



Article:

Software as a Service: The Next Generation of Project Management Solutions

In this article you will discover:

- The advantages of Software as a Service over traditional software licensing
- The power of Project Management delivered as Software as a Service
- The 8 essential questions to ask when evaluating Software as a Service
- The 9 critical questions to ask when evaluating Project Management software
- And much more!

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History

The current generation of Software as a Service (SaaS) was initially hyped during the dot com boom as the next big thing, SaaS crashed in the bust that followed. Many companies went under, a few survived, continuing to be viable businesses today including Salesforce.com, Rightnow.com and Netsuite.

Microsoft believes in the future of SaaS, recently launching Office on-line. Google is offering competing products including SaaS applications for word processing and spreadsheets. SAP and Oracle have both announced that they are also going to make SaaS offerings of their products.

What is SaaS?

Software as a Service is a delivery method for software, where the users pay a periodical subscription fee to use the software instead of buying licences. SaaS is typically accessed via the web using a browser. The idea has been around for about a decade and the usage rates are increasing. Some analysts expect that around 30% of new software will be delivered this way by 2010.

Why SaaS and Project Management Tools make sense together

Reduce Investment Risk

When making a traditional software purchase there are licence, hardware and implementation costs prior to using the software. Then there is ongoing in-house support and maintenance costs. These upfront costs make purchasing software licences risky, what happens if you can't implement the software or you can't make it do what you want? No software company is going to refund your money because you decided you don't like it or can't implement it. These factors make the cost of a wrong buying decision very high.

Software as a Service is low risk compared to buying licences. In most cases there are no upfront costs to start using the service just the periodical subscription fee.

When you get started, you'll probably get a free trial to help make an initial evaluation. At the end of the trial, if you are still unsure about your next step, you only have to risk the cost of subscription for a period to complete your evaluation. If you decide you don't like it, just suspend your subscription and its over.

Companies who provide SaaS are aware that a customer only stays as long as they are happy. So if you have problems SaaS providers are more likely to be responsive and help you solve the problems. This ensures your ongoing use of their product

Implementation Cycles

SaaS offerings have a very short implementation time. There are none of problems associated with getting licensed software installed, configured and customised on your internal network, this has already been done by the SaaS provider on their hardware. All you have to do is give your users access via the web. In many cases your set up will take less than a day.

Any smart SaaS provider will help you every step of the way to increase the likelihood of an ongoing subscription. This includes setting goals about what will make a successful trial. For example, an achievable trial goal might be to solve a specific problem that was part of the reason for looking for project management software in the first place.

Flexibility

SaaS is generally charged on a per user basis with no upper or lower limits. This means that SaaS is as feasible for a small company as it is for large multinational.

Have you got a big project coming up? With SaaS you can scale up easily by renting extra licences for the duration of the project and then turn the licences off when you are finished the project to scale back down.

How easy do you think it would be to scale up and down with a traditional software vendor?

Running Projects across multiple locations

Web based access means that all users can update a single database from anywhere there is an internet connection. All project teams can be kept on the same page easily, regardless of their location.

If you don't have a single project database, then project plans and spread sheets are continuously being emailed back and forth to keep everyone up to date. These factors cause extra time to be spent juggling information and synchronising the data in various systems. Such activities are not an optimal use of anyone's time.

Evaluation Project Management SaaS offerings

To evaluate a project management tool you need answers to these questions:

1. Does the software help manage projects? Or is it just a scheduling tool?
2. Does it cover the PMBOK knowledge areas of project management: scope, time, cost, quality, human resources, communications, risk, procurement and integration?
3. Can I phase the functional implementation?
4. How effectively can I plan and track work?
5. Can I use it to report effectively?
6. Does it provide a central register of issues, risks, changes and service requests?
7. Can I manage my resources across multiple projects?
8. Am I able to manage timesheets?
9. Is administration easy to do?

The answers to these questions will go a long way to helping you successfully evaluate any project management tool.

To evaluate any SaaS offering, you need answers to these questions:

1. Is SaaS the vendor's primary way of doing business or do they still sell licences?
This will tell you if they are committed to delivering Software as a Service. If they still sell licences then they may just be swaying in the breeze, and their software may not be optimized to run as a service.
2. Does the SaaS vendor have a current security audit for their offering?
3. Does the data centre have backup power?
4. Does the data centre have adequate cooling and fire suppression systems?
5. How many ISPs does the service provider buy connectivity from?
6. Does the service provider have a disaster recovery plan should the data centre become unavailable
7. Do they provide dedicated servers?
8. What information do they back up and how often? Are these backups stored off-site?

What answers would you get if you asked your IT staff the same questions?

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An easy way to evaluate!

As you can see project management software delivered as a service can be of real benefit to a company of any size because it is low cost and low risk. So if you are thinking about acquiring project management software why don't you trial a SaaS style offering first?

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