

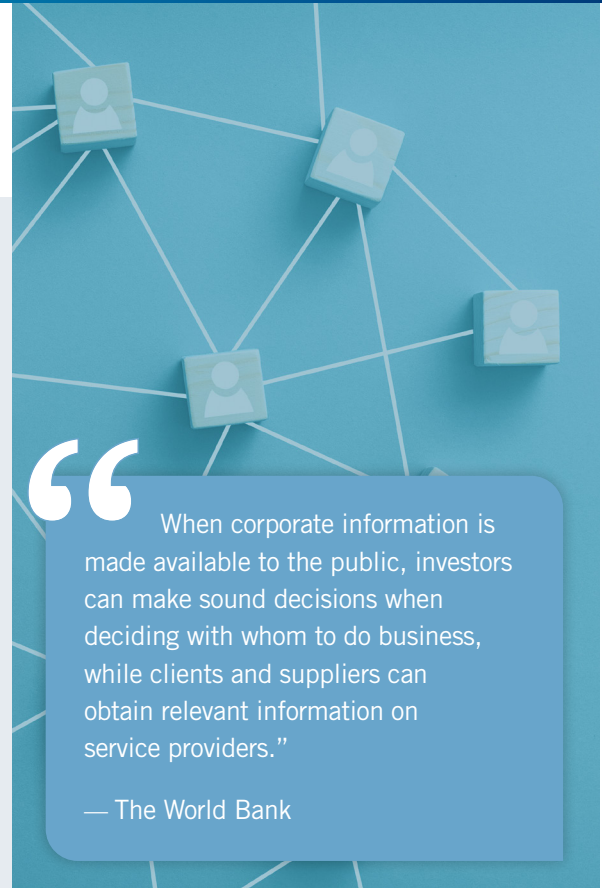
Find the Right Software Provider

5 Questions to See If a Vendor Is a Good Fit

Choosing a new software provider is a consequential decision for local governments. Much is at stake, including financial and resource commitments when implementing a modern, dependable, and user-friendly solution that meets community expectations.

Adding to the weight of a vendor-selection decision is the potential for long-term ramifications. As the Government Finance Officers Association (GFOA) noted in 2018: “It is expected that the government will become a partner with the chosen vendor for the next 10-plus years. You want to make sure the partnership will last.”¹

Because selecting the right partner is paramount, local governments must base decisions on thorough reviews of potential vendors. Below are five questions to consider when evaluating a software vendor that could be partnered with you for many years.



1 Transparency: Is the provider transparent about the state of its business?

Technology upgrades require significant resource investment and long-term vendor relationships. To ensure that this long-term relationship remains productive, it’s necessary to take a close look at the business health of a potential provider — to look under the hood at the vendor’s economic engine.

Unfortunately, business details can be opaque for some providers, particularly for private companies that are part of an equity fund’s sprawling portfolio. On the other hand, a publicly traded company offers financial transparency. The World Bank notes the value of this transparency: “When corporate information is made available to the public, investors can make sound decisions when deciding with whom to do business, while clients and suppliers can obtain relevant information on service providers.”²

You can learn about a company by listening to earnings calls and by looking at a provider’s annual report. You will learn about a company’s track record and future goals. You can gain insight into how a company is doing, which can help you gauge stability.

2 Core Values: Do your software provider’s values align with yours?

Increasingly, local governments are looking beyond the bottom line when making decisions. They are considering issues such as equity, inclusivity, and sustainability in decision-making.

These communities are turning to core values with good reason, as the GFOA explores in its recent Budgeting for Equity publication, which notes that, “Budgeting for equity holds great promise for helping local governments make their communities better places to live for all people.”³

With this emphasis on values-based processes, it is important to select software providers that share your commitment and understand your goals. When ascertaining if a provider is a good fit, consider if the provider:

- Has a mission to empower the public sector to create smarter, safer, and stronger communities
- Focuses on accountability, integrity, focus, inclusion, community, and growth

Visiting a vendor's "about us" page will provide an overview of the company's priorities. Software providers, particularly a publicly traded company, may publish a yearly corporate responsibility report that details value-based efforts and includes concrete examples of a commitment to important issues. A responsibility report offers a useful lens for learning about a vendor's mission and values. Ensuring that a vendor shares your core values contributes to a solid partnership foundation.

3 Stability: Will the provider be in it for the long haul?

It's critical to know that you can count on the provider to meet expectations next month, next year, and beyond.

Warning signs of vendor instability include a recent history of being sold or radically restructured. The questions are simple: How will new owners maintain standards going forward, and do the new owners have deep experience in public sector software?

It's also important to consider how long a provider has been in the public sector marketplace. A company with multiple decades of experience in the public sector is usually an indicator of a solid foundation.

Positive visibility in industry publications and at trade shows and conferences supports a company's reputation of commitment to its products and clients. Put simply: a stable company has more consistent access to resources to build upon its current offerings, support its clients, and innovate.

4 Proven Products: What is the track record of product offerings?

The quality of the product itself is ultimately the core question. The challenge is to ascertain how road-tested a product is and to gauge its reputation with public sector peers. In general, a provider with a deep list of long-term clients who are eager to offer referrals is a company that delivers products that meet client needs, a clear measure of product quality.

It's also important to have confidence a provider will continue to innovate and have a strong vision for the product's future. For example, forward-thinking providers are now developing software ecosystems that are eliminating data silos and ensuring information flows seamlessly between departments.

This connected vision can best be achieved through the selection of a provider that offers a breadth of products and services that are easily integrated.

Choosing a provider with a comprehensive collection of software suites can aid in a simpler implementation process and provide data integration throughout an organization since the software modules are purpose-built for integrations.

For example, ERP, assessment and tax, mobile civic engagement, asset management, 311, cashing, payments, and utility billing from a single provider simplify the user experience and connectivity within an organization — in comparison to stitching together solutions from multiple vendors.

Finally, more local governments are migrating their software to the cloud to increase dependability and decrease resource expenditures needed to maintain on-premises servers. Cloud capability experience is becoming increasingly crucial for software providers.

5 Knowing the market: Does the provider know the public sector?

Ideally, a company selling software to local governments would have many employees with government experience, whether as engineers, finance officers, or city managers. A company that has more than 35% of employees with public sector work experience has invaluable sector knowledge.

These employees know the sector's unique needs, which include:

- Financial transparency requirements
- The challenges of building information systems that break down silos and ensure seamless data flow between departments
- State and federal reporting requirements

Equally important is the selection of a provider that recognizes community members are busier than ever and want convenient and easy access to government services. What community members don't want are long waits at city hall to apply for building permits, follow up on vendor payments, or pay utility bills. Recognizing this need for connectivity, a full-service software provider offers robust civic engagement tools that enable constituents to pay bills online, report problems, contact officials, and much more.

Providers dedicated to the public sector understand clients depend on their software to meet community needs every day. Successful providers can be counted on as dependable long-term partners.

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¹ Government Finance Officers Association. (2018.) Transparency: A Means to Improving Citizen Trust in Government. <https://www.gfoa.org/materials/transparency-a-means-to-improving-citizen-trust>

² World Bank. (2021.) Healthy economies should invest in transparency of information on company data. <https://blogs.worldbank.org/developmenttalk/why-economies-should-invest-transparency-information-company-data>

³ Government Finance Officers Association. (2023.) Budgeting for Equity. <https://www.gfoa.org/materials/budgeting-for-equity-lessons>