

ERP BUYING PROCESS GUIDE



The ERP buying process is almost always a confusing endeavor. Our expert ERP consultants at ECI have crafted this high-level guide to help you through the steps needed. The aim is to maintain your focus on the goal of achieving improved efficiency, predictive forecasting, and lower costs for your business.

As a significant subset of this overall ERP Buying Process, the selection of an ERP can be even more daunting! The Buying Process can be challenging for businesses due to the meticulous level of detail that must go into ensuring the right decisions are made and the best solution is achieved. Next of course, implementing this correctly specific to your

individual business requirements is where the ball really gets rolling; choosing an implementation partner for the Consulting Services Delivery portion of the project is just as important as the Software Selection portion of the project - if not more so.

That's why ECI has put together this document to walk you step-by-step through what you can expect from the ERP Buying Process. Once you are finished reading and learning from it, feel free to contact us to help you get started with **your** ERP project.

WHAT'S YOUR CATALYST?

This is where it all begins; an internal, external, or sudden event forces your organization to conclude a change is needed. This is typically a business downturn, expansive growth, or regulatory requirements. The change could be anything from process reengineering all the way up to a heart transplant for your business - i.e. a new ERP for your business.



LEARNING ABOUT YOU

Once you have identified the ERP solution(s) you want to consider, it's time to have conversations with the vendor(s). Multiple phone calls, on site visits, demonstration planning - basically, a lot of discussion to identify your business' unique needs and requirements. This is where you obtain a flavor of what working with the team-to-be-chosen should be like, where you learn about your vendor and they learn about you.

BUDGET AND TIMELINE

Internally, your team meets and makes an initial decision on how much you plan to spend on a new technology or process solution - and *when* you want the results to be realized.



RESEARCH

Using a resource to discover the right solutions for your business is critical; enlisting the help of an ERP Consultant is one way to get the best guidance and a variety of options. Be sure to have a clear vision of what your needs are, what you expect from the solution, and especially what you envision for the future of your organization. A trusted, unbiased example we suggest is [Engleman Associates, Inc.](#)

DEMONSTRATIONS

Now that your chosen solution partner has a better understanding of your business, it will usually take them 2 to 4 weeks to prepare your unique demonstration. This stage involves multiple discussions and demos of the software operating in a "day in the life" of your company - including your own data. Expect between 60 to 80 hours of preparation on the vendor team side (and probably fewer than 10 hours on your side) in order to create the perfect demo. The outcome should be that you're confident the software can do what you need it to.



DECISION TIME

At this point, you make a decision on your vendor, software, and - most importantly - implementation partner of choice. By now you should understand the software, have checked vendor and implementation partner references, determined your level of post-procurement support, etc. If there are any areas which you don't feel comfortable with, this is the time to send your final queries to the software vendor and implementation partner to gain clarification.

NEGOTIATIONS

It's time to discuss final pricing. Referring to the budget and timeline decisions you made previously, your vendor and implementation partner will work with you to ensure a united front; they want your solution implemented on time and in budget.



CONTRACTS

At this final stage of the ERP Buying Process, contracts are agreed and signed. Most contracts are standard documents that the vendor uses for the majority of their partnerships, however larger projects can involve custom contracts dependent on your needs and the scope of the implementation. You will not be expected to sign anything until you are satisfied that the solution will work - so be sure to take your time and read the contracts thoroughly.