

# ERP IMPLEMENTATION

## 9 STEPS TO SUCCESS

Your complete guide to implementing ERP successfully

### GUIDE HIGHLIGHTS



Walkthroughs of all key implementation tasks



Tips on data migration, user training and more



Customizable project planning sheet



## INDEX

3

Introduction

4

Bring together an ERP implementation team

6

Create an ERP implementation budget

8

Choose an implementation consultant

10

Create a change management plan

13

Cleanse and migrate your ERP data

15

Test your new ERP

17

Train your key ERP user groups

19

Adapt your business processes to your new ERP

21

Evaluate the success of your ERP implementation

23

ERP implementation planning sheet



## INTRODUCTION

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There are certain truisms in life about which we have no choice but to accept: We will all grow older. We all need nourishment. We all breathe air.

There are other truisms that we can choose to accept or ignore. Unhealthy behavior causes early death. Breaking the law means going to jail. Economic independence requires that you spend less than you earn.

Implementing ERP is hard work – maybe the hardest work you will do in your career. That is an example of a truism from the first group. It is inescapable. “You need a solid implementation plan” falls into the second group. You can choose to accept or ignore it, but that does not change its truth.

Ignoring key implementation steps does not doom you to certain failure, just as not everyone who smokes gets lung cancer. But accepting all of them and acting accordingly will guarantee that you have an implementation that you will be proud of, and look back on as some of your best work.

These steps are not new, or creative; they are the cumulative knowledge of the thousands of ERP implementers who have gone before. Within each step there are degrees of success; it not possible to be perfectly successful at all nine. The intent is to make clear the risks and the benefits such that you can make an informed decision about where you spend your time and resources.

As well as being considered critical for success, our steps have been chosen with these criteria:

- Requires consistent daily effort over a long time period
- Requires strong leadership and interpersonal skills
- Cannot be “fixed” after the fact by throwing money or people at the problem

The last point is the most compelling. After go-live, you are on a implementation trajectory which is difficult to change. You are prepared or you are not; your end users are ready or they are not; your solutions work or they don't. Either way, you are committed. The ERP bell cannot be unrung.

Will your company see your implementation as a well-oiled machine, or a litigation waiting to happen? Implementing ERP well is a difficult, but not impossible task. It requires not only that you work hard, but that you work hard on the right things.

**The steps that follow guide you in what those right things are.**



## BRING TOGETHER AN ERP IMPLEMENTATION TEAM

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To cite “assembling the right team” as a key ERP success factor seems as obvious as saying the key to growing your business is to increase your revenue, or the key to wealth accumulation is to earn more than you spend. Yet every ERP project manager will have to fight, and usually compromise, for access to the right talent.

The talent a company assigns to its ERP team demonstrates to a large degree its commitment to long term organization health. A talented implementation team sees the big picture more completely, appreciates the implications of the strategic plan better, evaluates decisions not only in terms of what is today, but what is likely to become tomorrow, and has the organizational respect to sell difficult, but necessary process changes.

*“The talent a company assigns to its ERP team demonstrates to a large degree its commitment to long term organizational health”*

### WHAT CHARACTERISTICS SHOULD YOU LOOK FOR IN IMPLEMENTATION TEAM MEMBERS?

- Promotable individuals: people who are promotable have less allegiance to the status quo, and will later populate the organization's higher ranks with fundamental understanding of how the business processes were designed.
- Intelligence: an individual who has high personal intelligence is nice, but an individual who has high team intelligence is a necessity. ‘Team smart’ people recognize the point of consensus, keep discussions on-topic, and evaluate decisions solely on their effect to the organization.
- Depth of understanding: talented people not only understand what is required, they understand why it is required, and this comprehension is incredibly valuable when it comes to determining what business practices are subject to change and which are not.
- The ability to listen to multiple points of view, and assimilate the best parts into a single solution. If you assemble a strong team, everything about the project goes better. Change management is more effective because the team members have credibility. Testing goes better because the test scenarios are chosen wisely, and executed intelligently. Fewer milestones are missed, as team members are used to accepting additional responsibility.

## WHAT CHARACTERISTICS SHOULD YOU LOOK FOR IN IMPLEMENTATION TEAM MEMBERS?

Let's start off with the basics: every project needs a project manager (if you're reading this guide, that's quite possibly going to be you). You'll also need to cover the technical aspects of ERP implementation, so a couple of IT specialists are a must-have.

You should also ensure that all key user groups are represented on your team so that their needs and requirements are represented to the wider company. If you don't ask your shop floor staff what method of training works best for them, don't be surprised when your e-learning modules go untouched for four months.

Below is a basic checklist for your implementation team:

- Project manager
- C-level sponsor
- Application analyst
- Application developer
- Application test engineer
- Shop floor representative
- Warehouse representative
- Supply chain representative
- Engineering/design representative
- Sales representative
- Management representative
- Heads of department



## CREATE AN ERP IMPLEMENTATION BUDGET

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An oft-repeated rule of thumb is that an ERP implementation will cost you twice as much as you planned for by the time you are finished.

Without a doubt, it is easy to overspend an ERP budget. However, barring a significant increase in scope, and assuming a reasonable budget, arrived at through collaboration with your IT department, software vendor, and implementation consultants, there is no reason you cannot stay close to budget and use your funding for a very successful implementation.

### TWO BASIC BUDGET TIPS FOR SUCCESS

**The first success tip** is to warn you that you will become wildly popular overnight. Remember that this is because you are managing an enormous budget, and not because those Dale Carnegie classes are finally paying off. After a while, you will learn to just skip the unexpected invitation to lunch, and ask what the request is. It is a necessary skill to learn to say “no” to a request for money without saying “no” to your working relationship.

**The second success tip** is to have a well-defined training plan for your implementation, development, and basis teams. Without a written plan that targets specific objectives, you will end up overspending on education, as there is almost always a compelling argument for each individual class.

*“Without a written plan that targets specific objectives, you will end up overspending on education”*

### THE 75% RULE

Think of your budget as a flow of money over time – from kick off to two months after go live, and your job is to set up a monthly flow that spends 75% of your budget after all other known expenses are accounted for. Your implementation plan is going to consist of hundreds of tasks that can be categorized into “needs” and “wants”. If the 75% covers all of your needs and wants, you are golden – there will be few difficult choices.

If the 75% number covers all of your needs, but not all of your wants, then you have to discard enough from your want list to arrive at a spending flow that keeps you in budget. If the 75% does not cover

your needs, then you either need to reduce scope, or decide where to intelligently increase your risk.

Monthly spending is overwhelmingly a function of people, and the easiest way to make adjustments is to reduce consultants and add highly talented people from within your organization. Generally speaking, you will be able to pay two or three internal people for every consultant you can do without.

Use that final twenty five percent surplus budget in the last six weeks before go-live and first six weeks after. There will be unexpected problems, and that is when you need the flexibility to spend money aggressively, and wisely. Once people recognize that problems are being corrected quickly confidence soars, and the probability of success takes a stair step up.

## **WHAT SHOULD YOU INCLUDE IN YOUR IMPLEMENTATION BUDGET?**

You'll have your own associated costs to add to these, but at a minimum you should include:

- Vendor consultancy/implementation fees
- External consultancy fees (if applicable)
- Temporary shop floor/warehouse staff to cover production inefficiencies during implementation
- Customization and development work
- Implementation team overtime during entirety of project
- General staff overtime during ERP go-live

You should also note that there will be an initial slowdown in revenues during and immediately after ERP implementation while everyone gets used to the new system. This will be temporary - assuming you train your users well, migrate your data carefully and test your software thoroughly pre go-live.



## CHOOSE AN IMPLEMENTATION CONSULTANT

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Depending on the size and scope of your ERP implementation, you may be faced with choosing a vendor to provide a consulting team for your implementation. Not every ERP project requires a full time consultant team.

*“Some consultants will stress project management skills; some will focus on their ability to create an atmosphere of collaboration and consensus building; others may define themselves as being the most technically competent.”*

Whether or not you need consultants depends on how much in house knowledge you have about your ERP software (and to what extent that software can be self-taught); how much time you have to complete the project; and how many modules and end users you are trying to implement at one time. If you do determine that you need some ERP implementation consultants to guide you through the unfamiliar process of an implementation, then selecting the right implementation partner becomes as crucial to your success as selecting the right software vendor.

Like software vendors, ERP implementation consultants need to be evaluated both in terms of product and culture. The concept of “product” may seem less tangible for a consulting group, but if you listen to multiple sales presentations, you will begin to recognize differences in process that create product differentiation. Some consultants will stress project management skills; some will focus on their ability to create an atmosphere of collaboration and consensus building; others may define themselves as being the most technically competent. The problem you face is in defining what product you are really looking for.

### **A MARRIAGE MADE IN HEAVEN OR....**

Evaluating the culture of an ERP consulting company is perhaps even more critical than evaluating their product. An implementation consulting team is the business equivalent of a shotgun wedding; one day a bunch of people show up, sit in your area with you, and start making suggestions on how to do things.

There will be growing pains around who should lead, and who should follow; awkwardness around

when to accept an answer at face value, and when to require background reasoning; uncomfortable personality clashes; and some amount of inevitable friction. There is no absolute science on what makes an ERP consulting group the right fit for your organization; you just look for clues.

*“Evaluating the culture of an ERP consulting company is perhaps even more critical than evaluating their product.”*

If you are seeking a partnership, and the consulting group seems rather arrogant and dismissive of your naïve questions, you cross them off the list and move on.

There is a third option, and that is to subcontract and manage independent ERP consultants by yourself. This is not for the faint of heart, however, and in general the risks outweigh the rewards, unless you have previous ERP project management experience.



## CREATE A CHANGE MANAGEMENT PLAN

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Most of us, in our business careers, have managed change similarly to the way we have been managed: simply making speedy adoption of a new initiative a condition of employment. However, ERP touches so many people that this approach is not numerically feasible; you couldn't realistically fire that many people and keep the organization operating.

The only logical alternative is to manage them in such a way that, even if they are not positive about ERP, they are at least accepting of the change, and understand its business reasons.

### WHAT IS CHANGE MANAGEMENT?

What exactly is this process? We hear the phrase "change management" and it sounds pretty intuitive, until we try to write down the five action steps we are going to take in order to successfully prepare people for the change.

That's when we realize we don't really have a clue about what change management is or how to accomplish it. The good news – and most critical thing to remember – is that the way people come to believe things and form opinions is both consistent and predictable. By offering a well-planned, gradual changeover, the normal discomfort associated with change on the scale of an ERP project can be reduced to manageable levels.

If it is your first time attempting to proactively manage change, you should probably invest in a training course, or hire a consultant, just to reinforce that you have valid, effective process. The key steps on your journey to change are:

- **Identify everyone** who will be affected by the change (this is a bigger group than you will initially think).
- **Communicate to this group** what change will be coming.
- **Establish the compelling business reasons** that make ERP necessary.
- **Explain how they must behave** in order for the project to succeed.
- **Give frequent project updates**, always reiterating steps two through four.

If it ever feels to you like you are over communicating, or that your audience could give your

presentation because they've heard it so many times, you are exactly where you want to be.

There is no question that on one level, ERP is a technical project, requiring intelligent design, seamless logic, and sophisticated math. But no matter how robust the solution, ERP will only be successful if people embrace it and use it as designed. That behavior will not occur without change management effort.

## MAINTAINING SUPPORT FROM SENIOR MANAGEMENT

It should not require a Herculean effort to achieve and maintain leadership commitment. The fact that there is an ERP project means that there was sufficient interest and commitment to fund the strategically important initiative even though ERP has a reputation of medium to high risk and difficult-to-quantify benefits.

Still, it's important to maintain and nurture the relationship, particularly as when the difficult bit of implementation kicks in they'll be fielding all sorts of complaints about "ERP destroying the business" from down below.

- **Try to be the first to communicate process change decisions.** This is not always easy; especially if you are on routine monthly or bi-weekly review cycles. If you write well, make use of emails during the intervals; if not pick up the phone. The critical point is to make certain that decisions are explained in terms of sound business judgment. If your explanation is not compelling, it may not be a good decision.
- **Try to always present executives with a bigger picture narrative when possible.** To the extent that you can arrange numerous tactical ERP decisions into a strategic picture with implications, you will engage executives in their comfort zone.
- **Solicit executive feedback and do not be defensive if you receive it.** Your goal is to remain tightly aligned with the executive leadership, and that will only happen if they are confident that you can listen to and respond to their concerns. Also, this keeps them involved in decision-making; you want them to think of these as "our decisions" not "your decisions".

## WHAT SHOULD YOU INCLUDE IN YOUR CHANGE MANAGEMENT PLAN?

This will vary from organization to organization. Some won't require any consultancy costs, some will. Some will have smaller workforces to train than others, and in different ways. Smaller companies might not have to work out as advanced and far-reaching a communication plan as larger enterprises.

Still, the basics remain the same. Adapt the following checklist to your company's unique needs for the best-fitting change management plan for your needs.

- Clarify what implementation support your vendor is giving you
  - Project management
  - Customization
  - Data migration
  - Consultancy
  - Training
- Create a user engagement plan
  - Anticipate disruption to everyday activities and let affected employee groups know
  - Signpost ways in which staff can raise questions or concerns about your new ERP
  - Create a user training timetable and inform staff of when their slots are in advance
- Forecast implementation costs and create an ERP implementation budget
  - Vendor implementation services
  - Third party consultancy
  - Temporary staff during roll-out
  - Staff overtime during implementation
  - Data backup and storage
  - Customization and development
- Create a timeline for completing the following steps
  - Data migration
  - User training
  - Testing
  - On-the-day go-live activities
- Identify metrics by which to measure ERP implementation success



## CLEANSE AND MIGRATE YOUR ERP DATA

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Ask any veteran of an ERP implementation to cite critical success factors, and you will always hear “data cleansing and migration” near the top of the list.

Then ask those same veterans to identify the top two or three tasks that they most underestimated, in terms of scope and complexity, and see if “data cleansing” does not also make that list as well.

### WHY IS DATA CLEANSING SO IMPORTANT?

Data cleansing is a huge factor in ERP success because it is leveraged in every phase of the operation.

An ERP implementation will be exactly as successful as its testing execution, and the only limitation on testing execution is master data completeness and accuracy. An ERP implementation will be exactly as successful as its training program, and effective ERP training requires master data completeness and accuracy.

An ERP implementation will be exactly as successful as its synchronization of business data at go-live, and that synchronization requires master data completeness and accuracy. Every success that occurs has complete and accurate master data as a prerequisite.

### WHY IS DATA CLEANSING SO IMPORTANT?

There are three primary reasons that people underestimate the task of data cleansing, which, if avoided, will make your ERP implementation better:

- Master data is usually dispersed among multiple systems in legacy, people rarely appreciate how much of it there is.
- Some data cleansing ends up being an iterative process, which creates a bit of a Catch-22 – you can’t test without master data, and the reason for the test is to evaluate master data.
- It is extremely difficult to objectively measure progress on data cleansing, particularly in light of number two. Data that you might have considered cleansed and complete does not test well, and suddenly it becomes “uncleansed”.

But to be forewarned is to be forearmed, so with this knowledge, there are lots of steps you can take to improve the data cleansing process:

- **Make progress where you can.** Some data will take time to accumulate, but in the meantime, you can recognize that you have addresses on “South Main Street”, “South Main St.” and “S. Main Street” and “S. Main St.” and work on fixing those. Look for zip code and city mismatches.
- **Schedule routine data cleansing review meetings,** and be relentless about probing for bottlenecks and problem areas.
- **Establish an aggressive completion plan** – which you probably will not hit – but invest the time to understand exactly why you are not hitting it.
- **Assign the right people to the task.** Smart, hard working, detail-oriented people – match the right skills with the job need.

Unlike most of an ERP implementation, the lessons learned and the processes created for data cleansing become part of an organization’s DNA; complete and accurate master data will be as essential for success two years after go live as it is on day one. Make it part of your ERP success story.



## TEST YOUR NEW ERP

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It would be easy to expect that after tens of thousands of business implementations, ERP software ought to be mature enough to just run the “install wizard”, go get a cup of coffee, and come back to a completed ERP system.

*“Testing requires more than just assigning manpower. It is an iterative process, which means not only testing, but evaluating problems, and fixing things.”*

Unfortunately, ERP systems are so flexible and complex that a huge success factor for an ERP implementation is aggressive and extensive testing. Testing requires more than just assigning manpower. It is an iterative process, which means not only testing, but evaluating problems, and fixing things. It means having valid master data available to support the test, and understanding the process you are testing. It means testing development objects, and how they interact with everything else. It means having a dedicated test client, which can be controlled and monitored.

Each test leads to a bigger test, so there is a natural progression of testing sophistication over the course of an implementation. After initial configuration is completed, all planned transactions are tested for simple transactional validity: I can enter a sales order; I can report production; I can place a purchase order.

### **TEST, REVISE, RE-TEST, REPEAT**

Some problems will emerge from these tests requiring revision and re-testing. This level of testing is done on an individual basis, with each functional team understanding that all of their transactions need to be successfully tested by a given milestone date.

Shortly after this milestone date, the first round of integration testing should be scheduled. “Integration testing” in this case, means testing an entire business process, from initial input to final output. An integration test is a scripted arrangement of the ten to sixty sequential transactions required to execute a specific process in the real world. The key to making this phase successful is to identify the right fifteen to thirty scripts that represent 90% of the business processes, and working hard on process improvements until they all execute smoothly.

The next round of integration tests involves subject matter experts and super users. During this

round of tests, random but real world data is introduced. The randomness ensures that the right processes were identified in integration test one; using real world data allows business participants to help evaluate the output. During this round of testing, master data must be well developed, because the ability to enter real orders with real customers means that master data is available to feed the process.

*“Eventually, an inflection point occurs during testing which is incredibly important for a team’s morale and attitude; it is the realization that the team is certain of a successful go-live”*

Subsequent rounds of integration tests try to rehearse and execute a go-live, including synchronization of inventory, sales orders, purchase orders and production orders, and replicating one hundred percent of the activity of a business for a given time period. Every test cycle teaches, uncovers problems, and makes go-live more manageable.

Eventually, an inflection point occurs during testing which is incredibly important for a team’s morale and attitude; it is the realization that the team is certain of a successful go-live. That knowledge and confidence – which can only come from repeated and successful testing - is essential to your ERP implementation success.



## TRAIN YOUR KEY ERP USER GROUPS

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One of the best ways to increase the likelihood of an ERP implementation success is with an effective end user training process. There are several levels of escalating contribution that can result from a well-executed end user training program.

Ensuring that on day one, everyone can logon to the new system, get to the transactions they need to do their jobs, and have the knowledge to execute the transactions by themselves is the most basic level of success. Without this baseline of competency, there is no question the effort would fail. This level of competency can only occur if the end users have received effective educational instruction, and have been asked to practice applying what they have learned.

The second tier of end user training success is to have some end users sufficiently trained so that they can participate effectively in volume testing leading up to go live. These people contribute beyond their task participation because they bring real world eyes to problems to which the implementation team may have grown blind. They recognize what areas of training are going to be especially problematic. Also, they can look at system output and in a glance spot common sense errors that a team unfamiliar with the day-to-day data might overlook.

### FIND YOUR PROBLEM SOLVERS

The highest benefit of end user training is to increase the effective size of the problem-solving team at go-live. "Problem solvers" are helpful, positive energy contributors to an effort; much more valuable than the more common "problem identifier", who are content to throw a problem over the wall to the implementation team, and then walk away from it.

*"The best way to increase the number of problem solvers is to identify individuals during training who either show unusually quick comprehension of the material or unusual curiosity"*

The best way to increase the number of problem solvers is to identify individuals during training who either show unusually quick comprehension of the material, or unusual curiosity, and to give those people additional training and mentoring.

All of these levels require a consistent and logical education process. Everyone in the organization who will touch ERP must be identified by name and job function. Every transaction required for

that function must be identified, and assembled into an appropriate security role. Training material must be prepared, and sufficient practice problems set up so that everyone can engage in hands-on practice.

Different types of transactions require different amounts of preparation and master data. With five valid customers and five valid materials, you can create dozens of different sales orders, but you can't report production unless you have a work order and sufficient inventory of all components. Instructors must be enthusiastic, knowledgeable, and patient. Training must be timed for shortly before implementation, or else retention goes down dramatically.

## DIFFERENT TYPES OF TRAINING

Broadly speaking, there are two main ways of training your user base:

- **E-learning modules:** Perfect for office-based departments like finance and accounting, online e-learning modules can be completed at the user's own leisure. Ensure that you incentivize completion of these modules and set a final deadline, or you'll see them slip down your busy workforce's list of priorities
- **Face-to-face training:** Non office-based workforces tend to suit face-to-face training better due to lack of access to personal computers. This can be scheduled as one workforce-wide seminar, or split up into role specific training.

## KEY USER GROUPS YOU NEED TO TRAIN

- Senior management
- Accounting and finance
- Engineers
- CAD designers
- Shop floor workers
- Warehouse staff
- Supply chain workers
- Sales team
- HR staff



## ADAPT YOUR BUSINESS PROCESSES TO YOUR NEW ERP

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One of the most difficult tasks you will undertake in your pursuit of a successful ERP implementation is knowing when to change a business process to conform to out-of-the-box ERP, and when it is essential to customize ERP to preserve a strategic business process advantage.

The reason it is a difficult task is because while there will be very few business processes that actually represent a strategic advantage, you will encounter 100% resistance to changing any of them.

Suppose that you print advertising brochures, and because of the high cost of set up, you always over produce by 5%, since the cost of an overage is small compared to the cost of a shortage, and you've always simply given the overage to the customer. This won't work in ERP, for a variety of reasons. So do you change your practices, or change your ERP?

*“While there will be very few business processes that actually represent a strategic advantage, you will encounter 100% resistance to changing any of them.”*

ERP systems have been developed and refined by observing best business practices and incorporating them into the design; if you have a non-conforming process then it's likely not a best practice. Yet, you will face opposition to changing, because somebody is going to have to do something they don't want to do; marketing won't want to bill customers for product they didn't order, production will not accept being charged with 5% scrap, and planning can't afford the risk of shortages.

### DIFFERENTIATING BETWEEN UNIQUE BUSINESS PRACTICE AND BAD HABIT

First, you have to mentally separate yourself from your peers and friends, even though you fully understand their concerns. Then you have to ask yourself if this thing you are debating is a fundamentally good business practice.

In the example above, imagine yourself asking the CEO for permission to customize ERP, so that you can give product away efficiently. At this point, you know what the right answer is, and your responsibility to the success of the project is to be the one with the courage and perseverance to say “no.”

On the other hand, suppose ERP didn't handle an online design feature where customers could lay

out their own brochures and send a completed design to you over the web for printing. You would probably feel okay asking permission to customize ERP for that; it is a strategic business advantage.

*“Create an additional success out of knowledge that your ERP package represents the norm for business practices, and you have the opportunity to quietly correct some bad business habits.”*

These situations can be emotionally draining. When a sales manager is in your face, adamant that your decision is going to ensure that she does not hit her annual quota, it is intimidating, even if you know it is not true. Keep in mind that your organization did not invent business. In addition to all of the tangible advantages ERP brings to the table, create an additional success out of knowledge that your ERP package represents the norm for business practices, and you have the opportunity to quietly correct some bad business habits.



## EVALUATE THE SUCCESS OF YOUR ERP IMPLEMENTATION

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Without an articulated set of post go-live expectations, the success of an ERP implementation becomes a matter of opinion – and in the worst case, a matter of infinite opinions.

If an organization is lazy, and adopts a default metric of how many people are complaining about the new ERP system, then almost all implementations would be deemed failures. It is essential for the focus of the implementation team, for the health of the organization, and for appropriate allocation of resources that a set of measurable criteria be put into place prior to go-live which are the final arbiters of ERP success.

### THINK 'ACHIEVABLE'

Unless your implementation is within the aerospace industry, your success definition does not need to be rocket science. The litmus test of a sufficient definition is one that, no matter what else additional happens or is said, you will feel the implementation was well done.

For example, a simple success statement could be: convert over to ERP. But if you couldn't ship anything the first two days, would you be disappointed? If so, how about: convert to ERP with no significant business disruption. That's better.

How about: convert to ERP with no significant business disruption and no negative impacts on external customers. That's even more specific, and leads to discussion about whether the correct phrase is no negative impacts or no ERP-related negative impacts.

### INCREASE YOUR EXPECTATIONS OVER TIME

It is a good idea to time-phase your success criteria, with sequentially higher success bars over time. For example:

- **End of week one:** no more late orders than the average over the past twelve weeks. If you do not have success criteria that take history into account, then the historical 20% late that you have always had will suddenly become 20% late because of ERP.
- **End of week two:** reduction in late orders, have received no customer complaints as a result of the ERP objective, and to be billing at historical weekly averages.

- **End of week three:** successful completion of all of the week two objectives plus no raw material or intermediate shortages.
- **End of week four:** successful completion of all goals in all of weeks one through three, plus initial distribution of daily business activity reports.

The critical point is, a successful organization will have consensus on what constitutes success. It is well documented that if you administer random shocks to lab animals, eventually the animals simply retreat to a corner, and do not move, awaiting the next random shock.

If an ERP team is allowed to be randomly criticized for failing to achieve unarticulated objectives, they will end up retreating to a metaphorical corner. Tell the ERP team how to be successful, and then congratulate them when they are.



## ERP IMPLEMENTATION PLANNING SHEET

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You can download a customizable version of this template [here](#).

### TEAM

Name your implementation team members in the space below.

- Project manager: \_\_\_\_\_
- C-level sponsor: \_\_\_\_\_
- Application analyst: \_\_\_\_\_
- Application developer: \_\_\_\_\_
- Application test engineer: \_\_\_\_\_
- Shop floor representative: \_\_\_\_\_
- Warehouse representative: \_\_\_\_\_
- Supply chain representative: \_\_\_\_\_
- Engineering/design representative: \_\_\_\_\_
- Sales representative: \_\_\_\_\_
- Management representative: \_\_\_\_\_
- Heads of department: \_\_\_\_\_

### CHANGE MANAGEMENT

#### Timeline

Schedule your implementation activities in the space provided.

- Training: \_\_\_\_\_ (date to be completed)
- Data migration \_\_\_\_\_
- Testing \_\_\_\_\_
- Go-live \_\_\_\_\_
- First evaluation meeting post go-live \_\_\_\_\_

## Communication

List three ways you can communicate ERP-related changes to the wider workforce:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

## BUDGET

Add in your estimated implementation costs below:

- Vendor implementation fees: \$ \_\_\_\_\_
- External consultancy costs: \$ \_\_\_\_\_
- Development and customization: \$ \_\_\_\_\_
- Employee overtime: : \$ \_\_\_\_\_
- Extra shop floor/warehouse/admin staff: : \$ \_\_\_\_\_

**TOTAL: \$ \_\_\_\_\_**

## TESTING

Use the space below to make notes, highlight issues and suggest resolutions for each round of testing you complete.

**Testing round one - issues:** \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**Testing round two - issues:** \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**Testing round three - issues:** \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

## TESTING

The timetable below helps you keep track of when and how your key user groups are being trained. Customize it to your key user groups.

User group	Method of training	When
<i>E.g: finance department</i>	<i>E-learning modules</i>	<i>Ongoing. Deadline 18/03</i>

## PROJECT EVALUATION

Use the space below to identify KPIs for the success of your ERP implementation project:

- KPI #1: \_\_\_\_\_
- KPI #2: \_\_\_\_\_
- KPI #3: \_\_\_\_\_

Use this table to organize your project goals and KPIs into an easy-to-follow timeline:

Goal	Target completion date (weeks post implementation)	Complete? (Y/N)
<i>E.g: orders shipped at same rate as pre implementation</i>	<i>3</i>	<i>Y</i>



## A FEW FINAL THOUGHTS

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If you've read and thought about each of the nine success steps, you are probably feeling a combination of intimidation and disbelief.

- **Intimidation** because this stuff is hard work, and almost none of it is something for which many people have natural skill or previous training.
- **Disbelief** because, after a while, it seems like this is an awful lot of to-do about a software implementation.

If you take nothing else from this white paper, believe that these success steps are real and necessary. Underestimating the difficulty of an ERP implementation is a grave mistake. Find people who have been down a road like ERP before, and whose opinions you trust – IT professionals, consulting partners, software vendors, other project managers – and ask them if the items on this list are critical for your project success.

Stay intimidated every single day of your implementation project. Do not be paralyzed with fear; just remain respectful of the multitude of ways in which your project can derail, and use that respect to motivate the effort to make sure it doesn't. Learn early on who you can trust without reservation to help you with these steps, and lean on these people heavily.

Because an ERP implementation is difficult does not mean it cannot be both fun and create an enormous sense of accomplishment and satisfaction. Being a good ERP project manager doesn't create a massive fan base like being a rock star or a major league baseball player does, but the people you work with will understand what you did, and how you did it.

Adopt the steps that have made other people successful, and always keep your eye on the goal of your own successful go live.

**We hope your own ERP journey is a great success!**

This guide was written by Rick Carlton, ERP Focus Columnist, with contributions from  
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