Complex ERP recovery and implementation

CHALLENGE

A significant investment for the implementation of TechnologyOne was made by an award-winning, not-for-profit aged care service provider in Australia. The aim of the project was to optimise and streamline the finance, human resources, payroll, and procurement systems. However, the project, which commenced in March 2019, and was originally scheduled to conclude by June 2021, encountered significant setbacks in meeting business requirements and achieving the expected return on investment.

Exent was brought in to assess the current state of the project, to set up robust governance structures, deliver the remaining systems functionality, and realise much needed business benefits for our client.

> Exent's assessment revealed 90% of the project budget had been exhausted, with 100% of the duration consumed and, critically, only 34% of the promised ERP functionality had been assessed as effective and fully implemented, representing a major gap.

Unfortunately, despite the sizeable investment, the project had thus far failed to deliver any notable benefits or return on investment to the organisation and needed immediate intervention. In response to the urgent need to turnaround this project, Exent quickly set to work on corrective action. Under the guidance of an experienced project team, robust governance structures were created, including transparent executive-level reporting, risk identification and mitigation strategies, optimised resource planning, while a realistic and achievable roadmap for successful project completion was re-baselined.

APPROACH

> ERP implementations are high-risk, large-capital, complex exercises that can bring significant disruption to business operations. Such projects usually bring large teams and difficulties managing the split between project and operations, internal and external alignment, and moving through significant technical and functional complexity. It is therefore imperative that a highly experienced project team is in place, working collaboratively with an internal team of subject matter experts, to steer the project to a successful outcome.

Exent's approach to managing complex projects is to leverage our domain expertise and industry best practices, while partnering closely with both client and vendor teams to minimise disruptions, optimise resource allocation, and maintain open lines of communication throughout the plan's execution.

Drawing insights from our experience in leading and recovering ERP implementations across various industries, Exent was able to effectively realign the organisation to achieve the desired future state through a simple 3-step approach:

1. REVIEW

A thorough review of the project was conducted, including an investigation into project governance, management, execution and adherence to the original business case. An assessment of the alignment between the technology platform, business processes and organisational practices was completed, with recommendations for planned future phases against a thorough gap analysis to ensure complete delivery of required system features and realisation of business benefits.

2. PLAN

Utilising the insights gained from the comprehensive review process, a detailed re-plan for the successful completion of the project scope was created. This involved identifying and engaging a new implementation partner, and re-drafting the scope of project resources, costs, and work packages. Recognising the need for robust project controls and governance structures, we established formal mechanisms to monitor and manage the project's progress effectively. This included implementing standardised reporting and monitoring systems, defining key performance indicators, and establishing regular project checkpoints. Through these controls, the project was able to proactively identify and address any deviations from the plan, ensuring timely corrective actions and minimising potential risks.

To support the revised plan and its associated activities, Exent prepared an updated business case for board approval. This updated business case aligned with the revised project objectives, outlined the anticipated benefits, and presented a comprehensive analysis of the costs and potential return on investment. By presenting a well-structured and compelling business case, the client was able to provide the necessary approvals and endorsements from key decision-makers, providing the project with the required support and resources for success.

3. IMPLEMENT

A team of experts was assembled to fulfill key roles within the project team. These roles included; a Project Manager with deep ERP implementation experience; lead Business Analyst/ Solution Architect assigned to bridge the gap between business requirements and technical specifications; Data Migration Specialist responsible for ensuring a smooth transition of data from the old system to the new one; an Organisational Change Manager was designated to oversee the people aspect of the project, facilitating adoption and minimising new technology and process resistance and finally, a Process Analyst was tasked with mapping and documenting business processes to streamline operations.

By filling these critical roles with experienced professionals and implementing robust controls and governance, the project moved forward with confidence, addressing and mitigating the previous implementation failures. The expertise brought in by the team members created a strong foundation for success, while internal resources were effectively allocated to support key project roles, leveraging their business knowledge and maximising efficiency.

OUTCOMES

"In the relaunched ERP project, three successive phases of the original ERP scope have been implemented on time and under budget, in the process addressing a number of the prior project's shortcomings in solution completeness and fitness."
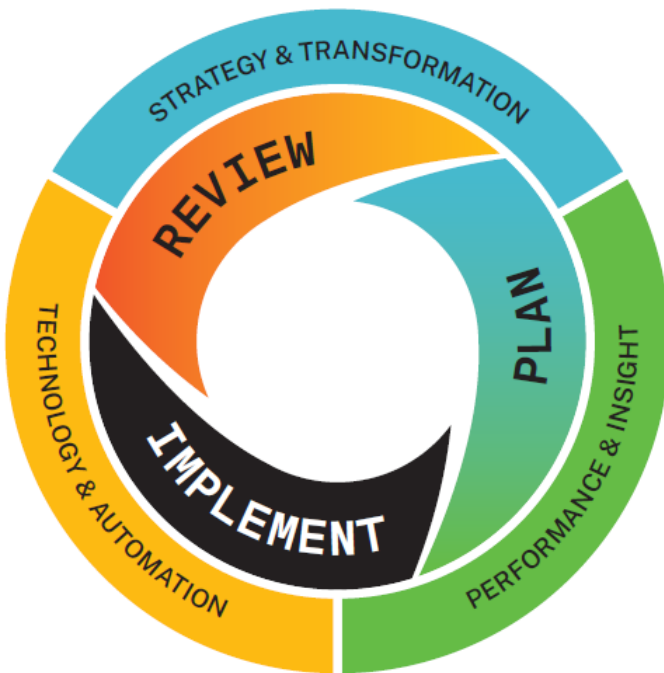
REVIEW

Thorough project **review** assessing governance, management, execution, and alignment with the original business case.

PLAN

Detailed **re-plan** establishing robust project controls and governance structures. Ensuring effective monitoring and management progress.

IMPLEMENT

A skilled team was assembled to fulfill key roles within the project, strategically re-aligning the strengths and capabilities to create a strong foundation for successful **implementation**.

By focusing on three core areas of Capability, Control and Governance, Exent was able to successfully re-set the course of the project and correct a broken implementation.

CAPABILITY

Exent took proactive steps to address the existing gaps and challenges within the project. This involved assessing the skills and expertise required for each project role and ensuring that the right individuals were assigned to those positions. With a keen eye for talent, Exent brought in experts with deep knowledge and experience in ERP implementations, effectively bridging the skill gaps that had hindered the project's progress. By leveraging this enhanced capability, the team was equipped to overcome obstacles and make informed decisions that steered the project towards success.

CONTROL

This was a critical aspect to regain a firm grasp on the project's progress. Robust controls and monitoring mechanisms were implemented to closely track the project's activities, milestones, and deliverables. By establishing standardised reporting systems, implementing key performance indicators, and conducting regular project checkpoints, Exent ensured that the project remained on track and deviations from the plan were promptly identified. This allowed for timely corrective actions to be taken, preventing further divergence from the desired course. With strong control mechanisms in place, the project regained its momentum and regained the confidence of key stakeholders.

GOVERNANCE

Essential for providing direction, oversight, and expertise throughout the project. Exent established formal governance structures to provide strategic guidance, review progress, and make informed decisions to steer the project in the right direction. By aligning the project with industry best practices and standards, governance representation ensured that the implementation followed a well-defined and structured approach. This instilled confidence in the project's outcomes and provided assurance to stakeholders that the project was being managed effectively and transparently.

By addressing skill gaps with a blended team that leveraged a few of Exent's ERP specialists, implementing strong control mechanisms, and establishing robust governance structures, Exent enabled the project to regain its footing and make significant progress towards its objectives. This approach combined with strong client leadership and governance on the remediation efforts, allowed the joint Exent and client teams to deliver key project milestones to date, achieve positive business outcomes, bringing the project back on track and positioning it for future success.

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