Software Asset Maturity Analysis (AMA)

An Investment Cycle Requirement for Venture Capitalists and Mergers and Acquisitions in the Software Industry

The software sector is one of the most highly pursued sectors for financial return. However, it comes with its own unique set of risks.

Typically, new software platforms and applications evolve through several stages of maturity, each with its own set of capital, personnel, strategy and support requirements. Most entities will see a consistent pattern of increased resource requirement through the first stages of the maturity curve. If business growth continues, there will come a point where a large influx of resources will likely be a necessity to enable the software asset to match the growth of the business.

The difficulty comes in defining where an asset falls on the curve and, thus, the degree of resources necessary to maintain consistency in performance going forward. Should management not be aware of or fully understand these metrics, implosion may be on the horizon. Many target assets appear to be performing well, with respect to market penetration, quality of provision and profitability – until the bubble bursts. After that, they enter a period of stagnation due to their inability to be responsive to market demands, severely damaging their brand.

As more and more seemingly successful organizations fall victim to the expansion "bubble," it has become imperative to consider the impact of acquisition prior to moving forward, in order to make the best business decision possible.

What We Offer: Software Asset Maturity Analysis (AMA)

Substantial development or maintenance expenditures can be devastating if you're not prepared for them. The key to success is understanding whether the software asset is up to the task of supporting the business model into the future and what investments might be required. That's where we can help.

DCG Software Value's (DCG) Software Asset Maturity Analysis (AMA) provides a clear assessment of exactly where your asset sits on the maturity curve. This information fosters operating and management efficiencies and improved capital investment planning.

Benefits of Software AMA

Software AMA is designed to evaluate the potential ROI of a software asset as your business moves into the future. Other benefits include:

- Early identification and remediation of software scaling and adaptability issues
- A comprehensive understanding of the current and future implications of the asset
- Improved ability to manage resources

How It Works

DCG consultants come in prior to the merger or acquisition to:

- assess and profile the software asset for future-state implications.
- outline potential expenditures or risks associated with the asset.
- provide recommendations on the best path for moving forward.

> **Current performance of a software asset is not always indicative of the future. It's imperative to profile an asset for potential risks to maximize ROI and avoid unforeseen expenditures.**

DCG's M&A Analytics Services

DCG offers consulting services designed to help assess the IT-related aspects of mergers and acquisitions and outline a plan for moving forward. These include:

- **Software Asset Due Diligence (ADD):** A profile of how the target organization relies on its technology.
- **Software Asset Risk Management (ARM):** An assessment of the risk involved in transitioning the target organization's software.
- **Software Asset Maturity Analysis (AMA):** A profile of the return-on-investment for the acquired software, with an eye on the future.
- **Software Asset Integration Management (AIM):** An analysis of how to integrate the acquired software into the current environment.

Contact

DCG is headquartered in Malvern, P.A. The company maintains an additional U.S.-based office in Colorado.

DCG's Europe-based office is located in the United Kingdom.