

# The Four Keys To A Successful ERP Implementation

August 6, 2024 | Forbes | Kevin Beasley

ERP has been likened to the nerve center of an organization—and for good reason. It touches just about everything, from logistics to accounting. It's the source of definitive data within a business, and the source metrics of every KPI.

So, it goes without saying that when companies implement an ERP system, it's a complex process with some potential speedbumps that proper planning can eliminate.

I've been in the ERP business for decades and our company has been involved in hundreds of implementations. That vantage point has given valuable insight into what factors pave the path to success and the pitfalls that must be avoided along the way.

## Critical Success Factors

- **Build in time for planning and information gathering.**

Every business is different, even in the same industry. The early information-gathering process is crucial and should be painstakingly meticulous to avoid costly mistakes and delays down the road. Aspects of the planning process include whether the go-live date will occur on a rolling basis based on location or involve the entire organization

or application-based implementations.

- **Get the culture and people questions right.**

ERP implementations have big impacts on employees' jobs. For some, it's a time of opportunity because they see mastery of the system as a source of job enhancement. For others, a new ERP means changes in long-standing roles and responsibilities. Managers and executive teams need to get the requirements and questions right to facilitate an implementation plan that leads to employee buy-in and long-term success.

- **Test, test and test again.** The changeover from one system to another isn't like turning a key. Implementation involves a series of data conversion tests. Organizations should couple this testing with documentation to help explain any anomalies.

For example, imagine one test goes well, but a subsequent test leads to scrambled data. Implementation teams need to be able to tie any changes to outcomes back to the work. The overall key is reproducibility in results. Data conversions need to work over and over again, and only then are you

ready to plan go-live dates.

- **Set a goal and stick to it.**

It happens—organizations begin the process of installing a new ERP and then run into a challenge. Sometimes, a seemingly innocuous detail, overlooked during the planning phase, complicates implementation. Sometimes, the organization decides to change course, adding new features or realigning certain aspects of the business.

To avoid delays, the organization's migration team and its software vendor need to have a definitive process plan and agreed-to stages of what would happen before and after going live. The goal for the organization is to achieve the go-live implementation of the software with all the mandatory required capabilities; any additional capabilities can be implemented at a later phase. This enables the company to realize a faster return on investment.

## The Need For Project Managers

For some people, an ERP implementation can be a once-in-a-career event. Few people go through more than one of them in their career.



To successfully manage an ERP installation, key employees and a steering committee need to oversee the project from beginning to end. Often, successful deployments require hiring an implementation manager to come in and manage the project and ensure minimal to no scope creep. This can enable better time to value. In most cases, this person moves on after the

project is successful, and they require the authority to push things through.

Project managers have unique insight into the processes and problem-solving skills that are invaluable when navigating the many intricacies of ERP implementation projects. Having or bringing in such specialized

expertise can turn what could be a daunting task of ERP implementation into a strategic advantage that positions a company for future success, allowing it to harness the full potential of its new system now and into the foreseeable future, as well as enabling a competitive advantage.

The Forbes logo is displayed in white serif font on a black rectangular background.