

EXPLORING THE FULL LIFE CYCLE OF ERP MODERNIZATION: STRATEGIC PLANNING TO POST GO-LIVE OPTIMIZATION

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Blueprint for ERP success

Seven priorities to guide a high-impact ERP transformation



ERP implementation pitfalls to avoid

- *Leadership fragmentation across departments*
- *Skipping stakeholder engagement and change planning*
- *Underestimating data quality and conversion complexity*
- *Neglecting security and internal controls*
- *Treating UAT as a checkbox exercise*
- *Failure to plan for post-go-live support*
- *Overlooking reporting needs*

Program Management and Governance

Defining the Overall Program Governance Structure

Establish an Executive Steering Committee who will:

- Include Operations, IT, Corporate Functions and Implementation Vendors.
- Oversee critical governance functions.
- Define clear oversight areas, decision rights, and monitoring responsibilities.
- Set a regular meeting cadence to track progress and key metrics.
- Review and approve scope or resourcing changes.



Establish a Program Management Office

Establish a Program Management Office (PMO) led by an experienced program manager with supporting project managers.

- Define clear roles, responsibilities, and reporting structures, including vendor project managers.
- Ownership of the integrated program plan, risk management, and change control.
- Reports to the executive steering committee with authority to secure resources and remove roadblocks.



Identify Resourcing by Project Stage

Identify resource needs by project phase upfront, as different stages require different participants.

- Engage finance and operations data owners during data conversion activities.
- Assign champions or early adopters to support User Acceptance Testing (UAT).
- Leverage subject matter experts (SMEs) for targeted tasks (e.g., process design, data cleansing, validation, training content).
- Ensure backfill or coverage plans are in place for routine responsibilities during the implementation.



Establish Risk Monitoring and Communication Structure

Develop a Risk Scorecard Process that includes:

- A methodology for regular/continual assessment of risk factors and risk mitigation efforts.
- Embedding risk management across all functional areas within the program (e.g. UAT, data validation, etc.)



Defining a Program Status Communication Structure

Maintain a single source of truth program status view..

- Include Operations, IT, Corporate Functions and Implementation Vendors to provide management with a clear view of the project health.



Solution Design and Business Process Readiness

The Solution Design phase is foundational to the ERP Program and guides all subsequent phases.

Strategic Goal Alignment

- Align ERP solution design with the organization's strategic goals and parallel initiatives.
- Assess how the ERP implementation integrates with other enterprise programs during solution design.
- Identify opportunities to create synergies across initiatives.
- Consider emerging strategies (e.g., AI initiatives) when designing the ERP solution.

Develop Process Models

The process models represent the conceptual representation of processes and should identify:

- Which activities will be automated, and by what modules, systems or AI components?
- Which activities will require human interaction with the system, and which roles will be responsible for them (who will do them)?
- What system hand-offs will be necessary to integrate an end-to-end set of transaction cycles?

Document Business Rules

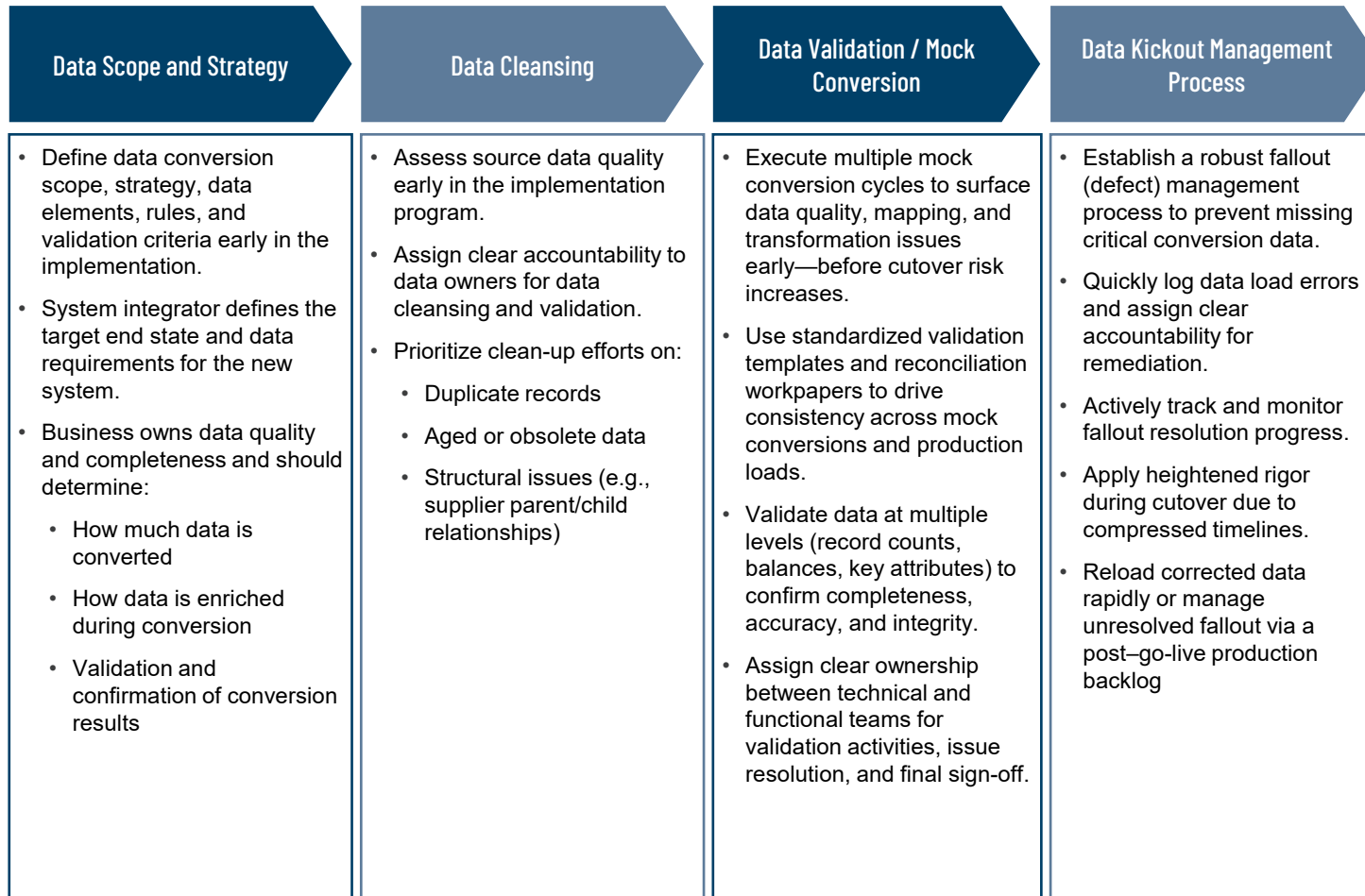
- Document key business rules governing processes (e.g., pricing, cost allocation, tax calculation) governing the documented process models.
- Define data attribute requirements and event triggers for integrations with other systems.
- Identify and document contingencies and exception workflows.
- Assign roles and accountability for issue resolution when exceptions or failures occur.

Benefits of solution design

- *Ensures the System Integrator "SI" is building the system according to management's vision.*
- *The system can be specifically validated as envisioned.*
- *User's will be familiar with the future-state target operating model.*
- *Serves as a reference for evaluating the technical designs produced by the SI.*
- *Guides testing plans and applicable documentation can be leveraged for system training purposes.*

Data Conversion and Governance

An essential but often overlooked activity is converting master, reference and transactional data into the eventual production environment. In an integrated modern ERP system, there is particular dependence on a clean chart of accounts and accurate supplier, customer and item masters.



Data conversion pitfalls to avoid

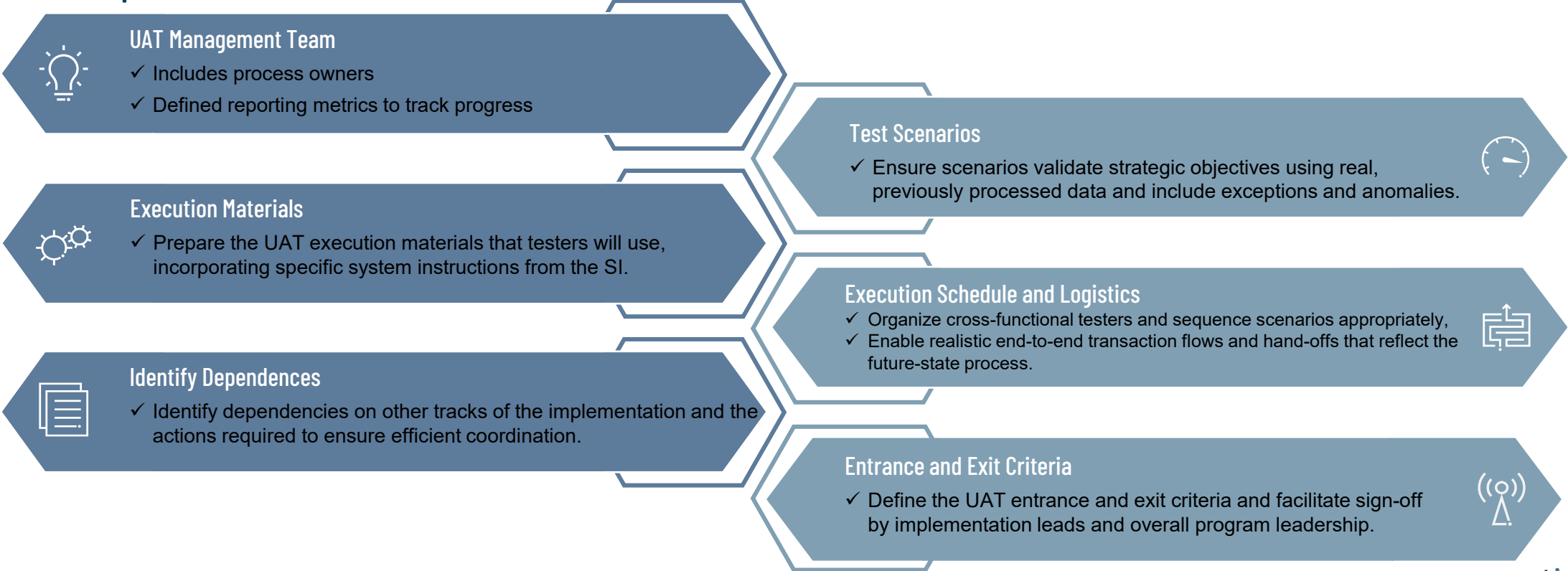
- Underestimating resource needs to complete data conversion activities.*
- Neglecting data cleansing activities.*
- Insufficient or unrealistic data available for UAT, undermining testing effectiveness.*
- Over-reliance on system integrators, who typically only load data rather than design, cleanse, or govern it.*
- Lack of business ownership for data design, mapping, enrichment, cleansing, and governance.*

User Acceptance Testing (UAT)

The purpose of UAT is to test business processes end-to-end after system configuration is complete. A focused UAT phase helps ensure the implemented system design can support the business effectively post go-live.

Effective UAT starts at the solution design stage. When UAT is not grounded in solution design, testing becomes disjointed and does not provide business process owners with sufficient end-to-end validation.

Critical Steps in UAT:



Organizational Change Enablement

Change enablement extends well beyond the traditional communications and training aspects that systems integrators may bring.

A comprehensive change enablement plan should include:

- Analysis of the impact on individual stakeholder groups early in the project life cycle.
- Development of strategies to address barriers/resistance and ensure effective adoption.
- Identifying representative change champions from each function who will help carry the banner for the future state and assist those struggling with the transitions.
- Outline of how the critical process changes will be adopted by the organization.
- Development of policies and procedures and definition of the roles and responsibilities of individuals across the organization.
- Definition of metrics for measuring adoption and its success.
- Development of a communication and training strategy.
- Periodic assessment of stakeholders' concerns and commitment to changes.
- A plan for a functional post-go-live support to see what is working (effective adoption), and for identifying remaining optimization opportunities.
- A plan to monitor user adoption and process efficiency once the new system goes live.

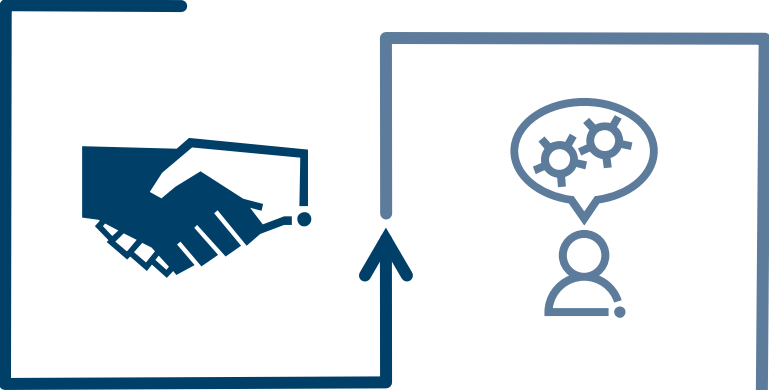


Security and Internal Control Compliance

Security and compliance workstreams should be part of any ERP implementation, particularly for public companies or those with external reporting responsibilities.

Enterprise Security and Internal Control Strategy

- ✓ Role-based security architecture.
- ✓ ITGC and Business Controls Framework
- ✓ Data Privacy and Protection
- ✓ Regulatory Compliance



Business Process Design Documents

- ✓ Security and controls SME participation in design workshops.
- ✓ Signoff on Final Design Documents from security / control owners.

Security Operating Policies and Procedures

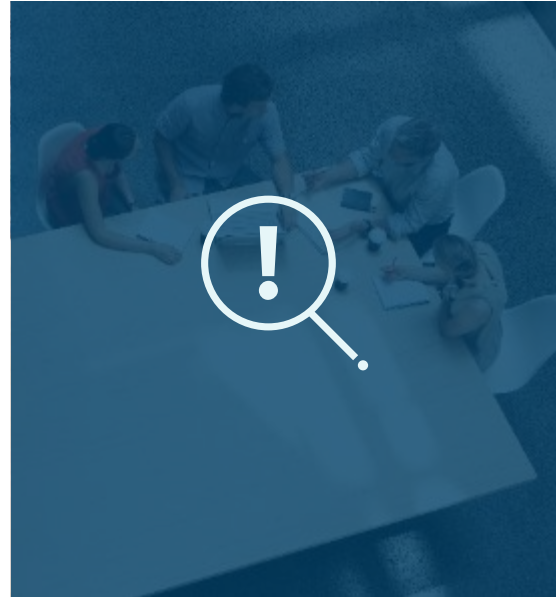
- ✓ Detailed Procedures for Post Go-Live Security Administration for both Production and Non-Production environments (e.g. role changes, user access and emergency access management, etc.)

Integrate Security and Controls into Testing Plan

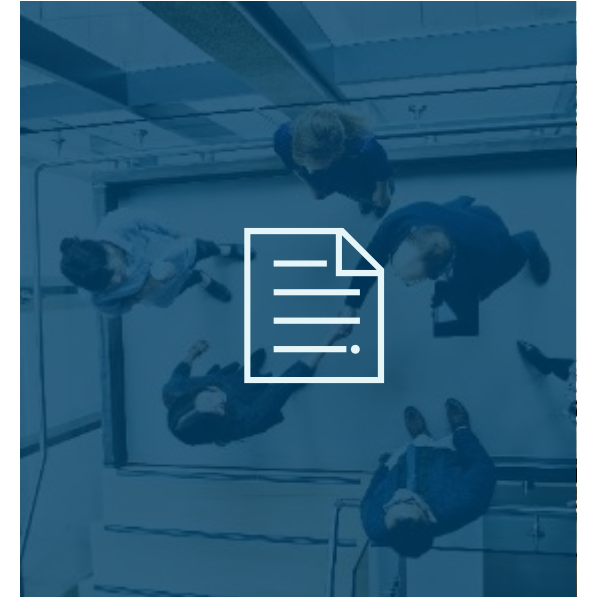
- ✓ Confirmed agreed-to controls are configured correctly (i.e. 3-way match, etc.).
- ✓ Confirm testers are using security that resembles production security.
- ✓ Review security roles for Segregation of Duties or Sensitive Access.

Analytics and Artificial Intelligence

Understand and educate stakeholders on opportunities afforded by the ERP platform and related technologies.



Curate a list to prioritize and designate specific reports and dashboards to enter the development workstream at go-live.



Set up an ongoing process to gather ideas / requirements for analytics and intelligence use cases.



Review and validate the overall architecture and the tools or technologies in place to serve current business needs and meet new ones.



THANK YOU

Let us know how we can help.