Going live with your new ERP system

The culmination of your ERP implementation project is when you "go live" and actually start using the system to support day-to-day operations. There are three ways to make the transition from testing and preparation to "live" operation: all-at-once (big bang), parallel operation, or in phases over an extended period of time.

Each strategy has its benefits and its drawbacks – none is completely right or wrong, best or worst. Each company must decide what best fits their objectives, resources, and needs.

Big Bang

After data conversion, user training, and conference room pilot testing are completed for all applications and functions, the entire system is activated all at once, typically on a Monday morning after the IT team has spent the weekend completing file conversions and software final installation. Users sign out of the old system on Friday night and start using the new system Monday morning.

- **The good:** With proper preparation, this can be an effective strategy. The transition is quick and clean and any temptation to revert to old ways of doing things is effectively cut off.

- **The bad:** There is considerable risk with this method. If there are errors in data conversion, improperly trained users, or misaligned functions there's no going back. The team should be prepared for intensive user support and problem solving during the first few days or weeks after going live.

Phased roll-out

Changeover occurs in phases over an extended period of time. Users move onto new system in a series of steps.

- **The good:** This strategy avoids some of the risk of the big bang approach by spreading it out over a series of "little bangs." Mistakes can still cause disruption but their impact might be limited to the specific area being activated. The project team can focus on resolving issues in a limited areas of the business, one or a few at a time.

- **The bad:** Operating a company with different parts of the business supported by different systems is difficult and inefficient. Custom temporary interface programs between old and new systems are costly

and usually provide only minimum ties between systems. Users are often asked to enter the same data more than once and reports (from either the old or the new system may be incomplete because the underlying information is split between the two systems. The overall timeline for conversion is extended. There may be a lower level of risk and stress, but it extends over a longer time.

Parallel operation

Both the legacy and new system run at the same time. Users learn the new system while working on the old.

- **The good:** This is probably the lowest risk scenario in terms of possible disruption due to problems with new system functionality. Users can get used to the new system while still having the old system active to keep the business going.

- **The bad:** This approach requires, by far, the most time and effort of the three approaches. Users are expected to do their jobs twice during the duration of the parallel operation. As a result, neither system will get the proper attention. Operations will likely suffer due to overworked people, poorly executed procedures, and confusion over conflicting information coming from the two systems.

Summary

As you can see, both big bang and phased implementation have advantages and challenges – parallel operation is just not practical and not recommended. Each company must choose the best approach considering desired transition date, resource availability, the amount of functionality being implemented, and the organization's ability to handle change. Your implementation partner should be able to provide advice and recommendations based on their experiences with companies like yours.