HOW TO MAKE AN EFFECTIVE ERP SELECTION

Top performing companies find that a continuing source of efficiency, productivity and operational improvements, results in quantifiable cost savings, schedule improvements, reduced cycle times and increased inventory accuracy. But it is never as simple as just stating, "Implement ERP."

According to Aberdeen, "Roll with the Punches: Select Flexible ERP and be Prepared for Business Challenges," 71% of ERP selection starts by having a clear objective of what you are truly looking for from your software. You may find yourself asking questions like, "what's being done well, and what can be improved?" Whether you're searching for your first ERP solution, or you are planning to make a switch to another solution and vendor, you must be mindful that your decision will have long-term consequences for your company. By understanding your requirements, your resources, your ROI estimates, and your scalability desires, you can start by developing a list of vendors whose offerings and corporate culture will support your industry and your business needs.

Here is a guideline for effective ERP selection, implementation, and integration:

Consider services, but do it for the right reasons.
Leading organizations are 34% more likely than followers to utilize third-party support during the ERP implementation process. While the most important selection condition for leaders is local support, the biggest differentiator is the service organization's relationship with the vendor. If the services organization has close experience with the ERP vendor's solutions, the service organization is better able to support that solution. Once again, it is not all about cost.

Take an integrated approach to ERP.
ERP, along with its extensions, is designed to be a complete and auditable system for organizations to run their business. Sometimes, the extent of data contained in ERP can be frightening but Best-in-Class organizations are more likely to be utilizing Business Intelligence and integrating it seamlessly with ERP.

Promote collaboration.
Collaboration is a major factor in the ability of the organization to continue to improve. Employees should not be working in a bubble. Access to collaboration tools will foster communication and increased unity.

Provide real-time visibility.
In constantly changing, markets, it becomes increasingly important to stay agile. Providing real-time visibility, through mobile access, through event management, or through desktop access to ERP itself allows decision makers to adjust plans, budgets, and forecasts and make informed investments.

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Commit to the implementation process.

Midmarket organizations in particular need to understand that in order to truly transform the business, ERP implementations require commitment. 94% of Best-in-Class organizations, ERP have the continued commitment and attention of senior management throughout the implementation process and beyond. 78% dedicate resources throughout the process. As businesses grow they are subject to a variety of changes. ERP should reflect those changes. Whether taking advantage of third-party support to continuously improve an ERP solution or not, it is important not to take ERP lightly.

Choose wisely and think ahead.

ERP selection can be a lengthy and time-consuming process, but planning and diligence is required in this phase to ensure the best possible selection. Doing your homework up front, and putting your team's full effort into the selection process, will bring you one step closer to making a solid and long-term connection with your future ERP system. You'll want to ensure that you will not be spending more money, time, and resources down the road, fixing things that could have been addressed and resolved before selection and / or implementation. Failure isn't an option for you, and you know you'll want to keep the romance with your ERP software blooming for a long time to come.

By combining these steps with a well thought out and evolving ERP strategy, organizations can continue to contain costs, communicate effectively, and improve to grow into more successful organizations.

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