

## **ERP CONSULTANTS & VENDORS**

### **Data Migration**

Data migration is the process of moving required volume of data from existing systems to new systems. Data migration encompasses all the necessary steps to cleanse, correct and move data into a new system. Technological changes, change in providers, software updates or data warehousing/data mining projects make such delicate and critical operations necessary. A good data migration should allow one to:

**Reduce risk:** Data being an organization's most critical business asset, it is essential that any manipulation be carried out without any disruption to achieve maximum flexibility and quality.

**Lower operational expenses:** Data migration is a one-off activity triggered by certain circumstances. The data migration tool or solution reinforces the organization's resources which can remain focused on its ongoing continuous core activities.

**Improve data quality:** The cleansing and correction solutions ensure perfect data integrity after it has been migrated. From a user and development perspective, the migrated data results are completely optimized.

### 3.1 **Planning Evaluation and Selection of ERP systems:**

For most enterprises, the decision to implement ERP functionalities will require buying a software package from one of the more popular vendors on ERP market like SAP and Oracle.

Evaluating and selecting an ERP system can be a very complex process on the other hand, but it should be a 'fact-based' process that will bring the enterprise to the point where comfortable & well-informed decisions can be made.

To adopt a thorough evaluation and evaluation process before adopting any ERP solution. They are

- ☐ Planning
- ☐ RFP
- ☐ Solution
- ☐ Evaluation
- ☐ Negotiation
- ☐ Selection and Agreement

### ☐ **ERP Software & Hardware (Solution) Evaluation and Selection Steps**

- ☐ Define Requirements
- ☐ Shop Round for Product
- ☐ Clarify Requirements
- ☐ Evaluation Vendor
- ☐ Inquiry Interact with Vendors
- ☐ Negotiate Agreement Action Agreement

**Define business case/need and spell-out required values.**

- ☐ Be specific. Ensure the business sponsor is willing to push through business case for change.
- ☐ Look round the market for what product is available. Identify vendors that operates and their general approaches to technologies the take. Discuss with others in the same industry as you are etc.
- ☐ Clarify your requirements and be sure of what you are looking for in line with you business case. Refine requirements if possible and be specific too.
- ☐ Find out what product is looking promising in line with the business need and from which vendor. Identify which vendor and their products and invite interesting ones for demo etc. Request for proposal (RFP).

- Invite each shortlisted vendor over for a chat and find out more about the product. List out expectations based heavily on business requirements.
- At this point evaluate this approach. Can you afford to change your current process? Can you afford the change the new product will bring and many more?
- Initiate Negotiation for the selected product with the selected vendor. Agree on who does what, when are they to be done. Negotiate deliverables, timelines, cost & payments schedules and terms, support inclusive.
- Review all legal terms, finalise the contract and select product for onward implementation.
- Alignment of business requirement to what the software/hardware can provide. This is the core of the whole exercise else stop the evaluation.
- Evaluate the product capabilities in line with the business requirement. Evaluate the impact of this product on the business requirement.

Fig. 2: Detailed flowchart for ERP Software, Hardware Evaluation and Selection Processes Analyse Gaps For effective ERP Solution evaluation and selection process, the above steps are categorised into 5 phases as explained below;

### **Stage 1 - Plan Requirement**

- *Business need is defined, along with areas in business that required technical approach.*
- *Develop a specific business case with business value for a solution.*
- *Ensure that the project sponsor is willing to articulate the business case*

*for change.*

- ☐ *Identify vendors that operate in the line of products you are looking for.*
- ☐ *Get familiar with the software and hardware infrastructure presence for the solution seeking.*
- ☐ *Get general view of investment needed, considering software, hardware, other related infrastructure and ongoing support.*
- ☐ *Based on the survey, evaluate the organisation readiness for the investment and decide whether to continue or not.*
- ☐ *Now define priorities under "must-have" and "nice-to-have" accordingly.*

## **Stage 2 - Request for Proposals (RFP)**

- ☐ *Shortlist interesting vendor based on the outcome of market survey for products. Invite interesting vendors for interaction/demonstration of their products.*
- ☐ *Collects facts/functionalities in line with the business need from various products demonstrations for the developments of unbiased RFP for vendors.*
- ☐ *Set-up a neutral body to develop RFP using all facts gathered during products demonstration aligned to the business requirements.*
- ☐ *Distribute out RFP that addresses the vendor as a company and the products they offer.*
- ☐ *Generate basic expectations from an ideal proposal in line with the business need for onward selection of the ideal software vendor.*

### **Stage 3 - Solution Evaluation**

- ☐ *Identify and prioritise remaining gaps between software capabilities as demonstrated and business requirements.*
- ☐ *Identify how the gaps will be bridge in terms of configuration, configuration, process change or combination of all these.*
- ☐ *If the gaps can be bridge consider reengineering of those affected business processes affected and continue with the evaluation.*

### **Stage 4 - Contract Negotiation**

- ☐ *Negotiate with each vendor.*
- ☐ *Establish software, hardware and other infrastructure agreement requirements, which include version, components, maintenance and support. Also negotiate participation in user groups, license costs, maintenance fees and many others.*
- ☐ *Establish service provider agreement which also include deliverables, timelines, resources, costs and payment schedules.*
- ☐ *Establish other legal requirements.*

### **Stage 5 - Selection and Agreement**

- ☐ *Upon successful negotiation with the right vendor;*
- ☐ *Review all legal terms on privacy protection, operation guidance and data manipulation etc. Approve agreements with the selected vendors.*
- ☐ *Agree on implementation plan.*