ERP Systems - A Critical Factor for Success

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ABSTRACT

To compete in this bloodthirsty business world, companies need better information management of the data that will facilitate in analysis of the processes implicated. The conventional software is transforming into enterprise software, where the system is as smart as the applications. Enterprises are migrating to a vitally new-fangled line of attack to streamline their computer systems and business processes, even though many of them unaware why and for what reason they are making this swing. Gigantic business enterprises nowadays rely more than increasingly on the hardware and network infrastructure to hold up their business operations. ERP systems are the workhorse of enterprise computing so that numerous corporate houses have struggled to deploy them on time and inside budget. The proliferation of ERP Systems naturally leads to an intriguing question of products classification, parts purchasing, maintaining inventory, and interacting with supplier and customers. One of the input deliberations in an ERP Systems implementation is the selection of the critical factor for success and failure. As with any software selection process, it's obligatory to establish a basic framework where one can do certain homework from the grassroots before to come across at package solutions. Enterprises are nonetheless having a intricate time in integrating and correlating data from various software applications and are looking forward to a single application, this is where the enterprise can employ ERP software. In this paper, a framework for evaluating ERP systems **critical factor for success** is proposed. The results may be constructive for ERP vendors to enhance their products strategy and facilitates users to review most suitable ERP systems products, which can become tailor-made and also suits their requirements. The paper also highlights the repercussion that may take place after an ERP system had been implemented. ERP systems are the mission-critical backbone through which a large amount, if not all business transactions flow and create a rock-hard standing in an upcoming cutting edge atmosphere. This paper also tries to speak with reference to the factors that should be considered while migrating to an ERP system. As enterprise endeavors to get better the efficiency of their business functions, they must constantly appraise their ERP systems, integrate new packages or modules as and when required, and secure support from key stakeholders. Notwithstanding the benefits that can be accomplished from a successful ERP system implementation, there is by now proof of high failure risks in ERP Systems implementation projects. Moreover frequently, project managers emphasise chiefly on the technical and financial aspects of the implementation project, while ignoring or locating a lesser amount of attempt on the non-technical issues. Consequently, one of the most important research agenda in ERP systems nowadays is the study of **ERP Systems implementation success**. A typical approach used to describe and assess **ERP System implementation success has been critical success factors approach.** Along this line, author tries to add an understanding of the critical success factors of ERP systems implementations and how these factors can be put into practice an ERP System implementations so as to get a pragmatic flavour and fabricate a consensus and derive a unified model.

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Preamble: According to a Gartner report published in the year 2003, 40 percent of enterprises deploying ERP or ERP II systems during 2004, the genuine time and money they pay out on these implementations will surpass their original estimates by at least 50 %. Numerous enterprises have suffered magnificent project failures due to unplanned or under-planned implementation projects. Reliably predicting costs and time required for implementation, are two input results of successfully planning ERP innovativeness. Enterprises must be intelligent to precisely predict costs, resources and requirements before implementation begins and right through the project. ERP systems aren't a detached solution, but a facilitating technology to sustain an extensive corporate revolution; the key to a triumphant deployment is in the process (Stefansu 1999). Enterprises must broaden their standpoint to make ERP efforts victorious (Davenport 1998). Too many fail to notice a critical stage when they must reflect through and ascertain new business processes prior to software selection, purchase, and deployment. As more enterprises prefer to construct their corporate knowledge base around complex infrastructure solutions, the need to understand how successfully to implement an ERP system has become increasingly imperative. Chances are you've heard the buzz around ERP system the software that integrates scheduling, production, sales, accounting, and other manufacturing i.e. back-office and front-office tasks into one computer-based system. Sounds good on paper and, certainly, a correctly implemented ERP system can distribute production efficiency, reduced labour costs, and enhanced customer service, not concerning the size of the manufacturer (Parr & Shanks 2000). ERP as an impression is merely too compelling to ignore. It makes sense to reinstate a paper calendar or manifold old-fashioned accounting and spreadsheet software programmes with an integrated system that stores and sorts the information flowing in from all areas of your plant floor, front office, and supply chain (Clemons 1998). A properly implemented ERP system can convey good results and dramatically progress your aptitude to reduce costs, run leaner, and make available good customer service. That's the good news, the bad news is that the track record of ERP within the enterprises has been fewer. Nowadays, before you throw up your hands and send away ERP systems, let's take a look at the efficacy, constrictions and reasons for requirement of an ERP system and several of the

things you can do to amplify your aptitude to gather the benefits that ERP system offers.

Rudiments of ERP Systems : ERP Systems put into accomplishment a very trouble-free concept managing environs of the enterprise modules efficiently and effectively (Darke, Parr & Shanks 1999). When the ERP systems initiated in the 90s, it meant the integration of manufacturing resource planning, or MRP and several accounting and human resource management functions. At its heart is the aptitude to go with inventories and with demand to look after the schedule manufacturing operations, generate work orders, track labour and materials, and knot manufacturing to other modules of the enterprise, such as sales and distribution, accounting, production monitoring, and reporting. Since its inception, ERP system has broadened to embrace many supplementary functions. In reality, addition to the core manufacturing and front office functions, ERP system has expanded to incorporate elements of customer relationship management (CRM), warehouse management systems (WMS), electronic data interchange (EDI), supply chain management (SCM), knowledge management (KM) and even integrated quality management (IQM), which goes away from the four walls of the enterprise. The term "ERP II" now identifies systems that put together these new features into ERP systems (Scott 2003).

Still too many countless breakdowns : At the same time, enterprises have become extra stylish and more precautious about implementing ERP systems solutions in recent years—for good reason (Holland & Gibson 1999). While the enterprises have made tremendous pace in the preceeding decade, there are still too many breakdowns. These following ways draft out fundamental principles for assuring implementation success: Rub down the most talented business manager in the enterprise as project manager; make certain the senior executive's strident sponsorship before proceeding; make the ERP implementation a business transformation project, not an IT project; decide issues hurriedly and decisively; communicate, commune, speak and be in touch more; analyze the configured ERP software until overtiredness i.e. it becomes redundant or guarantee time is over or better packages are available in the market; sketch user training and consign sufficient resources to this activity; set realistic user and executive expectations; make

certain that your technical infrastructure is adequately vigorous before implementing an ERP solution; at last but not least not modify the ERP system source code. Now once the enterprise had implemented ERP systems they are keen to be more specific about how to put these principles into action so as to rectify their past shortcomings and enhance their business plan in the coming future. In the following heads we will drill down another level of aspect to make clear what works—and, just as important, what does not— in the real world the by throwing lights on the breakdowns with respect to critical success tactics.

Breakdown 1 : Presume there is a likelihood to lose their rights and power if ERP system is implemented.

Critical Success Tactic: People who are associated with the ERP system venture and asked, how many of them are keen to execute standard business processes across the enterprise, what do you imagine you would hear? Dead silence. At least, that is what has come about in enterprises that embarked on hefty ERP Systems implementation. The associated people have a susceptibility to be strongly opposed in losing power of administrative operations that could be the foremost misconception why this exceptional mission required special consideration. While associated people do fluctuate in imperative respects, they allocate countless business requirements. All have to administer a budget, recruit people, distribute payroll, and engender purchase orders and so on. ERP Systems solutions make available a standard, homogeneous way of performing these functions, so the enterprise can diminish duplication, produce meaningful information and cut administrative costs (Kesharwani 2003). How can the enterprise harvest this settlement? Since there is no expected way that puts the needs of the enterprise ahead of its own, so these associated partners who are supposed to be intellectual capitals have to craft an optimum solution so to build it one and find out an optimum solution in which enterprise and employee both could flourish by giving-up their self-centered attitudes. The initiation could be taken from the big shot sitting at the very top of the enterprise to understand this vision and get the message out.

Breakdown 2 : Be anxious about the technology as the main factor to success and not giving much importance to human.

Critical Success Tactic: From the very beginning the emphasis should be on the real challenges, that is people and procedures. These would furnish extraordinary weightage in order to make the methodological challenges of implementation as trouble-free and user friendly too and if possible also comparing this with the human challenges. In fact, where implementations have failed, 70 percent of the reasons curtail from ignorance of the human side of the equation. The causes could be insufficient training and preparation, diminutive or poor change management, be deficient in communication; short levels of user involvement, adversarial relationships with distinguished enterprises channel partners, unfortunate project management, etc. So in order to avoid these types of breakdowns the enterprise have to be more concerned about human SWOT (strength; weakness; opportunity & threat) from every aspect and its modus-operandi will be given much importance.

Breakdown 3 : Hold back on the Front End homework for Implementation and ignore back-end activities

Critical Success Tactic: Always spend in documenting current business processes i.e. back-end activities, as there is no mode around it. Planning and organizing for an ERP Systems venture is an intricate and resource-concentrating mission. But if you do not endow in these activities—what we call "Phase Zero"— you are surrounded physically up for troubles down the line, as they are more complicated and costly to address. One of the key steps in planning is appraising how to do business in today's scenario. This engrosses not only the procedures outlined in business manuals but the processes people are using in practice. Best way is to determine how the work is truly being done; or else, to take surprisingly when the ERP system is developed. Once the documentation is done, be careful in differentiating between two kinds of business processes: "competitive advantage" and "commodity." As competitive advantage can give enterprises an edge from their business rivals; where as commodity can give an enterprise a solid standing in a market to compete and also helps in building image. Thus, the key process that run your business and add value must be protected. For the remaining processes, which will make up the vast majority, the enterprise should accept the best practices built into the selected package.

Breakdown 4 : Endeavor to accomplish the whole lot at one time thus ignoring phased implementation

Critical Success Tactic: Execute in consciousness, commenced with core functions if there is one thing we have well-read over the previous two decades; it is that the big-bang i.e. all-at-once approach to ERP systems implementation is enormously hazardous as implementation of all the modules can deviate enterprise from their core area. For an enterprise, where "go-live" must be a triumph, implementation in a segment is an enhanced line of attack to walk off. Execute in consciousness of explicit modules provide numerous purposes; early successes construct support and momentum, problems can be open before moving on; training activities can be staged to make well-organized use of resources; phased implementation (one module at a time) puts a realistic load on the help desk and support staff, etc. ERP solutions can also be executed in consciousness of business units. Since ERP projects affect large numbers of people, and few enterprises have the competence to instruct everybody at once, the phased approach can spread out the burden on training bandwidth." When ERP system had been executed in consciousness the other module is going to implement, the members of the first group can serve as mentors to arrange and train the next wave. Another problem arises when enterprises are adamant on including all functionality at the initial go-live date. There would be much concentration needed on getting the system up and running with the basic functionality. By keeping it trouble-free, the success can be declared, get people on board and add supplementary features as moving forward. It is a little like driving new-fangled vehicle: If you had to read the whole instruction booklet before driving, you may by no means get out of the garage. Remember, transformation does not take place the day you turn over the switch. This is a continuing process where the end-state visualization becomes clearer the closer you get to it. As you better comprehend what you have just implemented, your visualization will persist to grown-up.

Breakdown 5: Make available the smallest amount of assistance for users

Critical Success Tactic: Management guru's give more importance to the customers in their write-up that "customers is a whole sole entity they are literally a

God in a corporate language by using the products of the enterprise" so the gist is that more privilege should be given by the enterprise to the users in terms of support and sales promotion schemes. Note mouth marketing is above the entire marketing tactics model explained by the marketing guru's. Training is a similar matter while everyone agrees that training is important, it is how you conduct training that determines what users learn and remember, as well as their attitude to the project. The natural tendency is to teach the transaction: for example, how to enter an invoice. But users want to understand the business process, including how you move from purchase to payment. When you put the transaction in context, it is easier to relate to, understand and remember. Our experience also shows that simulations are not an effective way to teach. In fact, users are likely to rebel and demand hands-on experience with live data. They want to conduct real transactions in a "sandbox" system with real data. Finally, do not waste your money on reproducing large binders of useful information. Users will not read it. Instead, they want short, easy-to-scan documents that cover how-to be acquainted with the fundamentals.

Breakdown 6 : Underrate the stage of resources essential and eliminate hidden cost aspects

Critical Success Tactic: Take into story the numerous hidden costs every enterprise underestimates what it will take to implement an ERP System solution. While the budget people vigilantly compute the direct costs—software, tools, hardware and consultants—they be unsuccessful to perceive countless indirect costs. Take human resource, for an instance. An implementation will put away a great deal of more staff, among a much superior group, than those enthusiastic full-time to the project. Most enterprises make the blunder of assuming that the project staff will be talented to accomplish the whole thing it did before the ERP System implementation project started. In fact, the rest of the staff will have to take on those tasks. The most outstanding item is to establish realistic expectations early on, letting managers and staff knows what is in advance, so they can get ready to help. Few clients apprehend that they will necessitate a requirements workshop for each business process that will be affected by the new-fangled system. There can be a business processes, and every one workshop will take one-half to two days and hold the attention

—which add up to thousands of staff hours. Whether it is computer based or instructor-led classroom training, you can foresee each employee to necessitate two hours, two days or two weeks of training. It adds up in ways that few executives imagine. That's why it had been said that hidden cost is very injurious and not expected by the user upto to what extent it can go. Hidden cost have a shape of rabbit when you are thinking about the ERP systems, it's become elephant in terms of financial burden once you evaluate and lastly take a shape of dinosaurs if you go for final implementation (Kesharwani 2003)

Breakdown 7 : Expect too much of how numerous unsurpassed practices are adopted.

Critical Success Tactic: Be pragmatic in recognizing the accurate ERP package for your enterprise. Each ERP systems solution includes enterprise most excellent practices essential business rules for administrating finances, human resources and procurement, for example that have been confirmed over time. But when appraising an ERP package, it is imperative to be down-to-earth. The authentic issue is not how many finest practices are built into the package, but how many your enterprises will in fact put into practice i.e. literally get a flavour of it, and how many compromises you will make up your mind to formulate. Sometimes there is a rationale for not making an alteration, for legal or contractual reasons or the precedents of the past. In most cases, however, changes to the basic package are not essential. They are merely the enterprise's mode of holding on to the familiar practices and processes of the past. To accommodate and be familiar, the enterprises must write a complex user exit or program to repeat current processes. And every time tries to modify the software to create a user exit, i.e. slowing down the project, add costs and crash future upgrades. In other words, changes quickly augment your total cost of ownership. To get the uppermost return on your investment, you need to appraise the options carefully, evade modifications wherever feasible and set levelheaded expectations for payback.

Breakdown 8 : Acquire a discriminatory observation of the venture

Critical Success Tactic: Carry on your eye on the full-size image and how it can impact on the venture. ERP

System implementations are multifaceted, vastly visible and imperative to an enterprise's victory. It is straightforward to get buried in the business of drafting requests for proposals, appraising responses and implementing the elected solution. But leaders must carry on an eye on the big picture as well, and this means paying concentration to exterior factors that will impact the venture as any cut-off in the financials would instantly stop the venture and put them at a point where they have started their journey.

Budget strength: An ERP System venture is a multiyear enterprise, crossing budget cycles. It is vital that funding be committed for the period of the venture. **Managerial transforms**: In government, there may be a revolution in leadership and configuration over the course of the venture. The venture design should acquire such timelines into account i.e. building in the major functionality before the administration changes. **Legal completion**: This is a good time to appraise some of the laws that have been always in black & white form for years and to manufacture legal compliance requirements for the system—and to authenticate that the system meets the current legislative structure. **Labour contracts** : Determine when contracts are renegotiated and be attentive that the ERP implementation may speedily become a focus for employee unions. By considering the long term and planning ahead, you can construct a plan that overcomes these bumps to manufacture a successful implementation as there is a misconception that ERP system can increase unemployment.

Breakdown 9 : Cut-off date twist out i.e. cannot organize the venture deadlines

Critical Success Tactic: Treat milestone dates as holy business units—agencies, departments, divisions and programs—will forever have reasons why they cannot convene the venture deadlines. But once the initiation to let the schedule slide, create an environment where it will occur again and again. This is why it is as vital to extravagance milestone dates as holy. While it's cumbersome for the enterprise to run parallel with the quality but they must engender a sagacity of necessity all through the venture. It could be beneficial to achieve this by requiring all landmark changes to be acceptable and approved by the steering committee, a group of high-level executives committed to the project's success. You can lend a hand to accelerate the process by giving project team leaders

the authority to make day-to-day decisions without an elaborate approval process. Final thoughts of the enterprise with leaders willing to make the tough calls and "burn the boats"—making it clear that failure is not an option—are the ones now reaping the benefits. Here are a few final thoughts to facilitate you along the way: ERP systems projects will set your operational track for at least the next 10 years; ERP projects are multifaceted, resource-intensive and risky; risk can be toned down through muscular executive sponsorship, communication and involvement of stakeholders, and good project management; tough decisions must be made to realize the benefits of ERP this is about transforming the way a government does business, not installing software ; an ERP project will have need of agencies to assist in ways they never imagined, if processes do not change, no benefits will be realized. Process changes require changes in roles and responsibilities and not all benefits will be realized on go-live day. Transformation is never-ending, and benefits will be realized along the line of attack.

Authentic settlement to get success : So what does this all stand for the latest buzzword ERP systems? And what should you glance for in an ERP system, and the vendor that provides it? After all, even some ERP systems that declare to be "commodity oriented" are missing major capabilities, such as integrated real-time production monitoring, customer relationship management, and the quality control so critical to maintaining ISO and other quality certifications.

Lay down pragmatic goals. A good quality ERP system can construct a more efficient fabrication and overlay the technique to enhance the growth, but it won't do this during the night (Holland & Gibson 1999). Before you commence the search for a new ERP system either it could be in-house or directly purchased from ERP vendors, you should give the impression of being at what it is that your enterprise is lacking with its existing system, whether it be a computer or paper based. A high-quality ERP vendor can lend a hand to an enterprise in characterizing and treating those aims and objectives in such a manner so that to lay down a drawing of software.

Plump for software suited to your enterprise or category of built-up. Come across for a software package suited to what you do. Does it have trouble-free creation of new projects? Does it have graphics

scheduling and the ability to effortlessly convert sales orders into work orders? Can it grip the exclusive demands of a contract-manufacturing environment? If your shop is part of a larger manufacturing enterprise, does the ERP system provides linkage to those other manufacturing types? There are many software packages that claim to be tailor-made & commodity particular but hardly any can switch the specific requirements of processing without costly customizing.

Prefer a vendor who is acquainted with your enterprise. ERP system software is big attribute software and has gigantic functioning inside it. Functioning of ERP vendor and their style too varies from product to product and enterprise to enterprise. Marketing module is useless for the enterprise which is purely having a financial base, so the software that suits them could be financial module. The point is that you can save a lot of unhappiness if you begin your selection with ERP vendor in a preliminary stage that has a practice with the homogeneous kind of product.

Decide an ERP system that beforehand integrates the features you require. When you appraise ERP Systems packages you should give the impression of being at the core features that come integrated into the sticker price, as well as those that can be added on as your enterprise grows. Experience proves that you can diminish your implementation time and ultimately have a more productive system if you choose an ERP program that integrates the features you need rather than requiring you en route for bundling a lot of third-party software together. Many ERP disgust stories commence and end with getting two software systems to converse to each other. The less time you fritter interfacing your ERP package with other software systems, such as your document control and workflow for ISO, the happier you'll be. If you need real-time production monitoring, graphic scheduling, links to the general ledger, make sure that they're integrated as core features. More outstandingly, make confident they are on the same database. So you don't end up managing two or three separate sets of data. Create a priority list of the functions you need and grade each vendor on its ability to meet those needs with its own native products.

When you purchase an ERP system you're making an investment that affects every locale of your

business from that point forward (Brown & Vessey 1999). Maybe one of the low-priced or off-the-shelf software products is ideal for your current situation, but does it have the features or scalability that will permit your business to cultivate in the long term? Does it make available the integration—between your sales orders, general ledger, and manufacturing, for example—that you need to make your operations more efficient? Does the software come with the training and implementation support crucial to the success of the project?

Decide on an ERP system that is perceptive and trouble-free to execute. Easiness in using should be a primary factor on the ERP evaluation checklist. If there could be any hassle in functioning, chances are that ERP system users will find it hard to use.

Acquire an assurance : Some vendors offer a 30- or 60-day assurance, barely enough to cover the installation time. Demand at least a one-year assurance so as to know the actual repercussion of the software like its compatibility with the existing software. If you don't see progress on your goals and objectives for the project, don't be afraid to use the assurance.

Endow in instruction : Once the implementation period is over, you're ready to go subsist with your system and reap the repayment of ERP system. However, the ERP system is only as superior as the people who use it. The faster your ERP system users begin using the complete capabilities of the software, the more rapidly you will see return on investment. In order for this to take place; you need to make sure that each system user understands how the software works as it pertains to the job function. As part of the ERP system budget, you should set aside a percentage to invest in ongoing instruction for the employees. Many manufacturers successfully employ the "instruct the instructors" model where selected employees undergo extensive training in the software and are then responsible for training other staff back at the enterprise. If time and travel costs are still too much to bear, consider Internet-based training, a great way to train new employees or brush up on a specific area of the software. Make sure the ERP system vendor provides cost-effective training options to suit your specific needs. Also make sure that the ERP system vendor can give you an honest assessment of your business processes and provide road maps for improvements before the software is installed.

Barriers to Success : Typically, there are various barriers that lengthen the development cycle and prevent many ERP implementations from being successful. These lead to poorly defined and managed requirements and poorly defined measures of accomplishment. Specifically, the most widespread mistakes of ERP implementations are:

Focusing on technology — the technology "silver bullet" approach is one that vendors sometimes sell. However, there's no evidence that software alone can solve a business problem. Many other factors would be taken into consideration like office automation, mindset of the people; proper training could be one of the factors.

Ignoring the magnitude of requirements definition — enterprises too frequently ignore the need to define an optimal process and then use the technology as an enabler for the process. Enterprises either try to adopt a process that's inherent in the ERP solution, even if it doesn't robust their requirements, or they try to shoehorn their legacy processes into a software package that's not designed to support their processes. In both cases, they sub-optimize the capabilities in the technology and don't take advantage of the opportunity to streamline their business process, which is the entire point of the effort.

Jumping from requirements definition to the development phase — pressed to distribute systems to meet predefined timelines that don't take into account all the necessary implementation steps, enterprises often rush the process. They abandon to build a solid implementation plan and achieve consensus about what's necessary to develop and implement the solution before implementing the technology.

Customization is time consuming and in many cases impractical — ERP system is not a one or two day job or rather we can say it is not like a simple software where you can run the set-up and it will install , it is a regular process and takes years to complete. There is clause of hidden cost which always pinches the user.

Implementation of an ERP project is a long process—Like customization implementation is also a long process because there is ample number of departments and ERP can come in full-flow or to have a full flavour only once the entire departments should be fully compatible with ERP and come under one roof.

ERP engenders a host of fears-Some of them are job redundancy—There is misconception among the employees that ERP system can bring a threat in the employment part, this is not very true because the employees who are not doing any work or rather inefficient would have to be more cautious now as performance appraisal chart is regularly meant by default and checks automatically, in regular intervals, their efficiency, thus no pain no gain concept is applicable.

Loss of importance as information is no longer an individual right—As information can be put into the server and respective authority can be given to appropriate people who can access these information so now inventory related issues is not confined to production department people but it can be shared by marketing department people, when required, with the help of certain login name and password.

Real Keys to Success: The keys to success versus failure are :

Education — not software training — but education on the basics of TQM, MRPII and SCM. This allowed the teams to make an intelligent software selection.

● A clear understanding by the implementation team on what business processes the software was designed to support.
● A team focused on real changes to the business not clerical savings.
● A simple ERP package. One that had all of functionality needed to support the business, but did not require training people on why they didn't want to do something in other ways.
● The business did the implementation with only minimal outside consulting support — but enough support to get the necessary knowledge transfer and outside perspective.
● The key Sales and Operations Planning process to be implemented with involvement by all key areas

(marketing, finance, manufacturing, warehousing and materials) and chaired by the concerned general manager.
● The project focused on changes to business processes — it was never allowed to deteriorate into a software implementation project. People understood that the software was there to support the business and not the other way around.
● Clear measurements are in place to track the progress of the project. Follow up measurements continued after the implementation.
● Management involvement, not just 'commitment'.

Suggestion to make ERP system implementation a great success : Implementing an Enterprise Resources Planning (ERP) solution in an Enterprise is a major challenge. It requires flexibility of mind from mutually the client company and the consultants (Markus 2000). Many ERP vendors have a policy to implement the large clients directly whilst, directing the enterprise business to their re-sellers and consultancy groups. This will not be successful unless the vendors devote in new technologies and methodologies to make it feasible for the re-seller to recommend short project lead times and make simple implementations for the enterprise. A recent International Data Corp. (IDC) survey report published in year 2003 states that "users who had implemented ERP systems identified the ability of a vendor to deliver on time and on budget as the most important issues". They also identified the scalability and elasticity of an ERP solution as imperative. The report also states that "ERP Vendors aren't establishing relationships with forthcoming clients". It believes that, in particular in the enterprise marketplace, building relationships is a vital part of the solution for clients. Self-belief in the solution and the solution provider is an integral part of the buying criteria. Some of the major players in the ERP software market are devising new approaches to serve the enterprise market place, by improving both the ease with which their products can be implemented and by also increasing the flexibility of their product and services packaging. Down-sizing a global enterprise system to give enterprise an effectual solution, at a cost-effective price is a task which both the vendors and the clients have to finish successfully, if they are to stay ahead in their particular games (Robert & Clay 2003). ERP an implementation requires great precaution & lots of planning as it is one of the most sensitive issues in the whole life cycle of ERP's

from its purchase to final use. Once the enterprise is implementing an ERP system to get success they have to follow certain tips. It has two ingredients–

1. **Managing change**: The first is directed at change management, which is one of the most imperative aspects of successfully implementing automation, whether it is mechanized automation in facilities or enterprise automation. No doubt only thing constant in this present scenario is change but it has to move gradually with the present condition. Nevertheless the finest minds work collectively and every technical aspect is carefully scrutinized about the failure and success of the projects. Recent surveys reported that only 33 percent of reengineering efforts and 20 percent of new software applications succeed (Murell 2002). Why? Too often, project managers focus on the technical and financial aspects of a project and disregard to take into account the non technical issues. But it's the human being who can make or shatter the success of a project. Without their buy-in and support, projects are condemned. Today's nontraditional place of work supplementary complicates the state of affairs. Rise in telecommuting, flex-time, job sharing, the application of temporary personnel, and the like - places an extra burden on project managers. They are faced with the challenge of creating a interrelated team regardless of the truth that team members may not have usual contact. This lack of continuing face-to-face interface among team members and project leaders makes it complicated for managers to foresee and plan for resistance. To prevail over these obstacles, project managers must augment communication wherever and whenever feasible. To respond to conflict in an effectual and practical manner, you must foremost appreciate what you are facing. Talk with all members of the team - whether they are full-time, part-time, working in the office or at home - to find out their thoughts about the proposed alteration. Pay attention for common fears and anxieties in the answers and make every effort to find out what's behind their conflict and how tough their opposition is. Knowing the strength can facilitate to assess the top approach conflict - and to convert it into support for change. Let's look at the two levels of conflict that you will encounter.

Stage 1: the thought Itself: This is low-grade conflict, without any hidden schedule. People simply are opposed to the idea for any number of reasons. They don't comprehend what you are trying to accomplish. They don't know why it is imperative to you. They think in the status quo. They don't recognize what effect the alteration will have on them. They don't think you comprehend what this transform will cost in money or time. They have ideas of their own about where the enterprise should go. There are effective strategies you can employ to assist move beyond Stage 1 conflict. Be sure to talk about your ideas undoubtedly and truthfully. If the conflict truly is Stage 1, then a clear presentation with time for vital questions and answers may be enough.

Stage 2: Deeper agendas: While Stage 1 concerns are chiefly rational, Stage 2 concerns curtail from the compassion and gut and frequently engross a personal panic or threat. Stage 2 conflict is tougher to get at. Surveys regularly won't do it, nor will large meetings. The best way to get people to push away from conflict and get support is to get them enormously concerned in the alteration. Engage in conversation, either one-on-one or in small groups, to investigate the opposition and to gain insight into its roots. By staying open and curious about what people say, you will commence to comprehend what their concerns really are. Often the depth of conflict doesn't become noticeable to project managers until they are asked to take action.

2. **Making It Happen** - The second is intended for using a structured approach in the implementation endeavor.

Structured implementation : A prearranged and structured implementation can speed system employment and the return on investment. Considering today's business dynamics, enterprise merely cannot have adequate money to waste years implementing technology solutions, even if they put forward the promise of workflow improvements and bottom-line gains. For some businesses, a lengthened implementation offers enough time for competitors to overtake them, or at least make threats to the market position. In addition, experience shows that a elongated, drawn-out implementation increase the risk of project failure, impacts system functionality and/or integration, and reduces both management's commitment en route for the task and confidence in the project team. Especially in multifaceted environments that engross multiple interdependent

processes, the disruption caused by a long implementation may diminish productivity and compromise customer service and delivery performance.

Methods and Strategies : Conversely, comparatively rapid implementations, performed within a well-planned, structured framework, are more likely to bring about something with easier migrations and integration, fewer production interruptions, less user stress, and faster return-on-investment (ROI). Software vendors and systems integrators act in response to enterprise need for rapid, trouble-free implementations by formulating innovative ways to work in a group and form a gamut along with the customer IT support team. Software vendors fit into place in a key role in this partnership - if they comprehend that implementation means much more than merely getting the application up and running. An IT with the assistance of ERP system solution adds real worth to a business when it is truly implemented, which means people in the enterprise entirely use the system's capabilities to enhance workflow productivity and diminish costs to strengthen customer service and gain measurable competitive advantages for the enterprise.

Implementations always emphasize on a "customer-centric" rather that "product-centric" one : Whether an ERP system software vendor implements a stand-alone solution - i.e., production planning, scheduling, and execution - or works side-by-side with a large systems integrator to execute a module of a companywide enterprise resources planning (ERP) solution, use of a structured line of attack to facilitate the task.

ERP system Software implementation strategy : Successful team building put extra emphasis on experienced leadership to appraise and accumulate the resources essentially to sketch a successful implementation of ERP software (Dinkar 2004). To make certain that business and production processes are aligned appropriately to take full advantage of the system's value, ERP system software vendors still necessitate a good understanding of their product's capabilities - as they communicate to the customer's industry and specific business. Vendors also must be knowledgeable about the processes involved, and the enterprise cultural issues probable

to be triggered by introducing new business practices. In brief, today's implementation strategy must be built on a foundation o human, procedure, and product.

Human : This head refers to the human directly involved in the implementation, and the associated issues that crop up when a new-fangled software tool appears on the panorama. The challenges are to have the strong change management, enterprise, and project management skills that will probable reduce risk and manage complexity. The best implementation teams symbolize a combination of business, process, and product knowledge; skill sets; and communication efforts that encourage people to share in sequence and responsibility for the project's accomplishment.

Procedure : To have a secure and sound management commitment and continuing support, it's obligatory to characterize a business case for the software tool, focusing foremost on the core functionality that provides the paramount and fastest payback. To accomplish rapid implementation and return-on-investment, the booming implementation strategy should influence the best practices built into the software, and processes should be realigned consequently. This requires a well-informed implementation partner with industry experience.

Product : Today's implementation channel-partner should possess a meticulous understanding of the software tool's capabilities, technical skills to endow with interfaces and amalgamation with other ERP systems within the enterprise, and business forethought to establish how the software can optimally be applied to the enterprise's goals.

Recommendations : Eight tips to accomplish success : Keep in mind that time to completion should be calculated in months rather than years For instance; implementation of one of the modules of ERP software typically takes six to nine months, depending on the quantity of essential business and production process reengineering (Murrell 2002). Out-of-the-way from speedy implementation, business benefits and fast payback are key indicators of success. The new-fangled ERP system should initiate producing concrete benefits instantaneously, with payback occurring within a year or so. Whether the implementation involves a stand-

they have to keep in mind that implementation & alone software solution or is division of a larger project, one line of attack that has demonstrated successful includes eight distinct segments. Each segment has definite deliverables that must have executive sponsor and steering committee buy-in before the next segment can begin. These eight segments are mentioned below one by one;

Segment-1: Scaling=> this segment takes place without delay after the contractual agreement. The implementation team defines the capacity and parameters of the project, establishes the metrics to gauge progress, and sets up the communication and reporting procedure. Deliverables for this segment comprise a general outline of the implementation schedule and basic project milestones. An initial meeting engages all participants and builds enthusiasm, and concept education introduces the software's capabilities and anticipated benefits.

Segment-2: Investigating=> in this decisive segment, which typically takes about a month, the business environment and processes are examined and appraised, and defined business and production goals are prioritized. Next, a definitive implementation timeline can be recognized. Deliverables for this segment include a formal vision statement of detailed objectives, and the implementations of technical and social design. In which the technical design give particulars about how the product and processes will be associated to accomplish the preferred objectives, whereas the Social Design considers the "people issues:" how workers execute their jobs, and how the implementation may transform business practices, workflow, and reporting relationships.

Segment-3: Archetype=> The goal of this segment is to construct, test, assess, and purify the preliminary archetype. In most cases, the team identifies a segment of the plant or a product line on which to manufacture this first iteration, which - depending on the business goals - may or may not comprise all of the application's functionality. When the archetype has been build, tested, and run, results are charted for performance and logic, and refinements are ongoing. The deliverable for this segment is a "project notebook" and archetype demonstrations for the executive sponsor, direction-finding team and input users. Additionally, the

company's core team receives a superior degree of training in the software's architecture and technology, capabilities, maintenance, and convention.

Segment-4: deployment=> once the archetype has been experienced and acknowledged; it's expanded and built to full production scale. This segment includes data gathering, process modeling, and incorporating the specified "bells and whistles" to the basic archetype. At this stage, supervisors and operators receive additional training concerning product performance and capabilities, and any business process changes that will interrupt on them or their work groups.

Segment-5: Interface/Integration=> Occurring concurrently with deployment, all essential interfaces are premeditated and integration issues are resolved to make certain the software works in concert with other systems. Key deliverables include handing all files, specifications, upload/download and maintenance procedures over to the enterprise's ERP system team, and ensuring that effectual knowledge relocation took place.

Segment-6: Simultaneous Testing=> This segment involves absolute simulation testing of the live system to authenticate its performance and the effectiveness of interfaces/integration. Its key deliverable is receipt of test results.

Segment-7: Cutover=> before cutover actually occurs; a approach is devised to accomplish timely and effectual level. The level itself may either be segmented or performed all at once; the alternative depends on which approach will interrupt business and production the least.

Segment-8: Constant Enhancement => This is more of a philosophy than a genuine segment. To ensure nonstop improvement, a post-implementation audit should be performed after the system has been up and running for three to six months to test whether or not the anticipated ROI and business benefits are being comprehended. Comparing actual numbers with formerly established benchmarks will divulge if the software tool does what it is intended to do - add value to the enterprise. This first audit should be performed by the implementation partner to give the business's I.T. team a "snapshot" of the company's

post-implementation progress. After that, it is important to periodically review the system's performance to ensure continuous improvement for maximum ROI.

Precaution taken to control Implementation failures: The right ERP system can do wonders in terms of abridged labour costs, better scheduling efficiency and use of material and resources, and improved customer service. The return on your investment can be instantaneous. Implemented poorly, however, ERP System can bring on a world of headaches and disappointment. To hang about out of the ERP System trap, learn from the experience of others, don't be afraid to ask the accurate questions, and, most significantly, be sure to know what you want ERP system to do before you initiate the procedure (Frederic & Sammon 2004).

● Always selecting full time project manager for ERP implementation i.e give more emphasis on selecting full time project manager or team leader for ERP implementation as ERP system is a continuation process and takes years to complete.
● Give emphasis to documentation of implementing procedure that is things should be crystal clear and in a black & white form.
● Maintain internal communication by the top executive regarding project implications so that they can be able to see the performance and the capability too and not create any obstacles in releasing the funds.
● Try to give vendor support and be in a team work proper synchronization and cooperation is required in order to make a system streamlined and smooth.
● Stress on reengineering effort and firmness on continuation of current practices Only implementing is not a sufficient job we have to go and analyze the post implementation problems for this continuous up gradation and reengineering is required.
● Give importance in understanding of the functional requirements Only making it tailor made and configuring is not an only requirement, its mandatory to analyze the system then proceed according to it. ·

Conclusion : The air is thick with excitement, right from all the way through blue collar to white collar i.e. top to bottom , everyone is awaiting the arrival of the 'black magic' known as ERP system (latest

buzzword in the IT scenario). To be successful, the ERP system software team must consist of best people not those that can be spared during the project team. Until top management takes a conscious decision to take out the best people for an extended period of time at the cost of losing the best people during implementation ERP has a little chance of success An ERP system will affect every region of your business and operations, from the front office to the shop floor (Joseph 1999). Even if there is a small shop, it will have a profound effect on how you do business. Therefore, it's crucial that you understand exactly what you're buying and from where to initiate. ERP is simple in theory but often complex in practice, as evidenced by the alphabet soup of acronyms that describe some of its features and capabilities (David & David 2001). Make sure you get answers to your questions, and understand what's in the background of the technical jargon otherwise keep asking until you get the answer you require, after all, you're the customer. The management commitment involves the management of change; ERP system is likely to turn the enterprise upside down unleashing lots of energy from vested interest (Martin 1998). Unless the top management is involved directly, it is impossible for any line managers to face the opposition another real test of top management commitment is the resistance to over-customization, particularly in the Indian context. One reason why many computerization efforts in Indian enterprise have not been particularly successful is not having system in place. ERP system implementation is a golden opportunity to put such system in place (Daniel 2000). Thanks to outstanding IT skills available in many enterprise there is strong tendency 'to do it in your style' leading to large scale customization. It is time; we in corporate scene recognize that there is no point in doing such standard process & practices in any distinctively different way. It is better to follow the standard way to emphasize on innovative way of doing better business. To sum up, the key to successful implementation of an enterprise software solution is to apply people, process, and product initiatives within a structured methodology framework (Thomas, Michael & Kremzar 2001). When these elements are brought together and skillfully managed, enterprises can completely anticipate in realizing shorter time to production, measurable business benefits, and a rapid return on their technology investment. No doubt ERP system works like a supporting tool for handicapped enterprise and also for the enterprise that are keen

to get a pace over their business rivals ERP system can act as sport shoes to race against the time. But selection of ERP system requires a lot of hard work, efforts and precaution. One thing which is noteworthy is this that any bad decision would put the enterprise in jeopardy by jumbling its plan of action and line of attack haphazard. Thus follows the slogan "It is better to be late than to be call late", so proper handle with care is required while going for ERP system implementation.

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