

Tech selection Q&A: ‘There are a lot of people throwing terms around and don’t know what the hell they’re talking about’

By: Spend Matters Brand Studio

In our look at how companies do tech selections, some firms cast a wide net to see what the market has to offer and some go hunting for specific business needs.

Versatex, a spend management firm that needed a spend analytics solution, did its tech selection using a rigorous set of requirements and it took five months to find the right vendor, Simfoni, and confirm that it was a good fit, the Cincinnati-based Versatex said.

“I generated a business requirements document, and I heard back from vendors, ‘Wow, this is a really thorough document. We rarely get this from clients,’ ” said Nathan Jenkin, Versatex’s VP of Strategic Sourcing and Spend Analytics. “I compared vendors against a multitude of items that I had either heard or researched or thought might be a fit. It was a pretty exhaustive process to find the right partner.”

We talked to Jenkin for a Q&A that covers the whole lifecycle of the tech selection process, which included Jenkin hearing about Simfoni on a Spend Matters webinar.

Jenkin shared what Versatex learned, and he gave his view about businesses staying competitive.

“Because spend analytics is a rapidly evolving space, if you’re not out there teaching yourself something new and staying abreast of what’s going on, you’re behind,” he said.

Q&A

Spend Matters: **Would you tell us about Versatex and its mission?**

Nathan Jenkin: Versatex acts as a third party for organizations that are seeking support and assistance in managing spending categories that are not core to their business.

And why is spend analytics important for Versatex?

It is important because, as we work to help the client make the decision as to what is assigned to Versatex, first we have to understand the spend population.

And how did you do spend analytics before you chose Simfoni?

Well, there are a lot of different analytics platforms out there, and Simfoni is a supplement to our work. Versatex still performs a lot of analytics in-house, but I'm never averse to engaging commercial applications to help us do things better. So we definitely wanted to find out what else might be available that would be a good fit within the Versatex framework.

You mentioned some of these other ways of doing spend analysis. Do you still find that email and spreadsheets are used quite a bit?

I'm not going to share too much as to how specifically we do what we do. I'll just share with you that we're leveraging every aspect of technology that's available in this space. And Simfoni has made a great partner.

I was curious because there's a trend away from emailing around spreadsheets. Are you seeing that trend?

I see a lot of trends in the marketplace. It's up to all of us to decide what's real and what's not. Excel is nice for people in other areas of the business and functions.

What impact, besides speed, has Simfoni had on spend analytics?

Well, it's been a good collaboration, a good partnership. They've definitely worked to supplement our ability to create clean dashboards that deliver a visual message that the client can quickly understand. And we can move past the base discussions and move more quickly into the strategic discussions, which then move into tactical discussions. It's all about finding a way to get to the heart of the matter as quickly as possible.

And Simfoni has definitely helped our ability to do that.

Besides the dashboards, are there other improvements that you've seen from using Simfoni?

Well, there's always been an intellectual exchange between the organizations. We have very good discussions. The two organizations are always aligned and in sync and in continuous improvement. They've helped us get better, and I think in some ways we've helped them get better.

That's good to hear.

Yes, my team always enjoys interacting with their Simfoni counterparts. We don't necessarily consider this a client-vendor relationship so much as a collaboration. I hate using corporate, trite buzzwords, but I'm really not finding anything else that does a better job of describing the interactions between the two organizations.

Since using Simfoni, have you seen a change in your success rate at winning business? If so, how?

Yes, for example, by shortening the sales cycle. Remember what I referenced earlier about delivering a message that's easily understood by the client and getting past the base discussions? This lets us get into the discussion of, "OK, here's what's core to your business and here we see this is something we know that you consider important, that you're going to want to manage.

Here are the non-core functions, here's the spend activity, here's where that money is being spent, by whom.”

When you started using Simfoni’s solution, was there an “a-ha” moment once you saw how it handled spend analytics and the results of that?

I knew based on our business requirements document that it would be successful.

Simfoni is good about connecting and going through their process. There's always some limits when you're in the initial stages of a relationship, but because our organizations are fairly aligned in approach and philosophy, we were able to understand pretty quickly that they would be a good extension of the Versatex team.

You mentioned that you had considered other vendors. What others did you consider in your tech selection process?

It was a pretty lengthy list. Some folks I reached out to and their salespeople kind of sucked because they never got back to me.

And how long did the whole tech selection process take for you?

Five months. Again, I will mention the fact that the Simfoni team’s responsiveness throughout that period was very good, and that helped.

I'm not a patient guy, so if you're a vendor and you want business, and I ask you a question, and you don't get back to me in a reasonable amount of time, I'm not going to chase you.

Right. That's a good indicator of how good the fit is.

Looking forward, what advice do you have for other MSPs or consultants looking to use spend analytics as part of their operations?

Write a business requirements document, because that will force you to consider whether this is something you need to do or not. I think you also referenced about, as far as trends, it's “analytics this, analytics that,” “data science this, data science that” – there are a lot of people throwing terms around and they don't even know what the hell they're talking about.

Or they say, “Everyone's got to get a dashboard.” I've seen a lot of bad dashboards because, again, people just say, “We need a dashboard,” without really understanding where the value is and what you're supposed to get out of it.

I'm not trying to be critical, it's just, do you need it? Is it core to your business? How is it going to help you in areas of your business?

If a business has no spend analytics, what's your advice about why you would add spend analytics?

I really don't understand that mindset. I think you're asking about folks who think they need it, but are uncertain. It may be that they have a lot of data and maybe their leadership is loath to really want to pay a third party to do what they think is just working with a bunch of spreadsheets. That really dismisses the type of work that's going on in the data science space. The real question is, do people

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really understand what it is they're wanting to accomplish?

The thing to watch out for here is the vendor's people that you're thinking about hiring and what their experience is, and how they think. It's not just a, snap-your-fingers,-make-it-happen scenario.

Because spend analytics is a rapidly evolving space. If you're not out there teaching yourself something new and staying abreast of what's going on, you're behind. And that gap just continues to grow. If you're doing the same thing you were doing six months ago, you're behind.

And I'm not saying anything other than to just be candid. This is one of those areas where it's accelerating rapidly, and you have to be willing to invest and every once in a while pause and say, "Hey, can we keep using X as our way of doing things, or is there something new out there?"

I'm not advocating that someone always has to be a first adopter; I'm just saying there's a lot of really smart people doing really amazing work, such as incorporating machine learning and artificial intelligence at light speed. If folks aren't up for that and don't have the stomach for that financially and otherwise, then don't even go there because if you don't have that commitment, you're not going to get the return that you think you're going to get.

And has Simfoni helped you on that mission?

Yes, absolutely.

They've added people to the mix, I've added people to the mix, and yet the energy level and the passion has been maintained, and it's just been a very positive experience, overall, for everyone involved.