

2008 ERP Report – Topline Results

The report was conducted by Panorama Consulting Group via online polling and was supplemented with qualitative data gathered from focus group interviews with a sample of survey respondents. Information was collected from December 2005 to November 2008. Respondents represent 1,322 global organizations that have implemented ERP within the last three years.

Participants were asked to provide quantitative and qualitative responses to questions about their experiences with ERP implementation, including project scope, cost and duration, as well as team structure and business benefits achieved.

Nearly two out of three ERP implementations cost more than budgeted.

Q. Approximately how much over or under budget was your overall project?

35 percent – On or under budget

27 percent – One to 15 percent over budget

16 percent – 15 to 50 percent over budget

16 percent – 50 percent or more over budget

6 percent – Not sure

In more than nine out of ten instances (93 percent), ERP projects take longer than expected.

Q. How long did your organization take to implement its ERP software relative to the projected duration?

68 percent – Much longer than expected

25 percent – Slightly longer than expected

7 percent – About the same as expected

The majority (71 percent) of ERP implementations take between six and 18 months.

Q. Approximately how many months did your actual implementation take?

71 percent – Six to 18 months

20 percent – Less than six months

9 percent – Over 18 months

Only 13 percent of respondents are “very satisfied” following their ERP implementation.

Q. Overall, how satisfied is your organization with its ERP implementation?

- 44 percent – Fairly satisfied
- 23 percent – Not sure
- 15 percent – Fairly unsatisfied
- 13 percent – Very satisfied
- 4 percent – Very unsatisfied

Lack of employee buy-in is the biggest issue facing ERP project teams.

Q. What was the biggest challenge faced by your ERP implementation?

- 38 percent – Lack of employee buy-in
- 33 percent – Lack of ERP expertise
- 19 percent – Lack of project resources
- 10 percent – Too small of a budget

Less than one in five (21%) companies realize even half of the business benefits they expected following the “go live” of their ERP implementation.

Q. Please indicate which of the following applies to your project after the go-live of ERP:

- 70 percent – Realized staff reductions
- 57 percent – Suffered operation stoppages
- 21 percent – Realized 50 percent or more of their projected benefits
- 18 percent – Measured business benefits

Nearly two-thirds (62 percent) of survey respondents were from North America or Asia Pacific.

Q. Where is your company located?

- 31 percent – North America
- 31 percent – Asia Pacific
- 14 percent – Europe
- 13 percent – Other
- 8 percent – Africa
- 3 percent – South America