

“Kicking the Tyres”



Evaluating Enterprise Platforms

The phrase “Kicking the Tyres” has two sources of origin;

1. You might remember the phrase "kick the tyres and light the fires" from the movie Independence Day. It's a reference to the habits of fighter pilots doing a pre-flight walk around inspection of the aircraft before climbing into the cockpit and starting the engine
2. The second is from the automobile industry where people would physically kick the tyres of a car to check their condition and durability before making a purchase.

In essence the act of “Kicking the Tyres” was a way to determine quality and ensure the vehicle was in good condition. Over time, the phrase has evolved to be used more broadly to mean evaluating or examining something before making a decision.

In my roles working on both Client and Vendor sides of the fence I have been involved in organising, conducting and participating in platform evaluation & selection exercises we referred to as “Kicking the Tyres”.

These evaluation exercises were utilised in three main types of situation;

1. Selecting new enterprise platforms
2. Evaluating the technology of a prospective M&A target
3. Evaluating the current state of an organisations technology landscape

The targeted platforms under assessment have included;

- A. Core Enterprise Business Platforms (products and homegrown)
- B. Generic Business Platforms
- C. Low Code Development Platforms
- D. Technology Enablement Platforms

These evaluation exercises have spanned numerous business verticals including Insurance, Pensions, Travel & Health, Relocation, Hospitality.

The degree of rigour we put into the evaluation process was extremely valuable in allowing all areas of the organisation to see what the result of a potential selection would be.

The approach has evolved over the years and is geared towards the following objectives;

- Preventing misperception around functional and technical capability of a platform

- Building consensus within the business and technical communities on the final decision
- Avoiding buyers remorse
- Assessing how the RFP finalists performs in a near real-world situation
- Qualifying the RFP responses of finalists
- Building a solid foundation and relationship with the eventual winner
- Assessing how the targeted company's platforms perform in a near real-world situation
- Qualifying the rationale of the deal from a technology perspective
- In depth Due Diligence from a capability and technology perspective

The “Kicking the Tyres” approach described below can be used for any platform whether business or technology focused across the three main scenarios I have mentioned above. It has also proven highly adaptable and relevant as platform technologies have evolved.

Obviously the details of the “things to be evaluated” will differ, but the fundamental structure and objectives of the approach remain the same.

The Approach

Of the three scenarios previously mentioned;

1. Selecting new enterprise platforms
2. Evaluating the technology of a prospective M&A target
3. Evaluating the current state of an organisations technology landscape

I will describe the approach using scenario #1 as it is the most complex. Likewise for details around execution I have used “selecting a new Insurance Platform” to provide relevant example information as it is an good example of a complex platform that requires real in-depth evaluation during the assessment process.

The approach is as follows, steps 1-3 are pretty much standard procurement practises, it is in step 4 where I plug in the “Kick the Tyres” process.

1. RFI allows you to investigate marketplace and select 4 to 5 prospective solutions
2. Detailed RFP goes to the group from #1
3. Down-select to two, maximum three finalists based on responses to RFP, Solution Demo's and discussions with the Vendors
4. Each of the finalists goes through the Kick the Tyres Evaluation Exercise



Key Principles

The approach is based on the following principles;

- **Zero Trust** until you have proven it to yourself. This is done by essentially taking the offering for a test drive and see if it does what it says on the box
- * **Simulate** business needs to better determine the “degree of fit” & “state of platform”. Get the Vendor to configure a “model” of your business to evaluate the key aspects of the RFP

- * **Assess** the RFP responses against the actual platform. Identify any exaggerations of capability and catch any misperception or misunderstanding
- * **Challenge** the marketing and sales messages that were key in helping the Vendor into the panel of finalists
- * **Test drive** the non-platform criteria that are often overlooked
 - * Vendor engagement
 - * Vendor maturity
 - * Vendor delivery capability
 - * Vendor has good knowledge of your business vertical and needs

From a Vendors Perspective these principles may initially appear to be quite onerous, however take a step back and consider

- It is an opportunity to assess why you want to be the partner of choice and what securing the deal means to you
- It is also an opportunity to wow the prospect with your platform capabilities and build relationships with the key stakeholders
- * It allows you to demonstrate through action how your solution and approach fits the business needs
- * Using the opportunity to actively engage with the prospects business and technical staff
- * Actively demonstrate how you outperform and outshine your competitor finalists



Key Steps

1. The Kick the Tyres approach should be well documented to ensure it is clearly understood by all engaged parties focusing on what is going to be done and who is responsible for doing it.
2. The approach outline should be included in the RFP so that prospective Vendors know what is expected of them if selected as finalists. The objectives of this approach must be clear and concise.
3. Determine what are the relevant inputs for the Vendor to configure a model of your organisation to demonstrate the platform in question.

For insurance organisations I generally provide the following;

- Admin, Finance and Currency Structures
- Between 3 and 5 sample product definitions
- Distribution Channel Structures
- Billing Channel Structures
- List of process and transactions that will be evaluated

For business platforms the Vendors should be instructed to configure their system for the evaluation based on the above items. I recommend to the Vendors that they do not make any coding changes as it will be to their disadvantage later if they “frig” the system to do something in a “quick and dirty” manner that requires significant work during the project. If it works in the assessment it is expected to be fully functional across the platform.

When evaluating Low Code Developer Platforms we supplied the finalists with our low-fi UI's and our business drivers and asked them to produce something that show cases their platforms capabilities and to "think differently". In other words "wow us". This was a valuable experience as both the finalists were unaware of some internal widely held beliefs and showed imagination that gave our business folks pause for thought.

4. The inputs are provided to the finalists at a point that ensures equal length of time for preparation work
5. The finalist prepares a model environment to present to the selection team and for use in the evaluation exercise
6. We then invite the finalists onsite to present their view of our world to a selection of management, business and technology people. Depending on the scale of the platform being evaluated this can take between 1 and 3 days.
7. At the end of the presentation we then present the finalist with a list of 10 to 15 change requests and give them between 3 and 5 days to address as many as they wish.

Each finalist will get the same change requests, if any are already catered for by the platform a similar complexity level item is substituted.

This is the point where you really get to assess the Vendor's maturity. I generally put on the hat of the intransigent user when presenting the change requests and make sure that one or two are contradictory, some are vague and at least one is a nonsense requirement that should be pushed back against.

Sneaky, absolutely

Insightful, totally

8. While the finalist is progressing the change request it is time to "kick the tyres and light the fires" under the platform. How you do this will depend on the nature of the platform being selected.

For insurance admin platforms I have used the following approach;

- Setup a new use role
- Setup a key user profiles
- Review the configuration management
- Create new agents or even new sales channels
- Create a new billing channel
- Examine how the products you gave the Vendor have been configured and create one or two yourself
- Then run through a simulation of a 6 to 12 month cycle comprising
 - A. Evaluation of the quotation, proposal, UW and issue capabilities
 - B. Register premium for policies
 - C. Execute regular processing (Billing, Collections, Overdue, Unit Dealing, etc)
 - D. Wind the system forward one month
 - E. Create new policies (3 to 5) for each product being evaluated)
 - F. Execute a broad selection of servicing and claims transactions
 - G. Let policies lapse
 - H. Check renewals processing if relevant
 - I. Review the results
 - J. Repeat C through I for the time period of your simulation

9. While the finalist is making the change requested you should also be evaluating some or all of the following. Not all are applicable based on the platform under consideration, deployment models and development models;

- **Architecture** - Has the application been well designed and aligns with the business environment it is addressing
- **Data** - How is the business domain modelled, what is the entity model, how accessible and extendable is it
- **Technology** - Is the platform; built on current technology, reliant on technology hitting end of life or even built on cutting edge technology not yet fully stable. Also if possible get some of your developers to play with the system, see how intuitive it is to pick up
- **Operation** - How would the operation of the platform fit into your current op's landscape, will it simplify or over complicate the day to day processes
- **Integration** - How easy is it to integrate to, are all integration points fully documented. Get your tech leads to test a few to assess the Vendor claims
- **SDLC** - How would the platform fit into your current SDLC
- **Security** - For highly sensitive platforms, you should consider engaging a white-hat to try and crack the model environment (with the finalist's permission of course)
- **Migration** - Explore how easy it is to get existing business onto the platform, and conversely what does the off-ramp process look like
- **Delivery** - What is the delivery mechanism for software releases/upgrades, customer requirements, hot-fixes. Particularly in a SaaS environment what control or lack of control is present for changes to production

10. When the finalist returns to present the changes, these should be in the model environment used for demonstration and evaluation

In this area evaluate the finalist based on;

- What % did they address?
- If not 100% was it all the easy ones?
- How did they communicate with you over the process?
- Did they spot the sneaky items and address them adequately?

The results in this area are very insightful and even if the platform is a good fit, a poor performance by the finalist highlights potential problems for a project with them.

You should also ask the finalist how much effort went into each of these changes, make them aware that this is a metric you will be using for change management if they win the deal, so it is in their interest to be honest.

Also if they have chosen all the easy change requests and not the difficult ones, find out why and do not be afraid to be tough on them about this.

11. During this whole process a well defined scoring mechanism is vital to allow consistent and fair evaluation across the finalists. This should be defined and agreed prior to step 6 but remains internal and not shared with Vendors

Important aspects to note

1. **Clarity:** Ensure Vendors engaging with the RFP are not be surprised by the approach, it is critical to be upfront about what the approach is and how it will be conducted
2. **Fairness:** It goes without saying, but every Vendor should be treated equally
3. **Engagement:** Vendors need to have onsite representation for steps 6 onwards. Development of the changes can occur off site
4. **Costs:** I usually try to convince my management to cover "pre agreed" travel costs for the losing finalist(s). It is a fair thing to do. We do not cover any cost in relation to any of the other activities as I consider this to be normal pre-sales activities of a finalist.

5. **Partners:** If a finalist will use a partner for delivery then both should be engaged in this process with the partner taking the lead and the finalist acting in a support role



Examples of where I used the Kick the Tyre Process

These are just three of many examples of using the approach.

#1 - Selection of a Policy Admin System

Purpose	Select a replacement PAS
Preparation work on the test plans and execution process.	4 weeks
Finalists	3
Assessment Timeframe	<ul style="list-style-type: none"> • Conducted back to back over a 6 to 8 week period • Each Finalist had a two week preparation period • Each KTT assessment was over a two week period

I can envisage some people looking at this scenario and thinking 8 weeks is way too long. however to put it in context,

This was a multi-million dollar purchase

The future ability of the company to manage business was at stake

By the end of the assessment we identified that one of the finalists (who had scored high in the initial RFP engagement) had an incomplete system and the remaining two were each strong in one of our product verticals triggering a rethink of what we needed to focus on and tailor the deployment approach.

Due to the full engagement of both business and IT it also meant a broad consensus was reached in the best way forward, a full reconciliation of the RFP responses was available and a high degree of insight into how the Vendors executed delivery was achieved.

#2 - Selection of a Low Code Platform

Purpose	Select a Low Code Platform for development of the companies web and mobile experience layer across multiple personas
Preparation work on the test plans and execution process.	2 weeks
Finalists	2

Assessment Timeframe	<ul style="list-style-type: none"> • KTT's were conducted in parallel over a 2 week period • Each Finalist had a two week preparation period
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Both finalists came out equal on technical capability and platform richness. What tipped the balance was the insight into the delivery capability and maturity of the finalist chosen as the winner. But once again even though it was selection of a technical platform both business and IT were fully engaged and participating in the selection process.

#3 - Evaluation of an M&A Target Platform

Purpose	Determine the capability and maturity of a platform in an M&A target for integration into the companies product offerings
Preparation work on the test plans and execution process.	2 week
Assessment Timeframe	• KTT was conducted over a 2 week period

Capability of platform was incomplete and the technology approach proved incompatible with the needs and direction of the organisation.



Final Thoughts

For those of you that made it this far, thank you for taking the time to read this rather long post. I hope it has provided some insight and value.

I have used this approach many times on both business and technology platforms ranging from “old school (aka legacy)” to “modern (low-code)”. I can attest to its success in achieving the intended results.

Engaging the “Kick the Tyres” assessment approach does take time and effort, however in relation to the overall cost of the eventual project it is a very small % of final spend and time. I always advise management to think of it as a risk premium. The benefits far outweigh the costs of making a mistake and suffering buyers remorse.

Lastly, going back to the car purchasing analogy we started with, you would walk away from any car dealership who will not facilitate a test drive. The same rule applies to the selection and purchase of critical platform components for you business or assessing M&A opportunities. I personally believe reluctance to engage in this type of process should ring alarm bells.

I would be interested to hear your opinions on what you think of “Kicking the Tyres”.