

# READY FOR AN ERP UPGRADE? HERE'S HOW TO FIND THE RIGHT SOLUTION

December 30, 2022 • Forbes • Kevin Beasley

When enterprise resource planning (ERP) solutions entered the mainstream in the 1990s, vendors only offered generic business management software—mostly cookie-cutter solutions that weren't tailored to any specific industry. But as the business environment grew in complexity, people soon realized it took more than out-of-the-box solutions to create the flexibility, scalability and agility to solve industry-specific challenges.

With more ERP solutions available today than ever, the software selection process is one of the most important decisions IT and business leaders make. ERP deployment can be complex and time-consuming, but when done with proper project management, it's a worthwhile investment that improves an organization's efficiency and decision making for years to come. With nearly half of organizations planning to acquire, upgrade or update ERP systems in the near future, it's crucial to perform a thorough selection process.

## **Out-Of-The-Box Solutions Are Not Always The Answer**

Modern ERP systems manage nearly every aspect of business operations, from accounting and marketing to supply and demand planning and warehouse management. Consequently, deployment is a significant undertaking that requires planning and collaboration between departments, a complete data model upgrade and potentially deep integrations.

Most ERP systems last five to 10 years before they need to be replaced or upgraded. That's a long time to rely on a solution that's not flexible or configurable to your organization's operational or functional requirements. Yet decision makers sometimes select a system without performing a detailed comparison of solutions—they simply choose it because it's familiar to them or because a competitor uses the same solution.

It's clearly not an optimal approach to software selection. There's a

lot at stake and many factors to consider when choosing an ERP. Most industries require specific business applications, compliance with diverse regulations and support for users with various levels of technical expertise.

Even organizations within the same industry can face nuanced ERP requirements, so it pays to take your time and select the ERP solution that's the ideal fit for your business.

## **4 Steps To Finding The ERP Solution That Meets Your Needs**

The wrong ERP solution creates countless problems for your organization—anemic adoption, integration issues and a lack of functionality are just a few of the challenges that can prevent your ERP from delivering the anticipated ROI.

However, there are several steps you can take to keep your implementation agenda on track and achieve the ROI you expect from your new ERP solution.

The Forbes logo is displayed in white serif font on a black rectangular background.

800.824.7776 | [sales@vai.net](mailto:sales@vai.net) | [www.vai.net](http://www.vai.net)

### **Identify the stakeholders.**

ERP selection requires a team of individuals with subject matter expertise to see the initiative through. The team should include executives with the authority to sign off on important decisions as well as department heads and other stakeholders. The group should also be diverse to ensure everyone's concerns are heard throughout the process.

With stakeholders from disparate teams, it's critical to equip your selection team with a project manager (PM). If you don't have PMs at your organization, there are individuals who specialize in ERP deployment project management and can work alongside your internal selection team. This person can document and consolidate input from various teams and help the initiative stay on schedule to avoid scope creep and cost overruns.

### **Define your ERP requirements.**

Before you determine which type of solution can provide the most value to your business, you need to take a complete inventory of operations. Analyze internal data and survey employees in every job function to pinpoint areas for improvement. Depending on the size of the organization, you may also need to speak with

employees across geographies for a broader perspective and to understand local requirements and regulations.

During this phase, ask employees whether siloed data hinders warehouse operations or if truck routing issues result in frequent delays. These kinds of questions are vital for surfacing pain points, so you can define clear objectives for your ERP implementation.

### **Consider logistics.**

Beyond the functional requirements of an ERP solution, you need to think about and plan for logistical elements like deployment time and integration needs. For example, you may require a system that supports the use of mobile applications in the field. If a partner organization implements Internet of Things (IoT) sensors to track inbound orders, your software must be able to integrate with their application. This integration may also require open APIs.

### **Vet solutions and providers.**

After you build out your list of functional and logistical requirements, you're ready to explore various solutions and providers. Narrow down the list of providers as you dive into the capabilities of each system. Once you pare down your list,

the remaining solutions should check all your requirements. Does the solution offer industry-specific tools? Is the user interface adequate for employees across departments? Can the software be configured or customized to meet your specific needs?

The best ways to ensure the solution meets your requirements are to view detailed demos, speak with user references and analyze reviews from the system's current customers. Users who have previously implemented the solution can provide an unbiased glimpse into their experience with both the software and the vendor, which is important because both should drive value for your organization. Focus on providers who offer the right level of support throughout the entire implementation process—more on that [here](#).

Your ERP system is the backbone of your operation. It unites disparate processes for increased collaboration, eliminates guesswork by unifying siloed data and impacts every decision your business makes. When you put in the work to identify which solution is right for your organization, you can reap the benefits of an ERP system and drive efficiencies for more profitable business operations.

The Forbes logo is displayed in white serif font on a black rectangular background.