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10 Common Enterprise Resource Planning (ERP) Implementation Mistakes to Avoid

Analysts have found that roughly 25 - 50% of ERP projects fail, and approximately half of all projects are considered challenging.

These are some pretty sobering statistics. Maybe they are even strong enough to make you reconsider the undertaking. Sure, ERP implementations can be "challenging," but when they are done skillfully — with proven experience — the business outcomes are truly transformative. That's why choosing the right implementation partner is probably the second most important decision you will make, after choosing the ERP system itself. Next-Gen partners can put you on the path to success more quickly, reducing your time to value, ensuring higher adoption rates and preventing you from making these 10 common mistakes.

1. Investing without research and a strategy

Many companies fail to identify crucial issues with their manual, legacy processes before migrating to a new ERP solution. Business-critical issues must be identified and addressed well in advance to ensure results align with business strategies. Solutions like those from SAP offer tremendous flexibility to shift in step with fast-changing business dynamics across the enterprise.

Best Practice: **Map out your goals and determine the features your organization needs ahead of your ERP investment so that adjustments can be made to outdated, inefficient and complex processes rather than simply moving them onto a new platform.**

2. Setting an unrealistic timeline

When you're ready to make a change for the better, it's natural to want it now. However, successful ERP implementation takes time. ERP systems are complex, and it is necessary to have proper expectation management and form a schedule that delineates your team's time commitment.

Best Practice: **Adopt an agile process with end-user involvement at every step to determine requirements, test, find gaps and then repeat. Set proper timeline expectations.**

3. Trying to digitize legacy processes

Clinging to legacy practices stifles innovation, which can lead to potential competitive disadvantages. Stay away from re-implementing legacy business processes in your new ERP system. SAP solutions offer the greatest flexibility to reimagine, streamline and automate workflows in new ways you may not have thought possible.

Best Practice: **Be open to new, and probably better, ways of doing things. Look critically and objectively at your current business processes and how you can automate them. Hitachi Vantara can help you identify new opportunities to be more efficient and drive transformation.**

4. Deciding to bypass training and change management

Business transformation through ERP will not take place without effectively managing change across three key organization areas: people, process and technology. From your employees' perspective, a new ERP system means change and a learning curve. All too often, organizations look only at IT technology to unify, streamline and simplify business operations. The "people factor" needs as much careful consideration as other areas.

Best Practice: **Ignoring training and change management results in lower user adoption and ultimately lower ROI from business transformation. Make sure they understand how to use your new software and become familiar with it before go-live.**

5. Using bad data

ERP software aggregates data from your entire organization, improving visibility into your operations and helping you make intelligent decisions. Incomplete or inaccurate data, however, won't give you a true picture of your business or provide value in decision making.

Best Practice: **Ensuring data integrity needs to be a part of your plan. Because SAP can integrate data from disparate systems, you are assured deeper and greater insight across the enterprise.**

6. Skipping load testing

Running functional testing is never enough. Just because your system passes at the testing level, does not mean that it can work equally well under heavy usage. Skipping this practice can create greater harm than taking that extra step to ensure optimal performance.

Best Practice: **Before going live, you should test your ERP software by simulating the highest-possible real-life load on the system. Load testing can help you identify issues that can impact performance – and allow you to address them before you go live.**

7. Not weighing the pros and cons of on-premises vs. cloud-based ERP

You don't have to deploy and maintain ERP software using internal hardware and resources. SAP Cloud gives you the option to minimize the amount of hardware on-site, reduce the maintenance burden on in-house IT, keep dispersed or remote teams connected, and scale more easily.

Best Practice: **Weigh all available options before you invest. Rely on Hitachi Vantara to help you explore new cloud possibilities and the impact that can have on your business.**

8. Not having a maintenance plan

Work doesn't stop when your ERP system goes live. It is important for businesses to implement a maintenance strategy. A formal plan ensures that users understand how to maintain and improve the ERP system on a regular basis so that it doesn't become outdated or obsolete.

Best Practice: **Having a set plan ensures that the ERP system is always running smoothly and is up to date with the latest applications to manage any security issues and holes in the business processes.**

9. Not choosing an industry-specific solution

When choosing an ERP solution, executives often overlook the fact that a good systems integrator can support specific industries with specialized needs. Your SI may provide more industry-specific features and software customization, which may be a better fit for your business.

Best Practice: **While you plan your ERP modernization strategy, take a holistic view. Look for an implementation partner that understands your business and can help you optimize processes common to your industry.**

10. Approaching ERP implementation like any other IT project

This ERP mistake may be the most detrimental of all. You aren't upgrading mobile devices or changing apps. You are implementing a system that will impact every part of your business and your team.

Best Practice: **Involve your entire team by asking for their input, keeping them informed, and sharing your goals for ERP implementation – including making their jobs easier.**

With over 1000+ successful SAP project implementation in 22 years, you can trust our expertise to take care of your end-to-end ERP needs.

SAP partner Hitachi Vantara is an expert in helping you find the right ERP software for your business, successfully implementing it, and ensuring user adoption and ongoing success. To learn more, contact Hitachi Vantara.

We Are Hitachi Vantara

We guide our customers from what's now to what's next by solving their digital challenges. Working alongside each customer, we apply our unmatched industrial and digital capabilities to their data and applications to benefit both business and society.

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CL-034-A BTD September 2020