

Talking Business
from
SFRD Services

Your **big** project
Avoid the **mistakes** of others
Part 12
Implement

This is where the 'rubber hits the road'

- **Implementation**
- **Go-live**
- **Launch day, etc.**
- **Call it what you want** as this is the moment when all your months of work turn into reality
- **If you've done everything properly** it should be a great success; **but if you haven't.....**

..... **this is where the messy stuff hits the fan**

It is unlikely that everything will be perfect.....

- If you have done the job properly the flaws should be minor
- You will be able to transact normally with your customers
- You will retain your business
- Your staff will be able to work reasonably normal hours
- You'll be able to sleep at night!

Big Bang or phased roll out

- **Big Bang is macho**
 - If your business is relatively small / based at only one location, then 'Big Bang' is the only option
- A business with multiple locations has the luxury of a phased roll out:
 - Allows you to **stop if things are going wrong**
 - Allows you to **measure progress** as you go along
 - Allows you to **introduce new functionality in a phased way**
- **The choice is yours.....**

SAP for OTC systems – 1996 to 1998

- For: global chemical company with large customer base

Purpose:

- Replace existing outdated and ‘Millennium Bug’ prone systems with new solution

The solution:

- Implementation of SAP for all ‘Order to Cash’ systems and sales reporting through SAP SIS tables
- Retained existing mainframe and core database systems in light of issues elsewhere

Good:

- One of the best projects I have ever worked on – long, hard but a success
- Improved the customer experience

Issue:

- Not able to invoice for the first couple of days due to an interface issue

Why was that project a success

- It had the right team – all real experts
- Highly motivated to get it right
- Management allowed the team to get on with the job – removed roadblocks
- Followed the process as laid out on day 1
- Delivered on budget and on time
- Enabled the business to reach the improvement goals it had set

SAP For OTC systems – US – 2002

- For: global chemical company with large customer base

Purpose:

- Move from legacy system to SAP

The solution:

- Implement SAP template as developed in other successful implementations and in line with global best practice

Bad:

- Project team not interested in the global angle so did not consult with those who went before
- Changes made with no regard to effect on other businesses
- Fundamental change to pricing caused chaos
- Didn't stop rolling out when catastrophe struck

Why was this a disastrous implementation

- Lack of understanding
- Believed they knew it all and didn't need help
- Made radical changes to the way they operated – e.g. pricing
- Didn't use system features in the way they were designed to be used
- Kept rolling out even though they knew they had a disaster

SAP for OTC systems – South Africa – 2005 to 2008

- For: global chemicals company

Purpose:

- Replacement of obsolete IT system

The solution:

- Implementation of existing, proven, global template in the business

Good:

- The system worked

Bad:

- Most of it
- The business didn't follow global guidance
- The business didn't understand the changes in business practice needed to implement the system
- Running a price increase during go-live

Why was it such a disaster?

- Implementation was delayed a number of times and they reached 'now or never'
- Quality of staff – some brilliant others a complete waste of space
- Did not understand that SAP was an integrated system:
 - Not a batch process
 - A 'day's work in a day'
- Wasted time and resources developing functionality that was not needed
- Customer service 'fell off a cliff' – competitors had a 'field day'!

Global SAP Template – implementation Country B - 2012

- Large industrial supply company

Purpose:

- Implement the SAP global template to replace an old local system

Good:

- It exposed many of the issues in the business that had been hidden by the legacy systems

Bad:

- Failure to capitalise on the functionality brought by the new system
- Lack of appreciation of the changes required to existing processes
- Training
- Complex tax requirements
- Local IT team ignoring global instructions
- They didn't believe me when I compared them to the Titanic!

Another disaster.....

- Where do I start?
- Didn't understand the way business operates.....
 - Processes, pricing, products, how to supply customers, the system....
 - Training was too little, too late
 - Data loads created errors as they were not done as specified
 - Believed they were a 'special case'
- IT Director said 'we have given them a technically correct system, IT is not responsible if they can't use it'

Global SAP Template – implementation Country D - 2015

- Large industrial supply company

Purpose:

- Implement the SAP global template to replace a local system

Bad:

- Failure to capitalise on the functionality brought by the new system
- Lack of appreciation of the changes required to existing processes – no one told us that SAP is complex!
- Training seen as optional
- Regional business team comprehension of the system and commitment to making it work
- Weak project process

And again

- A great business brought to it's knees
- Another 'special case'
- Unwilling to follow global best practice
- Didn't appreciate that SAP is complex
- Project management by JFDI
- CEO said 'the first company he was with that implemented SAP couldn't trade for some weeks.....'

If you've taken short cuts....

- Things will go wrong
- You'll have **sleepless nights**
- Your **competitors will love you**
- Your **customers will leave**
- Your **business will lose money**
- It might even close or be sold off.....

If you have a disaster on your hands...

- It will be **obvious very early on**
- The brave thing is to stop your implementation
 - **Big Bang** – may have to unroll everything since go-live and go back to the legacy system
 - **Phased roll-out** – stop any further roll outs, deal with the customers who are affected
- Find the faults and repair them
- **Be honest with everyone** and try to **repair the damage to your reputation!**

So how do I know if it is working properly?

- The **atmosphere in the office / on your site**
- The **reports that you're running** to check every aspect of how the system is running
- You need to **correct any errors before your customers notice!**

Publish

- **Don't hide the information** you're getting from your reporting – tell your team
- **Ask for 'war stories'** from your staff and publish them
- **Actively seek a view from your customers**

Don't celebrate too soon:

- Get the first month's invoices paid
- Understand the progress the company has made
- Then allow yourself a pat on the back.

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