

Analysis of Due Diligence for Major Software Purchase

Client

The client is a 300-bed regional healthcare delivery system.

Executive Summary

The Revere Group was asked to review and assess an analysis, prepared by the healthcare client's IT staff, which compares the five-year costs associated with the use of EPIC or McKesson software. The scope of the review addressed specific questions as articulated by senior members of the client's leadership team:

- What is missing from this analysis?
- What are the implications of replacing software that has been acquired and paid for, but not yet depreciated since it was not yet put into "productive use?"
- What are the implications for the client P&L over the next five years?
- Do we have a good baseline for the total cost of ownership (TCO) over the period of the analysis?

In addition, Revere assessed risks associated with the client's implementation plan to achieve an enterprise-level solution by replacing software previous provided by McKesson with that provided by EPIC.

Business Challenge

The client was facing a major decision involving more than \$30M in capital. No business case had been prepared and there was only a cursory understanding of how the end users would optimize the process in conjunction with the new technology to drive benefit realization.

Solution

Revere reviewed the analysis and prepared a management letter addressed to the CEO and CIO stating that the analysis completed to date was not adequate for such a major decision.

Results

The client CEO has asked for a follow-on engagement to assist him and his leadership team in making a good final decision on the software.



For More Information

For more information about The Revere Group's services and solutions, call 888. 4REVERE.

About The Revere Group

The Revere Group is a North American Business Unit and a majority-owned subsidiary of NTT DATA, a multinational organization.

Founded in 1991 and headquartered in Chicago, The Revere Group is a leading global business and IT solutions consultancy that specializes in assisting high performing mid-tier and fast growing companies. Revere provides industry, process and technology expertise with a proven service approach—Think, Build, Source—to pave the way for your success. Revere focuses on five key business challenges to increase your business agility and bottom line results: [Operational Efficiency](#), [Analytics and Collaboration](#), [Interactive](#), [Enterprise Platforms](#) and [Managed Services](#).

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The Revere Group

Service Excellence

The Revere Group is a leading global consultancy dedicated to delivering business and IT solutions. Revere focuses on helping organizations improve their financial and operating performance through the combined application of technology, people and process.

In an industry marked by innovation and change, organizations can look to Revere for its senior consulting model, strong business and technology expertise, and client-focused project management methodology.

In addition to providing clients with world-class solutions, Revere is dedicated to the highest service standards. Vast experience in providing end-to-end solutions in diverse industries and platforms means Revere can deliver measurable results and exceed expectations. Additionally, knowledge and expertise with proven onsite, offsite and offshore methodologies and execution processes has established Revere as an industry leader in the marketplace.

Industry-leading Outcomes

Revere brings vertical industry market knowledge to help Healthcare, Manufacturing & Distribution, Entertainment, Financial Services, Insurance and Private Equity clients succeed with their unique business objectives.

Think. Build. Source.

As your trusted advisor, Revere provides industry, process and technology expertise with a proven service approach—Think, Build, Source—to pave the way for your success.

THINK – Companies continually face the challenge of aligning their business objectives with their IT strategy. An effective roadmap with a strong business case delivers a path to achievable goals with measurable results. Revere helps identify and link people, process and technology, bringing clarity to your business and IT initiatives.

BUILD – A successful implementation is the driving force behind all that Revere does. We deliver the right solution on time and within budget. Disciplined project management skills and business aptitude ensures the success you rely on.

SOURCE – The right balance of sourced functions can improve your IT service levels and return on investment, allowing you to more effectively meet your business needs. Revere helps identify a strategic sourcing model based on internal capabilities, external resources and cost.