trajectory

THE COMPLETE
NETSUITE IMPLEMENTATION
GUIDE

1. Critical pre-project considerations
2. Project phases & deliverables
3. Budgeting guidelines
4. Resource allocation
5. Modules & features

Who Should Read:
Controller, Accounting
Manager, CFO, CTO
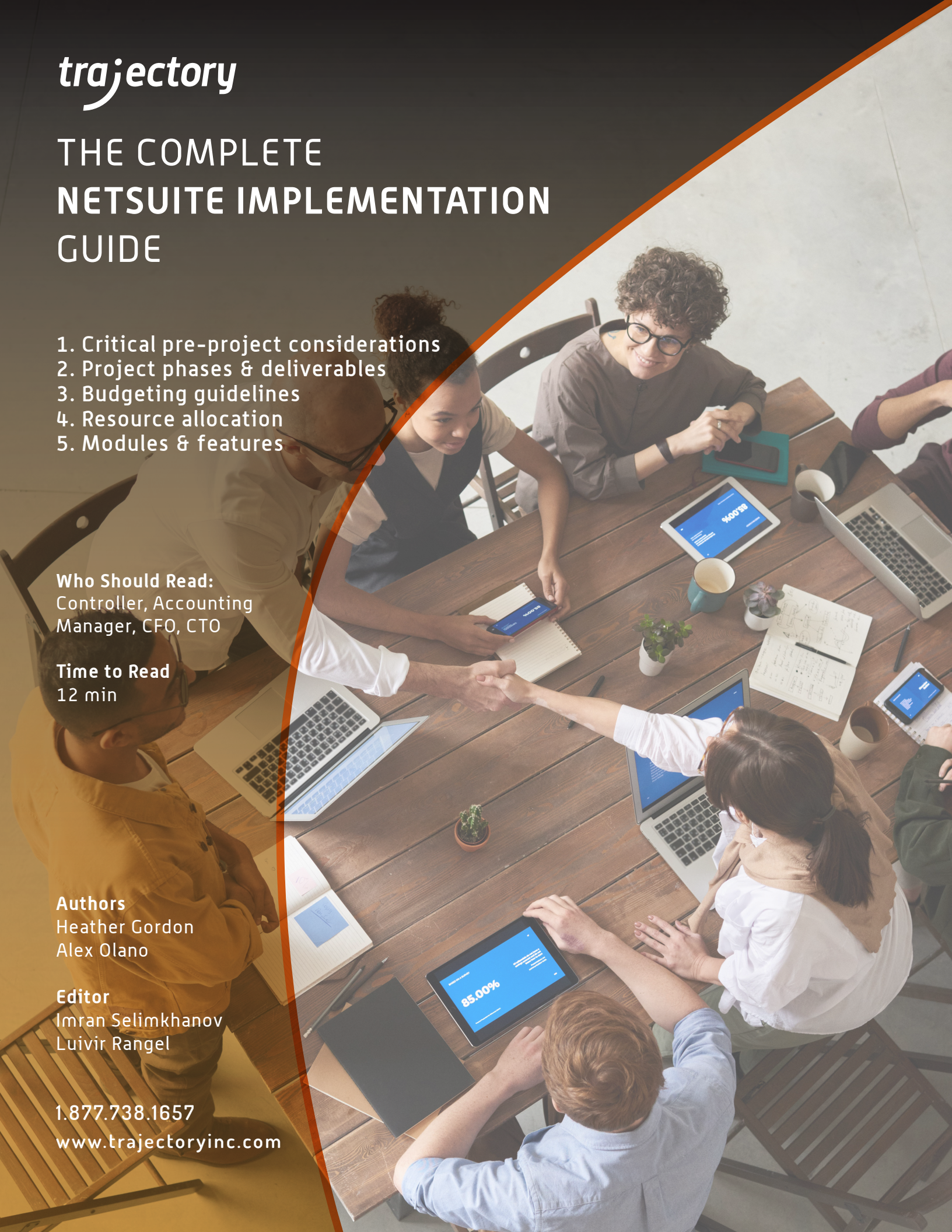
Time to Read
12 min

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Implementation audits are necessary to keep the project on track. Audits should be conducted to compare project results, business objectives, systems objectives, and project objectives.

~ Michael Pelphrey

When debriefing with clients on ERP implementations we usually ask *What do you wish you'd have known before you started?*. Often the answers include the following topics:

- **What were the key things I should have considered before starting?**

- **What could I have expected at a high level, activity and outcome wise during each project phase?**

- **What are key success tips based on Trajectory's previous implementation experience?**

- **How could I have more accurately approached project budgeting both financially and resource wise?**

You'll learn

01 **Pre-Project Considerations:** What topics you'll need to consider before a project starts

02 **Detailed Project Phases:** Purpose, activities, deliverables, tips for success:

- **Understand & blueprint phases** - planning your future state
- **Build phase** - configuring, testing & learning the system
- **Go live phase** - migration & adoption
- **Optimize phase** - data catch up & the road ahead

03 **Budgeting Guidelines:** Smart budgeting explained

04 **Wrapping Up:** Lessons learned & what you need to learn next

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01 Pre-Project Considerations

Before embarking on a NetSuite ERP implementation, ensure you start work on the critical elements below, as they influence project success.

1. An effective project team being put in place including:

- **Project champion:** a senior or executive-level team member (often the CFO) who owns responsibility for sponsoring the project.

- **Internal Project manager (PM):** Team member who liaises with the NetSuite implementation partner project manager. Responsible for coordinating team members to complete the tasks required according to the project timelines. Often, the internal PM is the Controller or Finance Director as they are best suited to coordinating insights into company processes.

- **Subject matter experts (SMEs):** These experts represent each functional area involved in the implementation. These are the internal team members who provide input on the business processes, design, configuration & testing of the ERP system. SMEs should typically represent these roles:

  - The Controller
  - AR team member
  - AP team member
  - Sales team member
  - Procurement team member

2. An effective change management plan: This will lead to smoother system adoption. Create a communication campaign that covers the following topics:

- Explain the reason and business goal for the system implementation.
- Explain the reason for the system implementation.
- Specify who will be impacted and what will be expected of them.
- How those impacted will benefit from the initiative.
- What the processes will be for providing input and feedback during the project.

3. An effective project management strategy: Make sure your NetSuite implementation partner offers a strong framework for project success. It should consist of a realistic plan and an effective strategy for monitoring the progress of activities. Your partner should hold parties accountable and closely monitor the project scope, budget and timelines.

4. An effective training plan: Make sure that this is not an afterthought and has appropriate budget allocation. If the end users feel well trained and supported then the chance of smooth system adoption goes way up.

5.Business process mapping/redesign: To facilitate a stress-reduced project, map-out existing company processes. Don't be afraid to consider re-engineering them as this is the opportunity to implement best practices.

Pro tip:

In our experience, skimping on training, leads to costly challenges down the road. Request that training is documented, i.e. record training sessions that your team can use for new hires and as a reference.

Your team is being trained anyway, so recording the session is low cost vs. written manuals (that become outdated fast). Review our blog Maximizing the Value of NetSuite Implementation to learn more about how to run a successful implementation.

DOWNLOAD THE CRITICAL CHECKLIST THAT OUTLINES SUCCESS FACTORS ON BUDGET, TIME AND ALLOCATION.

DOWNLOAD THE CHECKLIST

02 NetSuite ERP Implementation Project Phases

Over our 14 years in business, Trajectory has honed an efficient cloud ERP implementation process, consisting of six project phases. We implement the NetSuite solution by module and task delivery categories, using an agile approach. At times, various modules are configured concurrently depending on task dependencies.

1] Understand
2] Blueprint
3] Build
4] Balance
5] Go Live
6] Optimize

WE HAVE BUILT AN AWESOME IMPLEMENTATION CHEAT SHEET TO SHOW YOU VISUALLY THE PROJECT PHASES, BUDGET AND SME CHART. DELETE THE BEST PART IS THE CHECKLIST THAT WE'VE INCLUDED FOR YOU TO USE AS A GUIDE THROUGHOUT YOUR PROJECT TO ENSURE A SUCCESSFUL NETSUITE IMPLEMENTATION.

GET IMPLEMENTATION CHEAT

2.1 PARALLEL PROJECT WORK STREAMS

Two work streams that occur during the entire implementation project are project control and data migration.

PROJECT CONTROL

■ **Key Activities**

- **Project management oversight:** monitoring project budget, timelines and task progress, identifying and mitigating risks
- **Weekly project status meetings:** between implementation partner and client PMs and the client
- **Monthly project status meetings:** with implementation partner and client PMs and project champion as required.

■ **Main Deliverables**

- Project Plan & Forecasting
- Project Task/Issue/Decision Log
- Budget & Scope Review
- Status Meeting Notes

DATA MIGRATION

Data migration should **always** be top of mind throughout the project. How well this process is managed can make or break an ERP implementation.

■ **Key Activities (ETL)**

- Identify the data to be migrated (only plan to migrate what you need).
- Extract sample data sets, clean up the data, populate the NetSuite import file templates (Transform), and test the uploads (Load). Your NetSuite partner must give you the correct csv templates so that you provide the data in the correct format.
- Expect two or more iterations of the above steps prior to the final data load, to ensure accurate data input.

■ **Main Deliverables**

- NetSuite CSV import templates
- Detailed project plan tasks that help track data migration deliverables

2.2 UNDERSTAND & BLUEPRINT

This is where you and the implementation partner will determine high level business needs and timelines. You'll then enter into an agreement to work together. Proceeding to collecting and documenting the detailed business requirements and solutions to satisfy the requirements.

■ Key Activities

• Initial scoping & workshops: usually done on-site, we do not recommend doing this remotely.
• Data migration: understanding existing data, the state it is in, determining the system data will be coming from what fields should be migrated and why.
• Questionnaires: great consultants will always take the time to understand your business needs vs forcing you into a cookie cutter solution.
• Gather & document requirements: written requirements & clear business process diagrams.

■ Main Deliverables

• Statement of work for engagement
• Questionnaires completed
• Business requirements documentation
• Functional solution documentation

■ Tips for Success

1. Build the requirements based on future state business processes: This is your chance to implement best practices and re-engineer processes. It may require more work, but in the long run it will pay off. Stay close to standard functionality when you can, the system has been built based on best practices of thousands of users. Limited customizations will be cheaper to maintain in the long run.

2. Work with a trusted ERP platform partner: Finding a qualified partner to assist with the system implementation is critical. Go beyond validating certifications, ask for references and interview the PM. Be wary of vendors who can't provide detailed answers on how they are going to execute your project. Ensure they have a strong methodology as that correlates with implementation success.

3. Involve all functional subject matter experts (SMEs) from the start: Doing so ensures you get valuable insights while blueprinting a solution design. This also provides the opportunity to turn team members into system evangelists, who will help pave the way for smoother system adoption.

4. Have a detailed responsibility matrix, before the project starts: Get a clear picture of who owns what activities from the start. Set realistic expectations for all project participants of what's expected of them and what supports will be in place. This will help relieve anxiety about the anticipated workload and reassure the team that management has the details covered.

2.3 BUILD

> "
> ### The proposed process designs should always be designed within the logic of the ERP systems
>
> ~ Worster, Weirick, Andera

Goals by business process: the best run erp implementations put the optimization of business processes top of mind. This allows traceability from requirements to SOW to project plans.

Know the NetSuite modules you need: build the project plan based on modules needed & map out the processes to be delivered. Keep in mind that not all features apply to every project and some have additional costs.

■ Key Activities

- Configure modules based on the requirements.
- Build automation(s) & integrations as required.
- Grant appropriate system testing access to SMEs/ end users (as appropriate).
- Complete unit testing.
- Data migration (clean up, migrating sample data, testing the data as part of unit testing to identify issues).

■ Main Deliverables

- **Detailed Project Plan**: at the start of the project
- **Demonstrations:** ask to see progress as the system is built out
- **System Training for SMEs:** training prior to unit testing as the system is enabled
Unit Testing: test cases must be detailed and cover all of your business use case scenarios
- **User Acceptance Testing:** end-to-end testing of complete business process once system is fully configured

Configure the NetSuite solution by module and complete unit testing of each module. The biggest mistake we see in ERP project plans is generic SDLC (software development life cycle) phase use or focus on detailed features without purpose. Both of these approaches lead to vague planning and unclear business benefit mapping. To run a successful project you need to focus on business processes which correspond to core modules of the ERP system.

■ Tips for Success

1. Focus on data migration from the start: It's super important to execute this piece in parallel with configuration. Ensure that you plan appropriately resource and time wise for this.

2. Have a detailed project plan.

3. Keep communication flowing: Weekly status meetings, monthly steering committee reviews.

4. Have easy traceability between documentation: You should be able to easily map requirements to the implementation SOW and the project plan.

5. Always have a sandbox environment: This avoids loads of data clean up later.

6. Avoid integrating everything in the world for phase one: Best practice is to build the system with standard functionality first. Get used to it, then add advanced feature requirements during phase two.

7. Avoid building custom scripts & workflows unless you really have to. The reality is that your team needs to adapt to the ERP system's best practices designated for your industry.

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The data migration phase of a project can consume up to 30% of the total project resources. The most common flaw in data migration planning is that too few resources are invested in it.

~ Dr. Paul Dorsey

2.4 BALANCE

Finalize data migration, complete end user training and full system user acceptance testing. This phase is where you cut-over to your new system.

■ **Key Activities**

- Data migration (delete test data, import complete data sets for system go live and validate data imports)
- End user training
- User acceptance testing
- Final configuration tweaks

■ **Tips for Success**

1. Ensure end user engagement: Make sure everyone in the company knows the reasons for & go live date of the ERP system.

2.Ensure end users are trained before they use the system: Do this during unit testing, UAT or just before going live. The adage "use it or lose it" applies here. Training immediately before system usage is most effective.

3. Ensure you keep the full budget in mind: I'm talking about the internal vs external dollars. Internal budget "brown dollars" refer to the in house cost of the effort. Some companies care about this others don't, it depends on who is sponsoring the project. The most important cost is the external budget "green dollars", which is what you will pay the solution implementation provider. This often includes requirements gathering, configuration, integration, migration, training & third party tools.

4. Measure the project success via Key Performace Indications (KPI): Reduce month end close, clear invoicing, automate approvals, reduce unhappy customers, project budget overruns, etc.

2.5 GO LIVE

Launch new solution to end users, celebrate, and get ready for phase 2 or tweaks.

■ Key Activities

- System cut-over
- Ensure appropriate system access has been provided to all end users
- Complete any final catch-up data migration activities
- Provide follow-up end user training (as required)

■ Main Deliverables

- System Go Live
- Data Catch-up

■ Tips for Success

1. Review the project plan and sign-off on the project: Make sure that all tasks in the project plan have been completed to your satisfaction.

2. Set up an internal help desk & procedures: Ensure that users can easily contact the ERP administrator to have their questions addressed. If required, set-up weekly internal question & answer workshops for the first 2 months post go live. The goal is for end-users to feel and be supported in their adoption of the new system.

3. Document end user feedback: Be sure to log suggestions for review and improvement for future system implementation phases.

2.6 OPTIMIZE

Ad hoc issue and question resolution

■ Key Activities

- System troubleshooting
- New user onboarding
- New requirements review

■ Main Deliverables

- System Optimization

■ Tips for Success

1. Phase 2 Planning: Review suggestions for phase 2, what are critical improvements vs. nice to haves?

2. Identify Optimization Opportunities: Are there any remaining manual processes to optimize?

3. Check-in with users: Be sure to check-in weekly for two (2) months from Go Live. This will allow for ad-hoc issues to be fixed along with optimization requirements gathering for phase 2.

4. Communicate: Let the entire team know the wins experienced since system implementation. Examples of this are reduction of manual labor, accurate reporting, fast month-end close etc. Sharing the good news helps reenforce why the system transition was important to undertake.

5. Maintain a System Feedback Process: Ensure end-users are encouraged to provide system feedback to identify future opportunities for improvement.

03 | **Budgeting Guidelines**

LOOK FOR ESTIMATES TO BE PROVIDED AT THE MODULE & BUSINESS PROCESS LEVEL. THIS APPROACH WILL HELP AVOID SCOPE CREEP AND DREADED CHANGE ORDERS DOWN THE ROAD.

Now that you understand the different phases of an ERP implementation project, let's focus on estimating an ERP project budget. The budget can be divided into three streams:

1. Software related expenses

i.e. NetSuite solution fees and user licenses. Our recent post in the ERP Academy NetSuite Cost Factors – How to Save your ERP $$$, demystifies the cost of NetSuite. Our best advice is to reach out for a quick chat to get an accurate estimate based on your needs.

2. Internal project team resource allocation (internal budget)

A team consisting of project champion(s), a project manager, functional area subject matter experts and end-users.

Understand the typical resource allocation for SME projects

GET THE CHECKLIST

3. Third party NetSuite implementation partner (external budget)

• **Less Risk:** This approach is more time and value efficient, and less risk prone than internally led implementations. A solution partner with years of experience in various industry ERP projects will lead with best practices.

• **Advocate for pricing:** So...how much does it cost to implement NetSuite? Pricing methodologies can range from fixed bid to time and materials. An experienced implementation partner should be able to provide a high level estimate on NetSuite licenses.

Note that a detailed blueprinting effort is required before an exact estimate can be provided for the professional services component.

04 To Wrap Up

Embarking on an ERP implementation can be daunting. Being aware of best practices in terms of process, deliverables, resource allocation and budget are critical for ERP success.

1. Pre-Project Considerations: It's important to do your homework up-front, carefully outline your high-level business requirements. This includes business process mapping, researching solutions for your requirements & resource planning. Ensure to include subject matter experts and a project manager during the project planning process.

To accomplish the project, be sure to have sufficient budget for training and develop a change management plan to communicate the objectives for system adoption to your organization

2. Understand & Blueprint: Your team along with your partner NetSuite consultant will solidify in detail all of your ERP requirements. From drawing out future state processes, standard & add on modules required to power your back office, no stone should be left unturned.

3. Build: This is where your NetSuite platform gets configured to your unique company requirements. Be sure to have weekly status meetings with your internal & implementation partner teams. As the system gets built, you should be trained and the configured system features should be demonstrated to you. This way you get familiar with the system and have the opportunity for revisions prior to user acceptance testing.

4. Balance: Go live time! Ensure data migration is part of the discussion from the start, you'll fair better than 60% of companies. In this phase you'll be moving master & transactional data, doing user acceptance testing and cutting over to the new environment. Any end-users who have not been trained on the system to date or need a refresher, should be trained.

5. Optimize: All of your end users should now be on the platform, providing feedback for further optimization.

CFO life savers to read next

■ **NetSuite implementation checklist**
Use this as a guide to run a successful project.

■ **NetSuite module list, add-ons, apps & features**
Understand the detailed features of all that NetSuite has to offer, prior to taking on an implementation.

■ **ERP data migration best practices**
Understand data for migration & what you need to prep for the new ERP system.

Get the complete checklist on the phases, cost, budget & resource planning.

DOWNLOAD

Hopefully this post has helped illuminate the major themes to allow you to start your ERP implementation initiative with confidence. If you have questions, feel free to reach out, we've been running cloud-based ERP projects for over 14 years.

A tad about Trajectory Inc

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Trajectory Inc is a trusted NetSuite partner led by top certified NetSuite Consultants. We help companies improve operational efficiency & increase team value via relentless focus on best-practice ERP advice, thorough implementations and ongoing support.

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