

Win-Loss Assessment for XYZ Systems ABC Hospital

Date of Review: November, 2010

Interviewee: Senior VP

Result: XYZ Win

Executive Summary

ABC Hospital was in a position in which they wanted to replace a system that wasn't meeting their needs. XYZ Systems fared very well with respect to the phone interviews and on-site demonstrations. In fact, the on-site demonstrations were critical in the process. The final vendors were XYZ Systems and VENDOR Z and when it came down to having two front-runners, cost was an issue—XYZ Systems was seen to be a less expensive solution. Committee members at ABC Hospital were also very impressed with the sales people at XYZ Systems.

Respondent Roles and Decision Making Process

ABC Hospital used a committee to evaluate vendors and make a final decision. The committee, which was chaired by the CFO, included 15 members—three physicians, Vice President of Nursing, billing supervisors, Director of Clinics, Director of Pharmacy, Business Office Manager, Director of Laboratory and Director of Radiology. Individuals representing the nursing department led the clinical process and the CFO led the financial portion. Overall, the top decision-makers were the VP of Nursing, the CFO and the Director of Laboratory. John Smith was the consultant involved in the selection process.

Short List of Vendors

ABC evaluated a number of vendors, including XYZ Systems, VENDOR Z, Vendor A, Vendor B and VENDOR Y. Vendor X was also invited to participate, but they were well over the hospital's budget and were not a serious player. The top two vendors were VENDOR Z and XYZ Systems.

Business Drivers

The hospital had no clinical or nursing systems functionality in place other than order entry. The laboratory product was going to be sunsetted. There was general dissatisfaction with Vendor X, the incumbent vendor. The hospital experienced increasing support costs and decreasing support and in their view they were "paying more for less." They indicated: "We just didn't get what we wanted out of the system and there was dissatisfaction among the clinical users—we wanted more functionality that was available with our current system. Also, we bought their GUI interface, but it was a nightmare to try to get this up and running. The hospital was also looking for ways to improve patient care and drive reimbursement issues and their current software just didn't allow them to do that."

They indicated they wanted financial reporting information that they couldn't get such as revenues by doctor and payer. They signed a contract with Vendor X for their Decision Support System but felt they were oversold and were too small an organization to use the application. It took a lot of manpower to maintain this system, which used Vendor F's reports to get data from another relational database. Based on this structure, the respondent just "wasn't confident that the data was accurate." Also, upgrades were needed on a regular basis—"we just got buried."

Winning Vendors and Influencers

We had demos from everyone but Vendor X, with over 60 employees participating in the demos—XYZ Systems was the “hands down winner.” Also, one of the respondents reported that they went with XYZ Systems because it used a relational database.

The decision was made fairly late in the game and the consultant helped to structure the process. Vendor Y was dropped early and the other vendors (except VENDOR Z and XYZ Systems) were dropped after the interview process. One respondent said: “We like XYZ Systems because they were a good fit, tailoring their product to meeting the needs of small, rural hospitals.” The Windows based product allowed them to move in the direction that they wanted to go in. XYZ Systems’s clinicals were also a “big winner”—specifically noted were nursing documentation, EMAR, transcription notes, radiology and labs. The screens and ordering were also easier to use than some of the other competitors. They also commented: “VENDOR Z also took us in the direction that they wanted to go, but then it came down to cost.” Cost was a big factor for the CFO—in a ballpark range, XYZ Systems was about 20 percent lower. However, the second respondent noted that cost “didn’t come into play—we just wanted the best product.”

The “down home company” attitude of XYZ Systems really came through. The salesperson knew what situations they were in with respect to being a rural hospital and he really used this to his advantage.

KLAS data was also used in the process, and on a scale of one to seven, the respondent gave this a six in terms of importance.

The Sales Process

The site visits and phone interviews were very important—XYZ Systems was talked about very highly in all situations. “I talked to about three different people for each company and XYZ Systems came out the highest in terms of how they liked it.” XYZ Systems was also characterized as understanding the steps and they were willing to “do what it took.” They did a great job with their demos. Their interviews were also really good—there were negatives mentioned, but we wouldn’t have expected to hear only positives. From the point of the demo, XYZ Systems became the front runner.

The sales person from XYZ Systems was rated as “very good.” One decision maker respondent said, “He was knowledgeable and nice; he anticipated the questions and if he didn’t know the answer he came back to us. He was actually willing to defer an answer until they really understood it. They didn’t just give us an answer to give us an answer—they waited until they had the right answer.” The other respondent noted that XYZ Systems was trustworthy and a good connection was made. The sales person really seemed to understand the bigger picture—ABC Hospital is located in Utah and they were tied into General Hospital. General Hospital’s system was being sunsetted and a number of hospitals had to make a choice about selecting a new vendor. The salesperson seemed to realize that a number of hospitals would be in the situation that they would have to purchase new software. This translated into the fact that “he really took care of us.” They commented, “The salesperson from VENDOR Z wasn’t a bad guy, we just didn’t have the same level of connection.”

Lastly, XYZ Systems was very successful in winning over the key decision makers. One decision maker commented, “He tried to touch with us on a personal level.” The sales person was also identified as a likeable guy and trustworthy.

Respondent One/Respondent Two

Sales Person Attribute	XYZ Systems
Credibility	7/7
Responsiveness	6/7
Product Knowledge	6/7
Knowledge of Business	6/7
Professionalism	7/7
Assessing Need/Delivering Value	6/7
Overall Selling Skills	6/7
Overall Chemistry with Key Decision Makers	7/7
Verbal Skills	7/7

Buyer's Overall Suggestions for XYZ Systems

The respondents noted: “The people that the vendors bring for the demonstrations is key. XYZ Systems did not bring a pharmacist and this hurt them—there was a lack of system knowledge. Some other vendors brought a physician, XYZ Systems didn’t.” It was also noted that staff from ABC had the opportunity to go to a user group prior to making the decision. That was very helpful. Lastly, they indicated that XYZ Systems really does listen to their customers and make every effort to meet their needs.