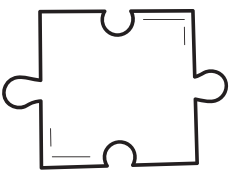
ClustERPuck

21 Critical ERP Implementation Mistakes

...and what to do instead!



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A catalogue record for this book is available from the National Library of Australia

First published in 2024 by Hambone Publishing
Melbourne, Australia

Editing by Mish Phillips, Laura McCall and Felicity Harrison
Interior design by David W. Edelstein

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ISBN 978-0-6451617-2-4 (paperback)
ISBN 978-0-6451617-3-1 (ebook)
ISBN 978-0-6451617-4-8 (audiobook)

Contents

Introduction 1

The Shortcut 7

PART 1: PREPARATION

Mistake 1: Not knowing what you REALLY need 13

Mistake 2: Misunderstanding the ERP cost model 17

Mistake 3: Underbaked or overbaked requirements 23

Mistake 4: Trying to do too much at one time 27

PART 1A: VENDOR SELECTION

Mistake 5: Chasing shiny things or hollow promises 33

Mistake 6: Buying the sales team and not the delivery team . . 37

Mistake 7: Failing to talk to existing customers 41

Mistake 8: Becoming unwittingly caught in a multivendor standoff 47

PART 1B: PRODUCT SELECTION

Mistake 9: Buying an unproven product 53

Mistake 10: Selecting a product with limited service providers 59

Mistake 11: Clinging to on-premise solutions in a cloud-based world 63

PART 2: IMPLEMENTATION

Mistake 12: Not paying for a detailed scope and prototype . . 69

Mistake 13: Customisation. 75

Mistake 14: Creating complexity that doesn't serve your business 81

PART 2A: YOU AND YOUR TEAM

Mistake 15: The leader isn't all in 87

Mistake 16: Inadequate stakeholder involvement. 91

Mistake 17: Underestimating internal effort and setting unrealistic timelines 95

Mistake 18: Selecting the wrong time of year for an implementation. 99

PART 2B: THE FINAL GRIND

Mistake 19: Failing to do your housekeeping. 105

Mistake 20: Insufficient or inappropriate training 109

Mistake 21: Inadequate testing 115

So, what do we do now? 121

Shout-outs 127

References 129

Praise for ClustERPuck 131

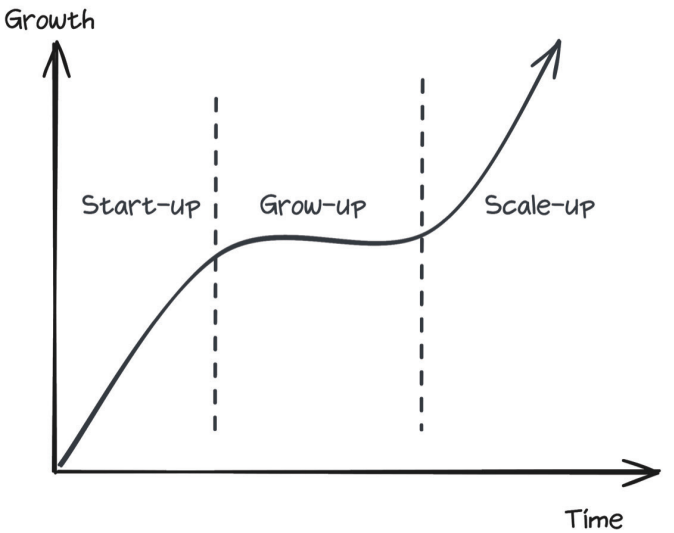
About the Author 139

Introduction

Hey! Thanks for picking up my book. I thought I'd begin by just calling out the elephant in the room: Enterprise Resource Planning (ERP) is not a sexy topic. In fact, the only people who get enthusiastic about ERP are the folks who are selling ERP. The rest of us are just along for the journey. So, if you fall into the first camp and you're an enthusiast, welcome to the book. I hope you get some value. But if you're not in that camp, which I imagine is the majority of people who will read this book, then chances are that while you don't love ERP, you've come to the realisation that you need it.

I know you've got a lot on your plate. As a leader or business owner, every decision you make is critical – not just for the health of your business, but for your reputation and the livelihoods of your team. You've worked hard to get where you are, and the last thing you can afford is a misstep, especially when it comes to something as fundamental as the systems that run your company. That's a weight that can't be ignored, and I don't take that lightly.

Since you're reading a book about ERP implementations, it's likely you're at a particular stage in your business's growth. Most Small to Medium Enterprise (SME) manufacturing businesses follow a fairly typical journey through three stages.



I call stage one the **start-up stage**. The business begins small, with a limited number of products, and you take them to market. The technology that supports you is probably no more than email and a small business finance system. But over time, as your business has grown, so too has the number of processes and people. Along with those come a raft of different technologies designed to solve various problems in your business. This could be a number of really complicated spreadsheets or a plethora of different bespoke systems, like time sheeting,

inventory management, HR, warehousing, logistics, product configuration, etc. Perhaps it's all of the above.

The promise behind these technologies is simple - growth. Yet as you've likely found, the reality can be different. While opportunities lie ahead, the tools and processes you rely on often start to become barriers rather than enablers. Once you reach this tipping point, you're in what I call the **grow-up stage** - where the growing pains begin. This is where ERP starts to become a serious consideration for many businesses. If that sounds like where you are now, then you're in the right place. My goal is to help you get through these growing pains and into the **scale-up stage**.

I get it - the frustration of feeling like you're ready to take your business to the next level, but the systems you've relied on for so long are suddenly holding you back. You've built something great, but now every step forward feels like wading through mud. You're ambitious, capable, and committed to growth, but it's tough to feel confident when the technology meant to support your business becomes a bottleneck. If that sounds familiar, you're not alone - and that's exactly why I wrote this book.

Navigating out of this stage is where things get difficult. The incentives for sellers and buyers are misaligned. While you're looking for the minimum amount of technology to get through the growing pains and keep moving your business forward in a cost-effective manner, the folks who are selling you the solutions are motivated differently. If you haven't been on

this journey before and don't know what you need, then you'll either make a decision to do nothing or jump in blindly, trust the salesman, and hope for the best.

Imagine embarking on a grand voyage with the promise of reaching a paradise where efficiency and productivity reign supreme, only to find yourself stranded in a chaotic wasteland, burning time and money while achieving none of your goals. This is the reality for many businesses that take the plunge into implementing ERP systems without proper preparation and guidance. Welcome to the world of the **ClustERPuck** – a term I've coined to describe these failed or suboptimal ERP implementations that often leave companies worse off than they started.

ClustERPuck (noun)

*Clust·ER·Puck | \ ˈklʌstərˌpʌk *

1. **Definition:** A suboptimal or abandoned ERP (Enterprise Resource Planning) implementation, often resulting from multiple errors or missteps during the selection and implementation phases, leading to significant inefficiencies, disruptions, and increased costs.
2. **Usage:** 'Their ERP project turned into a ClustERPuck due to poor planning and lack of stakeholder involvement.'
3. **Origin:** A portmanteau of 'clusterfuck' and 'ERP', illustrating the chaotic and problematic nature of a mismanaged ERP implementation.

Having witnessed the multitude of ways an ERP implementation can go wrong, I decided it was time to compile these lessons into a comprehensive guide. These insights are not solely from my own experiences but are also sourced from a vast array of industry experts and business owners who've worn the path before you. This book is for business leaders who want to avoid the pitfalls that turn an ERP dream into a ClustERPuck nightmare.

In the chapters that follow, I'll take you through the most common mistakes made during ERP projects and, more importantly, how to avoid them. From lack of leadership buy-in and underestimating internal effort, to over-customisation and misunderstanding the cost model, we'll cover the gamut of issues that can derail your ERP implementation. And because I don't want you to mess up, each chapter comes packed with real-world case studies, practical advice, and actionable strategies to help you navigate the ERP landscape successfully.

You might find the tone of this book a bit different from the typical corporate writing you're used to. That's intentional. I wanted to keep it real and engaging, much like a conversation you might have over a beer with a trusted advisor. Expect some frank language and direct advice - because sugar-coating the truth doesn't help anyone.

You'll notice that some of the chapters are different lengths. That's also deliberate. Some of the problems discussed are nuanced and require more in-depth exploration, while others are relatively straightforward. Each chapter is designed to give

you just the right amount of information you need to understand the issue and take action.

So, whether you're about to embark on your ERP journey or are already in the thick of it and looking for a lifeline, **this book is for you**. Let's dive in and make sure your ERP implementation is a success story, not another ClustERPuck.

The Shortcut

This book doesn't have an executive summary because it is, in and of itself, an executive summary. It's the shortest possible way I can convey the critical, but all-too-common mistakes SME manufacturers make trying to select and implement an ERP.

So, rather than 'executive summary', the title of this chapter is 'the shortcut' because inevitably, there's going be people reading this who fall into one of three categories:

1. You don't have the time to read a book and take in the learnings. You've got a busy schedule and just want to get things done.
2. You're going to delegate this, so you don't really need to know the details. You just need the Reader's Digest version so you can sound smart and tell other folks what to do.
3. You don't want to fuck it up, and you're actually ready to read the entire book.

If you fall into one of the first two categories, then screw all the advice in the latter pages of this book – you don't need it. Let's just cut to the chase.

The whole reason this book exists is because folks skipped one or several of the lessons in this book. Not to suggest that those people were stupid or lazy – they didn't have this book – so I'm giving them the benefit of the doubt that they weren't trying to take a shortcut and just didn't know. They're all smart people in successful businesses, and they've been kind enough to share their mistakes so you don't need to make them.

But unlike them, you can't claim ignorance if you take the shortcut and it goes to custard. You're holding the resource they never had. So, rather than preach to you, let me paint a picture of exactly where you're headed if you take the shortcut.

Focused on the perceived problem that's right in front of you, you'll go out and talk to a bunch of sales folks. They'll either prey on your *naïveté* to extract as much money as they can out of you, or they'll sell you something that they genuinely think will work for you, but only because you've told them the wrong problem. You'll also probably buy the one with the most bells and whistles because, hey, it seems like it's going to solve all of your problems – the Silver Bullet. Then the vendor's delivery team is going to come in and dutifully try to drag you across the line to get this thing installed. But, because you're taking a shortcut, you won't make the time, you won't dedicate the right people, you'll make it an extra duty on top of somebody's job, and you'll only do the bare minimum and get only half of what

you actually need documented. Then your vendor will go away and build your ERP as you described.

What you're going to get is something that does what you told them it should do, but doesn't do what you need it to do, and probably is worse than what you've already got despite the fact that its whole purpose was to make things better. Then the narrative among you and your team will be that it's everybody's fault but yours. You never really took ownership of this problem in the first place; you took the shortcut, yet somehow this whole ClustERPuck will be the vendor's fault. They didn't listen. They didn't understand. They didn't build it right. Every industry event you turn up to, you'll shit-can the software and the folks who implemented it. You'll tell everyone to avoid it. You'll end up in this half-pregnant state where you've still got the old tools running, even though you're also using the new ones. Your staff will become more pissed off than they were before. Some of them will leave, and some will refuse to use the new tools. You'll be burdened with the cost of a software licensing agreement for multiple years, and you'll never achieve any of the bells and whistles that were promised because you first needed to get the basics right – and you won't ever be able to get that now. You'll end up burning a shit-tonne of money for absolutely no reward. In fact, you'll have made things worse. But don't worry – it'll be everybody else's fault but yours.

So if that sounds like a good idea, put the book down, burn it, throw it out, delete it if you're reading the ebook – I don't care. But please don't call me.

If you're willing to reconsider, then maybe there's hope; the amount of time it's going to take you to read this book will be a blip on the radar compared to the amount of time you're going to spend digging yourself out of a hole when you screw it up.

In summary, if you're in camps 1 or 2 and can't be fucked doing the work, then just don't bother with an ERP. It's a waste of your time and money.

If you're in camp 3 and don't want to fuck it up – **welcome to my guide to avoiding a ClustERPuck.**

About the Author

Shane Williams is a seasoned technology strategist with decades of experience in helping businesses streamline their operations through effective technology implementations. With master's degrees in both IT and business management, and extensive hands-on experience, Shane has led numerous successful projects, turning chaotic systems into efficient, productive workflows.

As a strategic technology advisor for manufacturing businesses, Shane specialises in maximising value from Software-as-a-Service (SaaS) platforms. He is the author of "The Platform Owners Guidebook: How Industry Experts Unlock Value from Enterprise Software" and the host of the podcasts "Manufacturing Tech Australia" and "Platform Diaries."

A sought-after speaker and advisor, Shane combines deep technical knowledge with practical insights, making complex concepts accessible and actionable. When not immersed in enabling his clients' businesses to scale, Shane enjoys craft beer, heavy-metal music, good coffee, motorcycle riding, and watching live sport.