Tips and Tricks for How to Accelerate ROI for Your Cloud ERP Investment

A cloud-based enterprise resource planning (ERP) solution can provide your business with a wealth of benefits. It can streamline your business processes, improve productivity, reduce redundancies, improve customer retention, increase your profits, and provide invaluable reporting to inform your business strategies. With all your information in the cloud, everyone accesses the same information in real-time, meaning that everyone across all locations has a single source of truth. All your information is accessible whenever and wherever you need it. That's a lot of benefits a system can offer - but how do you get it right?

Many businesses see a significant return on investment (ROI) from their cloud-based ERP implementation over time. In our experience as a system implementor over the last 17 years, we have found that companies not only see an increase in their ROI in the short-term with efficiencies and productivity, but their ROI continues to improve over time as they familiarize themselves with the systems, find new features, and further customize their system to take full advantage of their ERP solution. Whether you are just starting to think about moving to an ERP solution, are in the planning stages, or have actively begun working on your implementation, here are some tips and tricks for how to accelerate your ROI from your cloud ERP investment.

1) Make sure the cloud-based ERP solution you're looking at is right for your business and your industry

Cloud-based ERP solutions are ideal for small-to-medium businesses because they eliminate the need for on-premise systems that require hardware, maintenance, and additional IT support staff. With a cloud-based ERP system, your ERP software provider handles the hardware and maintenance details, keeping your capital costs low and also increasing the speed of implementation. There is no waiting time to set up hardware, so you and your ERP provider can get to work on your implementation as soon as you've provisioned the software licenses.

However, not all cloud-based ERP solutions are created equal. When doing your initial research, make sure to keep in mind what your business truly needs, what the requirements of your industry are, and what your short-term and long-term goals are. While many cloud-based ERP solutions can be customized to fit your needs, some have far more standard "out-of-the-box" features that may meet your initial needs right out of the gate, such as intercompany transactions, multi currencies, strong procure to pay processing, inventory planning, and MRP and MES integration capabilities, as well as many more that are found in the details of day-to-day functions. Including your line of business owners in your selection committee will help to ensure that you fully understand these needs and capitalize on these features. This can decrease the amount of customization that you need and, in turn, decrease the time needed to get your implementation up and running.

2) Plan carefully and identify your needs ahead of time.

A successful ERP implementation requires careful planning. Although it can be tempting to jump right in to try and make things happen more quickly, the time you spend researching and planning will give you a faster, smoother, and more

effective implementation. Having a solid understanding of your needs, business objectives, and goals are critical for a streamlined and efficient ERP implementation. Every company is unique and requires some degree of customization. Customization is a significant factor in the time needed to implement your cloud-based ERP system, so having your requirements clear at the outset will help to provide clear and accurate time and cost estimations.

An essential part of planning is talking to your team to see where their pain points are, what would improve their productivity and workflow, and what their "wish list" is for ways to improve the system. For example:

- Do they have to duplicate their effort to complete work?
- What tasks take them the most time?
- Are there manual tasks that could be automated?
- Do they need better reporting or more accessible data?
- How would they prioritize these issues?

Talking to the people who use the system every day is key to understanding how to maximize your ERP system and make it as efficient and effective as possible. Addressing these issues ensures that you are tackling critical productivity and user-experience challenges, which will accelerate adoption and, in turn, accelerate your ROI for your cloud ERP investment.

It is also important to plan for the time and effort needed by your staff for the implementation project to ensure that they have enough time to focus their attention to guarantee a seamless and on-time implementation. This might mean blocking off some of the team members' time to dedicate specifically to the project or backfilling some of their regular duties so that they can properly focus on the project.

3) Get your team's buy-in early on.

Don't underestimate the importance of people in your implementation. A lack of communication is a leading cause of ERP implementation failure. Make sure to gather as much information as you can from your team early on about what needs and desires they have for their work that could improve with a robust ERP system. This will help you to make a better decision about what you need in your ERP implementation, and it also encourages your team to be part of the implementation process by securing their buy-in to a project that they know will benefit them.

If you don't consult with your team, the ERP system that you plan to implement may not serve their needs or might even make their jobs more complicated with additional unnecessary processes. Likewise, if your team is not aware of the need for the changes or how the system will ultimately benefit them, they may be hesitant to change (or even hostile to change without transparent communication and planning). Discussing and demonstrating in advance how the new system can improve productivity, resolve pain points, provide better reporting and analytics, save money, and increase customer satisfaction will gain much more support and enthusiasm from your team for the implementation.

When your team is excited about the change, they will help to plan it to maximize its effectiveness, adapt and acclimate to the new system more quickly, and encourage others in the organization to do so, as well. It is crucial that they see the benefits of the new system and not see it as a new mandate to overcome. The more quickly the team can come up to speed on the new system and begin using it in earnest, the faster your ROI on your investment will be.

4) Have a primary contact in your organization to be the project's champion.

Streamline and accelerate your project by having a champion to be the point of contact for the implementation project. This person should be the point of contact for communications, available to troubleshoot problems, and maintain the schedule of the implementation. Enabling this resource creates a streamlined and efficient project and helps keep things on schedule.

Your champion should be someone who values the importance of the project and sees the value of the ERP system in terms of short-term improvements as well as its importance in achieving long-term strategic goals. Having an internal point of contact working with your solution provider will also provide invaluable insight into your business needs and processes to get things up and running more quickly and accurately.

---

5) Don't forget to invest in ongoing training and documentation.

Even if you meticulously planned and implemented your cloud-based ERP solution, it will still fail if people don't know how to use it effectively. It is important to allot time and resources to training, communication plans, and documentation to help your team gain all the benefits that the new cloud-based ERP system provides.

There will be a period of adjustment and a learning curve, as employees learn how to use and navigate new systems and new processes. If you have involved your team from the beginning to get their input and addressed their pain points as part of the implementation, this adjustment will take less effort since it will be greeted with enthusiasm instead of resistance. They will see the potential the new system has to improve their work, make them more productive, and even free them up to work on other important tasks because of new efficiencies.

Training should occur during the implementation, after the implementation, and on an ongoing basis. In addition to initial training to bring everyone up to speed, ongoing training will help your team maximize how they are using the system to reap the full benefits of the power of a cloud-based ERP system. Supporting documentation will also speed up the adoption of the system, as well as increase your team's satisfaction with being able to complete their work faster and minimizing any frustration with a new system and processes. Initial training and documentation will accelerate your ROI and improve your team's experience with the new implementation. Ongoing training will continue to improve your ROI as it helps your team to reap the full benefits of a cloud-based ERP system. Maintaining your relationship with your implementation partner is key to reaping the full benefits of your ERP system after the original implementation is complete. Once your system is up and running, they can help you continue to find ways to improve and accelerate your ROI through ongoing optimization, including system integrations, SDK customizations, and automations. They can also keep you apprised of new features and how you can leverage them to constantly improve and gain more ROI from your technology investment. This helps you to move from simply managing your day-to-day to gaining the big efficiencies that will truly help you to grow and scale your business for the future.

CTA:
Want to learn more about building value and accelerating ROI for a cloud ERP investment? VistaVu can help you assess, plan, and implement an SAP ERP solution.