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*Creating a Responsive Experience*

Your company has decided to purchase a new business system – it could be accounting, warehouse management, manufacturing, CRM, QA management, A MRO system, Service management – it really doesn't matter. What you are able to figure out, pretty quickly, is **the price of the software and the price of the annual maintenance** (if you are installing on-premises) or the monthly price if you are doing a rental software-as-a-service solution.

Hiring a consultant can minimize ERP risk, accelerate the implementation process and increase not only the success, but also the value of your process.

The next question you are faced with, which is much harder to determine is, **how much consulting do you need?** And you will need some. Companies of all sizes, even the smallest organizations benefit from help in setting up and configuring the processes for a \$39/month package. For larger organizations with dozens to hundreds of users, the price of consulting can rapidly eclipse the cost of the software.

It is important to understand why consulting is critical for your company's success with the new business system. For starters, **hiring a consultant can minimize ERP risk**, accelerate the implementation process and increase not only the success, but also the value of your process. If these systems are implemented correctly, they can really **revolutionize a business**. Not only will it streamline your processes, allowing higher productivity, it will also bring higher job satisfaction to those currently using the systems.

A survey done by Deloitte studied **the responses between hundreds of companies who recently purchased a new ERP system**. The decision makers were asked to **name the "top 10" criteria** they used when selecting their software solution. They ranked the criteria from 1-10 in order of importance and separated the inexperienced from experience buyers. See how the data was broken down to the right.

### First-Time Buyers

1. Price of the software
2. Ease of implementation
3. Ease of use
4. Ability to fit business
5. Functionality
6. Ability to work with existing hardware
7. Growth potential
8. Level of support provided by reseller
9. Quality of documentation
10. Developer's track record of performance

**Note the significant difference of the top two purchasing criteria from experienced to inexperienced buyers.**

It is clear that the inexperienced buyer is looking for the most cost effective solution, whereas the experienced buyer has learned from that mistake. The quality of the local consultant plays a much more critical role to the businesses who are evaluating software for a second or third time around. Logically, the criteria of the experienced buyer is a better source when deciding what key factors to focus on in the decision making process. Businesses, these days, are very dynamic, so it is more important now than ever before to have reliable and ongoing support from your software partner.

Your next question, of course, is how much support is enough? **How do you know when you are under-buying or overbuying consulting services?** If you are under-buying them, you are setting yourself up for change orders or cost over-runs. If you are overbuying, you are spending capital you could be putting to other productive uses.

Consultants bring the expertise of the product knowledge and years of experience doing deployments with other clients to you. So, there are really three elements to the implementation. One is knowledge of the software. Second is knowledge of your business. And third is knowledge of your employees.

The third is probably the biggest factor in determining the level of consulting hours or dollars that will be required to do an implementation successfully. Often, consultants walk into a company where the ERP either isn't the right match or wasn't implemented properly. The users of the software know that - they fight it. They say things like, "Oh, I hate this system. I have to deal with this every day, but it's just ... I hate it. I'd do anything I could to get off of it." In some cases, consultants may walk into a company where they haven't implemented ERP in a long time. Maybe the people who did the original implementation are long gone.

### Second- Time Buyers

1. Level of support provided by reseller (8)
2. Developer's track performance record (10)
3. Ability to Fit Business (4)
4. Growth potential (7)
5. Price of Software (1)
6. Quality of documentation (9)
7. Functionality (5)
8. Ease of Use (3)
9. Ease of implementation (2)
10. Ability to work with existing software (6)

Many companies are replacing systems that haven't been updated in fifteen or so years. As you can imagine, **technology has changed rapidly over a short period of time**. There are a lot of new capabilities available. The folks in a lot of companies typically have been in their positions for a while. They've been accustomed to doing things a certain way. If they need to have a lot of guidance in what's out there, what's available, and what they need to go to a new system, then that's going to dictate how much consulting will be required.

That's really the biggest gauge and it is not always an easy thing to come up with. Everybody thinks their people are great. It's not a question of how well they perform their job now. It's more about if they have a vision for how it can be improved and how they could take advantage of software, new software and new technology to make that happen.

In a lot of cases, it's not necessarily that the software can't do the business function they're looking for. It's a question of the way that the software was deployed. If it's not deployed properly, you end up with discouraged users. **Discouraged users are really symptomatic of bad implementation.**

Consultants come in to your business and see how you are using the software, and with their expertise, point out other ways of doing things. Many cases result in smiles on users' faces stating, "I didn't know I could do that and boy, that's going to make my job easier."

A typical user uses just a fraction of the functionality of any software package.

It's really important to understand that **consultants don't do the process - they facilitate it**. These are systems that you use day in, day out. It's really key that the users have a solid grasp on what they need to do and are able to do it.

There have been many studies done on software, both ERP and even Microsoft products. A typical user uses just a fraction of the functionality of any software package that's deployed. In some cases that can be to the detriment of the company because there are more efficient ways of doing things.

A good example of this is spreadsheets. Consultants see spreadsheets in many companies they go to, even companies that run ERP systems have little side spreadsheets where people are tracking information on their own.

They're the only ones that understand how these spreadsheets, which typically contain critical business information, operate and are set up. **If they're not around, others can't get that information or won't understand it.**

Consider an example of a warehouse management system in one company. Nobody believed any of the information in the ERP system. The transactions were never up to date. Goods receipts, shipping out of stock, transfers of inventory were all entered after-the-fact. No one cared when information got entered into the system.

Basically, what would happen is a sales person would take an order. The client would say, "Well, how many of these do you have on hand?" They wouldn't even bother looking it up. Instead, they'd say, "Well, I'll have to get back to you," or they'd guess.

Move from a discouraged workforce to a zealous workforce.

The company might take an order based on the information that came back. But if the information was wrong and there wasn't enough stock to satisfy the order, **the company would end up with an upset customer**. One who may not want to do business with them in the future.

What happened with this company was a consultant worked with them to implement a full warehouse management system in which all of the users were provided with handheld units so all of the inventory could be barcoded.

What resulted was a company that went from zero belief in any of their inventory to complete, zealous belief in every single inventory item that they had on hand. What this means is that the warehouse people **really took pride in making sure that everything was barcoded**, everything was received, and everything, as it was received, was accurately entered into inventory.

The inventory information could, in fact be trusted, no questions asked. So, when the sales orders came in and that order entry person was on the phone with the customer, they could say, "Yes, absolutely. I can guarantee we have X amount on stock and that we can get that to you within two days."

It went from a discouraged workforce to a zealous workforce. Their core business did not change much, but the process improved by 10%. That 10% all took place with the warehouse management system, which, in turn, revolutionized that company.

**If you choose the right consultants to work with, they should make it a priority to get to know you and your business up front.**

The story you just read is one example of **how a consultant can create lasting value in an organization**. But, there are there other ways that consultants can create lasting value.

You should be able to develop a level of trust with your consultant. Generally speaking, these software systems are good. Software in business and ERP systems have been around for a long time and are very well refined. They can

handle a lot of business functionality, but may need to be adjusted based on how they're being deployed depending on the environment and so forth.

**Hardly ever is the software a major glitch to how a company operates.** It shouldn't get in the way of a deployment. If it does, you probably picked the wrong software. If you choose the right consultants to work with, they should make it **a priority to get to know you and your business up front** to make sure that the software is a good fit.

If a consultant is successful in deploying an ERP, businesses become very dynamic. What that means is you might do a core set of financial work to get accounting and that part of the business up and running. Subsequent to that you may want to, like the previous example, expand out into the factory and do a warehouse management project. Or something may happen with one of your customers where you have to ratchet up volume, deploy a new product line, or do more on the sales order entry process and more with customer relationship management, management of quoting and that type of thing. There are really **countless examples of how a business may grow and change and adjust**.

If you have a good core ERP that you're working off of, you will want to come back to your consultant and ask, "what are our options for solutions for this new business requirement that we have and how can you help us meet that requirement because..." And you will have that **level of trust with your consultant**, who knows you and your business and can help you achieve whatever new solution you are looking for.

It's really important when you choose a consultant you choose one that can deploy an ERP with trust and confidence. They will always be there to help add value to your software and find new innovative solutions that fit your business' needs.

**People who skimp on consulting budgets miss these opportunities.** It's really up to you to answer the question regarding the level of consulting time you will need. It is your willingness to invest your energy coupled with the level of the users' expertise to make sure that you're getting the most out of the implementation and that the users are really going to be able to run with it and use it day-to-day in your company so that when the consultants leave at the end of the day, which they invariably do, that your people are self-sufficient and can do what they need to do to get their jobs done.

If you'd like to discuss how much consulting you need, as viewed from an outside perspective, call us at Acuity. We'll spend enough time with you to provide your team with a knowledgeable,

#### About Acuity

Acuity Consulting Group, based in Providence, Rhode Island, creates a responsive experience for its over 100 clients. Acuity's staff collaborates with each client to establish and maintain a successful new enterprise software solution tailored to fit the company's needs. With in-depth application software knowledge, and over 20 years of experience, the Acuity team helps companies optimize their technology investment and increase productivity. At Acuity, we prides ourselves on our lasting relationships with our customers through this commitment, loyalty, and reliability.



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