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ERP Implementations

How to Avoid the Front Page

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Agenda

Hitting the Front Page

Some Personal Horror Stories

Some Questions to Ask Before Starting

Summary

Questions

Hitting the Front Page

Chocolate Treat Manufacturer

In November 1999, they reported a 19% drop in third quarter net earnings and placed part of the blame on "computer problems" relating to their ERP implementation.

Spent over \$100 million on the implementation project.

The problems meant they were unable to deliver \$100 million worth of candy for Halloween that year.

White Goods Manufacturer

In early November 1999, they blamed a shipment delay in part to their SAP implementation, which went live two months prior.

Apparently, orders for quantities smaller than one truckload had faced 'issues'.

Canadian Retailer

An implementation of SAP Retail was thrown out in 2001 after a database crash caused five weeks of back orders and prevented in-process transactions from being completed.

Resulted in a \$50 million write down.

Interestingly, re-implemented SAP Retail in 2004. Now used as a reference client.

Some Personal Horror Stories

Code customised to the extent that an upgrade becomes a re-implementation.

Master Data load corrupted.

**Multiple attempts to implement SAP – throw out everything and start again....
three times!**

**‘Superusers’ having ability to push transports into Production – 2 years after
Go-Live!**

**Transports stopping production. Numbers were written on a Post-It note –
wrongly!**

Some Questions to Ask Before Starting

Who?

What?

Where?

When?

Why?

How?

Some Questions to Ask Before Starting (Cont'd)

Why is a new system being implemented?

New functionality?

Replace legacy systems?

Efficiencies?

Who makes the decision on which new system to use?

How is the scope determined?

Who is going to oversee the project?

Who from the business is going to be on the project?

Are they dedicated to the project?

Who is sponsoring this project from the Executive?

How committed are they?

Some Questions to Ask Before Starting (Cont'd)

How much time is scheduled for the project?

What parts of the business are in scope?

Geography?

Business unit?

What other systems are going to be impacted by this system?

Who is going to implement the system?

A big Systems Integrator? A boutique? Internal resources with contractors?

Do they have specific experience in this industry/solution?

What functionality is going to be implemented?

How is the new system going to be implemented?

Big bang or phased approach?

Customized or 'vanilla'?

Some Questions to Ponder

Are the drivers for implementing an ERP fully understood?

Are the Executive fully committed?

Are the right resources from the business assigned?

Are they empowered to make the required decisions?

Are the right external resources engaged?

Have the business processes been identified and documented?

Is the business actually following them?

Is the data to be loaded accurate and complete?

Questions?

Thank you

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