

# How to Manage, and When to Upgrade, Legacy ERP & CRM Systems

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# Presenter Introduction

- **John Stenbeck, President, Pareto Principals, Inc.,**
  - Pareto is a San Diego-based organization
  - Pareto provides “Expert consulting for today’s challenges, and expert training for tomorrow opportunities!”
  
- **Business Consultant, Corporate Trainer, & Author**
  - Experience includes:
    - Director of I.T., Aerospace Manufacturing
    - Director of Project Management, eLearning Developer
    - Faculty Member, University of Phoenix
    - Faculty Member, American Management Association

# Presenter Introduction (cont'd)

- Partial List of Clients includes:
  - *Visa – Smart Cards, Foster City, CA*
  - *U.S. Army – Space and Terrestrial Communications Directorate, Fort Monmouth, NJ*
  - *Oracle Corp., Redwood Shores, CA*
  - *Guinness Bass Import Company, Greenwich, CT*
  - *Booz Allen Hamilton, Inc. – Defense Information Technologies Group, McLean, VA*
  - *U.S.D.A. – National Finance Center, New Orleans, LA*
  - *Simplex Solutions, Sunnyvale, CA*
  - *Eldon – a division of Newell Rubbermaid, Madison, WI*
  - *Lucent Technologies, Allentown, PA*
  - *United States Marine Repair – a wholly owned subsidiary of United Defense, Norfolk, VA*

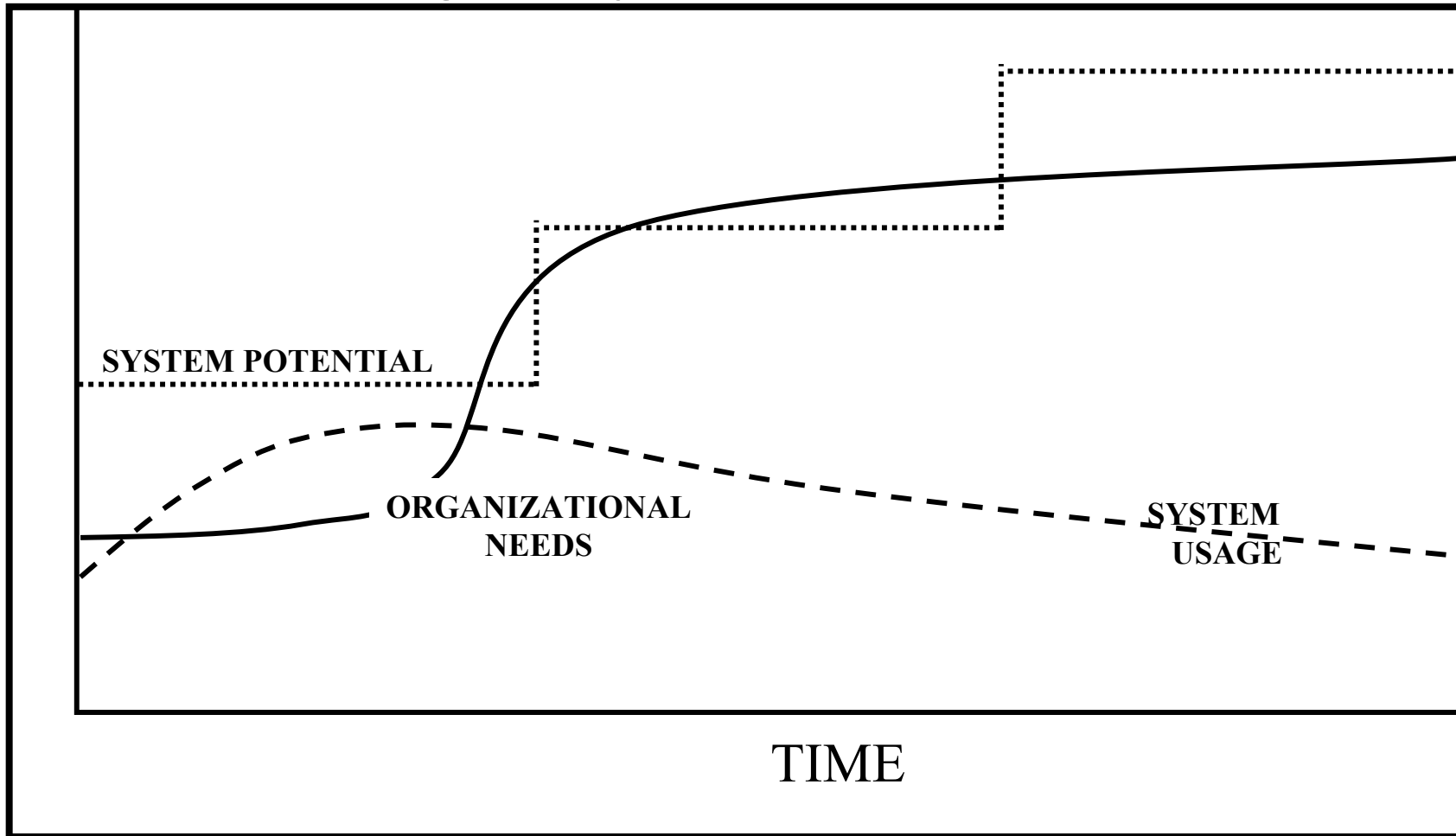
# Purpose and Limits of this Tutorial

- Understand IF, WHEN and HOW to upgrade or replace an existing Enterprise Application System.
- Expose common false assumptions.
- Transfer as much knowledge as possible in 70 minutes.
- Identify valuable sources of free information.

**NOTE:** You can download detailed Whitepapers, Samples, and Worksheets at [http://www.paretoprincipals.com/05\\_index\\_library.htm](http://www.paretoprincipals.com/05_index_library.htm)

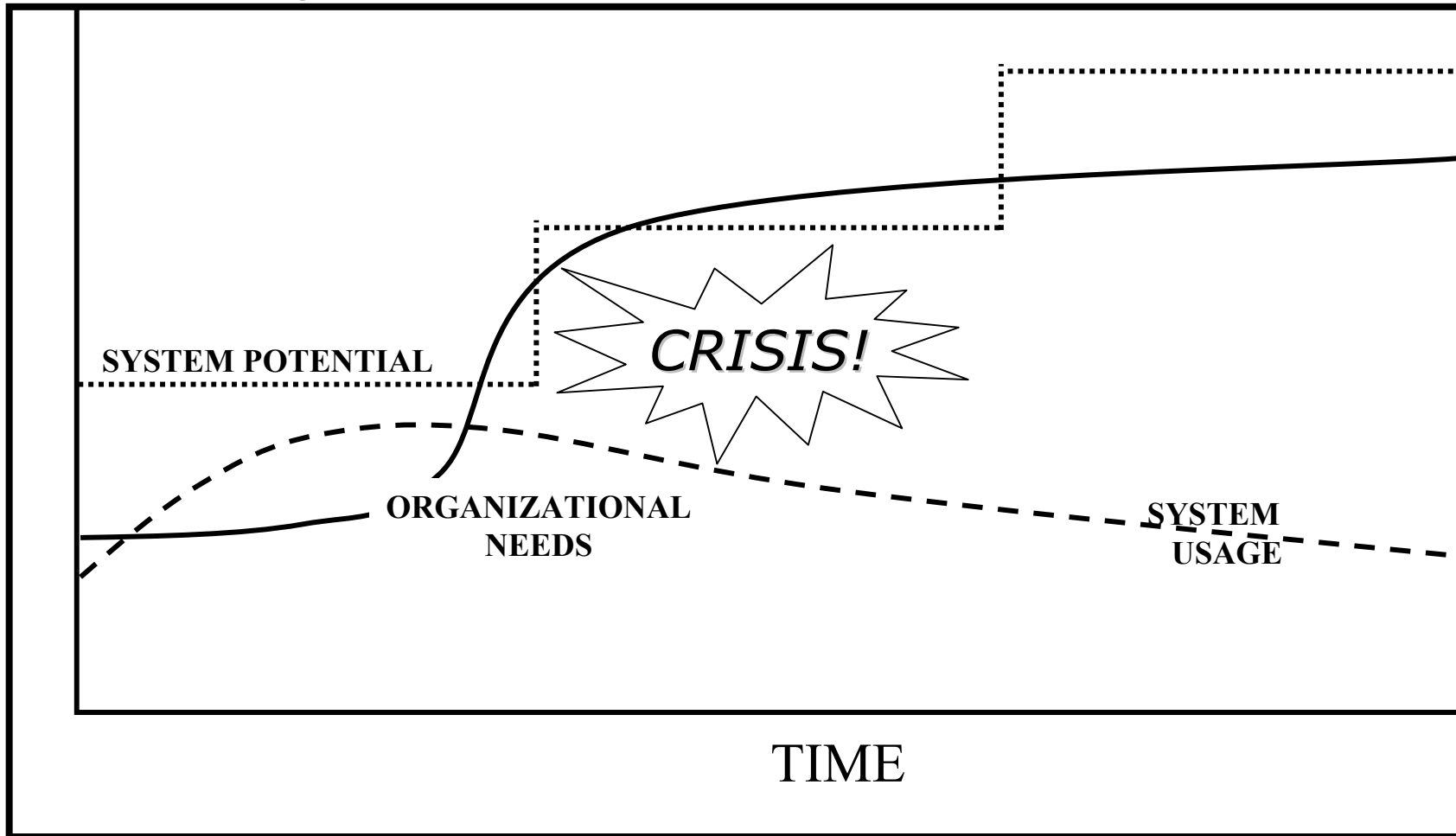
# The Key to Managing Legacy Enterprise Application Systems

- Understanding reality vs. the common assumption



# Deciding IF it is time to upgrade

- Resisting the “attraction” of a crisis



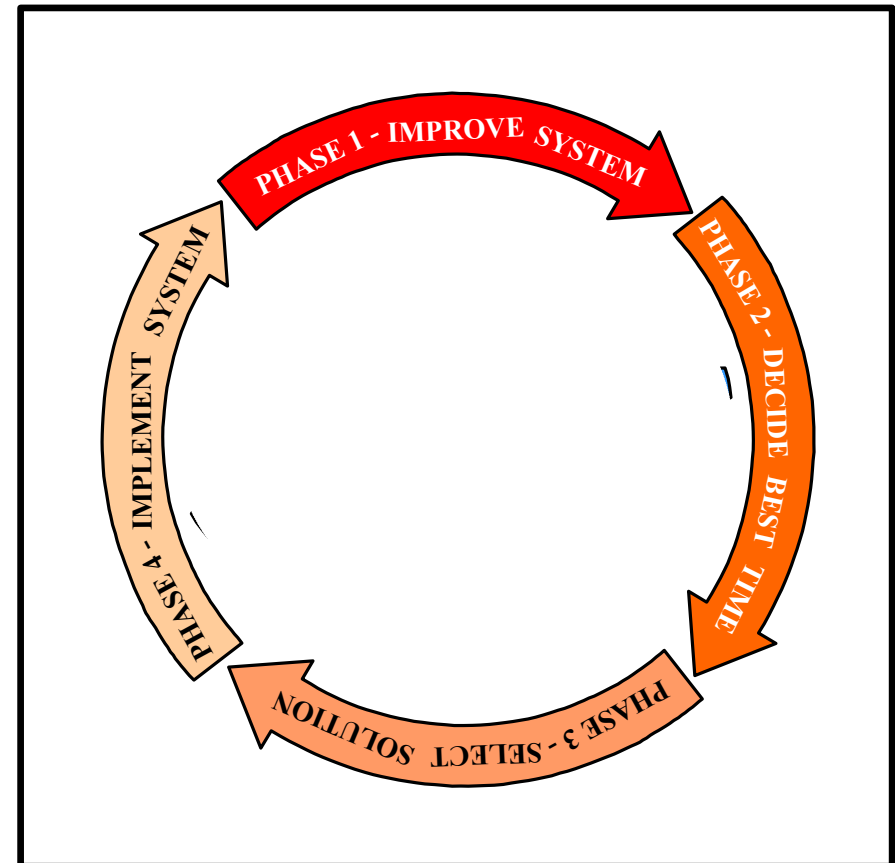
# Deciding IF it is time to upgrade

- Identifying “Pre-upgrade” Opportunities
  - Conduct Management Needs Analysis
  - Survey Current System Usage
  - Identify Training Opportunities
  - Document Capabilities of Current System Release
  - Identify “Upgrade + Training” Opportunities
- Quantifying Cost/Benefit Ratios
  - Document C/B Ratio for Training Only
  - Document C/B Ratio for Upgrade + Training
  - Document Cost of Doing Nothing
- Present to Sponsor for “Go - No Go - Redirect” Decision

# Deciding WHEN to do the project

## Four-Phase Process

1. Improve Existing System Usage – Most overlooked step.
2. Decide Best Time For System Replacement – Consider business, support, and sponsorship issues.
3. Select The Best Solution – Train, Upgrade, or Replace.
4. Properly Implement The Solution – Invest in the right resources at the right time.





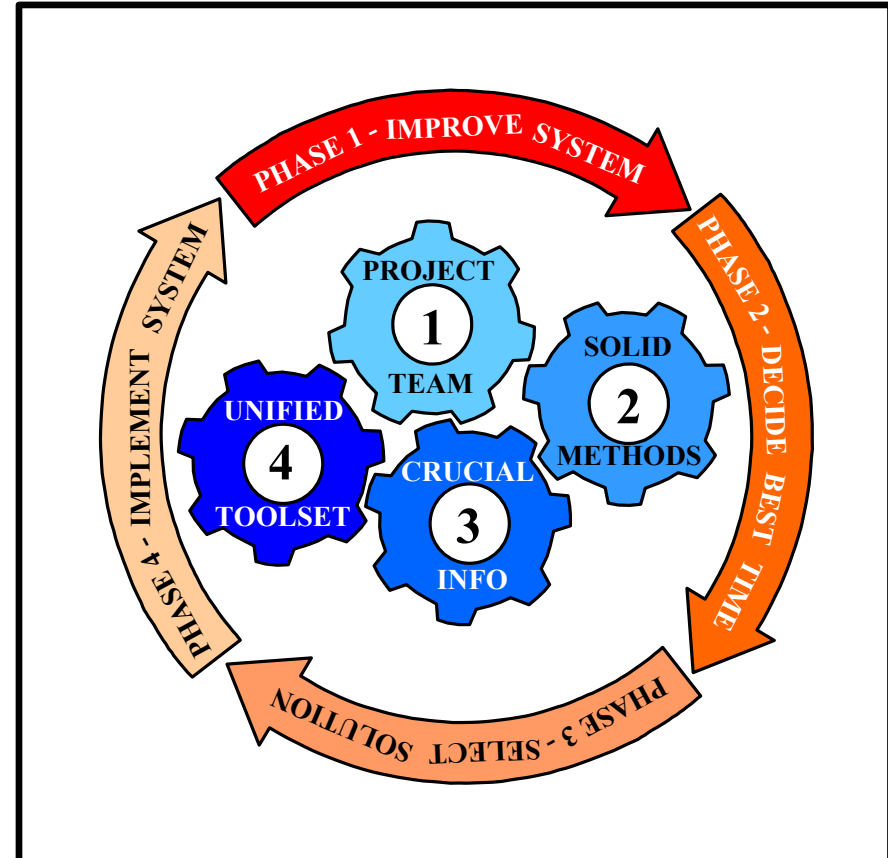
# Deciding **WHEN** to do the project

- Business Factors
  - Seasonal Demand Cycles
  - End-of-Year and Tax Filing Cycles
  - Cashflow Constraints
  - “Resource” Availability
- Support Factors
  - Internal Trainer Availability
  - External Training Availability
  - Consultant Availability
- Sponsorship Availability and Commitment

# Deciding WHEN to do the project

## Four Resources

1. Project Team – There is NO substitute for the right people.
2. Solid Methodology – Includes project management, business process review, and and details management.
3. Crucial Information – Must be identified, collected, and managed!
4. Unified Toolset – Busy people, complex analysis and and planning, and a myriad of crucial details can't be trusted to Post-It notes... and luck!



# Deciding HOW to do the project

- Implementation Approaches
  - Big Bang
  - Phased Roll-out
  - Parallel
- Success Factors
  - Professional Project Management
  - Appropriate Consulting Support
    - Knowledge Transfer Metrics
    - Acceptance Criteria
  - Adequate, Timely Training
- Sponsorship Commitment

# Biggest Mistake in Solution Implementation

- ***Not having a REAL Project Manager***

- ***The Best Solution:***

- Part 1: Define “Real” Project Manager
  - Project Management Knowledge
  - Project Management Skills
  - Project Management Experience
- Part 2: Identify & Assign Internal Expert or Hire One
- Part 3: Empower the Project Manager

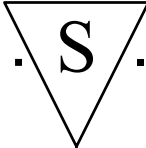
- ***The Second Best Solution: Get Training!***

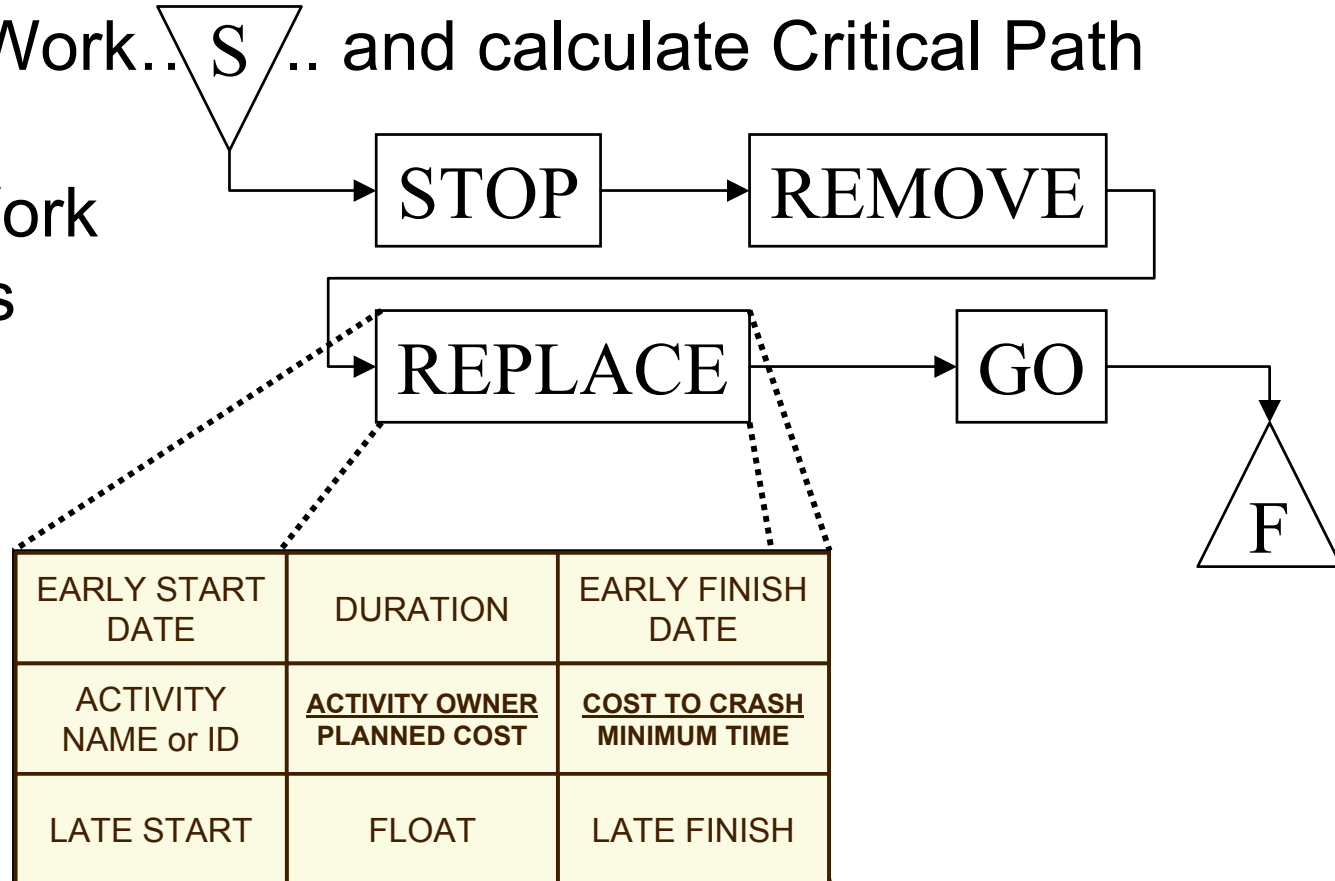
“If you think education is expensive...try ignorance!”

Benjamin Franklin

# Project Management Training Must Include:

## HOW TO:

1. Set Clear Objectives
2. Create an Accurate WBS
3. Schedule the Work...  .. and calculate Critical Path
4. Monitor and Manage the Work
5. Deliver Results
6. Close-Out



# ANY QUESTIONS ?

Please let us be a resource for your professional, and personal, *success!!*



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