ERP Implementation Planning
ERP Implementation Program

Key phases of ERP implementation:

- Analysis of the company existing or designing new business process descriptions
- Inventory of the company’s existing formal workflows or designing them for the key business areas
- ERP solution(s) evaluation and pre-selection for the trial(s)
- ERP solution(s) trial(s)
- Defining (if not previously existed), formalizing and finalizing the business process workflows based on the ERP trial(s)
- ERP Program (multiple in-scope projects) planning
- ERP Program execution and control – the selected ERP solution customization, configuration, testing, staging and production (going live into operation)
- ERP program closing out and system post-implementation support – maintenance, upgrades, user training
Business Process Workflows

- Inventory of detailed process workflows for all business areas is crucial for the preparation of ERP system requirements.
- Invoice-to-Cush process workflow example:
ERP Evaluation & Trials

- **ERP evaluation & selection activities goals:**
  - Understanding of the ERP capabilities and features
  - Pre-selection those ERP solution(s) for the trials that could help addressing the company’s needs

- **ERP trial goals:**
  - Assessing specific ERP capabilities and features
  - Analysis of the company-specific business processes
  - Designing the company’s formal workflows for the key business areas based on the ERP templates
  - Drafting the ERP features and specifications requirements
  - Utilizing the selection criteria to compare the ERP solutions, based on the trial outcomes and recommendations summarized through previous ERP solutions analysis
The ERP trial & selection criteria may include:

- Good functional fit with the company’s business strategy, plans, requirements, processes, etc.
- Degree of integration between the various components of the ERP system
- Flexibility and scalability
- Complexity
- User friendliness
- Readiness for a quick implementation
- Functionality that allows to properly define (if not previously existed), formalize, tune and optimize the company’s business processes and workflows
ERP Program Planning

- Covers the development of the overall program plan and its in-scope projects plans, including:
  - Scope Management
  - Schedule Management
  - Budget Management
  - Quality Management
  - Risk Management
  - HR Management
  - Procurement Management
  - Communications Management
  - Program Integration Management

- All these plans are absolutely essential to:
  - Ensure proper control of the ERP implementation program delivery on time and within budget
  - Define the program activities, deliverables, timelines, budget, roles, responsibilities, etc.
ERP Program Planning (cont’d)

- This phase also includes:
  - Set up of the overall program and each in-scope project administrations
  - Staffing the program and the projects
  - Setting detailed goals and objectives
  - Acquiring all other required program resources
  - Defining the key program metrics & KPI’s

- Typical Program team roles include:
  - Program director
  - Project managers
  - Business process team leads / analysts
  - Solution subject matter experts
  - Technical subject matter experts
  - Specific business area subject matter experts
  - Change management specialists, etc.
Example of Program Team Organization

Steering committee
- Project sponsor
- Consulting mgr
- Project manager

Technical team leader
- Change management team
- Project engineer/administration

Process team leader
- External Accounting and Finance Management
- Process team leader
- Business Planning and Control
- Process team leader
- Sales Logistics
- Process team leader
- Procurement Logistics
- Process team leader
- Production Logistics
- Process team leader
- Organization and Human Resources
Example of Project Team Organization

- Project manager
  - Functional team leader(s)
    - FI developer
    - Logistics developer
    - HR developer
  - Technical team leader
    - System administrator
    - Security administrator
    - Database administrator
    - Network administrator
    - OS administrator
    - Cross application developer
    - Forms/SAPScript developer
ERP Program Phases

The ERP Implementation phases include:

- Technical solution acquiring and deployment
- ERP and business process customization – either synchronizing existing company practices and processes with the ERP solution or customizing it to the company processes
- Relevant tuning of the business processes to be mapped with the ERP solution and overall business goals of the company
- Custom solution testing, prototyping and staging – to simulate the actual business processes of the company and test the ERP functionality through the “to be” model in a controlled environment
- Configuring the system to reveal the strength and the weaknesses of the company business processes and further optimize them
- Test cases design, pre-production testing of the business case scenarios, bugs fixing, etc.
- Training of the team through the implementation, including those to be responsible for the post-implementation support
ERP Program Delivery Best Practices: ASAP

1. Project Preparation
2. Business Blueprint
3. Realization
4. Final Preparation
5. Go Live & Support

Continuous Improvement
ERP Program Phases

The ERP Implementation phases include:

- Technical solution acquiring and deployment
- ERP and business process customization – either synchronizing existing company practices and processes with the ERP solution or customizing it to the company processes
- Relevant tuning of the business processes to be mapped with the ERP solution and overall business goals of the company
- Custom solution testing, prototyping and staging – to simulate the actual business processes of the company and test the ERP functionality through the “to be” model in a controlled environment
- Configuring the system to reveal the strength and the weaknesses of the company business processes and further optimize them
- Test cases design, pre-production testing of the business case scenarios, bugs fixing, etc.
- Training of the team through the implementation, including those to be responsible for the post-implementation support
Program Preparation: Major Activities

**Goal Setting**
*Define goals & objectives*

**Implementation strategy**
1. Clarify the scope of implementation
2. Establish the project organization and relevant committees and assign resources

**Implementation Sequence**
*Define the execution sequence*

**Team**
*Core program team + project team + consultant team*

**Sign Off**
*At the end of phase every above steps will be documented & will be signed off*

The purpose: the teams go through initial planning and preparation for the program and in-scope projects
## Program Preparation: Key Areas

<table>
<thead>
<tr>
<th>Program, Project, Risk and Quality Management</th>
<th>Phase Startup</th>
<th>Project Initiated</th>
<th>Project Planned</th>
<th>Project Strategic Framework</th>
<th>Implementation Project Standards</th>
<th>Standards Meeting</th>
<th>Phase Sign Off</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization Change Management and Training</td>
<td>Framework for OCM</td>
<td>Project Team Skills Development (Project Preparation Phase)</td>
<td>Preliminary End User Training and Documentation Strategy</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security, Job Roles and System Authorizations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Process Requirements, Design, Configuration and Testing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Content Management and User Interface</td>
<td></td>
<td>Portal Content Program</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Developments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lifecycle Data Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technical Solution Management</td>
<td></td>
<td>Technical Requirements and Design</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**ERP Implementation Planning**
Business Blueprint: Major Activities

**SCOPE DOCUMENT**
Consists of questionnaire of entire business process

**AS IS**
Understanding the business process from the core team & creation of the document according to module wise

**TO BE**
The process maps the business process in ERP based on AS IS. Module-wise TO BE document has to be created

**GAP ANALYSIS**
The GAP b/w AS IS process & TO BE process. The inputs or the business process which can’t be mapped into standard ERP will be analyzed here. GAP document has to be created

**SIGN OFF**
Each process above has to be taken to sign off

The purpose: to achieve a common understanding of how the company intends to run ERP to support their business. The result is the Business Blueprint, a detailed documentation of the results gathered during requirements workshops.
Business Blueprint: Key Areas

**Program, Project, Risk and Quality Management**
- Phase Startup
- Executing & Controlling Results
- Assemble, Review and Sign off Solution Business Blueprint
- Phase Sign Off

**Organization Change Management and Training**
- CCM - Organizational Alignment Action and Exec Sponsorship Plans
- DCM - Communications Plan
- Project Team Skills Development (Business Blueprint Phase)
- End User Training and Documentation Strategy

**Security, Job Roles and System Authorizations**
- Authorization Requirements and Design
- Portal User Management Concept
- Security Concept

**Business Process Requirements, Design, Configuration and Testing**
- Business Organizational Structure
- General Settings and Master Data
- Business Scenario Definition
- Business Process Requirements
- Integration Scenario Specification
- Project IMG

**Content Management and User Interface**
- Portal Content Requirements
- Portal Content Structure Design
- Portal User Interface Design and Personalization Concept

**Developments**
- Development Requirements
- Conceptual Design of Developments
- Development Capability
- Approved Development Work

**Lifecycle Data Management**
- Life Cycle Data Management Strategy

**Technical Solution Management**
- Technical and Integration Design
- Development Environment
- System Administration Procedures
- Support Procedures
Realization: Major Activities

Baseline
System configuration & integration - Major scope

Final Configuration
System configuration & integration – Remaining scope

SIGN OFF
Each process above has to be taken to sign off

The purpose: to **implement all the business process** requirements based on the Business Blueprint. The system configuration methodology is provided in two work packages: Baseline (major scope); and Final configuration (remaining scope).
Realization: Key Areas

ERP Implementation Planning
Final Preparation: Major Activities

Unit Testing
Testing within each module

Integration Testing
Integrate testing of modules i.e., combine testing of all the modules

User Training

Cut over Strategy
Legacy system will be migrated to new ERP system

SIGN OFF
Each process above has to be taken to sign off

The purpose: to **complete the final preparation** (including testing, end user training, system management and cutover activities) to finalize the readiness to go live. The Final Preparation phase also serves to resolve all critical open issues. On successful completion of this phase, the company is ready to run business in the live ERP system.
Final Preparation: Key Areas

- Program, Project, Risk and Quality Management
  - Phase Startup
  - Executing & Controlling Results
  - Production Cutover Signoff
- Organization Change Management and Training
  - OCM Results
  - Trained End Users
- Security, Job Roles and System Authorizations
- Business Process Requirements, Design, Configuration and Testing
- Content Management and User Interface
- Developments
- Lifecycle Data Management
- Technical Solution Management
ERP Production & Support

- The ERP system is deployed in the production mode and operational, including:
  - Data conversion must be done
  - Databases are up and running
  - The prototype is fully configured and tested
  - The implementation team must have tested and run the system successfully for some time
  - The old business systems, if any, are removed and fully replaced by the new system for doing business
  - The actual users of the system to be trained to use it

- Post-implementation support is critical for the ERP success:
  - There must be enough employees who are trained to handle the support and issue resolution problems for the operational system
  - There must be technical people in the company who have the ability to enhance the system when required
Go Live & Support: Major Activities

- Production Support
- Monitor System Transactions
- Optimize Performance
- Help Desk & Competency Center

The purpose: to move from a project-oriented, pre-production environment to live production operation.
Go Live & Support: Key Areas

<table>
<thead>
<tr>
<th>Program, Project, Risk and Quality Management</th>
<th>Phase Startup</th>
<th>Executing &amp; Controlling Results</th>
<th>Final Customer Acceptance</th>
<th>Project Complete (Admin)</th>
<th>Project Review and Closeout</th>
<th>HR Management Closure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization Change Management and Training</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security, Job Roles and System Authorizations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Process</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Requirements, Design, Configuration and Testing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Content Management and User Interface</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Developments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lifecycle Data Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technical Solution Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Hi-Level Program Timeline

This Program Gantt Chart reflects a high-level preliminary estimate of the ERP Program Timeline prior to the ERP solution trials – more accurate one can be drafted only post-trials.