



WHAT IS A SAAS ERP IMPLEMENTATION?

BLUE  LINK

Software implementations cover a variety of activities performed by the vendor you've selected and its team of experts, internal employees and potential users, your management team, and occasionally any outside consulting or IT representatives. When you make the decision to implement a piece of software, you're also agreeing to follow the implementation processes laid out by that vendor. This means it is important to ensure all employees are onboard for the change and available to help where needed, outside of their normal job responsibilities. The specific requirements of your team during the implementation process and that of the vendor are identified during initial implementation meetings to make sure everyone is on the same page, and to ensure that adequate resources have been provided to complete the implementation on time.

With SaaS-based enterprise software, implementations do not happen overnight, but rather, over the course of several weeks and months depending on the vendor's schedule and how complicated the implementation is. For example, implementations usually take longer when there is a high number of employees that need to be trained, if there is more than one company implementing the software, when there are multiple warehouse locations, when you're moving from a very old legacy piece of software, or when you're moving data from multiple existing solutions and sources.

SaaS Applications

As previously discussed, SaaS applications (software-as-a-service) apply to software that is licensed on a subscription model where the software is hosted on the software provider's servers (or servers leased by the software provider) and not on the customer's own physical equipment. With SaaS ERP there are different means of accessing the software and data. One common method is through an internet browser where a user types in a URL and then enters login and password information to use software via a specific website. Another option is to connect to software via an RDP connection.

RDP stands for "remote desktop protocol" and is a Microsoft-licensed technology that essentially allows a user at a remote computer to log into a server or a specific computer on a network over an internet connection. Once logged in, the remote user has access to that server or computer as if they were sitting in front of it. In either case, there can be significant set-up required before your company starts using the software and even though not all businesses will require the same set-up, it is important to carefully review each implementation proposal from the different vendors to determine exactly what is included with the implementation, and what is expected by your team.



Initial SaaS Environment Set-Up

For Blue Link ERP, the initial environment set-up includes spinning up and provisioning a new server environment for each individual customer and installing Windows. This means each customer has access to their own server environment, complete with Blue Link's ERP software and related technologies and systems (including Microsoft, SQL, Crystal Reports, etc.). Each environment is customized and provides resources applicable to the size and requirements of the company, in terms of storage space, number of dedicated servers, RAM, CPU, web services etc. The initial server set-up also includes adding users and setting user permissions – generating secure login details and providing access to applicable applications and services.

As a Microsoft Partner, Blue Link ERP provides additional Microsoft resources (such as Office 365 licenses) at a discounted rate to our customers, which is also included as part of the set-up for a customer's server environment.

On-Going Server Maintenance

One of the main benefits of SaaS ERP solutions is that your team does not have to manage the physical hardware, infrastructure or software itself. Instead, your company pays a monthly fee to the software vendor, leaving them to manage the server, software data back-ups, IT maintenance and security, and allowing your team to focus on the core objectives of your business and getting more sales. Once a server has been configured for your company, and you're actively using the software and hosting environment, there is still regular monitoring and maintenance that takes place behind the scenes. The cost to manage these tasks and additional licensing costs is built into any monthly fees and they commonly include:

- ▶ Updating server and hardware infrastructure to the latest technology
- ▶ Maintaining the security of data and installation of appropriate firewalls
- ▶ Data back-ups
- ▶ Microsoft and other software-related updates
- ▶ Managing users and user permission settings
- ▶ Anti-Virus/Anti-Ransomware protection
- ▶ Data security and vault protection

When searching for SaaS ERP, keep in mind the work involved as part of the implementation process and make sure you build this into your time frame. If there is a specific time of year that works best for your company to switch systems or a specific date you had in mind, remember to start discussions with potential software vendors well in advance as most vendors schedule implementations a couple of months in advance based on resource availability.

SaaS Implementation Best Practices

In order to successfully implement SaaS products and enjoy the benefits of the investment long term, the process requires attention to detail, time and patience. Once you've completed your software search and have settled on the publisher that best fits your business goals, it's time to plan the implementation.

Establish Ownership

Having a team to oversee the implementation of SaaS products drives project success. Depending on the size of the company, you may want to have at least 1-2 people to oversee the entire process, particularly from an operational standpoint.

For larger companies, it's advisable to compile a team with a project manager, operations lead and technical lead. A secondary team full of leads from each department can effectively address concerns directly from their respective teams.

Key Metrics

The project leaders' job is to oversee the entire implementation from beginning to end and in order to do so, the team needs to outline key metrics that help them with the success of the implementation. Key metrics include timeline, budget, customization considerations and integration considerations. These metrics should also outline who will (if applicable) test the software and/or adopt it first. By doing a quick test, we can determine organizational processes that need to be addressed before rolling out to the rest of the company.

Embrace Change

We all know change is not easy and we often talk about the importance of change management. Not only will the tool change but so will the process in which employees get their tasks done. This will result in confusion and frustration, but you can get ahead of the game by preparing your team and providing enough training to answer all their questions.

Identify Impact

Along with usage reports, you can also set up performance reports to monitor the impacts the new SaaS product has on the business. For example, are salespeople better able to input sales orders? Are warehouse pickers able to find the products efficiently? These are the kinds of metrics you'll want to review regularly. This will identify any areas for improvement or customization.

Track Adoption

Your new system will provide new functionality and tools that you should take advantage of. If it's a new ERP system that is being implemented you can usually get automated reports to reflect usage frequency, feature utilization, change logs, feedback scores and more. These metrics should also be outlined by the project management team and tracked throughout and after the implementation.

Continuous Improvement

Now that the product has been implemented for some time and employees are getting used to the change, it's not the time to soften up on reviewing the system. Regularly get feedback from users and address concerns that they might have right away with the publisher.

SaaS Implementation Concerns

Implementing SaaS as you can imagine, requires an investment of time and money. There are traps that businesses fall into causing a failed implementation. Here are three traps that many companies fall into during the implementation phase, preventing them from fully realizing the hoped-for, and readily available, benefits of the new system.

1. Holding on to low or zero-value processes.
2. Failing to align responsibilities and authority with processes.
3. Deferring important parts of implementation until "later".

Let's take a brief look at each of these, focusing on the consequences and some examples specific to a Toy Distributor.



Concern 1: Holding on to low or zero-value processes.

Sometimes a process or action that was necessary under the old software is not really necessary once the new system is in place. If that process is in any way time-consuming, and no longer adds value, it should quite obviously be scrapped. But we are intrinsically creatures of habit and frequently these processes are kept either out of habit, or out of insecurity or uncertainty about the new system. The problem is that if we continue with these processes, we reduce both the perceived and actual value of the new system and miss opportunities to streamline and improve.

Example: A toy distributor previously used a system that required them to print reports at the end of each month for review. The new system allows management to print any report retroactively at will and view the reports as PDFs with the ability to easily send in an email. But the warehouse manager is used to having the printed report while walking around the warehouse. This means they spend time each month printing, collating and filing plus filing cabinets are taking up space in the warehouse to store this printed report.

The warehouse manager enjoys the paper copy so they may restrict change but it's important to inform them that there is no value to a paper copy and that other alternatives exist, such as a single tablet with document management functionality.

Concern 2: Failing to align responsibilities and authority with processes.

The new ERP Software allows you to streamline processes, but that can only happen if you allow employees to use the system as designed, and thereby give all appropriate employees the appropriate level of access and training.

Example: In the same warehouse of the Toy Distributor, the previous system required that all picking be paper-based and the manually updated pick ticket is physically sent back to the office after shipping, for an accounting person to update the sales order with shipping information etc. Because of this, there is no computer in the warehouse.

The new system offers purpose-built screens for warehouse staff to update what was picked and shipped without seeing or changing anything else on the order. This will save time, improve accuracy, and eliminate paper, and yet in many cases, the business owner is reluctant to put workstations in the warehouse and train warehouse workers. So, the paper-based approach continues.

Concern 3: Deferring important parts of implementation until "later".

This one happens most frequently. You're planning to do something as part of the implementation, but it's not completely mission-critical to getting up and running with the new system, so you defer it until "later". The problem here is not delaying it - it is, of course, critical to prioritize during an implementation - but the vague timeframe of "later".

Instead, schedule these activities for specific dates, even if they are several months down the road - and then keep those appointments. These commonly include things like reports and automation of manual processes. It's common that more than a year after implementation, businesses are still spending dozens of person-hours manually keying data into Excel because they haven't gotten around to scheduling the half day required to watch canned training videos on how to extract that data automatically from the ERP software.

Let's avoid these traps. It'll make your life a lot easier in the medium and long term.