Anglia Business Solutions

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BEYOND THE TECHNOLOGY

In the old days of technology, one of the most common phrases heard during the selection process was "you can't get fired for buying IBM". The belief was that by buying into a big name, your job was safe. Things have moved on since then and in the mid-range market, IBM rarely seems to get a mention. In the fast-changing ERP sector, the market is rapidly consolidating and, with fewer choices available, there is a risk that people will take the line of least resistance and select a technology from one of the big beasts in the jungle.

This was the case during a recent visit to the US. During a discussion with a seasoned CIO, he explained why they hadn't replaced their 34-year-old bespoke legacy system. This progressive fresh produce company recognised that they needed to move to a more advanced system as part of their future growth strategy. Having carried out an extensive due diligence process, the company selected one of the leading global ERP systems. However, after two years and a few million dollars, the project was abandoned.

The rationale for the original purchasing decision was that the technology was one of the world's leading ERP applications. The vendor convinced the company that they had food production expertise and it would be easy to tailor the solution to meet the requirements of the produce sector. Having met the needs of larger food companies than theirs, what could be difficult about fresh produce? As a rather rueful CIO explained: "The shame of it was that it took us two years to figure out that they didn't understand how our industry worked."

The reality is that just buying into a technology platform isn't necessarily the most sensible approach. While the stability of the software author is of vital importance in today's economic environment, ensuring that the application is suitable for your specific business model is at least as important. It was obvious from the discussion that the "extensive due diligence" carried out in this instance didn't stretch to checking this crucial aspect. Just because a software application handles a different requirement in the food sector doesn't mean that it can easily be adapted to meet your needs.

The industry expertise of the deployment team can be very useful in getting the most out of your system. Having experienced several implementations in the past means that they are in a position to advise you on best practice for your particular sector. Lack of this knowledge means that a considerable amount of your people's time and money may be spent educating the implementer on the vagaries of the trade.

While 34-year-old legacy systems are rare these days, the fact is that buying a new ERP system is a long-term commitment. It is therefore worth going the extra mile to ensure that the application has been designed to work with your particular business model. As part of those checks, it also makes sense to explore the industry expertise of the implementation team. ∎

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