

Launching The ERP

**CIS 8000 – Dr. Keil
Group Assignment 2, Team 1
November 24, 2008**

Jean-Marc Sylvain
Marcelo Sgarbi
Jake Aull
Amy Lantinga
Chris Phillips

ERP Analogy

An ERP Implementation is a Like a Marathon

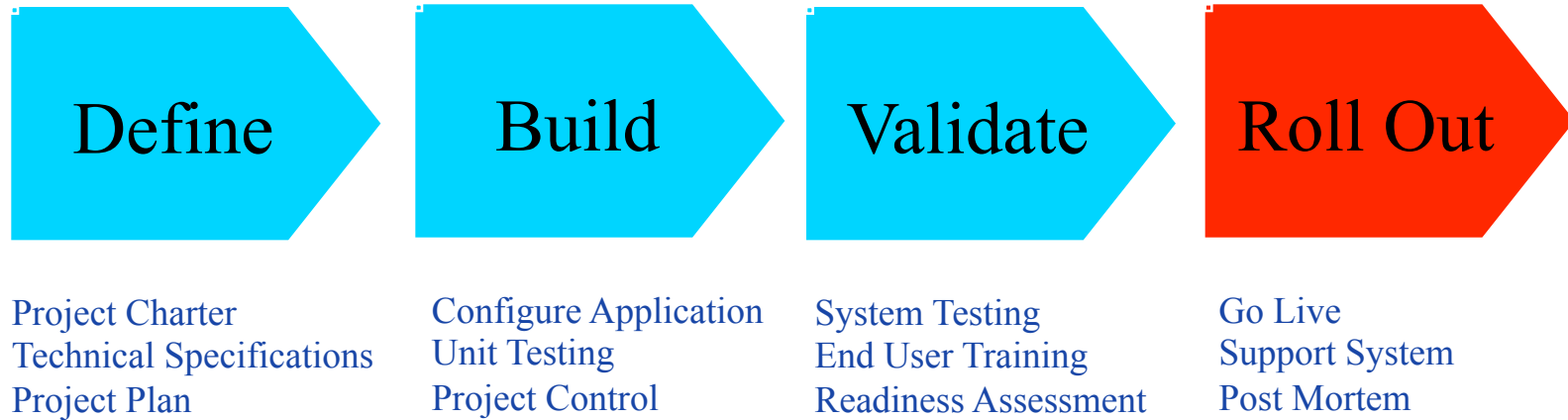
GOOD



BAD



ERP Implementation Lifecycle



What's the Problem?

- In 1995 there was an estimated \$59 billion in cost overruns and \$81 billion on cancelled software projects
- 80% of user issues are related to lack of understanding of rather than a problem with the system
- Since Go Live comes at the end of the process it's activities are often used to absorb all the mishaps that came before:
 - ▶ 35% of Project Managers admit to shortchanging end-user training
 - ▶ 39% of Project Managers claim insufficient knowledge transfer

Now the Fun Really Begins!!!

- Project Go Live may be the symbolic the end of a project but many projects fail due to what occurs during and post Go Live
- Common ERP Launch Issues
 - ▶ Lack of early buy in from end users
 - ▶ Lack of proper training
 - ▶ Lack of proper acceptance testing
 - ▶ Poor Tech Support during early phases
 - ▶ Proper Testing (including representative set of actual end users)

Now the Fun Really Begins!!!

- **Drive Successful Project Go Live**
 - ▶ Assure appropriate acceptance test
 - ▶ Facilitate adoption management activities
 - ▶ Assure proper training
 - ▶ Leverage core project team members (or "super users") to provide general support and answer simple, process and system focused questions
 - ▶ Drive appropriate hand over to customer and Tech Support
 - ▶ Address need for stabilization phase (performance improvement etc.)

Agenda

- **Case Study**
 - ▶ SAP SRM Implementation
- **Communications**
 - ▶ Communication Needs
 - ▶ Stakeholder Involvement
- **Training / Support**
- **Summary**
 - ▶ Important Factors
 - ▶ Project Management in ERP

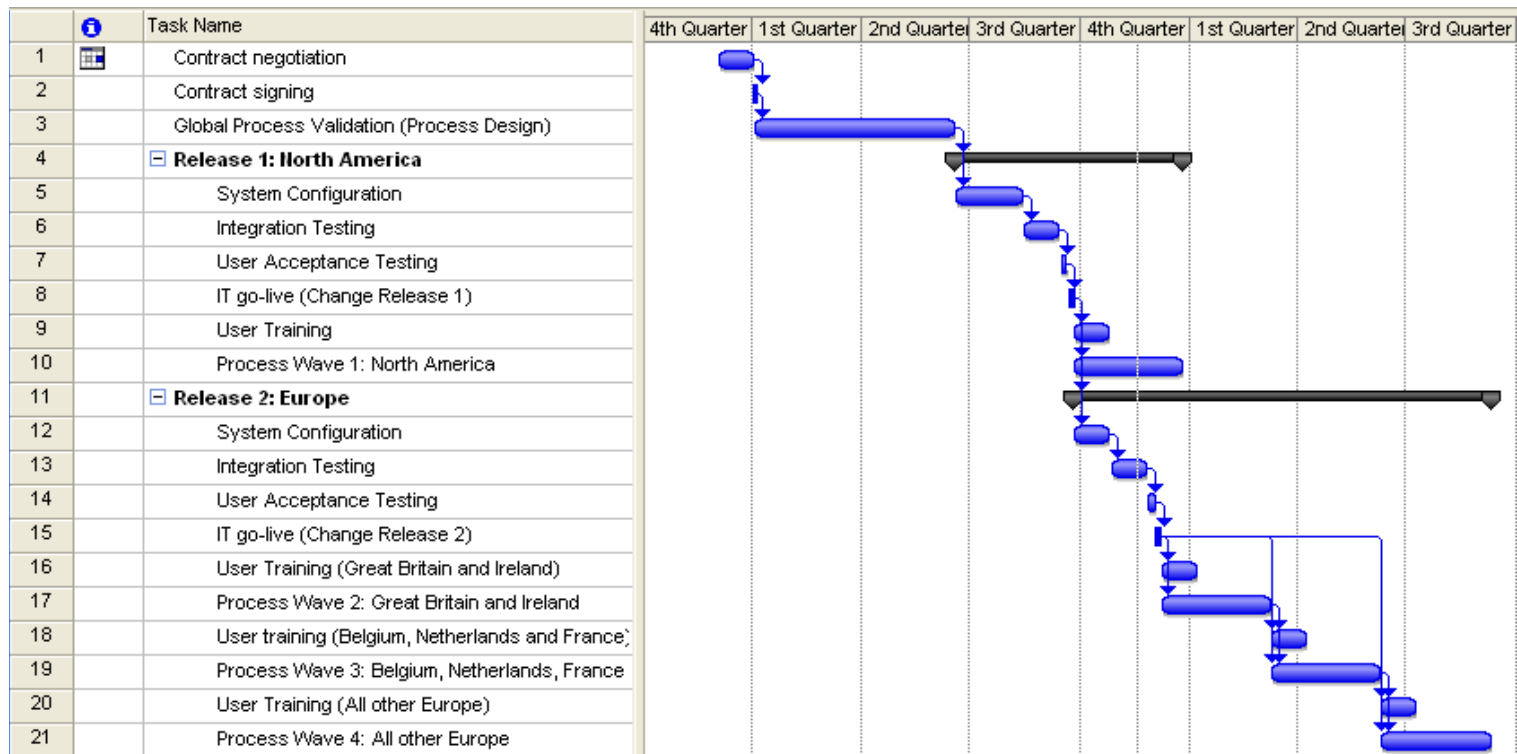
Case Study – SAP SRM Launch

- **SAP Supplier Relationship Management (SRM)**
 - ▶ Shopping carts
 - ▶ External e-Catalogs
 - ▶ Internal e-Catalogs
 - ▶ Web invoices
 - ▶ Goods receipt
- **Goals**
 - ▶ Productivity improvements
 - ▶ Accurate spend data capture
 - ▶ Procurement transaction method compliance
 - ▶ Contract compliance

SAP SRM Launch, cont' d.





- Wave Approach for Deployment
 - ▶ Project broken down into smaller pieces

- Gant Chart



SAP SRM Launch, cont' d.

- Task Overview

		Task Name	Duration	Start	Finish	Predecessors
1		Contract negotiation	22 days	Mon 12/3/07	Tue 1/1/08	
2		Contract signing	1 day	Wed 1/2/08	Wed 1/2/08	1
3		Global Process Validation (Process Design)	120 days	Thu 1/3/08	Wed 6/18/08	2
4		Release 1: North America	136 days	Thu 6/19/08	Thu 12/25/08	3
5		System Configuration	40 days	Thu 6/19/08	Wed 8/13/08	3
6		Integration Testing	22 days	Thu 8/14/08	Fri 9/12/08	5
7		User Acceptance Testing	5 days	Mon 9/15/08	Fri 9/19/08	6
8		IT go-live (Change Release 1)	3 days	Mon 9/22/08	Wed 9/24/08	7
9		User Training	22 days	Thu 9/25/08	Fri 10/24/08	8
10		Process Wave 1: North America	66 days	Thu 9/25/08	Thu 12/25/08	8
11		Release 2: Europe	250 days	Thu 9/25/08	Wed 9/9/09	8
12		System Configuration	22 days	Thu 9/25/08	Fri 10/24/08	8
13		Integration Testing	22 days	Mon 10/27/08	Tue 11/25/08	12
14		User Acceptance Testing	5 days	Wed 11/26/08	Tue 12/2/08	13
15		IT go-live (Change Release 2)	3 days	Wed 12/3/08	Fri 12/5/08	14
16		User Training (Great Britain and Ireland)	22 days	Mon 12/8/08	Tue 1/6/09	15
17		Process Wave 2: Great Britain and Ireland	66 days	Mon 12/8/08	Mon 3/9/09	15
18		User training (Belgium, Netherlands and France)	22 days	Tue 3/10/09	Wed 4/8/09	15,17
19		Process Wave 3: Belgium, Netherlands, France	66 days	Tue 3/10/09	Tue 6/9/09	15,17
20		User Training (All other Europe)	22 days	Wed 6/10/09	Thu 7/9/09	15,19
21		Process Wave 4: All other Europe	66 days	Wed 6/10/09	Wed 9/9/09	15,19

Communications

- **Communications**
 - ▶ Importance of Stakeholder Buy-In
 - ▶ What's In It For Me (WIIFM)
 - ▶ Matching the IT to Company Culture & Processes
 - ▶ Clear and Honest Communication
 - ▶ Post-Implementation Communications

- **Stakeholder Involvement**
 - ▶ Focus Groups
 - ▶ Usability Testing
 - ▶ Pilot or Beta Testing

Training/Support

- **Training**
 - What's In It For Me (WIIFM)
 - Audience-Directed Training
 - Explain specific benefits to the trainees
 - Blended Training Media
 - Classroom
 - Webinars / Online simulations
 - Extensive FAQ's

- **Support**
 - Determine Technical / Functional Support Plan
 - Appropriate Level of Transition
 - Determine Medium for Collecting User Feedback
 - Collection of feedback
 - Establish governance team to prioritize future enhancements

Important Factors

- Intense cross-functional coordination of resources required
 - ▶ Training, Stakeholder Involvement, and Support efforts require coordination across the organization.
- Risk Analysis and planning are key to a successful launch
 - ▶ IT and stakeholders must review potential project pitfalls and develop strategies to minimize the business impact of potential failures.
- Be aware of key deadlines and business targets
 - ▶ ERP systems are implemented to increase efficiencies and improve the company's ability to grow. ERP implementations and go live dates may have a direct impact to the company's financials.

Project Management in ERP

- **ERP Wave implementations and Post-Mortem Analysis**
 - ▶ Wave implementations can benefit from the use of post-mortem analysis after each wave to prepare a lessons learned and improve product launch through each wave.
- **Project Network and Critical Path Analysis**
 - ▶ Go Live requires many resources from many different units within the organization. Regular network analysis will alert project managers to schedule problems.
- **Risk Analysis**
 - ▶ The analysis during go-live is key to allow the business to continue to function and operate.
- **Mum and Deaf Effect**
 - ▶ Project Managers should encourage open discussion of issues and develop strategies to bring implementation issues to light.

Extra/Additional - References

- Warren McFarlen. “Providian Trust: Tradition and Technology.”
- Mark Keil. “Pulling the Plug: Software Project Management and the Problem of Project Escalation”
- H. Jefferson Smith and Mark Keil. “Mum’ s the Word.” Beyond Computing.
- “Fifteen Questions for Every Software Supplier”
- project management tips
- software edition
- “Software as a service”
- Vincenzo Morabitoa, Stefano Pacea and Pietro Previtalia. “ERP Marketing and Italian SMEs” Bocconi University Bocconi University University of Pavia.
- Recommendations from blogs
- Eric Krell. “The Great Debate: ERP vs BOB”
- ZIGZAG Marketing Training
- ZIGZAG-Tip-41---Transform-PMM-to-SM
- David Kull. “Anatomy of a 4GL Disaster.” Computer Decisions.
- Tom DeMarco. The Deadline
- “12 Cardinal Sins of ERP Implementation.”
- “Let’ s Get REAL.” Employee Program Case Study.