Enterprise resource planning (ERP) systems are essential to federal government efforts to achieve fiscal auditability, improve service and reduce costs. Many organizations have undertaken the development and implementation of ERPs to help modernize business processes and perform general ledger, financial management, procurement and supply chain functions, among others. Given that many efforts remain ongoing and more ERPs are certain to come, what are some key factors and practices to ensure ERP success?

**ERP factors for success**

Strong governance and committed leadership go hand in hand. All successful ERP implementations share this critical approach—and nearly all unsuccessful ERP efforts do not. The informed and continuous involvement of senior leadership is essential and necessary to promote good program governance. The benefits of this approach are many:

- Demonstrates the strongest possible commitment to the business case. Just think; if senior leadership can’t make time for the program, how important can the business case (and the system) truly be?
- Promotes “leadership by example” in driving change management and gaining the buy-in of lower-level supervisors and employees.
- Promotes and ensures a strong program management structure, enabling timely and effective action to perform the proper analysis, and make and enforce decisions.

**Realize the benefits**

Too often, ERPs start with a good business case and well-defined business benefits, but as system development drags into multiple years, it often takes on a life of its own. Getting a functioning system up and running becomes the end instead of being the means to achieve the initially outlined benefits and business case. Avoid this trap by ensuring your executive leadership drives the establishment and reporting of key business and operational benefit metrics in the early stages of the ERP. Managers will be more likely to adopt the ERP when they see how it benefits their area of the business. Likewise, end users and customers will be more likely to embrace the ERP when they see the system “payback” in action.
Perfection is the enemy of good enough
Every ERP effort encounters those who criticize the “ditching” of seemingly sound legacy processes and the time and effort it takes to adopt a system with (usually) limited initial functionality. The critics may ask, “Why are we adopting a system that can’t give us everything we need?” The truth is that “perfection” isn’t realistic in any ERP effort constrained by money and time. However, a functional and actionable system is achievable if the program is properly scoped, resourced, and led. The solution is simple: Executive leadership must convey and reinforce the message of positive change early and often as part of the overall program governance and change management.

Pay now or pay later
Many organizations limit an ERP’s scope in the initial business case to meet a budgeted target or limit overall costs. However, this approach invariably leaves out critical functionality that the organization needs to achieve the full promise of the system and/or significantly improve other business processes and operations. Executive leadership must understand that additional development and implementation costs are almost certain to come if the initial system scope is deliberately constrained, especially if done so as a budget/cost exercise.

Involve your functional Subject Matter Experts (SMEs)
An organization cannot rely solely on the system integration technical experts and external consultants to fully implement and integrate an ERP into an organization. The early and continuous involvement of SMEs who work with the ERP-supported legacy business processes is essential to a successful mission accomplished.

COTS vs. custom
Successful ERP efforts tap the power of the proven business processes inherent in the software. ERPs offer an excellent opportunity to reform and transform organizational business processes and adopt best practices that have been proven in both the commercial and government worlds. In so doing, organizations will:

- More readily adopt sound business best practices.
- Require less development by the system integrator, which reduces cost and speeds development and fielding.
- Increase system reliability by limiting custom code to the maximum extent possible.
- Ensure the successful adoption and integration of subsequent commercial off-the-shelf (COTS) system software updates and upgrades.

Be ruthless with your data
Any organization undergoing a large-scale ERP will have years and years of legacy system data—data that many will insist be incorporated within the new system. This can be a recipe for disaster if not done carefully. First, legacy data are usually prone to error, through inadvertent duplication, inaccuracy or omission. Second, any legacy data converted for ERP inclusion must be cleansed to the maximum extent possible (an expensive and time-consuming process, if done correctly). Successful ERPs have ruthlessly excluded as much legacy data as possible, and have ruthlessly cleansed what data remain. It is better to incur the cost of cleansing (or to continue your legacy system support for a period of time until the data can be closed out) than risk your entire system development.

Lasting results
Accenture has helped defense and other federal organizations achieve ERP success, including:

Defense Logistics Agency (DLA) – Accenture helped implement the DLA Enterprise Business System Integration and Sustainment project (EBS). The system has enabled new capabilities that bring more efficient, effective and reliable supply chain support to America’s military services and warfighters.

U.S. Army – Accenture and the Army partnered to develop and deploy the General Fund Enterprise Business System (GFEDS), an ERP that has transformed 85 legacy financial management and real property systems into a single, enterprise-wide system integrating financial, real property, cost management and performance data. GFEDS is one of the largest implementations in SAP history, accommodating 79,000 financial professionals worldwide.

Toward high performance
With trillion-dollar federal deficits and increasing pressure to cut spending, federal organizations can strengthen performance and maximize taxpayer trust by ensuring ERPs are properly developed and implemented. Accenture works closely with federal and defense financial and information technology leaders to deliver systems that enable transformed processes, more efficient and effective operations and improved audit readiness. The benefits extend across the organization—smarter decisions more quickly, and better use of scarce funding and resources with more transparency, putting everyone on the road to high performance.

For more information about achieving ERP success, or to learn about Accenture’s Federal Financial Management offerings, please contact:
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