this project in your regular communications to users to reinforce the value the system is generating, encourage adoption, and assist you in securing support for project expansion.
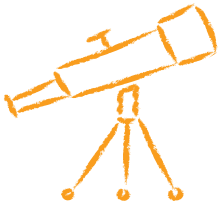
4) END-USER TRAINING AND ROLLOUT

Training and rollout is all about setting up your organization for successful adoption. Assuming that easy-to-use software with a modern user interface was on your vendor criteria, you've already taken the most important step towards successful training and user adoption.

Demonstrate that you value your colleagues' time by setting up custom training sessions that are appropriate to each user group/category's role in the system, and for global organizations create schedules that are considerate of different time zones. Your trainers may have to do more work, and it's worth it to set the right tone and drive user adoption.

Your team should also revisit who is going to use the system in what ways, and identify what work instructions, SOPs, and other documentation should be updated based on the new system.

Additionally, consider adding a game element to your roll-out plans. We've seen great success assigning users to teams to earn points by conducting actions in the new system, with a leaderboard and prizes for the winning team. This type of engagement is especially valuable if users are working from home as opposed to being physically together in a central office.

One of the most compelling aspects of cloud-based RIM software is that it's always improving to include new capabilities, adapts to changing best practices, and can adjust to changing business circumstances or needs.

To truly leverage your appreciating asset designate an "IT system owner" and a "business system owner" to continually stay up to date with new features being released throughout the year and make recommendations on whether to proactively accept new capabilities. They should also check-in regularly with the vendor and internal business stakeholders to see if there are new use cases or opportunities to expand within your organization and get exponentially more value from the software.

You're Equipped to Take On Your Business Problems!

From chapter one when we laid out why now is the time to explore addressing your business problems with cloud software, through researching and compiling your business case, to selecting the right vendor and now implementation, you've taken quite the journey. We hope that this cloud software buyer's guide has given you the frameworks, best practices, and confidence to better realize the potential of your organization through cloud software solutions.

Veeva's business modernization experts are standing by ready to support you on whatever stage you find yourself in the buying process.. Contact us and let's explore what's possible for your organization with our cloud software solutions.

Tips and Key Takeaways

- Implementation and change management related to your new cloud software should have a clear, public executive sponsor that is ultimately responsible for the project's outcomes, and a dedicated working group to execute against your plans.

- It's essential to have an owner and plan for internal communications. Introduce the initiative in a variety of formats and times, and err on the side of over communicating.

- Designate an "IT system owner" and a "business system owner" to continually stay up to date with new features being released throughout the year and make recommendations on whether to proactively accept new capabilities.

Your organization,
and your customers,
are counting on you
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