ERP Selection Criteria Checklist

Selecting an ERP system is a major investment for your business, and it is a decision that should not be done in a hurry. Before starting your ERP journey, it is important to create a set of ERP selection criteria. There are five main points that you should focus on. Using these five key criteria, will allow you to make the best decision for your company. Go through these criteria after you identify your potential vendors.

**Criteria #1: Company**

Your company size, annual revenues and number of employees should be taken into consideration during the evaluation. These factors will help you answer these questions:

- Who will make the best partner?
- Who knows my industry the best and has the most impressive track record with companies like mine?
- Is the vendor committed to serving my industry?
- Who will keep my company abreast of crucial technology changes for the next 20 years?
- Who will make the best vendor partner?

**Criteria #2: Technology**

Consider these questions when evaluating ERP software vendors.

- What is the vendor’s technology “sweet spot?”
- Does the vendor’s technology platform align with my strategy?
- What systems will the software need to integrate with?

**Criteria #3: Function Fit**

Although dozens of vendors may have a good function fit, you may only find a few that are a good fit for your company. Consider the questions below when reviewing functionality.

- Does the vendor follow industry best practices?
- Which functionalities do you anticipate using?

**Criteria #4: Support**

ERP vendors have a number of ways to support their clients. Evaluate all of the vendors’ support systems, including the following:
Criteria #5: Cost of Ownership

Software vendors typically offer the same price for their software. However, there may be additional costs besides the actual software. Ask your potential vendors the following questions:

- Do you charge annual support fees?
- Will there be any rates or fees for implementation?
- Will my company need ongoing support from you after the system is in place?