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# **The Right Start: Ensuring the Success of Your Business Management Software Implementation**

A White Paper for Today's Growing Businesses

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## The Right Start: Ensuring the Success of Your Business Management Software Implementation

### Overview

Acquiring a new business management system is one of the most important decisions a growing company can make. Expectations are often high — the promise of higher productivity, greater agility, better business intelligence and streamlining business processes is a key motivator behind a change in business applications. To achieve those promises, however, it is incumbent on the company to realize it is not just about technology — the core to success is in the intelligent application of that technology to the particular business.

All companies want a speedy deployment and rapid ROI, but without the proper planning for business applications, just speed of deployment is meaningless. The devil is truly in the details in successfully implementing new technology, and the time and thoughtfulness spent of analyzing the business, its processes, and its goals make all the difference in a successful implementation. New technology is great, but it is not technology alone that will ensure the success of your business — it is its ability to help you more expeditiously and economically leverage your business, your employees, partners and your customers for competitive advantage. And this is where the “people” part of a new technology endeavor comes into play.

The need for thorough planning in the introduction of new technology is well documented: “There is no evidence anywhere in the history of IT that software alone will solve a business problem<sup>1</sup>.” Savvy businesses realize that the initial deployment of new technology is the single most important step in determining the long-term success of an application endeavor, and nowhere is that more true than with enterprise business management software — applications that are integrated to manage all aspects of your business.

A critical factor in implementation success is the evaluation of the business processes you require. Shoehorning legacy practices into new technology mitigates the positive effect that the new technology can have to propel the business forward. Using new technology to implement faulty practices makes no sense; in fact, analysts say that that is only a recipe for making mistakes faster. As the company defines the requirements, this is the time for the team or individuals within the company to look at the optimal businesses processes to run the business. As that team prepares to work with the implementation team from the technology supplier or an implementation partner, documenting the business processes desired as much as possible proves an advantageous start.

In this stage, there are really two ways to consider the task at hand: what do your current business processes look like (your “as is”), and what do you want them to be once you have implemented your new solution (the “to be”).

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<sup>1</sup> “A Guide to ERP Success.” Ron Axam and Darren Jerome. Robbins-Gioia. 2003.

## Leveraging Your Technology Supplier

Before you begin the implementation process, ensure that you understand the methodology the provider of the technology uses in deploying your new solution. Knowing that process will make the deployment easier for you and your internal resources as you understand the commitment required and the scope of the initial implementation.

Management of project scope is one of the most important factors in project success. Research demonstrates that “scope creep” or projects run wild is the key reason for deployment delays, blown budgets, and customer disappointment. Keeping the initial deployment under control, and assigning myriad “nice-to-have” projects to post-implementation hastens the time into production and the rapidity of return on investment.

Another important point that researchers consistently make is the value of an executive champion who remains involved throughout the life of the project (this may be you!). This is the individual who probably shepherded the selection process to its conclusion. But, as we know, acquisition alone does not get you a working business management solution. This champion should remain involved throughout the project, attending to the progress of each of the implementation phases described in this paper.

Whether the provider of your business solution or a certified third party partner is managing your implementation, there are some very important phases that you should plan for.

## Setting Expectations

However tempting it may be to leap into the implementation project with both feet forward, there are definite advantages to planning how your project will unfold. Successful companies took the time up-front to plan for their solution implementation, and to set expectations for both the implementer and the corporate staff. The first step in this pre-project stage is identifying the team leader within the company. This person, as the internal lead, should plan to work closely with the entire project team, and be able to articulate the business requirements, once isolated by the team, to the implementers. There are some very important points to consider as you contemplate the initial stage of your implementation project:

1. What time commitment is required from my team members to complete the project in the time desired? Will this require a re-shuffling of job responsibilities over the term of the project?
2. Is my project lead going to be available for the entire duration of the project? Shifting lead team members can create delays, and while you cannot control the unexpected, knowing ahead of time that the person you picked to lead the project is planning a sabbatical abroad for three months during the implementation can alleviate future headaches.
3. How do we run our business today? Take the time to document your “as is” business processes. If you have documented processes already in place, look at them closely — the great majority of companies today state that they follow documented business processes, but in reality, the way the company is run is through informal processes or modified processes for which the only real record of the steps to the process are in someone’s head.
4. Take the time to explain the scope and intent of the project to your employees. Change can be intimidating and when all employees understand the goals of the project and the anticipated outcomes, they are far less likely to feel threatened. This is particularly true in planning for far-reaching enterprise business management systems as the applications can easily affect everyone in the company. Making the entire company feel part of the team is an important first step in this initial project planning.

## Understanding Your Business Requirements

Analyzing your business requirements is perhaps the single most important aspect of any technology implementation. Technology for its own sake never solved anything; your business doesn't need "software" or "computers" per se, it needs to increase revenue through higher production runs of popular products or decrease the time between product design and execution, or increase the volume of products sold without adding staff. The solution implemented can facilitate those business goals; it probably cannot accomplish them for you.

While an eager project team may delight in listing every single thing it would like to see done with the new application, it is important to determine the true business requirements. Here are some points to consider:

1. What business processes will add the greatest value to your business plan? What are critical to the running of your business? Don't be side-tracked with interesting but tangential processes — you can always add more later if you need to.
2. How do our desired business processes map to the business application to be installed? How many can be deployed "out of the box?"
3. Ascertain what "Best Practices" mean for your business. The technology you are looking at may conduct a business process differently than you have in the past. Does that mean you should modify the application or modify your current processes or procedures? There is no right answer to this question — but here is some guidance:
  - a. Evaluate the end result rather than the means of getting there;
  - b. Consider adding modifications *after* the initial implementation unless they are truly justified;
  - c. When your existing business processes seem to differ from the solution you are implementing, consider whether changing the process — which may involve customization and added costs — would actually create a positive differentiator for you in how you run your business. There are some functions — general ledger, perhaps, that are very unlikely to provide a differentiator were you to customize some aspect of the accounting program. On the other hand, there may be something particular to the order management in your Web store that could give you such an advantage — in that case, the customization at this stage could well be worth it.
  - d. Note that solution providers who base their methodology on best practices have created those practices in a plethora of companies that may be very similar to yours — don't just do what you did before without evaluating those proposed practices.
4. Are there gaps between my requirements and the application? Should we customize the application to fill that gap? If so, what is the scope and cost of such customization? Can we do it ourselves or should we add it to the implementation plan? Can it wait?
5. And very practically, where is my data today? What do I need to access in the future? Does it require cleansing to rationalize it to fit the new application? Is substantial data conversion required? Should it be archived instead?

Here is an analogy that may be helpful to think of as you look at the data you have accumulated over the years. Consider moving your household across the country. You can have a yard sale at your old house and get rid of furniture you are not going to use — or you can pay to transport it across the country — then have a yard sale at the other end because now you really know you are not ever going to use it again. The moral is "only move what you really need."

A clear, well-articulated statement of the goals to be met and the work to be performed is a critical result of the project at this stage. And the requirements must be shared with all the stockholders in the project — the executives, the team within the company, and the implementer's team. Only with a common understanding of clearly-articulated requirements can project expectations effect the results expected.

### **Configuring Your ERP Environment**

With a thorough, thoughtful plan to guide your implementation team, the actual configuring of the system may prove the most easily executed step in your ERP deployment. However, that doesn't mean there aren't tasks that need addressing.

As the implementation team begins to create the workflows, set the parameters, and migrate pre-existing financial or other data according to the plan, the users should be trained for the roles they fulfill. Because an enterprise-wide business management program often "touches" the jobs of very single employee, training can be extensive. And training is critical — the best application in the world will not produce the returns desired if employees do not use it, or do not know how to fully exploit the new power at their fingertips. And training is not a one-shot process: as employees move around in the company, or new employees join the company, training will be needed again. In addition, a corporate training plan is important for the long term: new features are generally released in business management programs yearly. Here is what you need to accomplish at this stage:

1. Who is responsible for ensuring knowledge transfer from the implementation team? You need to ensure that the administrator or a designated person within your organization knows how your application is configured.
2. Which group or which level of employees should be trained first?
3. What depth of training is required by the different role players?

### **Optimizing Your Environment**

Needs change; your business requirements are likely to evolve as your business grows. As you use the functions of your business management system over time, you may well find that added modules or applications are needed. You may want to tailor parts of the applications to better match the way you want to work. Future customizations may add new functionality, perhaps specific to your industry, or you may want to integrate legacy or new applications into your environment. In fact, you are likely to continue optimizing your environment throughout the life of your implementation.

### **Summary**

Through careful planning and oversight in the execution of business management solution, you can ensure that your company can receive the business benefits you intend from your new application. In addition, the deployment of a new solution is greatly simplified when that solution is delivered over the Internet as a software as a service implementation. The technical implications and concomitant expense of physical deployments add time, cost, and complexity to an implementation. When browser-based applications with all the actual application management conducted by professionals remotely are deployed, companies like yours can focus on the business aspects of the implementation — such as those covered above — rather than the physical infrastructure.

## The NetSuite Methodology

NetSuite uses a proven methodology based on best practices gleaned from vast experience in deploying the NetSuite solution to our customers. Called NetSuite One, this formal methodology has five key elements that are evidenced in all customer implementations, large or small. The methods deployed are those that have most greatly benefited our thousands of customers in their implementations. NetSuite One consists of five key phases, which, taken together, support the long term success of the NetSuite deployment. The five phases include:

1. Initiation
2. Analysis
3. Configuration
4. Deployment
5. Optimization.

NetSuite One is the result of eight years of successful implementation experience with thousands of customers globally. The expertise of the Professional Services team members ensures the success of your NetSuite implementation, increases rapid end user adoption, and increases your time to productivity.

### What Our Customers Tell Us

“If it weren’t for the outstanding assistance from NetSuite Professional Services, it would have taken us at least twice as long to be live on the system. NetSuite’s Professional Services provided excellent direction to help me implement our system in a fraction of the time I would have needed had we gone out on our own.”

— **Lisa Bateman**, Mountain Thunder Coffee Plantation  
Kailua-Kona, HI