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Can You Prevent ERP Implementation Chaos?

I've found that noticing and acting on trends can be a key to success from both a professional and personal perspective. Lately there have been plenty of trends to notice; however, a noteworthy one is that I've received several requests and/or inquiries about ERP implementation, post go-live support and how to leverage ERP systems to drive business results. One of my recent speeches, "Leveraging ERP for Bottom Line Results" has become a popular topic, and as companies are beginning to think about investing in ERP again, it is all the more important to ensure success with your ERP projects in order to achieve the expected returns.

In my experience in working with multiple companies in a variety of industries and globally on implementing and leveraging the use of ERP systems to drive business results, I've seen the good, bad and ugly and have derived a set of best practices for achieving success. A few of the keys to success include the following: 1) Build core metrics into the process upfront. 2) Focus on exception processes. 3) Look for ways to simplify

1. **Build Core Metrics into the Process Upfront** - Building core metrics into the process upfront is undoubtedly the #1 key to success. For example, in one Oracle implementation, the company went over and beyond to ensure success by hiring not only Oracle consulting experts but also process experts to ensure a seamless transition; however, there was a significant gap with the day-to-day business. As is typical in implementations, often your best internal experts become involved with the implementation (and not focused on prior responsibilities), transition to new functions in the business or are dealing with entirely new business processes tied to the new system; thus no one is minding the store.

   In my example, although there were people tasked with metrics and it appeared that the teams were well-organized, no one realized they were shipping significantly less immediately following the go-live. Soon, it built on itself, and they were suddenly behind and scrambling in shipping, production, planning and purchasing as well. Customers suffered! And costs increased. Instead, I've found that if you determine your core metrics upfront (or as soon as you realize your gap) and develop a simple tracking process; you'll avoid unnecessary chaos and upheaval to your business.

2. **Focus on Exception Processes** - I've found that although there is typically a concentrated focus on testing all of the core areas of the business, implementations fall short with exception processes. I've yet to see an implementation that wasn't struggling to maintain deadlines; thus, you are often fortunate to get through the testing and pilot process with your main functions let alone exceptions. Unfortunately, how many typical days are without exceptions (no mistakes, no entry errors, no changes in customer orders, and no delays in purchase orders)? Not many!

   As exceptions begin to occur, the processes fall apart. It builds upon itself as well-intentioned employees find workarounds to resolve the exception which creates down-the-line issues. Instead, it is vital to ensure exceptions are incorporated into the training process. If that ship has already sailed, make sure to focus a team of people on bringing the organization up-to-speed on how to handle exceptions.

3. **Look for Ways to Simplify** - Last but not least, look for ways to simplify - your processes, systems and implementation. It is easy to get side-tracked in complexity when implementing a new system, as you want the system to do everything you previously couldn't do as well as you wanted in order to achieve your business goals.

However, I've found it is at least 10 times better to simplify: 1) Boil down your desires to your core business drivers - what are your profit drivers? What aligns with your strategy? 2) Align your systems with your core business drivers through your critical success factors - typically, there are a handful of functionality areas to focus on in order to ensure the system will support your business and guarantee a smooth transition with key customers. 3) Ensure that the team focuses on these areas, even if it's at the detriment to the rest of the areas. I've found this is easier said than done; however, the rewards are substantial.

Implementing and leveraging systems can help drive business results; however, they often cost FAR more than intended with poor results due to implementation chaos. Take a look at implementing a few best practices and turn a potential mess into results!

Why not start on the right foot by syncing lean with the business strategy, integrating it into the culture and putting in the effort to implement solid operating principles? Not only will you deliver bottom line results but you'll also develop a culture of continuous improvement?

Lisa's Tips: Business Development

What could be more important in today's new normal business environment of lackluster sales, strained liquidity and elevated customer service expectations than business development. Here are a few tips:

1. **Pick up the phone** - as Sandi Brooks, a successful real estate broker even in today's weak market says, there is no substitute for picking up the phone.

2. **Provide value** - no successful business development people "sell" in the traditional sense of the word anymore. Instead, it is all about providing value - what unique, high value do you offer?

3. **Referrals** - no matter your business, referrals are bound to be one of the best sources of new business. Be referable. And refer other quality people.

4. **Service** - the best business development people stand out in the crowd with exceptional service - be memorable. Remember, people buy from those they like and trust.

5. **Marketing** - focus on marketing. Isn't it better to create marketing gravity so that customers come to you?

Recommended Reading

"*POP!: Create the Perfect Pitch, Title and Tagline for Anything*" by Sam Horn - an interesting book on why some ideas break out and others fade away. Sam presents a simple and proven process to create one-of-a-kind ideas, products and messages that break through the noise!

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