

Customized vs off shelf software

Business



Customized and Off-the-Shelf Software Optimized network model in logistics industry relates to that which provides maximum cost savings and flexibility but at the same time meeting, even exceeding, expected service level.

Having been tasked with advising on the better alternative for our logistics organization between customized and off-the-shelf software, I would evaluate the benefits and limitations of each. This evaluation would be critical in supporting my choice for customized software as the better alternative.

Off-the-shelf software is highly preferred because of its cost and time savings. It has numerous in-built databases and features, more than could be needed. Upgrades could be provided free or at subsidized cost. Even so, this software requires constant upgrading. Furthermore, it provides little flexibility because of the inability to control its source code (Cook, 2007). As such, it could fail to be compatible with the organizational goals, hence forcing the organization to change its processes.

On the other hand, customized software attracts high initial cost. Just as off-the-shelf software, it is also associated with future cost, but in this, for alterations made to the software. Nonetheless, Cook (2007) observes that it provides the option of starting with the minimum critical requirements and later upgrading to encompass whatever else would be needed. Such changes could be made quickly. Importantly, its ability to be tailored to meet the exact business needs assures of its ability to meet the intended goals.

With the main objective of acquiring software for a logistics organization being to meet the organizational objectives, customized software would be best suited for our organization. Even though the organization would incur high initial cost, it would experience the exact objective for which such

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software is acquired. Additionally, it would only provide what is needed in the organization, thus saving the company idle features consuming storage.

Reference

Cook, T. A. (2007). Global sourcing logistics: How to manage risk and gain competitive advantage in a worldwide marketplace. New York, NY: American Management Association.