

Putting the ERP Pieces Together

For an architecture & engineering firm, finding the right ERP software is only the beginning. This guide to managing the human side of an ERP initiative shows firms how to maximize that investment on an ongoing basis.

OVERVIEW

Few technology investments can positively impact an architecture & engineering (A&E) and professional services firm like a high-quality enterprise resource planning (ERP) software solution can. Indeed, a successful ERP initiative can deliver a wide range of benefits across a business, from project planning, development and execution to the quality of service and outcomes a firm delivers to its clients.

Yet as many A&E firms have discovered, maximizing an ERP investment and translating the capabilities of that solution into genuine bottom-line benefits require a focus not just on the technical side of software implementation, but also on a variety of very real cultural, change management and behavioral factors. “The primary reasons for ERP implementation success have to do with people and process, not just software,” the research and enterprise software consulting firm Ultra Consultants concludes in a 2019 report.

In this paper, Unanet, a leader in ERP software purpose-built for A&E and professional services firms with its cloud-based Unanet A/E solution, examines the soft issues that can make or break a firm’s ERP initiative, and offers a variety of people-focused strategies and practices that A&E firms are using today to succeed in what can be a challenging but hugely rewarding undertaking.

WHY ERP DESERVES A FIRM’S FOCUS

The chief purpose of ERP software is to help firms run more efficiently by integrating key operational functions and processes like accounting, project management, data analysis and billing on a single platform or within a group of integrated systems. Optimally, the ERP solution will help the firm to:

- **Achieve its short- and long-term strategic goals** on time and on budget.
- **Leverage the data that flows through the ERP system to uncover new opportunities for efficiencies.** Those efficiencies in turn can free firm resources. These resources can then be cycled back into the business, such as by shifting employees to pursue higher-value work which cultivates new business, better serves customers, and innovates on behalf of the business.
- **Attract and retain quality talent.** Employees are more apt to be engaged when their work is less monotonous. An ERP solution should significantly reduce repetitive manual tasks.
- **Translate the efficiencies and cost savings an ERP solution yields directly to bottom-line ROI** from what likely is a substantial investment of a firm’s money and time.

When a robust ERP solution is combined with a sound implementation process and strong, ongoing workforce buy-in and usage, a firm can realize many, if not all, of these benefits.

“By facilitating greater employee interaction and collaboration, [ERP systems] enable companies to operate with greater efficiency and to deliver optimum customer service,” Frank Crewe, principal consultant at the **ERP consulting firm Lumenia**, writes. “Ultimately, the use of these systems is a major move into the future for the professional services sector.”

Based on Unanet’s deep experience with ERP initiatives, the most successful ERP outcomes among A&E firms are those that put a heavy emphasis on organizational culture, change management and workforce buy-in. The process of evaluating, deploying and sustaining an ERP software solution is complex, largely because it involves human beings. But with the right pieces in place and in balance, a successful ERP effort is well within reach.

Customer Success Spotlight: ZAS Architects + Interiors

ZAS Architects + Interiors in Toronto, Canada is a full-service architecture, interior design and planning firm founded in 1984 that employs 100. As a result of implementing Unanet A/E, ZAS has:

- Saved more than 400 hours of manual data entry annually and gained backup documentation for invoices by moving to an automated timesheet process.
- Saved \$50,000 annually by eliminating the need to hire an outside consultant to close the books at the end of each accounting cycle.
- Deployed a single reporting structure to manage its three operating companies (in Toronto, Vancouver and Dubai).
- Improved client service and communication, with access to detailed backup timesheets and timelier financial statements.
- Reduced by two weeks the time required to close monthly books, freeing up accounting staff to assist project managers with project planning and budgeting.

THE FOUR FOUNDATIONAL ELEMENTS

Having provided the software for hundreds of ERP implementations at A&E firms since 2007, Unanet has witnessed a full spectrum of outcomes. Based on our observations, we have identified four elements that, when present, managed and in-balance, are apt to produce a successful and sustainable ERP initiative. Three of the four elements are human- and behaviorally focused.

- 1. Technology.** This is the element firms tend to focus on most, because ERP software is a technological solution, after all. The technology piece represents the how and the where — the framework within which critical operational functions will be managed using the various tools that are part of the software. It’s incumbent on a firm to find a specific ERP solution that is right for its needs.
- 2. Process.** Once a firm identifies a suitable ERP solution, then it can set parameters for how the implementation process is expected to unfold and how information about implementation of the solution will flow through the firm. How will the implementation unfold? Which individuals and teams will be involved when, and to what extent? Those expectations should be articulated clearly and reinforced consistently.

3. Training. This defines and explains how and when people will use the ERP solution. Because ERP software tends to evolve and expand in terms of capabilities and tools, and because employees come and go, training must be an ongoing effort.

4. Culture/people. A firm's culture can either be a catalyst or a limiting factor in a workforce's capacity for change. Change is inherently uncomfortable for most people. But with leadership and management approaches that emphasize clear, open communication and accountability, a workforce can learn to embrace change.

With these four elements, it's critical to keep in mind that in the context of an ERP effort, each is as important as the others. Certain elements may get more emphasis than others at various points in the process. Any one of the elements can be a cause for struggle or a reason for success. And perhaps most importantly, each of the four elements must be carefully managed to ensure they remain in balance.

WHY ERP INITIATIVES GO AWRY

ERP initiatives stand the best chance of succeeding when firms are committed to keeping the four elements in balance. An imbalanced approach, on the other hand, can lead to a less desirable outcome. Here's how those imbalances tend to manifest for an A&E firm in the context of an ERP program:

Flaws in the approach to at least one of the four elements

This might be a shortcoming in **technology**, where a firm focuses too much on how to make the new ERP software exactly like the software, systems, or processes it is replacing, for example, or where there's an expectation that the new solution will be a panacea, even without appropriate focus on the other three areas.

Process-related breakdowns can occur when a firm lacks a clear picture of current ERP processes and their limitations. A firm that doesn't fully understand its current systemic problems is bound to repeat them.

Shortcomings in **training** can materialize when a firm relies too little on true hands-on user training and fails to reinforce the "why" — the justifications for using specific tools within the software.

An issue that presents as a process, training or technology flaw could in reality be a **cultural** shortcoming. Not processing timesheets on time is an accountability problem, not a software problem, for example.

Too LITTLE focus on a specific element:

With an inadequate emphasis on **technology**, you'll hear from users that the new ERP solution isn't user-friendly. An inadequate emphasis on **process** can result in duplication and inefficiency. An inadequate emphasis on **training** may translate into frustrated users, poor data quality and variations in process. An insufficient emphasis on **culture** can result in deviation from the implementation plan and people reverting to the "old way" because they aren't prepared to deal with change.

Too MUCH focus on a specific element:

Overemphasizing the **technology** element of an ERP implementation can make people feel as if the implementation project is too big to manage. Too much focus on **process** can lead to paralysis by over-analysis. Firms that focus too much on **culture** during an ERP initiative can become overly concerned about the impact change will have on its people, so it backs off on the initiative. An overemphasis on **training** — well, in our book, there's no such thing!

BEST PRACTICES FOR A SUCCESSFUL ERP OUTCOME

With thoughtful planning and diligence over the long term, an A&E firm can avoid many of these pitfalls on the road to a successful, sustainable ERP program. Here are 12 best practices that, based on Unanet's extensive experience with ERP initiatives, tend to produce positive outcomes:

- Realistically assess your firm's cultural capacity for change.** Is your culture prepared to handle full implementation of a new ERP solution or would the implementation be more successful if it unfolds in phases? The ERP software provider may have tools to help you make that assessment.
- Conduct a detailed process mapping** to document the strengths and weaknesses of your current ERP system and operating processes. This may require a third-party facilitator.
- Get buy-in from the top.** Change management starts at the executive level. It's critical that they understand the "why" behind the ERP initiative. Getting that buy-in may require evidence — data points to support the case for change, including data that shows how changes in specific behaviors will positively impact the bottom line.
- Clearly and regularly communicate the "what's in it for me" with managers and employees** — how learning and using the new system will benefit individuals in their daily work, as well as the firm as a whole. People who understand the "why" and the "what's in it for me" tend to engage with a new ERP solution more than people who merely know how the new system works.
- Recognize the importance of the four elements: technology, process, training, and culture.** Give each its own plan and assign a team or individual to manage that plan. In choosing whom those managers should be, consider an individual or team that brings a fresh perspective to the process — perhaps someone who hasn't overseen ERP training before, for example.
- Don't be afraid to ask for help.** If you sense an issue may be arising with the initiative, speak up promptly, and ask for help either internally or from your software provider.
- Spend the time to customize and tailor the ERP software and its tools** to work how you need them to work. Push the solution to fit your needs.
- If there are specific functionalities or features your firm wants or needs, pass those requests on to the software provider.** A quality provider should not only listen, they should respond promptly to customer requests and feedback.
- Plan for the big picture** by configuring the ERP solution based on what you expect your firm's needs will be 3-5 years down the road.
- Realize there's no end to the ERP initiative.** The go-live is just the beginning. From there, it's about sustaining buy-in and usage of the software.
- Train, and train some more,** with interactive, hands-on, and ongoing employee training that caters to different types of learners.
- Actively manage the balance between the four key elements of an ERP initiative.** Keep close tabs on what has changed since the implementation of the solution and how those changes jibe with the overall goals of the initiative. Document and analyze mistakes so you don't repeat them.

Customer Success Spotlight: Mueser Rutledge Consulting Engineers

Mueser Rutledge, located in New York, provides geotechnical and foundation engineering and design of underground and waterfront structures. Founded in 1910, it employs more than 135, plus eight partners. As a result of implementing Unanet A/E, MRCE has:

- Modernized its outdated and time-consuming paper-based timesheet process, saving accounting staff hundreds of hours annually.
- Increased project efficiency with a project management system that uses dashboards and remote timesheet capability.
- Improved productivity tracking and management with detailed productivity reports, by project or individual.
- Strengthened customer service by providing clients with detailed, project-level financial data.
- Done more with less in the finance and accounting department, limiting the need to hire as the firm grows.
- Improved cash flow by increasing billing speed and facilitating a robust accounts receivable process.

A POSITIVE ERP OUTCOME IS WITHIN REACH

Successfully executing an ERP initiative does not need to be a complex undertaking with the four elements in alignment. However, realize that adopting an ERP initiative will take time, commitment, communication, accountability, and day-to-day management. Even a highly successful go-live is no guarantee that the ERP solution will deliver the promised benefits over time.

The firms that tend to realize the best ERP outcomes are those that recognize the critical role human behavior and organizational culture play in that outcome, and that successfully and sustainably balance technology, process, training and culture,

realizing that it takes constant diligence to maintain that balance.

To help promote a successful ERP initiative, ensure the software provider you choose will be a partner in your business success. At Unanet, we are invested in building mutually appreciative, long-term partnerships with our customers. Our experts are dedicated to supporting firms' change management and user adoption efforts, such as by facilitating pre-implementation process-mapping, helping firms assess their cultural capacity for change, and scripting the implementation process based on that assessment. We believe we are stronger together and are committed to our shared success.



Unanet serves more than 2,000 businesses with its ERP software solutions purpose-built for professional service organizations. Unanet's software helps project-driven organizations reliably plan, track and manage projects, people and financials. Unanet's customer-centric culture means we strive to deliver insights with personal service.



ADDRESS
22970 Indian Creek Drive
Suite 200
Dulles, VA 20166



PHONE
703 429 1236



ONLINE
Email: info@unanet.com
Web: unanet.com