

## ERP : Thinking Deeply About Implementing

When a company starts searching for a new enterprise resource planning (ERP) system to replace its antiquated legacy systems, it should start a talent competition between finalists (vendors) of Enterprise Resource Planning (ERP).

The attitude should be "We want a hands-on test in a mini-system environment or a conference room pilot (CRP) to see if the vendors' software works with our data." Technology can be a wonderful tool to transform business processes, but without the help of employees who understand how to interact with the system ... that tool is worthless.

Some ERP companies emerge the victor in the ERP test, which could have run for a few days and which may have required a few week's worth of data preparation by the business (The Company where ERP will be used by employees) –This kind of time is absolutely time well spent.

Implementing an ERP system can be as painful as primitive dentistry and as harrowing an experience of driving through Mumbai roads or a climb up a mountain. But smart companies realize new technology won't fix broken processes. The biggest challenge companies' face after deploying its new ERP system is to get "employees recognizing that this was not an IT initiative, but a companywide business strategy to put in new systems to run the business."

A little wariness around an ERP implementation can be conducive to a productive implementation, "A lot of companies look at ERP as a system you can slap in and live happily ever after, on the contrary

"Companies must do their homework around how the technology will impact the organization, instead of focusing only on features."

### **Deliberate evaluation is Crucial**

Deliberation around any ERP implementation, focusing solely on addressing those areas where a company needs to improve, versus whiz-bang features, as specialized requests from one department can throw the project off track.

A yearlong implementation would be fast for a large company, timelines of 18 months to three years is common for most retailers and process industries.

"The best-run projects have business-side sponsors, those who understand the 'why' questions of implementation and can track the benefits," and it is imperative for a retail business to keep in mind that "The project is not for IT but for changing processes."

When evaluating vendors, personnel in departments that will be affected by the project can better define mission-critical aspects of the business to create a list of must-haves for any system. Those must-haves should include as much detail as possible so side-by-side comparisons can be made while evaluating ERP packages.

### **ERP -Pre implementation introspection**

Another common misstep is to use unnecessary features simply because they're available. Most enterprises use no more than 40 percent of an ERP system's features, which makes prioritization even more important.

### **Securing an Implementation Partner**

To make implementation run smoothly, IT staff of Retailers should work collaboratively with business leaders. "IT isn't much of help, it can't offer much beyond troubleshooting in case you get an error message."

"With process expertise and IT leadership with good credibility, IT can do a good job with ERP." It is important to partner with ERP vendor, Since the ERP system going live, & a few years down the lane ERP vendor could add new functionality, as its employees had become more familiar with the system and its uses, it becomes easier for adaptation of new features without much training.

The company should conduct extensive training over a minimum of six-month period in a phased manner to familiarize users with the new system and then emphasize key performance measures. This will guarantee a faster ROI.

### **Training new users**

The focus on training cannot be emphasized enough; the training should be highly focused to different user group's objectives, because employees have to be properly trained on how to consistently interact with the system.

It is imperative not to make a decision too early on to buy or not buy a new tool but to focus on processes, "The tool isn't always the problem, and the tool isn't always the solution."

Technology can be a wonderful tool to transform business processes, but without the

help of employees who understand how to interact with the system with clearly defined business processes, tool is worthless.

"If people resist the change coming to them, you have to deal with it. Even though change is for the positive ... there's always a group of fence sitters trying to negate the spirit , not everyone sees that right away.

There always will be three groups of people in an ERP implementation company:

1) Go getters, 2) Na Sayers and the 3) fence sitters, the strategy of the company should be to draw the Na Sayers towards the go getters to make implementation a success, as anyways the fence sitters don't tend to jump on either side.