A Blueprint for Business Software Implementation Success

An I.B.I.S., Inc. Whitepaper by

Kevin Johnson

Chief Operating Officer

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Executive Summary

Embarking on a new business or technology initiative can be a daunting and overwhelming experience. The I.B.I.S., Inc. Blueprint℠ helps organizations minimize the risk involved with these initiatives and gain maximum value from their enterprise software investment whether it is Enterprise Resource Planning (ERP), Client Relationship Management (CRM), Supply Chain Management (SCM) or Business Intelligence (BI). Blueprint sessions are designed to help business leaders gain a clear understanding of their business challenges and the potential impact of a new business software implementation on their strategic plans and business processes.

During the Blueprint session, experts will collaborate with client teams to define their business requirements, and help them identify how business software solutions can be customized to fit their business processes – not the other way around. But most importantly, the end result of a Blueprint is a set of recommendations that support optimal business growth and help to ensure you become more productive, collaborate better, and work smarter from day one of your implementation.

Objectives

The primary objectives of a Blueprint session are:

- ✓ Identify **true business requirements** to set priorities and critical success factors
- ✓ Develop **recommendations for an implementation plan** including scope, tasks, resources and budget
- ✓ Create a **risk assessment and mitigation plan**
- ✓ Find **business process workflow improvements** and recommending opportunities for process changes
- ✓ Clarify organizational **roles and responsibilities** within the new solution
- ✓ Create a unique set of Best Practices for you

A Proven Road Map for Success

In Gartner Group's recent report, ERP Strategy: Ten Steps to Perfect ERP Plans, ERP strategy experts, Carol Hardcastle and Nigel Montgomery write:

> "*For business leaders to achieve and recognize value from ERP, a comprehensive well-defined and well-organized approach is necessary. This starts with the development of an ERP strategy that has identified the business need*."

Just as Gartner outlines in their ERP Life Cycle flow chart, the starting point of any successful IT initiative is outlining the strategy and developing a plan:

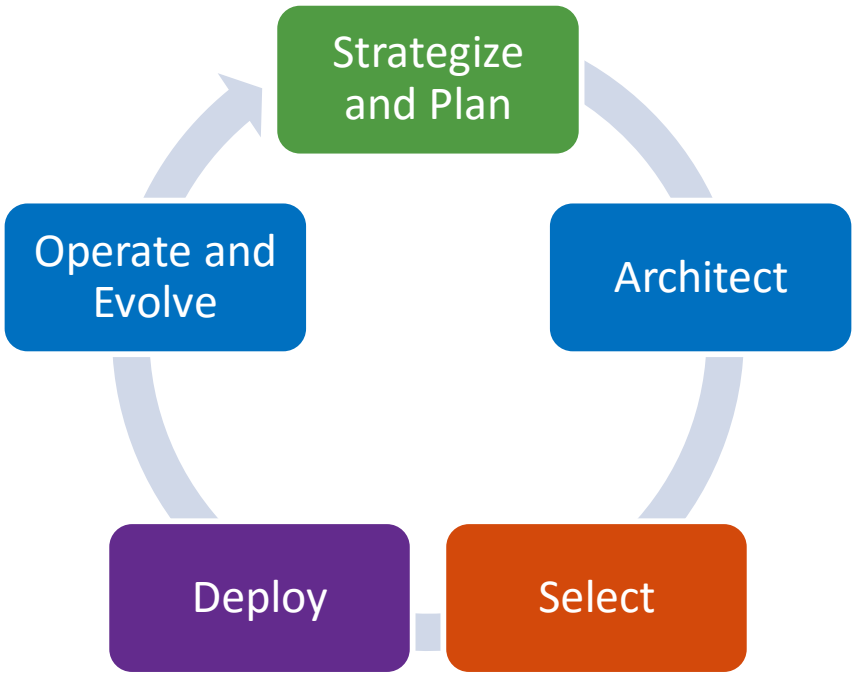

Figure 1 The ERP Life Cycle (Source: Gartner, March 2014)

With the Blueprint process, ***Accelerated Implementation Methodology***^{SM}(AIM) is leveraged. AIM was built on Microsoft's Sure Step methodology and designed to provide the structure and precision required for implementation success.

The remainder of this whitepaper outlines and explains ***Blueprint's 10 Step Process*** for successfully planning an enterprise business software implementation.

Blueprint 10 Step Process

The 10-Step Blueprint process is:

1. Outline strategic business and technical requirements
2. Set priorities and key objectives for the organization based on strategic and economic impact
3. Identify potential risk factors / create a risk mitigation plan
4. Map out business process workflows and areas for improvement
5. Assess the potential business impact of the new system
6. Inventory available resources and capabilities
7. Match project scope to available budget
8. Define specific, measurable success criteria
9. Consult on the key elements of an effective implementation plan and map these elements to the organization
10. Recommend roles and responsibilities within the new solution

We'll expand on each of these steps in the following sections.

Step 1: Outline Business Requirements

Before planning any successful implementation, it is imperative to have a strategic vision. The captain of a ship must know the desired destination before charting a course. The same is true when planning a software implementation. Only after defining the strategy can you begin to gather the business and technical requirements for the project.

When your team comes to agreement on the strategy, it is time to gather business and technical requirements. Requirements are a set of business needs that justify investing in the new solution and determine the scope of the project.

Here are some key efforts of the requirements gathering process:

- Identifying key business drivers and the capabilities that will be critical for success in these areas
- Mapping the required capabilities to current business processes and identifying the gaps
- Surveying the managers responsible for each business area and discovering their key pain points
- Summarizing the gaps in the current workflows and defining the desired processes
- Iterating with senior management as the requirements list is compiled

These efforts are just a few that typically occur at this step of the Blueprint session. We will have a much more thorough discussion about where your company is today, where you want it to be, and what you need to take it there.

Step 2: Set Priorities and Key Objectives

The next step is to set the priorities and key objectives. Setting priorities based on strategic or economic impact ensures that the system is optimized for the most important business processes and shortens the implementation time.

There are many ways to evaluate the impact and value of business processes across the company. The chart below is just one example of how to structure the evaluation, provided by Gartner Group.

During this step, experts collaborate with you to determine the approach that works best for your business.

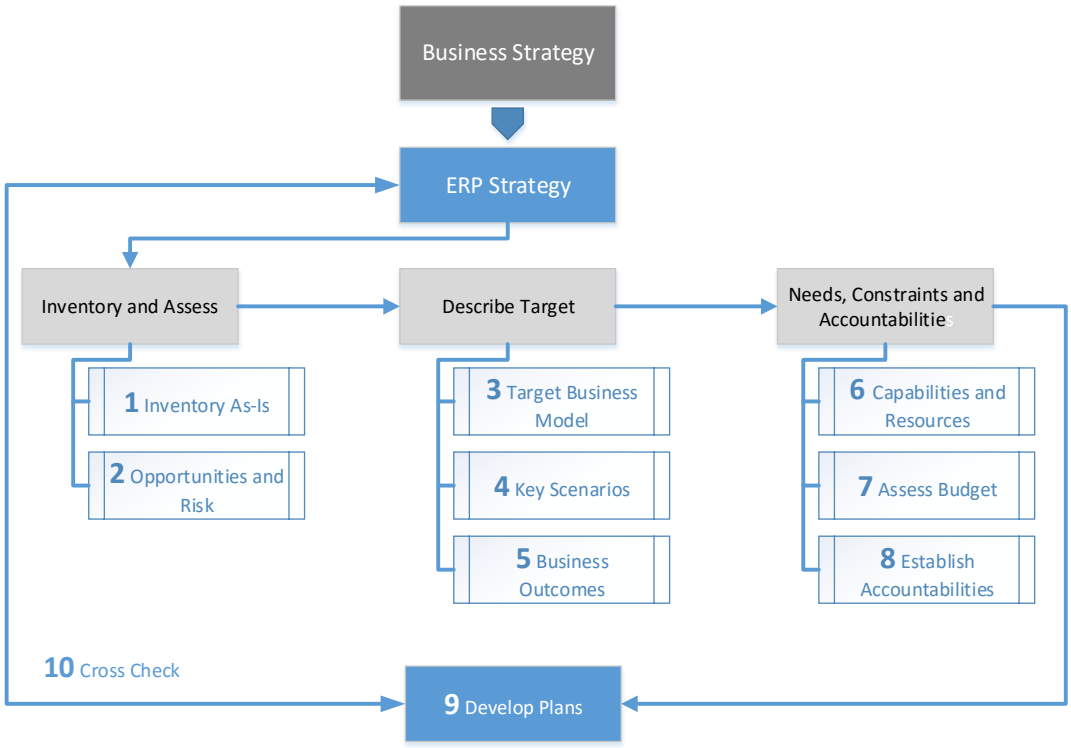

Figure 2 Business Process Evaluation (Source: Gartner, 2010)

Step 3: Identify Risk Factors

In this step, potential risk factors are identified that could have an impact on the success of the implementation. The experts will supplement this effort with a formal risk evaluation that is conducted in a number of ways. Rather than adhering to a one-size-fits-all approach, experts work with you to choose the method that works best for their business. Depending on a number of factors, here are some typical recommendations:

- Surveying functional or business unit managers regarding risks in their areas
- Conducting workshops with stakeholders to identify the broader company risk issues and how they may interact with the new system
- One-on-one interviews with various stakeholders.

Figure 3 Project Risk Management Process (Source: Project Management Professionals, 2012)

When evaluating potential risks, it is important to consider the following:

- Functional areas with consistently poor performance, as these will require additional effort
- Challenges beyond the implementation, such as personnel changes or lack of oversight
- Organizational readiness and change management issues

At the end this step, you will have a high-level risk mitigation plan and will be ready to move forward.

Step 4: Map Business Process Workflows

The focus of this step is to help review the business process workflows currently in place and identify areas for improvement. Some of the key activities include:

- Mapping processes at a high level, rather than getting buried in the details
- Engaging all stakeholders involved in each process
- Thinking about how workflows play out across the entire organization, rather than focusing on individual departments
- Going through each process and sub-process step by step and comparing it to the stated business requirements
- Identifying specific process and technological opportunities for improvement

When this step is complete, you will know which business process workflows will be improved and how those improvements will impact your organization.

Step 5: Assess Business Impact

While a majority of IT initiatives fail for a number of reasons, organizations that prepare for the change by assessing the potential impact before implementation achieve a much higher rate of success. This step is focused on anticipating the impact of a new system on the organization – as a whole – and sharing knowledge about what helps avoid common implementation pitfalls, including:

- Don't start too late! Prepare the company for change as early in the process as possible
- Invest in training to speed adoption of the new system
- Lock in executive sponsorship and involvement throughout the project life cycle
- Formalize and brand the project and identify a project team to promote team spirit
- Engage employees before the system is rolled out and make them part of the transformation
- Create a communication plan for the project to address the questions and concerns across the enterprise

- Put the "What's in it for me?" front and center, as this is the first question most employees have about any project

With the business impact clear and everyone on board with the changes, the project is assured of far greater success.

Step 6: Identify Resources and Capabilities

This step reveals where there are gaps in skills, experience, and resources needed to make the project successful. During this step, experts will work with you to systematically identify the capabilities within the organization and those that need to be developed, supplemented, or completely outsourced. Some of the key areas to be explored during this phase of the Blueprint process include:

- Understanding whether internal resources have the necessary domain expertise
- Learning whether team members have the required operational and process knowledge
- Discovering what technical capabilities are available internally and where there are skills that are more or less mature
- Finding out whether your team is familiar with the new software and whether their skills need to be further developed
- Identifying qualified candidates for key roles, such as executive sponsors, project managers, data analysts, technical leads, etc.
- Understanding what new capabilities you need within the new system and how to allocate the time for those individuals to get up to speed and work on the project

At the end of this step, your team will have a far better idea of where resources are limited and can develop plans to fill in the gaps.

Step 7: Match Scope to Budget

When scoping an implementation project, it is important to understand the business' operating budget so as to identify any potential constraints on capital and determine whether appropriate budget will be available during the project implementation. While the budget should never be the sole dictator of project scope, it is one of the most important factors for success.

If the desired project scope is beyond what the budget can bear, experts will work with you to find ways to match the project plan to the available budget. There are many options for doing this, including developing a phased approach that allows high priority features to be rolled out over time. Another is to include all the desired features of the solution but launch them based on regions or functions over subsequent phases.

Either way, working together, we will create a Blueprint that is successful and works with the available budget.

Step 8: Define Specific and Measurable Success Criteria

Like the well-known saying goes, “what gets measured gets done”. This is no less true for any IT initiative. At this point in the Blueprint process, the desired business outcomes have been identified, but those outcomes have to be quantifiably measurable. For example, if one of the desired outcomes is to streamline business processes, and the operational version of that outcome might be to reduce administrative effort by 10%. Other examples of converting desired business results into tangible, measurable goals include:

- Increasing sales by eliminating “out of stocks” and/or eliminating allocation errors
- Decreasing cost of goods sold through increased visibility into cost factors such as purchase cost, freight, storage costs, etc.
- Increasing cash flow through more efficient procedures, better inventory level management, and cash collections
- Reduce the “days to close” in accounting department by having completely integrated and operational general ledgers

By automating a range of manual processes, and increasing employee efficiencies while providing the right information for effective business intelligence and reporting, your goals can be achieved.

Step 9: Identify Key Elements of an Effective Implementation Plan

Just like an architect needs a blueprint to construct a house, this Blueprint is paramount to the success of any effective business implementation. The process of identifying the right elements to include in the implementation plan involves a number of factors, and these key questions should be asked:

- Is the implementation a complete or phased implementation?
- What is the amount of time employees can dedicate to the project?
- How much disruption can your business can tolerate?
- What is the composition and structure of the project team?
- Can the project can be managed in terms of a calendar timeline?
- What elements of the project are owned by the implementer vs. internally?

At the end of this step, you will have recommendations for an implementation plan with minimal disruption to your business.

Step 10: Determine Roles and Responsibilities

By working with your teams to effectively determine their required job duties and assign responsibilities, we can quickly assess the required effort to help you through the change management needed for a successful business software implementation. Implementation best practice workflows and job roles can be easily rolled out across an organization and the documentation provided to users ensures they can accurately perform their duties within the solution.

How to Get Started

During the Blueprint session, experts collaborate with your teams to walk through all ***10 Steps*** of the process and identify how the software can be implemented to best fit your business. The end result of a Blueprint is a set of recommendations that support optimal business growth and help to ensure implementation success.

At the completion of the Blueprint, organizations can determine the correct evaluation method for their business. The two primary evaluation methods are:

1. **Standard Assessment** – A standard assessment in the traditional way that organizations have selected an implementation partner. Organizations will generally identify two or three key providers that they believe will address their business requirements. Upon identifying these organizations they will have the Partners conduct service presentations on why their solution is a great fit. At the completion of this, an organization will make a partner and/or product selection.
2. **Proof of Concept** – A new way to select a solution and partner is to conduct an organized Proof of Concept. In an effort to minimize the uncertainty surrounding this decision, many organizations have begun conducting a Proof of Concept (POC) process prior to making a final partner selection. The POC involves an investment of time, resources and capital to ensure it is conducted appropriately. Upon completion of the POC a business is in a position to make a much more informed decision.

To get started:

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I.B.I.S., Inc. Blueprint℠ Session!

+1 770.882.0100

About the Author

Kevin Johnson

Kevin Johnson is the Chief Operating Officer for I.B.I.S., Inc. focusing on the Microsoft Dynamics® AX Practice. Kevin comes to I.B.I.S., Inc. with over twenty years of experience, including consulting management, enterprise resource planning and supply chain strategy development. Kevin also brings a depth of experience leading Dynamics AX implementations across multiple industries including Distribution, Manufacturing, Food and Beverage, and Pharmaceuticals.

Over the years, Kevin has served in various consulting and leadership roles, including Practice Director, Project Manager, and Financial Consultant. Over the past 10 years, he has focused exclusively on leading Dynamics AX practices within the United States and Canada and has managed a broad range of projects encompassing Financials, Customer Service, Supply Chain Planning, Production, Purchasing and Warehousing. He also holds several Microsoft AX2012 certifications as well as a CPA certificate from the state of Virginia.

About I.B.I.S., Inc.

Founded in 1989, I.B.I.S., Inc. a Sonata Software Company, provides digital transformation for distributors, manufacturers and retailers. Through a Strategic Developer Partner relationship with Microsoft, I.B.I.S. provides world-class solutions for enterprise resource planning (ERP), customer relationship management (CRM), business intelligence (BI), and application development. I.B.I.S. specialties include Microsoft Dynamics® AX and CRM solutions focused on supply chain needs.

I.B.I.S., Inc. is a two-time winner of Microsoft Dynamics® Outstanding Partner of the United States Award, a Worldwide Finalist for the Microsoft Dynamics® AX Partner of the Year, Microsoft Dynamics® 2015 Distribution Partner of the Year in the United States, a Microsoft Partner with Four Gold Competencies (ERP, CRM, Business Intelligence, Application Development), and a ten-time Microsoft Dynamics® Inner Circle Partner. In addition, I.B.I.S., Inc. is among the very select few companies that are Microsoft Dynamics® Global Independent Software Vendors for Dynamics AX and CRM.

About Advanced Supply Chain Software™

Advanced Supply Chain Software™ powered by I.B.I.S., Inc. is the leading supply chain management solution for distributors and manufacturers who want to optimize their supply chains for profitability. Fully embedded in Microsoft Dynamics® AX and designed in partnership with industry and supply chain experts, Advanced Supply Chain Software™ is uniquely suited for the supply chain challenges of a new generation.