The Successful ERP Journey:

Proven Strategies for Selecting, Implementing, and Operating ERP in a Manufacturing or Distribution Business

SYSPRO™

Simplifying your Success

Take a Strategic Approach to Selecting, Implementing, and Operating ERP

By using enterprise resource planning (ERP) software successfully, you should see the impact in every single area of your business:

- Reduced administrative and operational costs

- Streamlined business processes and operations

- Strategic financial management

- Supply chain and inventory optimization

- The ability to quickly respond to market conditions with data analysis

- Digital transformation, mobilization, and the flexibility to embrace new technologies

- Improved customer service and satisfaction

- Increased competitiveness

Does this sound too good to be true? You're not the only one who feels that way—that's why some ERP projects are approached with doubt and dread. But SYSPRO has been helping manufacturers and distributors achieve their goals for over 40 years.

We figured out that the best way to buy, maintain, and leverage ERP for maximum ROI and minimum risk is to always keep the project framed around business objectives.

What does that look like in practice? Keep reading this toolkit and you will get guidance, best practices, and more resources to help you:

- Eliminate any confusion associated with acquiring or upgrading an ERP system

- Secure a successful implementation

- Operate ERP in a way that achieves business objectives and produces business benefits

Strategies for Selecting ERP

Put Business Objectives First

If you are in the process of purchasing an ERP system, you need to be able to answer this question: What are you trying to achieve with ERP and why do you want to do it?

Possible Business Objectives

- Manage a merger or acquisition
- Reduce operating costs
- Streamline operations
- Promote innovation
- Improve customer service
- Improve alignment of operations with strategy
- Improve financial management & corporate governance
- Reduce risk
- Enable better decisions
- Increase information visibility

In order to be satisfied with your project results, your business needs to think through and answer the following questions:

Getting Started Questions

1. What strategic business objectives will be served with ERP?

2. Can you quantify, even approximately, the contribution that ERP will make in achieving these objectives?

3. Will it be impossible or significantly more difficult to achieve these objectives without ERP?

4. Does ERP have to work perfectly to achieve the business objectives or is there a "good enough" level?

5. Is there a time-critical aspect?

6. Do you have an expected return on investment time frame?

The answers to these questions should drive the strategy for selecting, implementing, and operating ERP successfully.

ERP Selection Resources

ERP Evaluation Checklist
GUIDE

A competitive product comparison matrix to help you evaluate the ERP solution, provider, functionality, implementation, and technology.

GET IT

8 Steps to Selecting the Right ERP
BLOG

Understand what is and isn't achievable from ERP, and how to choose consultants and trusted implementation partners wisely.

READ IT

2018 Nucleus Research ERP Technology Value Matrix
REPORT

See how leading analyst firm ranks ERP vendors based on usability and functionality, and why SYSPRO was again positioned as a top 3 ERP software leader.

GET IT

Selecting ERP

With a few decades of successes and failures in ERP selection to draw from, the world has pretty much accepted that the following are critical components of a successful selection strategy:

- Specify the decision-making authorities of the project manager, the executive sponsor, and the chief executive

- Gather a cross-section of end users for participation and buy in

- Define user requirements and core functional requirements based on mapped business processes

- Outline explicit selection guidelines, i.e. a customized solution is not acceptable—we will adapt the business to the system or choose a vendor that allows for ultimate flexibility

- Ensure non-functional requirements like stability of the vendor, approach to innovation, and ability to implement are also addressed

Thinking Through ERP Implementation

A successful ERP implementation is the foundation on which companies expand their businesses, launch new initiatives, and improve existing operations to grow revenue and reduce costs. Choosing a methodology that facilitates a successful implementation and a roadmap for reaping ROI for many years to come is essential.

The IDEAL Implementation

IDEAL is a scalable, structured, and phased approach ERP implementation approach that ensures the project:

- Meets defined objectives
- Remains on schedule
- Stays within defined scope and budget
- Ensures resources are managed effectively

Initiate

In this phase, project teams from your company and implementation partner come together to plan out the project activities, resources, and timelines.

Design

The project team explores business objectives and needs in detail and begins architecting a solution that best meets those needs within the project parameter.

Engineer

The project team starts to configure and build the solution based on the agreed design.

Actualize

Once the prototype has been accepted as the required solution, the time has come to actualize your implementation.

Leverage

Once your solution is in place and is being used for business as usual, leveraging it for continuous improvement begins.

Implementation Best Practices

1. Keep the objective in focus

Implementing ERP includes both installing the software and changing how people work. Change management is the responsibility of key stakeholders—your implementation partner cannot make those changes for you.

2. Control the timeline

Keep the most important aspects in focus and prevent lesser issues from hijacking progress.

3. Allocate the resources

Ensure that adequate resources (including executive time) are made available to the implementation project—not too few or too many.

4. Manage the risks

If any gaps between business processes and functionality are discovered, they should be addressed immediately; stay focused on business objectives when testing the solution; and, ask hard questions in the run-up to go-live.

> *"The SYSPRO ERP system brings one of the most robust all-around solutions to mid-market organizations and should be a part of any ERP selection project shortlist for manufacturers and distributors."*
>
> **SYSPRO — A Trusted ERP Partner for Digital Transformation by Ted Rohm, Senior ERP Analyst, Technology Evaluation Centers, September 2018**
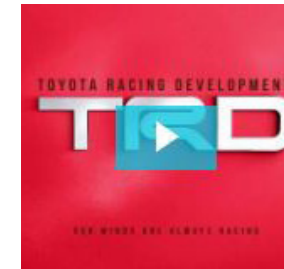
ERP Implementation Resources

How to Ensure a Successful ERP Implementation— Parts 1, 2, 3
BLOG

Tips for reducing the pain of implementing an ERP system and to improve the changes of meeting all of your business expectations.

READ IT

ERP at Toyota Racing Development
CASE STUDY

Watch how TRD's successful SYSPRO implementation helped them "go from night to day" and integrate all departments of their business.

WATCH IT

IDEAL Implementation Methodology
GUIDE

Learn more about this scalable, structured, and phased approach—designed to empower employees and take advantage of industry best practices.

GET IT

Operating ERP to Realize Benefits

Ultimately, success or failure is determined during this phase, and there are strategies you should follow to ensure that the ERP-enabled business benefits and strategic objectives are sustained and optimized.

Maintenance Strategy Considerations

Over time, there is a natural tendency for skills and processes to regress: Users forget features not in regular use; newcomers end up learning only a subset of the ERP skills an organization started with; training isn't continued; a key individual leaves the organization; or, a major customer demands a change that requires modifications to the ERP system.

- Ensure system operation is maintained at a sufficient level

- Upgrade hardware and software regularly

- Sufficiently fund and staff technical personnel

- Regularly educate and train current personnel on ERP

- Bring new recruits up to the same ERP skill level as current personnel

Optimization Strategy Considerations

Ideally, once you are maintaining your ERP system, you will want to optimize the system's capabilities—sparking further bottom line and top line growth. Thinking about your organization as one big power user will go a long way in achieving business objectives such as increased innovation and collaboration, or delivering better customer experiences—initiatives once seen as more "aspirational" that have become essential to survival.

- Launch initiatives that investigate the capabilities of ERP that you aren't yet using, and determine how these can be utilized to improve operations and future-proof business

- Continually engage in business process improvement

- Encourage and solidify the new connections created between organizational areas because of ERP

- Create opportunities for widely sharing information and knowledge which used to be local

> "The majority of ERP solution providers for manufacturers and distributors have failed to provide a complete set of tools to help their customers succeed on the path of digital transformation. SYSPRO stands out from the pack not only because they provide a complete set of modern platform capabilities (IoT, social, mobile, AI, and cloud) to support a customer's journey in this period of digital disruption, but also because these capabilities have been thoroughly integrated into SYSPRO ERP."

SYSPRO — A Trusted ERP Partner for Digital Transformation by Ted Rohm, Senior ERP Analyst, Technology Evaluation Centers, September 2018

ERP Operating Resources

Actualizing Industry 4.0
WEBINAR

Understand, and see real-life examples, what advancements like digitization, automation, and IoT do to help meet the demands of a manufacturing business.

WATCH IT

People Participation is Crucial for Technological Change
BLOG

It's not just about the software and hardware. Here's how to support new ERP technology with people and process change.

READ IT

Drive Performance Improvements with SYSPRO Business Insights
VIDEO

Most ERP reporting and analytics tools only offer retrospective insights and don't provide users the ability to make immediate action. See why SYSPRO is different.

WATCH IT

Conclusion

Implementing a new ERP system is a business-defining event. The business objective-driven strategy outlined here will help make this event a positive, productive experience.

However, for a topic as big as ERP, this is only a high-level, incomplete outline. If you are serious about making your next ERP implementation a success, please reach out to SYSPRO at info@us.syspro.com or 800-369-8649.

About SYSPRO

SYSPRO is a highly scalable, industry-built Enterprise Resource Planning (ERP) software solution, that can be deployed in the cloud, on-premise, or accessed via any mobile device.

SYSPRO is designed to simplify business complexity for manufacturers and distributors, by providing actionable insight that supports optimized cost control, streamlined business processes, and improved productivity.

Customers and Analysts Love SYSPRO ERP

CERTIFIED PRODUCT TEC

G2 **Leader** WINTER 2020

2018 NUCLEUS RESEARCH **VALUE MATRIX** LEADER

syspro.com