#### PICKING AN ORACLE APPLICATIONS ASP: AN IT MANAGER'S PERSPECTIVE

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#### **Abstract**

The audience will learn whether the ASP model actually reduces any operating costs, or whether workloads and demands on IT resources are reduced. The final ASP checklist based on a postmortem analysis will also be presented. The audience will be able to determine if an ASP model fits their profile and operating parameters.

#### Agenda

ASP Definitions and Marketplace Why Consider Outside Hosting? ASP Buyer's Questions Terms and Conditions Negotiations Decision Process Project Management with an ASP Postmortem Analysis & Checklist

#### What is an Applications Service Provider?

An Application Service Provider is not just web and e-commerce hosting; it is delivery of software applications as a service, across a network to multiple customers on a pay-as-you-go basis. An ASP is something more specific, more advanced, that requires much greater skill to deliver than Web hosting. An ASP is about simplified IT, not complicated hosting; One approach is top-down, the other bottom-up.

There is nothing new about ASP. It isn't new in terms of technology, and it isn't new in terms of service. Old fashioned time-sharing companies I suppose in today's terms we would be called a pure-play with customization capability. But the difference between selling a pre-packaged software product and an ASP-enabled software suite is time and money.

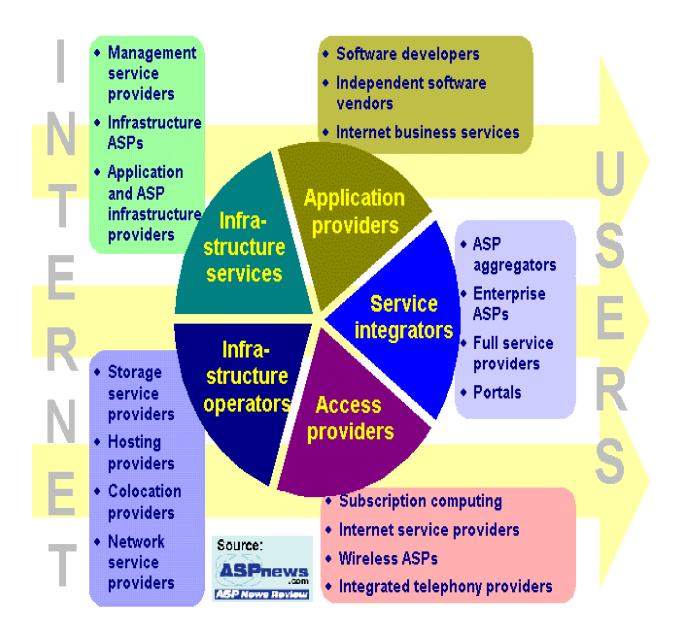
A relative handful of ASPs understand this distinction, and are developing their services with the goal of offering all that corporate IT offers (flexibility, app management, user administration, network and hardware administration, application integration, support, helpdesk, cost center reconciliation, etc) but are streamlining and standardizing these services as much as possible in order to scale them for multiple organizations, offering each of them significant cost savings due to the service standardization itself.

The group of ASPs who do NOT understand ASP as simplified IT, but instead think of it as complicated hosting, are typically those whose core business has been telecom, net access, or Web hosting. They think about hosting applications, but leaving it to the customer to administer and manage the application. They consider providing pipe, power, and ping, swapping backup tapes, installing hardware and keeping the OS and sometimes the app itself up and running makes them as ASP; sorry, that's just another hosting service.

The analogy is pass off a simple html page promoting a product (with a phone number to call or address to mail if interested in ordering the product) as e-commerce. It was and is just a web site, not e-commerce. Being an ASP is

about simplified IT, not complicated hosting. One approach is top-down, the other bottom-up. Those taking the top-down approach will be the big winners.

#### **ASP Marketplace**



This paper will concentrate on the ASP segment identified above as service integrators, or enterprise ASPs. Oracle's E-business suite falls into this category, especially when you consider either the Supply Chain Management (SCM) modules or the Enterprise Requirements Planning (ERP) modules.

Classification categories					
	ASP resellers	ASP aggregators	Pure-play ASPs	Business process outsourcing ASPs	
Business model	Resell another company's network-hosted	Integrates application services from	Relies least on partnerships	May be a reseller, aggregator or pure play, but	

Within this classification, this paper will deal with pure-play ASPs, but most of the comments and analysis will be applicable to business process outsourcing ASPs as well.

Yet another classification is available from ASPnews.com. Using their search engine and "Oracle" product parameter, then ASPs break into two categories for service: instant apps, and serviced apps. There are 79 providers of instant apps and 82 providers of serviced apps that have registered with their database and search engine.

Instant apps are ready-to-rent online. Simply sign up, pay online, and get started right away. If any service is provided alongside the app, it is normally limited to Web-based and email help and support. Typical purchasers are individual department managers or business owners. Prices start from a few dollars a month up to several hundred.

Serviced apps need some final configuration before they are ready to use. It takes anything from a day or two to several weeks, depending on complexity. They are usually delivered with a relatively high level of service attached to them. A company board or divisional management team is normally involved in deciding to rent this type of application. Prices vary from around a hundred dollars a month up to thousands or more. Of the 82 serviced apps they are broken down as follows: Customer Relationship Management (CRM) (12), Desktop apps (3), E-business (7), Enterprise Resource Planning (ERP) (3), Financials (7), Human Resources (HR) (8), Info sharing and management (18), Manufacturing (3), Specialist (Web site services) (3), and Vertical Markets (21). We will be discussing ASPs who fall into the E-business space in this paper.

#### Why Consider an ASP?

If you want to reduce the suffering from a shortage of IT staff—especially when the support staff is specialized or expertise is costly, or the support may not require a full time database or application person, then an ASP may be in your future. If you want a quicker time to implementation or to reduce the implementation from months to weeks, then you should consider an ASP. If ongoing version upgrades & patches are be a painful process, sometimes with interruption to service, then you consider an ASP. If you are seeking cultural change, be it a .com, M&A, downsized company, spin-off, restructured, or just a period of rapid growth, then you should consider an ASP.

The main factor in achieving these speedier timescales for implementations is that the underlying systems on which the software runs have already been prepared by the ASP. In other words, the ASP has already done the systems integration. Unless there's a need to add integration with pre-existing systems and applications, all that remains is the business integration — setting up the application so that it reflects the business processes that are specific to each individual customer.

The first generation of ASPs saw themselves as utility providers of standardized applications, who would reduce the cost of delivering IT by mass-producing monolithic solutions. Although they would charge less for the upfront consulting, they aimed to reap their reward when they delivered the fixed result for a recurring monthly payment. Put to the test in the market, they have discovered that the customer's need for consulting never goes away. Instead of delivering a fixed result for months on end, they must constantly modify and rework the finished solution. Every morning they wake up once again to the groundhog day of business implementation.

ASPs have discovered they can start off by implementing a small subset of basic functionality, and then add additional application features incrementally. That further speeds the time to implementation, as well as allowing the customer to manage user training in small, digestible steps.

Inherently, this suggests ASPs will have the most success delivering applications that are either: 1) collaborative; or 2) new applications in which customers do not already have any invested infrastructure.

"In general, market practice is for a monthly subscription to equate to around 20 to 50 percent less than the continuing, demonstrable cost of ownership of the same application when purchased and operated in-house."

Phil Wainewright, editor of ASPnews.com

#### **First Things First**

You must first decide what type of service you want--standard commodity product, or significant technical changes needed, or implement a complex application. Then, you must think the worst--what if the company fails?, who owns what?, hardware, network, software, data?, are any of these actually rented from other ASP suppliers?

You must decide in advance whether you are looking for a standard, commodity product — accepting that this will mean that you must adapt to fit the product. If so then you should be talking to a pure-play ASP. This is the solution that delivers the biggest benefits in speed and cost. But, if you think that there will be some significant technical changes needed — either to the application, or to your existing systems, then you need to test the technical capability of your potential supplier — some pure-play ASPs may not be suitable. If you are going to need help to implement a complex application — ERP or CRM for example — then you need to test out the business skills of your supplier, and not just the technology side of your supplier.

#### **Five Key Decision Criteria**

**Trustworthiness:** To what extent can the provider be trusted to live up to its commitments and its image? Evaluate the financial and operational stability of the business, the conviction with which it spells out its business practices

and customer service standards, the steps it takes to monitor whether it meets its performance targets, and the reputation it enjoys in the market. Check out its security tools and methodologies and what measures it has put in place to restore service in the event of a breakdown. Make sure you feel good about this provider.

**Assigning Weight:** Ask yourself, how vital is my data? If the application data is not commercially sensitive, then there is little point in spending a lot of time digging into the provider's security and business continuance procedures. On the other hand, if losing service for an extended period would cripple your business, you'll need total confidence in your provider.

**Quality of service:** What a service level is the provider guaranteeing to meet? Many service level agreements limit themselves to guaranteeing availability, which is a measure of when the application is accessible at predefined points in the network. However, many applications are only useful when they consistently achieve certain performance levels, so most service level agreements should also guarantee minimum performance standards. Don't be misled by percentages: remember that 99.5% availability equates to a potentially stomach-churning 50 minutes of downtime a week.

**Assigning Weight:** How vital is my application? It's inconvenient if your travel expense claims application is down an hour a week, whereas it's a major calamity if your company's e-commerce website starts generating intermittent 404 errors in the middle of a big marketing campaign. Top-class quality of service is expensive — allocate your spending where it will have most value.

**Responsiveness:** How does the provider respond to customer requests? Check out its helpdesk systems, procedures and staffing, and make sure you know what the escalation procedures are if something goes wrong. During the implementation process, do you deal with an automated provisioning system, a salesperson or a project manager? Find out how much control you will have over the final shape of the application, and what the procedures are for changing, adding to or upgrading it later on. Investigate whether the provider understands your industry and has experience of dealing with customers with similar needs. Check out the administrative procedures for adding or modifying users, handling payment queries and other enquiries. And ask yourself, does this provider act the way you expect a service business to act?

**Assigning Weight:** How fast will I want action? Imagine the unthinkable: you log in one day and the system is not there. Your best measure of the importance of this factor is to work out what you'd want to know and how quickly you'd need to know it. Similarly, assess the speed with which you'll want to see progress on modifications and administrative changes.

**Scalability:** Can you grow with this provider? Find out what access it has to spare capacity and what its development plans are going forward. Even if you expect to make only limited use of its services for now, evaluate whether the provider is able to offer additional functionality or higher levels of service if your needs change in the future. Remember that may well entail integration of this service with other applications as your use of online computing expands.

**Assigning Weight:** What's the worst case if I run out of headroom? You'll always assess scalability for core applications, but what about the e-business project you put with a startup online provider to test-market the concept? Make sure you know what your options are if it suddenly turns into a rip-roaring commercial success.

**Extractability:** Where's your exit strategy? Establish how much pain it will cause you if you ever need to part company with this provider (by the way, that's just as likely to happen because your business objectives change rather than because the provider fouls up). Make sure you know how to recover your data, even if the provider's business fails. If the configuration isn't portable to another provider, then calculate the cost of rebuilding all the business logic that's been built into the way you've set up the applications.

**Assigning Weight:** How disposable is this IT? If you can't trade without it and you can't easily transfer the data and business logic elsewhere, then you're stuck in a long-term relationship.

"...according to a recent Gartner Group forecast, approximately 60% of today's ASPs will go out of business over the next 12 months, with only a handful of full-service, enterprise class ASPs surviving, along with several dozen other point-solutions vendors."

--William G. Dering, Jr. heads C.E. Unterberg, Towbin's ASP Research Team

#### Sample ASP Buyer's Questions

Upgrades--How often will the software get upgraded? What happens if I don't want an upgrade? What happens if I particularly need an upgrade? How will an upgrade be managed? And how charged?

Will historic data be converted to the new format? What happens at the end of the contract? How do I get the data back if I bring the application in-house—which data, in what format, for how much?

If I want to add workflow to mail, or CRM to ERP, or payroll to financials, will the applications integrate? Or will I have to change the one I already have to fit the new one?

Do I get a dedicated server for my applications?

What expertise does the ASP have in your applications and in your industry?

Who are the business and technical partners used by the ASP? Are these assets utilized owned, leased, or rented? What performance level (response time) do you require? Can I get a response time (end-to-end throughput) guarantee or just an availability guarantee?

What is the guaranteed availability in SLA? Using what definitions, exceptions, or exclusions?

What are consulting, implementation, and customization costs? What should we expect in ongoing consulting fees after cutover to production that our ASP agreement does not cover?

What are the scale limitations in your quote? Where do I run into degradation of service or added costs as more users are added?

What is your customer service offering, and in what order? Onsite, phone, email, fax? Show me the histogram of your response time statistics for final problem resolution, in addition to first response.

How do you measure quality of service? Cite your customer references for QoS.

For a complete list of caveat emptor ASP questions, please go to http://www.vlamis.com/Papers/papers.html

#### **SLA Guidelines from ITAA**

ITAA is the Information Technology Association of America. SLAs are in effect prenuptial agreements for the ASP relationship - and they're a big deal, to customers and providers.

The most important provisions in the SLA are financial reimbursement for failure to meet the designated service levels and the ability to get out of the contract without penalty if there are repeated failures (for three consecutive months, for example). Beyond these, your SLA should cover application availability, network availability, application response time, security parameters, backup and disaster recovery, tracking and reporting measures, problem resolution procedures and conditions under which the relationship would end.

Make sure the guarantee is backed up by penalties. A 10% rebate off your monthly ASP bill is a common remedy, but you may want to negotiate a stiffer penalty if your application is mission-critical. Some IT managers try to insert a clause putting the ASP on the hook for lost business if the application goes down. This is unrealistic unless you also have a revenue-sharing provision.

A traditional Service Level Agreement (SLA), like those used for frame relay or Internet connectivity, which specifies aggregate measurements such as uptime averaged over a month, won't do. The SLA for a specific critical application must be detailed and granular. Certainly applications need to be available. But the sort of availability that, say, an ISP might guarantee-for instance, 99.7 percent uptime for the month taken as a whole-tells you very little about user experience. Those 2.16 hours (0.3 percent of 30 days) of downtime may be at peak demand times, or they may correspond to the most important deadlines for users. In many circumstances, average monthly uptime is utterly inconsequential to users.

One of the most commonly desired constraints for applications is a short and predictable response time. A few ISPs are willing to include "latency" in their SLAs, though they generally restrict the circumstances to such an extent that the guarantee has little actual value. Most commonly, only traffic that remains on the ISP's network is guaranteed. In addition, it's a common practice to average latency measures over time periods as long as a month, which, like the gross availability measure, may correlate imperfectly with real-time user experiences. Useful response time measures should be taken as they occur, and should be reported immediately, as well as averaged over longer periods.

Application users have a number of other service level measures that provide a closer tie to their actual experience than gross uptime or delay. For example, the percentage of transactions that run to completion may be more important than minor delays in completion. It may be important to know percentages of customers that fill out complete forms and then abandon the transaction. The measurements that matter to a user in a real-time videoconference will be not so much geared to discrete transactions as to the details of such factors as latency and jitter. In many cases, some of the most interesting performance metrics are specific to a particular application. Not only are commonly guaranteed network performance specifications irrelevant to users, but generic Application-layer performance specs may also fail to indicate acceptable performance.

#### Possible ASP Vendors

**OAAP** (**iHost Program**) **list**—Agilera (CO), BlueMeteor (IL), Center 7 (UT), Chapter 2 (CA), Hostcentric (TX), Interliant (NY), Numpremis (CO), Winstar (NY)

**ASPnews list**---BlueMeteor (IL), Core Services (NJ), IBM Global Services (NY), Millennia Vision (CA), Mincom (Australia), QuayOne (Netherlands), Simplify (CA)

Local Kansas City---Network Integration Services, Global Crossing (now Exodus)

#### **Short List of ASP Vendors**

HostCentric Nupremis Winstar Simplify (Appshop) Network Integration Services BlueMeteor

The short list was determined by a phone survey over a one-week period. Several criteria were used:

- 1) Security in three (3) layers—physical, biometric, knowledge at data center; system, network, and application at the client level
- 2) Contract length—most deals are from 3, 5, or 7 years, but I found some that would entertain 2 years without starting to negotiate
- 3) Sheer Chemistry—are they really interested in this business, do I trust them, is their sample contract even handed
- 4) Implementation methodology—do they adhere to the Oracle FastForward methodology or another structured approach, especially with data quality and referential integrity issues?
- 5) Flexibility with client—are they willing to entertain T&C changes? In plain English, not legalize?
- 6) History of Company—background in web hosting and expanding into ASP (2nd choice), or consulting implementation and expanding into ASP (1st choice), philosophy on Oracle implementations, years in business, number of customers in production and number in implementation, number of employees,
- 7) Are they currently profitable and can they prove it?
- 8) Attitude towards training end users, not just about technology, but the business processes flow first.

#### **Ultimate Decision Process**

Strong responsiveness to customer Flexibility, especially in T&C Quality of service guidelines Customer references Profitability

#### **Key Project Management Issues**

Identify single points of contact from in-house team to ASP team
Don't skimp on consulting help, especially in data conversion
Do a pilot project—involve the end-users in the change and overcome the fear factor
Customize the training materials

Don't rely on the ASP for support during implementation

Establish the team requirement as clear and open communications Map out key business processes—old and new

Customize the training materials—the training must be thorough for both the business process independent of the technology. Users need to grasp how the parts of the process work together. From my experience, if users understand the processes and how they link, then they get a better grasp of the technology and can use the general business model as a guideline to figure the technology out.

Clear and open communications---implementing a new system harbors threats of conflict, confusion, and resentment. The common denominator is to establish a positive and cooperative climate for the upcoming glitches and demanding difficult moments.

#### Postmortem Analysis & Checklist

Orderliness and efficacy of data center operating procedures?

Test the adequacy of security?

Stability of the physical environment?.

Installation time for a new server?

Installation time for a new T1 line?

What are the referenced customers reference points or benchmarks for satisfaction with up time, availability, performance and connectivity services?

Provisions for an escrow service?

Root access to box(s) during implementation?

Spot test the 24-hour support line before cutover?

Tools to monitor SLA compliance and internal monthly chart measurements?

Certifications and resumes for key support personnel?

Continue to monitor ASP tradeshows and postings on ASP discussion forums

If big enough, support + onsite services?

Don't rely on ASP for support\*

#### **Additional Resources**

At <u>www.networkworld.com/seminars/asp</u> you will find 8 free seminars by Liza Henderson, VP of Consulting at Telechoice, Inc. in month of March on "Evaluating and Choosing an ASP"

# Picking an Oracle Applications ASP:

An IT Manager's Perspective



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### Vlamis Software Solutions, Inc.

- Founded in 1992 in Kansas City, Missouri
- Oracle Partner since 1995, Certified Solution Partner since 2000, and Beta tester/Early Adopters Program on multiple products and applications
- Designs and implements databases/data marts/data warehouses using RDBMS and Multidimensional tools
- Specializes in Data Transformation, Business Intelligence, Oracle Financials, Supply Chain, ERP and Applications Development
- Founder Dan Vlamis is former developer at Oracle-Waltham office for Sales Analyzer Application



## Agenda

- ASP Definitions and Marketplace
- Why Consider Outside Hosting?
- ASP Buyer's Questions
- Terms and Conditions Negotiations
- Decision Process
- Project Management with an ASP
- Postmortem Analysis & Checklist



## What is an Applications Service Provider?

- Not just web and e-commerce hosting
- It is delivery of software applications as a service, across a network to multiple customers on a pay-as-you-go basis
- ASP is something more specific, more advanced, that requires much greater skill to deliver than Web hosting
- ASP is about simplified IT, not complicated hosting. One approach is top-down, the other bottom-up.



## What is an Applications Service Provider?

 "The issue is the complexity of the product you are selling," explained John Simmons, VP of the North America ASP business group at Oracle Corp. "It's a completely different kind of sale ... when you move it into the ASP world, it's a service sale."

- ASPnews.com





## Types of ASPs – over 1200 in total

- Business ASPs (119)
- Enterprise ASPs (62)
- Local-Regional ASPs (363)
- Specialist ASPs (395)
- Vertical Market ASPs (262)

ASPnews.com



## ASP(s) – different slice

- Instant Apps (79)
- Serviced Apps (82)

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Customer Relationship Management (CRM) (12)
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Desktop apps (3)

E-business (7)

Enterprise Resource Planning (ERP) (3)

Financials (7)

Human Resources(HR) (8)

Info sharing and management (18)

Manufacturing (3)

Specialist(Web site services) (3)

Vertical Markets (21)

ASPnews.com



### Why Consider an ASP?

- Access to high-end applications, such as ERP, with little upfront investment
- Quicker time to implementation
- Guaranteed performance level
- Desire to standardize applications
- Reduce suffering from a shortage of IT staff
- Mobile workforce
- Pending capital outlay for HW or SW
- Ongoing version upgrades & patches
- Cultural Change



## Why Consider an ASP?

"In general, market practice is for a monthly subscription to equate to around 20 to 50 percent less than the continuing, demonstrable cost of ownership of the same application when purchased and operated inhouse."

- Phil Wainewright, editor of ASPnews.com



### Why Not to Consider an ASP?

- Need to have application customization
- Need to have integration with existing inhouse applications
- Political, emotional, or cultural problems
- Way to reduce IT staff
- Application response time better than inhouse\*
- Security and reliability concerns
- Existing IT infrastructure inadequate for new applications



### First Things First

First, Decide what type of service you want:

Standard commodity product, or Significant technical changes needed, or Implement a complex application?

Then, Think the worst

What if the company fails?

Who owns what?

Hardware, network, software, data?

Are any of these actually rented from other ASP suppliers?



### Five Key Decision Criteria

- Trustworthiness
- Quality of service
- Responsiveness
- Scalability
- Extractability

- Ask yourself, how vital is my data?
- How vital is my application?
- How fast will I want action?
- What's the worst case if I run out of headroom?
- How disposable is this IT?

## **Caveat Emptor**

"...according to a recent Gartner Group forecast, approximately 60% of today's ASPs will go out of business over the next 12 months, with only a handful of full-service, enterprise class ASPs surviving, along with several dozen other point-solutions vendors."

--William G. Dering, Jr. heads C.E. Unterberg, Towbin's ASP Research Team



## ASP(s) Long Term Viability (Telechoice in Network World, January 22, 2001)

HIGH	Business Process Outsourcing		
	Content		
	Applications		
	Content Delivery Management		
	Hosting		
	Data Centers		
LOW	Network and Access		



## **Key ASP Buyer's Questions**

What is contract term?

What is scope of ASP services?

Implementation—business process, licensing, integration, infrastructure

Service—software maintenance, upgrades, patches, user support, help desk

Service-Level Agreement (SLA)—performance, procedures, reporting, penalties

Pricing and payment terms

Termination contingencies

Transition and migration plans

Security—network, platform, application, operations

Data—security, privacy, integration, consistency

--Gartner Group



## Sample ASP Buyer's Questions

Upgrades--How often will the software get upgraded? What happens if I don't want an upgrade? What happens if I particularly need an upgrade? How will an upgrade be managed? And charged?

Will historic data be converted to the new format?

What happens at the end of the contract?

How do I get the data back if I bring the application in-house—which data, in what format, for how much?

If I want to add workflow to mail, or CRM to ERP, or payroll to financials, will the applications integrate? Or will I have to change the one I already have to fit the new one?

Do I get a dedicated server for my applications?

What expertise does the ASP have in your applications and in your industry?



## More ASP Buyer's Questions

- Who are the business and technical partners used by the ASP? Are these assets utilized owned, leased, or rented?
- What performance level (response time) do you require? Can I get a response time (end-to-end throughput) guarantee or just a availability guarantee?
- What is the guaranteed availability in SLA? Using what definitions, exceptions, or exclusions?
- What are consulting, implementation, and customization costs? What should we expect in ongoing consulting fees after cutover to production that our ASP agreement does not cover?
- What are the scale limitations in your quote? Where do I run into degradation of service or added costs as more users are added?
- What is your customer service offering, and in what order? Onsite, phone, email, fax? Show me the histogram of your response time statistics for final problem resolution, in addition to first response.
- How do you measure quality of service? Cite your customer references for QoS.



### **SLA Guidelines from ITAA**

- Service Level—availability, guarantees, exclusions
- Security—physical access, responsibilities for network versus applications
- Tracking and Reporting—monitoring, detect and track downtime, SLA reporting, audit methods
- System Performance—benchmark targets, response time, throughput



## What is Outside of ASP proposal?

- Redundant connection between you and ASP
- Application security matrix
- Firewall—hardware or software
- VPN software
- In-house single point of contact person
- End-to-End performance management tools
- Ongoing business and technology training
- 22% annual Oracle support fee



## **End-to-End Performance Management Products**

- BMC Software -- PATROL www.bmc.com/patrol/
- Computer Associates -- Application Response Option www.ca.com/products/tng\_application\_response.htm
- CompuWare -- EcoSYSTEMs <u>www.compuware.com/products/ecosystems/</u>
- Concord Communications www.concord.com
- Dirig Software -- RelyENT, xSPress www.dirig.com
- Hewlett-Packard -- OpenView VantagePoint www.managementsoftware.hp.com

- Lucent Technologies -- VitalSuite www.lucent.com/networkcare/
- Manage.com -- Frontline e.M <u>www.manage.com</u>
- NetIQ-- Pegasus <u>www.netiq.com/products/network\_pe</u> rformance/
- NetScout Systems -- ngenius www.netscout.com
- Tivoli -- Application Performance Management www.tivoli.com



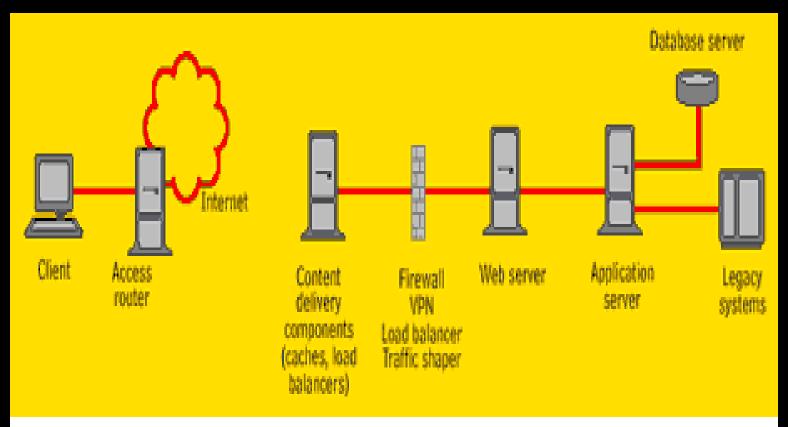


Figure 1. A long, complex chain of components can affect the performance of modern n-tier applications. Instrumentation, generally in the form of hardware or software agents, must be deployed at or near each component of this chain.

NetworkMagazine

### Possible ASP Vendors

- OAAP (iHost Program) list—Agilera (CO), Appshop (formerly Simplify) CA, BlueMeteor (IL), Center 7 (UT), Chapter 2 (CA), Hostcentric (TX), Interliant (NY), Numpremis (CO), Winstar (NY)
- ASPnews list---BlueMeteor (IL), Core Services (NJ), IBM Global Services (NY), Millennia Vision (CA), Mincom (Australia), QuayOne (Netherlands)
- Local Kansas City---Network Integration Services, Global Crossing (now Exodus)

## **Short List of ASP Vendors**

- AppShop (formerly Simplify)
- BlueMeteor
- HostCentric
- Network Integration Services
- Nupremis
- Winstar



### **Ultimate Decision Process**

- Strong responsiveness to customer
- Flexibility, especially in T&C
- Quality of service guidelines
- Customer references
- Profitability



## Key Project Management Issues

- Identify single points of contact from in-house team to ASP team
- Don't skimp on consulting help, especially in data conversion
- Do a pilot project—involve the end-users in the change and overcome the fear factor
- Customize the training materials
- Don't rely on the ASP for support during implementation
- Establish the team requirement as clear and open communications
- Map out key business processes—old and new



## Postmortem Analysis & Checklist

- Orderliness and efficacy of data center operating procedures
- Test the adequacy of security
- Stability of the physical environment.
- Installation time for a new server
- Installation time for a new T1 line
- Interview customers on satisfaction with up time, availability, performance and connectivity services
- Provisions for an escrow service



## Postmortem Analysis & Checklist Continued

- Root access to box(s) during implementation
- Spot test the 24-hour support line before cutover
- Tools to monitor SLA compliance and internal monthly chart measurements
- Certifications and resumes for key support personnel
- Continue to monitor ASP tradeshows and postings on ASP discussion forums
- If big enough, support + onsite services
- Don't rely on ASP for support\*



### **Additional Resources**

- www.nwfusion.com
- www.itaa.org
- www.networkworld.com/seminars/asp
- www.networkmagazine.com
- www.erpsupersite.com
- www.aspisland.com
- www.aspindustry.org
- www.asp-lists.com





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