



Spotlight:

Software maintenance contracts



Whitepapers and technical documentation

Information about this document

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Maintenance contract

Definition: An arrangement that covers **agreed modifications of a software product** after delivery to **correct faults**, to **improve performance** and other attributes or to **adapt functionality** matching new technical and business conditions.

Corrective

Perfective

Adaptive

Preventive

Maintenance Efforts

Is it advised to sign a maintenance contract ?

- **Type** of software (complexity, defect density, maintainability).
- **Operating conditions and period of use** (occurrence of errors during use, necessity of improvement and future adaption).

Maintenance contract costs: Annual expenses vary between 10 % and 50 % of the initial amount invested (development costs or license fees), mainly depending upon the arranged services and conditions, as closer described in the service level agreement.

The main purpose of a maintenance contract is to ensure the **usability and reliability of the software** in the long run.

- Obligatory for mission-critical software !
- Recommended for any individually developed software.
- Optional for non-mission-critical standard software solutions.

Advice: Considering maintainability during the **planning phase of individual software development** can be a **great cost saver** later !

The SMART criteria for software maintenance contracts

S	Specific	Conditions and duties have been clearly defined.
M	Measurable	Services rendered can be documented.
A	Acceptable	Agreements are binding to all parties.
R	Realistic	Contracted services are feasible and practical.
T	Timed	Performance of services is schedulable.

Service-level agreement (SLA)

The **terms and conditions of a software maintenance contract** are closer defined by using a service-level agreement.

The service provider guarantees the customer to **supply any defined service** at the **agreed price** as outlined in the SLA.

By default, the customer can choose between **different service levels** (influencing performance qualities like response time and scope of work).

Main components of a SLA:

- Contracting parties, duration and subject.
- Specification of services, responsibilities of the contracting parties.
- Availability, mandatory response times.
- Monitoring and reporting, escalation management and legal consequences.

Real-world applications of software maintenance contracts

Delivery of updates and bug fixes on a regular base and installing them on behalf of the client (either on-site or by remote maintenance).

Technical support services (hotline, access to knowledge databases), limited to a given number of inquiries per annum by qualified staff members.

Maintaining the operation of mission-critical applications (e.g. ERP systems, human resource management, document management platforms).

Maintaining the operation of Internet-based services (e.g. e-commerce, web-driven business portals, database backends).

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Contact Information

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You have **questions, which are related to this whitepaper** and want to get in touch with the author ? Please have a look at the title page to find the author's name and personal e-mail address.

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