



# Purchasing a New ERP Solution

## A Ten-Step Guide

**Software is supposed to make it easier to run your business, but too often, it is a source of frustration and expense. For this reason, it is important to have a plan when selecting the software program that will work for your business without breaking the bank. This whitepaper provides a simple ten-step guide to finding the right solution for you.**

Enterprise Resource Planning (ERP) has the power to connect all departments in an organization, therefore the company as a whole has access to the same data, which ultimately means making better business decisions. A new system will reduce the number of independent databases, streamline operations, reduce data redundancy and help you understand where you are making or losing money. Before moving on to step number one of this guide, let's review some common issues that businesses face today.

### **The most common business problems heard from executives:**

#### **INVENTORY TRACKING**

- We lack the ability to keep track of our inventory items and where they are in the warehouse.
- We can't easily track recent and historical costs on our inventory items.
- We have to track our lots and/or serial numbers in a separate system.

#### **REPORTING**

- Users can't easily pull reports from the system without exporting them into Excel.
- We need to have our IT department or business partner develop reports, which can become very expensive because users need information in different ways.
- End-users don't have the knowledge or ability to develop their own reports.
- Access to the same data is not available to everyone in the organization.
- We want to have dashboards for our executives with key performance indicators (KPI's).

#### **EASE OF USE**

- Employees are spending more time working on the software than with the software.
- We want to have an easy desktop for them to move from one task to another.
- The program is not user-friendly or intuitive.

#### **DATA SHARING**

- Departments aren't able to share data.
- We need the ability to see what is happening so we can be proactive with decisions.
- We want collaboration of ideas across the organization.
- Management and employees can't view or analyze KPI's.

#### **COHESIVENESS**

- Each department is operating in their own silo and the decision-making has become highly fragmented.

#### **BUSINESS PROCESSES**

- We have too many errors with the re-keying of data between systems.
- Processes are not streamlined and productivity is being affected.

#### **GLOBALIZATION**

- We don't have the ability to do business globally.
- Subsidiaries are not able to share data.
- Multi-currency and multi-language is weak or non-existent.
- We can't easily consolidate our information across all businesses.



# Ten Simple Steps

These simple ten steps will help you determine which ERP solution is right for your business.

# 1

## GET THE BIG PICTURE

What are your key critical business issues that need solving? Make a list of the challenges you would like the software to address and separate them into two categories; **Needs and Wants**.

1. Your **“needs list”** should include all the must-haves for your organization.
2. Your **“wants list”** is a breakdown of each of your users and their wish lists.

# 2

## ASK FOR INPUT FROM YOUR INTERNAL USERS

The day to day software users in the organization are often excluded in the decision making, and yet, they are the ones that typically experience the most frustration in the system.

- How long does it take to key in an order?
- Is all the information available to them when they key in an order? (i.e. quantity available)
- What other features would they like to make their job easier and increase productivity?
- How would they save time and increase profitability

This will quickly point out any inefficiencies in your current package and alert you to the features you should look for in a new program. Additionally, this has the added benefit of speeding internal buy-in when you do begin implementing your new software. Employees will be much more receptive when they have been involved in the decision-making process.

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## DETERMINE THE BUDGET

Make sure you research current systems to understand whether or not you have a reasonable budget established. Within that budget, be sure to include any new hardware (server, workstations, etc.) that will be needed. The cost of the initial software purchase is important, but it is equally crucial to know what your ongoing costs will be for maintenance and support. Software Maintenance is paid to the publisher and can typically range from 16% to 25% of the current software cost each year. With the continuous technology changes, it is imperative for you to stay current on software maintenance and it entitles you to a variety of benefits including software upgrades, service packs and often online knowledge sharing. In terms of consulting, customization and support fees, these can range from \$150-\$250 per hour depending on the complexity of the software program and the expertise of the consultant. Make sure you are getting certified consultants from the service organization, which ensures they have had ongoing training themselves. A new system and the right partner will help bring best practices to your organization based on industry standards.



## BREDET SERVICES INC.

Bredet Services provides ERP and CRM solutions through our partnerships with Microsoft, and Sage. For 35+ years, Bredet has helped companies streamline operations, reduce redundancies, and improve the bottom line through the use of technology. By implementing and providing on-going support for Accounting, Enterprise Resource Planning (ERP), Customer Relationship Management (CRM) and developing solutions for customers, Bredet has been able to help over 1000 companies in North America.



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### ESTABLISH YOUR TIMELINE

Plan your implementation carefully to avoid your peak busy times. Many businesses feel compelled to change accounting systems at the beginning of the fiscal year, but this means you would be implementing your new system at the end of a fiscal year when your business should be focused on sales. Have clear timelines with a project plan established and agreed to by both parties to keep the project on time and on budget.

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### SELECT YOUR SOLUTION PROVIDER

Too often companies waste time self-assessing and researching a program that they think will work for them, but without experience, this may lead to the exclusion of a product that may, in fact, be a better fit. You should begin your search with solution providers that offer more than one choice. Also, try to find an organization that has experience in your specific industry since they'll already have an understanding of the common challenges you face. The absolute and most important step is to find a partner that you trust and are comfortable with.

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### DO A BUSINESS PROCESS REVIEW

The solution provider should suggest an on-site meeting with the key decision makers to understand what management considers their critical business issues and what impact the cost of not solving will have. They need to review the current business processes by department so they understand how one solution over another would be the right fit. They will also want to do a tour of the facility to see how things are done and how they could be done in the future.

A Business Process Review is required one way or another as part of the project. If you feel comfortable with the partner, our suggestion is to move forward with this. If you are still not committed to the software choice or partner, leave this till the decision is made because you want to make sure all the data is captured by the vendor that will do the implementation so there are no excuses and you don't want to pay twice.

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### REQUEST A DEMONSTRATION

Once your partner has reviewed your requirements they can recommend a solution. Have the partner do a full demonstration of the program and make sure they focus on the critical issues that are important to you. They should ask for documentation to do a proof of concept demonstration and provide an agenda so that you both agree on what will be shown and in what time frame. Also, you must have the decision makers and key users present at this meeting. The goal of this demonstration is to make it interactive and informative so that all users and decision makers feel comfortable with the knowledge of the partner. At the end of the presentation, you should feel that the partner correctly articulated your problems and demonstrated a clear plan on how to solve them.



## HOW WE CAN HELP?

**Our Services:** We offer a variety of services that focus on technology, best practices and most importantly, you, the customer. We believe in elevating the customer experience by solving your problems with creative solutions. With our industry expertise and certified consultants, we will understand your needs and will help you change what isn't working.

[Click here to read about the services we offer.](#)



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## ASK FOR A PROPOSAL

Once you've made a decision that the solution meets your requirements ask for a proposal from the solution provider. Their quote will include the software costs, the annual maintenance, and a breakdown of their services. Ask questions if you're not clear with the quote and remember that all software sales are final.

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## ASK FOR REFERENCES

A reputable partner should be able to provide you with references to call. Before the call be prepared with a list of questions to ask in order to respect their time.

### Questions could include:

1. Did the solution provider and the software meet your expectations?
2. Were they on time and on budget? If not, was there an explanation as to what changed?
3. Did you have a project plan?
4. Did they do a pilot set up for testing?
5. Overall, were you satisfied with the outcome based on the money and time spent?

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## MAKE YOUR DECISION

You're now ready to make your decision. Has the solution provider built a level of trust with you in both their process and their knowledge? It's important that you feel comfortable with your decision as you will be embarking on a lot of change and this isn't something that everyone will be willing to accept. Be open and honest throughout the process to ensure a successful outcome.

## BONUS TIP: WHY SHOULD YOU NURTURE YOUR CLIENTS?

Did you know that repeat customers spend 33% more than new customers? In today's competitive business world, retaining your customer base is critical to your success. Companies that fail to nurture and please their existing customers will ultimately suffer. With an intelligent CRM solution, you can easily maintain a healthy client database and have instant access to their needs and wants. CRM helps personnel provide quick solutions to customer problems, resulting in higher customer satisfaction and savings in support time. **On average, companies have seen their CRM investment improve customer retention by 27%.**



**Nurture and retain your customers, all while decreasing the cost of customer service, and keeping your business front of mind.**

## LET'S WORK TOGETHER

Bredet Services provides ERP and CRM solutions through their partnerships with Microsoft and Sage. For the past 35+ years, Bredet has helped companies streamline operations, increase customer retention and improve the bottom line with the use of technology.

Choosing a software solution provider is an extremely important decision to make, and we're here to make that job easier. We ensure success with our customers by building a strong strategic partnership and understanding their vision and tactical goals. Contact Bredet Services today to begin working towards selecting your new ERP solution.