

# Evaluating a Value-Added Reseller

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Today, most software is sold either directly by the software publisher or through a reseller channel known as value-added resellers, or VARs. Follow these steps and make these inquiries as part of the due diligence process in selecting a VAR.

What are the VARs' areas of expertise and credentials? Are they authorized, trained and certified by the software publisher? What is their experience with this type of software and specifically with the product? How long have they been in business, and how long have their consultants been implementing the software?

What references can they provide? Frequently, VARs will get references from the software publisher and not have any of their own. When this happens, it is usually because they are either new to the product, haven't had experience with a company such as yours, have not yet implemented that particular part of the software or were unsuccessful in getting a client to say they did a good job. Refrain from using vendors who will be outsourcing the implementation. If they provide their own references, ask if the VAR delivered on time and on budget.

Most VARs will initially send a salesperson who will not ultimately be the one to implement the software. While this salesperson may know the features and functionality of the

software, he or she may not be familiar with your organization's workflows and processes. If the sales presentation indicates the product may meet your needs, request a meeting with the VAR's implementation/technical team to ensure that the product will work the way you need it to or in a manner that works for your organization. Most situations where buyers are unhappy occur because they believe from the sales pitch that the product's features and functionality will solve their problems and, as a result, they don't drill down any further. Failure to do so often results in having to re-engineer existing processes. While this is sometimes a good thing (getting rid of old, archaic or inefficient processes), it can be traumatic for the company in a crunch to make the new software live.

Also, acquiring new software is an opportunity to improve your organization's processes, since most processes were designed long ago based on criteria and functions that are rarely the same today. Take advantage of the VAR's knowledge and experience to streamline and/or improve processes whenever possible. Today's software products also contain features and functions which you may not have thought of that can make your operations much more efficient. Don't squander this rare opportunity.



Ask if the salesperson and implementer are employees of the VAR and not independent contractors. If they are independent contractors, then you are most likely dealing with a small or transient VAR.

Buy from someone you trust. This usually results in the best, most honest and sincere relationships. Take the time to determine if they meet your personal criteria for trust. Don't make this decision based on what team the salesperson roots for, what golf or other sports interests may be shared or even family or religious affiliations.

Lastly, it is costly for any VAR to invest time in the sales process. However, they must invest time in the discovery process to know if they can help you. Good VARs try to act as consultants even before they are contracted. They should try to help you, even if they

cannot make a sale. Those who act this way are far more trustworthy than those who don't.

After 24 years as a VAR, I can honestly say that the best results and long-term relationships have been gained by clients who followed the above steps. These clients were the toughest to sell but the easiest to please. Why? Because they knew what they wanted, understood what they were going to get and made the effort to define what success was going to look like before they signed a single document or paid a single dollar. 🧩

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