Software Acquisition

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Overview

- Software Acquisition
- Make or Buy
- Bespoke or Package
- Software Packages
- Buying and licensing
- Customising (behave ownership if you use open source).
- *An estimation exercise.*
- Extras: Planning and delivery of estimation.
Software Acquisition is…

… the “process of obtaining software by whatever means …”

“… also referred to as IT provision or IT procurement …”

(Hall & Fernandez-Ramil, 2007, p131)
• Consider an IT Group that needs to provide a software application to solve a business problem.
• Perhaps to improve the effectiveness and/or efficiency of a business process.
Software Acquisition

- Make or Buy?

- Bespoke or Package?
• What are the benefits of developing the application in-house?

• What are the drawbacks to developing the application in-house?

• What are the benefits of commissioning another business to develop the application?

• What are the drawbacks to commissioning another business to develop the application?
Software Packages

- Also known as Commercial off the Shelf (COTS) software.
- Selection process?
- Selection criteria?
• Benefits?

• Drawbacks?
Licenses

• What licensing agreements could be considered?
  • From the vendor’s viewpoint.
  • From the customer’s viewpoint.
Customising Packages

• What skills are required to customise a software package to meet business needs?

• Where might these skills come from?
Research by Nelson, Seidmann & Richmond (1998) into IT departments found that approximately 80% of the software applications were made rather than bought.
• Is using Open Source software a cheap option?
Further Reading


What did you learn about:

- a) Why should a business use Open Source Software?
- b) Why should a business *not* use Open Source Software?
- c) What skills would a business that intended using Open Source Software need in order to make effective use of Open Source Software?

• Explain the model used in this paper.

• **NOTE**: You do not need to understand their complex mathematics!