Reinvigorate Your ERP System or Replace It?

Tracey Rau
ICMA Conference Presenter

#ICMA2018
Who am I?

• Tracey Rau
• ERP Guru
• Go to your internet app
• Type in [www.pollev.com/ICMA2018](http://www.pollev.com/ICMA2018) in the search box to join

• Go to your texting screen, touch the icon in the upper right hand corner
• Type in **22333** in the **To:** field
• Text **ICMA2018** to join

OR
What does ERP stand for?

Environment Resource Production

Easy Reporting Product

Enterprise Resource Planning

Extremely Resourceful Products
What is an ERP system?

• A suite of integrated applications that is used to capture, track, report and share data across an organization

• Typically this includes:
  - Financial Systems
  - Human Resource Systems
  - Revenue Systems
  - Also can extend to other areas
<table>
<thead>
<tr>
<th>Time Frame</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Within the last</td>
<td></td>
</tr>
<tr>
<td>year</td>
<td></td>
</tr>
<tr>
<td>1-3 years ago</td>
<td></td>
</tr>
<tr>
<td>4-6 years ago</td>
<td></td>
</tr>
<tr>
<td>7-10 years ago</td>
<td></td>
</tr>
<tr>
<td>over 10 years ago</td>
<td></td>
</tr>
</tbody>
</table>
Implementation Statistics

How successful? How long does it take?

Realize that a lot of organizations have the same problems (the majority)
Implementations are messy!
<table>
<thead>
<tr>
<th>Satisfied Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highly satisfied</td>
</tr>
<tr>
<td>Satisfied</td>
</tr>
<tr>
<td>Neutral</td>
</tr>
<tr>
<td>Dissatisfied</td>
</tr>
<tr>
<td>Highly dissatisfied</td>
</tr>
</tbody>
</table>
Issue: Implementation wasn’t fully completed

**Result**
- All modules were not implemented
- Majority of features were never implemented

**Reinvigorate**
- Review your maintenance contract
- Review any shadow systems being used to identify gaps
- Have your vendor train staff on features and functionality not being used
Issue: Takes longer to enter data

Result
• Negative attitude toward the new system
• Process may need improvements through redesign

Reinvigorate
• Reevaluate your processes
• Is the data being entered being used for decision making?
• Need to educate the end user on why they have to enter more data
Issue: Unable to get information from the system

**Result**
- Custom reports never created
- Dashboard and custom inquiries never set up

**Reinvigorate**
- Invest in custom reporting tools and dashboard training
- Assign new role for ERP reporting and dashboards
Issue: Staff turnover

Result
• New staff struggles with the new system
• No one understands how and why the system was configured as is
• Many are frustrated and assume it is an inefficient system

Reinvigorate
• Bring in vendor to train staff
• Create an in-house core group that can train others
• Implement ERP training when onboarding
Issue: Failing partnership with vendor

**Result**
- Vendor relationship is soured
- Staff is discouraged and frustrated with the vendor
- Staff wants to replace the system

**Reinvigorate**
- Meet with vendor’s management team to voice concerns
- Assign an ERP point person to “bird dog” and escalate support tickets
- Attend user groups
Current Vicious Cycle

Staff believe ERP cannot provide the functionality it needs

In house expertise is limited to a few resources

Discouraged attitude, continued use of shadow systems and inefficient processes

Vendor support is unresponsive
Reinvigorate or Replace?

Assess

Strategic Direction

Status Quo
Optimization
Go To Market
Questions to ask in your assessment

1. Is your vendor still very active in the marketplace?
2. If you are not on a current release, what are the costs to upgrade to the most recent release?
3. If you purchase a new ERP system, will you be in the same situation as you are now? What will change?
“Also” a Technology Project
Typical of an ERP Implementation

Anxiety

Fear

Guilt

Depression

Happiness

Denial

Gradual Acceptance

Moving Forward

Can I cope?

At last, something will change!

This is bigger than I thought.

How will this impact me?

Did I really do that?

Who am I?

I can see myself in the future

Change, what change?

I’ll make this work if it kills me

This can work and be good

I'll make this work if it kills me

Can I cope?

At last, something will change!

This is bigger than I thought.

How will this impact me?

Did I really do that?

Who am I?

I can see myself in the future

Change, what change?

I’ll make this work if it kills me

This can work and be good

I'll make this work if it kills me

Can I cope?

At last, something will change!

This is bigger than I thought.

How will this impact me?

Did I really do that?

Who am I?

I can see myself in the future

Change, what change?

I’ll make this work if it kills me

This can work and be good

I'll make this work if it kills me
Process Improvement Cues

- Duplicated Efforts
- Cycle Time
- Searching and Indexing
- Internal Process Controls
- Role Ambiguity
- Recognize Past Practices
- Multiple Sources of the Truth
Lessons Learned

- Strong governance structure
- ERP training should be built in your annual budget
- Continuously reassess processes
- Assign key roles to support the ERP system – staffing and backups
- Revisit your key performance indicators (KPIs)
- Attend users groups
- Build your vendor relationship
Optimization