

Best-of-Breed vs. All-in-One Solutions

An 80/20 strategy is the best of both worlds

By Eric Camulli, Vice President, Virtual Hold Technology

There is something to be said for the Swiss Army knife. It's a great little tool that can help you in a jam. But if you're not in a time-sensitive predicament and you have the opportunity to plan, then it's better to be prepared with a full size set of tools so that you can perform the task at hand thoroughly and with precision and accuracy. Indeed, there will always be a market for Swiss Army knives. Consumers will find the use of the all-in-one tool convenient and suitable to satisfy their basic requirements. However, many consumers have complex requirements that occur with greater frequency. In these cases, modifiability and flexibility are the quality attributes prioritized ahead of convenience. These are the tasks that cannot be performed without a full size set of tools.

The same is true with technology. Many all-in-one solutions, with the good intention of providing better value, fail to satisfy large segments of consumers who require greater quality and flexibility attributes. A good example of this is with regard to home theatre. With the advent of HD TV, the fascination with home theatre has climbed in recent years. Every TV comes with speakers; however in order to enhance the listening experience, consumers continually upgrade their speakers and components as their tastes, preferences and requirements change over time.

Vendor Support

When it comes to the customer service experience, organizations should be careful about getting locked in with an all-in-one provider and should consider carefully whether the pros outweigh the cons. On the pro side, you gain the benefit of bundled, value pricing. You also maintain simplicity by limiting the number of vendor relationships ("the single wringable neck"). On the con side, it is difficult to find experts to help you with each component of the all-in-one solution since your support call will be handled by their all-in-one help desk. In addition, the all-in-one solution contains only a subset of full solution functionality, and this lack of flexibility may cause challenges for you as your business needs evolve with the marketplace. One more con to keep in mind is that each component of the all-in-one solution is heavily dependent upon the other. Therefore, it is possible that a single component failure affects multiple solutions and deepens the impact on your customers and business partners.

Integration

An all-in-one platform does not necessarily mean it's all-in-one integrated. Most product suites have been patched together through acquisition. There are few vendors who have architected and integrated all of their own components from the ground up. The process of integration after acquisition can be difficult, and in some cases, can take years before the roadmaps finally converge. Do not be fooled into believing that just because two products are sold by the same company that it means the two products are well integrated. Only research and reference checks will uncover these facts.

The Single Wringable Neck

Many buyers like the idea of choking a single wringable neck, meaning that when something goes wrong, there's only one place to call. On the surface this approach appears to have other benefits as well. For example, the more you buy from a single vendor, the better service you will receive. While our human instinct and sensibilities tell us this must be true, this is a common misconception that has proven to be a painful pitfall for many. We must only look to our experiences as buyers to learn that this logic is not consistent with reality. Unfortunately, there is no direct correlation between sales revenue and service delivery capabilities, and the two elements should not be linked together. The service arm of a vendor's organization should be evaluated separately based on reputation and references.

An IT colleague once told a story of how he decided to standardize on a single vendor for all data room servers. Having achieved the rank of "Platinum Customer," he was satisfied with his coverage and status with the vendor. However, he admits today that the false link created between sales and service was a big mistake. His vendor's service organization had slow response times, poorly trained techs and layers of escalation bureaucracy. Not platinum nor all of the precious metals in the world was enough status to overcome the vendor's customer service shortcomings. None of the processes in place could be quickly fixed either, whether it be with more money or by choking the neck more tightly. Over time, his frustration intensified and the relationship waned. With the bulk of the vendor service contract paid upfront in order to take advantage of pricing discounts, the IT Director is now stuck riding this horse for years to come.

80/20 Vendor Selection Strategy

Another colleague tells the story of how she has successfully invoked an 80/20 strategy with regard to vendor selection. Her organization now standardizes 80 percent of its infrastructure with a single vendor and uses best-of-breed solution providers for the remaining 20 percent. The strategy keeps all vendors sharp, on their toes and vying for a piece of extra opportunity, she says.

Additionally, it is important to note that in single-provider arrangements, escalation paths inevitably lead to a dead end. The top of the organization – the single wringable neck – is in plain sight. Once reached and choking has commenced, you are out of options. Even the CEO is at the mercy of the company's poor customer service processes that have been created over time and will take even more patience and time to change. However, companies that employ the 80/20 strategy do not run out of escalation options. Instead, they contact their other business partners for answers, advice and counsel. The partners know just as much about the technology, if not more, than the manufacturer because partners spend years perfecting and supporting integrations. They understand the platform's capabilities and limitations – often more clearly than the manufacturer.

The single wringable neck vendor selection strategy is a very logical approach. But unfortunately it does not satisfy the modifiability and flexibility quality attributes required by most service oriented architecture (SOA) enterprises with shifting requirements from internal business customers. But rather, it only satisfies the convenience attribute. By implementing the 80/20 strategy, companies are able to take the flexibility and integration skills of best-in-breed vendors and combine them with the convenience of an all-in-one solution provider.



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