

THE COMPLETE GUIDE

TO HELP YOU PROCURE THE RIGHT ERP SYSTEM
FOR YOUR ORGANIZATION.



Prepared by



Executive Summary.

Selecting the appropriate ERP system is essential for an organization's long-term success. It can streamline processes, centralize data, and enhance decision-making, ultimately driving productivity and adaptability in a rapidly changing business environment.

This guide highlights the key factors in selecting an ERP system, emphasizing the importance of customization and industry-specific functionalities.

Drawing on over two decades of expertise in ERP implementation, Coretec offers insights to assist you in selecting solutions that address your unique challenges, enhance efficiency, and promote sustainable growth.

What to expect.

By the end of this guide, you will have a comprehensive understanding of how to approach ERP selection with confidence. Key takeaways include:

- **The Need to Change or Upgrade your ERP.** Get to know the key factors indicating it may be time to consider a new or upgraded ERP system.
- **Evaluating ERP Options.** Learn the fundamental criteria for assessing ERP systems, including factors like scalability, integration, and industry-specific functionalities.
- **Understanding Customization Needs.** Discover why customization matters and how a tailored solution, such as a customized Microsoft Dynamics ERP, can address the unique challenges and objectives of your organization.
- **Selecting a Future-Proof Solution.** Gain insights on choosing an ERP system that not only fits today's needs but can also evolve with your organization, especially through the adaptable functionalities of Microsoft Dynamics.
- **Choosing the Right Implementation Partner.** Understand the importance of selecting a knowledgeable partner who can guide your organization through the complexities of ERP deployment, support, and future upgrades—ensuring that the transition is seamless and that the ERP investment is maximized.

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Key Indicators It's Time to Change or Upgrade Your ERP System.

Outdated Technology: The ERP lacks modern features, cloud capabilities, or vendor support, making it inefficient and insecure.

Inability to Scale: The system cannot accommodate organizational growth, new processes, or increased transaction volumes.

Integration Challenges: The ERP doesn't integrate seamlessly with other systems, causing data silos and manual workarounds.

Limited Customization and Flexibility: The system cannot adapt to changing business needs or industry-specific requirements.

Poor User Experience: Employees struggle with an outdated or unintuitive interface, reducing productivity and adoption.

Performance and Reliability Issues: Frequent downtime, slow processing speeds, or system crashes disrupt operations.

Inadequate Reporting and Analytics: The ERP lacks robust reporting tools or real-time insights for informed decision-making.

High Maintenance Costs: Maintaining the ERP has become expensive, outweighing its contribution to efficiency and productivity.

Compliance and Security Gaps: The system fails to meet current regulatory requirements or has security vulnerabilities.

Feedback from Employees and Stakeholders: Users and stakeholders highlight the ERP's limitations as a barrier to innovation and efficiency.

ERP Implementation Challenges and How to Overcome Them.

Implementing an ERP system, while transformative, can be a complex process that presents several challenges. For many organizations, selecting and rolling out an ERP solution touches every department, impacting daily workflows, data management, and employee productivity.

1. High Initial Costs

One of the primary barriers to ERP adoption is the cost associated with software licensing, infrastructure upgrades, customization, and training. For many organizations, especially those with budget constraints, this initial investment can seem daunting.

2. Resistance to Change Among Staff

Employees are often accustomed to existing systems and workflows, making them wary of new technology. Implementing a new ERP system may create apprehension, as staff may fear that the new system will disrupt their routines or require a steep learning curve.

Resistance to change can slow down adoption and reduce the benefits of the ERP system if not managed effectively.

3. Data Migration Complexities

Moving historical data from legacy systems to a new ERP can be a complicated, time-consuming process.

Data migration requires cleaning, standardizing, and mapping data accurately to ensure that all essential information is preserved and accessible in the new system.

Errors or inconsistencies during migration can result in inaccurate reports, poor decision-making, and operational delays.

4. Integration with Existing Systems

For organizations with established software ecosystems, ensuring that the ERP system integrates seamlessly with other applications can be challenging.

Many organizations rely on specialized systems for specific functions, such as customer relationship management, payroll, or supply chain management.

Integration issues can hinder data flow, causing inefficiencies and impeding the full benefits of a centralized ERP solution.

1. Selecting the Right Partner for Implementation

Choosing an experienced ERP implementation partner is critical. A knowledgeable partner, such as Coretec, brings not only technical expertise in Microsoft Dynamics but also a deep understanding of industry-specific requirements and best practices.

The right partner can guide you through potential challenges, provide a realistic implementation roadmap, and offer insights into optimizing the ERP system for maximum benefit.

2. Developing a Clear Implementation Plan

A detailed, step-by-step implementation plan is essential to manage costs, set expectations, and ensure a smooth rollout. This plan should outline objectives, timelines, budget constraints, and milestones, keeping everyone aligned and accountable.

A well-thought-out plan minimizes unexpected costs and delays, giving each department a clear view of how the ERP implementation will unfold and what is expected at each stage.

3. Engaging Key Stakeholders Early

Involving key stakeholders from each department from the outset helps build support and addresses concerns about the new system.

When you involve these leaders in the planning process, you can create a sense of ownership and collaboration, which is essential for minimizing resistance.

These stakeholders can also serve as champions who help promote the benefits of the ERP system to other employees, fostering a culture of openness and adaptability.

4. Continuous Training and Support for Employees

Training is critical to easing the transition and ensuring employees feel confident and comfortable using the new ERP system.

An ongoing training program that provides hands-on experience and addresses real-world scenarios helps employees understand the ERP's functionalities and benefits.

Continuous support post-implementation also helps address questions, fix issues as they arise, and gradually optimize the system based on user feedback.

Key Features to Look for in an ERP System.

Choosing an ERP system is a strategic decision that will shape the future of an organization's operations, efficiency, and scalability. While ERP systems offer transformative potential, finding one with the right features is crucial to ensure it meets an organization's specific requirements both today and in the years to come.

Here are five essential features to prioritize when selecting an ERP system.

1. Scalability and Flexibility

One of the most critical aspects of a successful ERP solution is its ability to scale and adapt as the organization grows.

In dynamic sectors like financial services, NGOs, parastatals, and educational institutions, changes in regulatory requirements, organizational size, and operational needs are common.

An ERP system with built-in scalability ensures that as new departments, locations, or processes are added, the ERP can accommodate these expansions without requiring a costly overhaul.

Microsoft Dynamics exemplifies this flexibility by offering modular solutions that organizations can customize as needed.

Organizations can start with core functionalities and add additional modules as their needs evolve, making it a future-proof investment.

The flexibility of Microsoft Dynamics allows organizations to adapt their ERP environment to both current and future business needs, supporting everything from small operational shifts to large-scale expansions.

2. Customization Options

Every organization operates differently, even within the same industry. Customization is essential for tailoring the ERP system to meet specific operational needs, industry regulations, and organizational goals.

Microsoft Dynamics offers robust customization capabilities, allowing organizations to adjust features and workflows to align precisely with their processes. This includes configuring dashboards, workflows, reports, and data fields to match an organization's unique requirements.

For instance, financial institutions may need customized reporting for regulatory compliance, while educational institutions may require tailored modules for managing student records.

Microsoft Dynamics makes it easy to implement these specific modifications, ensuring that the ERP system directly supports each department's goals.

Customization is not just about initial setup; it's about continuously refining the system so it keeps pace with the evolving needs of the organization.

3. User-Friendliness

The effectiveness of an ERP system largely depends on user adoption. If employees find the ERP difficult to use or unintuitive, adoption rates will lag, limiting the system's effectiveness.

An intuitive, user-friendly interface is essential to ensure that staff across departments can easily access and utilize the ERP's capabilities without extensive technical expertise.

Microsoft Dynamics stands out in terms of user-friendliness, featuring a clean, organized interface that is easy to navigate. Its design emphasizes usability, enabling employees to access data, run reports, and manage workflows efficiently.

A user-friendly ERP system helps employees embrace new workflows, fostering a productive, collaborative environment and maximizing the value of the ERP investment.

4. Integration Capabilities

Organizations often rely on multiple software applications for various functions, from CRM systems to payroll and HR management.

An ERP system's integration capabilities are therefore essential to create a unified ecosystem where data flows seamlessly across departments and applications. Without this integration, organizations risk siloed data, redundant processes, and inefficiencies that limit the ERP's value.

Microsoft Dynamics excels in integration, allowing organizations to connect it with a wide range of external systems, from industry-specific applications to cloud services.

This feature is especially valuable for organizations in complex sectors, such as SACCOs or NGOs, where multiple software tools are used to manage member data, finances, and reporting.

Integration with Microsoft Dynamics not only reduces redundancy but also enhances data accuracy and accessibility, empowering stakeholders with the insights they need to make informed decisions in real-time.

5. Security and Compliance

In sectors that handle sensitive data such as financial services and parastatals, security and compliance are paramount. Data breaches or non-compliance can lead to severe financial and reputational damage, making it essential that the chosen ERP system includes comprehensive security features.

Microsoft Dynamics places a high priority on data protection, offering robust security protocols, user access controls, and compliance support for industry-specific regulations.

Microsoft Dynamics also enables organizations to set up access restrictions, ensuring that only authorized users can view or modify sensitive information. For compliance, it includes tools that help organizations adhere to standards and local regulatory requirements.

When you invest in an ERP system with a strong focus on security and compliance, your organization can protect its data integrity, uphold customer trust, and mitigate risk effectively.

Selecting the right ERP system is a detailed process that requires a clear understanding of organizational needs, thorough research, and strategic planning.

To ensure that the ERP you choose provides maximum value, it's essential to evaluate options carefully.

1. Define Your Needs

The first step in selecting an ERP system is to identify your organization's goals, department-specific requirements, and current operational challenges. Understanding these elements will clarify what you need from an ERP and guide your evaluation criteria. For instance:

- **Organizational Goals-** Are you aiming for operational efficiency, better data management, or enhanced customer service? Defining these goals will help narrow down ERP options that align with your objectives.
- **Department Requirements-** Each department—finance, HR, supply chain, and operations—may have specific needs, such as automated reporting for finance or regulatory compliance tracking for HR.
- **Current Challenges-** Assessing pain points like data silos, manual processes, or lack of real-time insights can help in selecting an ERP system that addresses these areas.

When you define your needs early, you lay a solid foundation for evaluating ERP options that can address your organization's unique landscape and support its future growth.

2. Research ERP Options

With clear requirements in mind, the next step is to research available ERP solutions. Begin by exploring ERP systems that are known for their adaptability and scalability.

- **Industry-Specific Solutions-** Look for ERP systems that have industry-specific modules. Microsoft Dynamics, for example, can be customized for financial services, NGOs, educational institutions, retail and parastatals, making it a strong choice for specialized needs.
- **Scalability and Flexibility-** Ensure the ERP solution you select can grow with your organization's evolving requirements.
- **Total Cost of Ownership-** Research the full costs, including licensing fees, customization, support, and maintenance, to avoid budget surprises later.

This research phase is essential for building a shortlist of ERP options that can be further evaluated in depth.

3. Choose the Right ERP Partner

An ERP implementation is a collaborative journey, and selecting the right partner can make a significant difference in the process and outcome. A knowledgeable ERP partner provides technical expertise, industry insights, and ongoing support to ensure a smooth, successful implementation.

We shall discuss details on tips to select the best ERP partner in the later chapter.

4. Test and Pilot Options

Before committing to an ERP solution, it's essential to test and pilot the options you are considering. A demo or pilot phase allows key users to interact with the ERP system, test its functionalities, and provide feedback. This hands-on approach reveals how well the ERP aligns with your organization's processes and helps identify any potential limitations.

- **Request a Demo.** Most ERP vendors offer demos. A demo lets you see how the system handles specific tasks, such as financial reporting or inventory management.
- **Run a Pilot Program.** A pilot implementation involves deploying the ERP system on a smaller scale within a select department. This approach provides real-world insights into the system's usability and integration capabilities.
- **Gather Feedback.** Engage employees who participate in the pilot to gather their feedback. This input will reveal how easy the system is to use, its compatibility with daily tasks, and any gaps that need to be addressed.

Piloting options ensure that the ERP system you choose is a good fit for your team, reducing the risk of issues after full deployment.

5. Create a Cost-Benefit Analysis

Evaluating ERP options requires balancing costs with potential long-term benefits. A thorough cost-benefit analysis helps ensure that your investment delivers value across your organization. Consider both the direct costs of the ERP system—such as licensing and setup costs—and the indirect costs, such as training, downtime during transition, and ongoing support.

In your analysis, factor in the expected benefits, including operational efficiency, boosted productivity, enabled data-driven decision-making, and provided long-term cost savings by streamlining workflows, reducing manual tasks, and centralizing data.

1. Industry Experience

Ensure the partner has proven experience in your industry, as they will understand specific regulatory requirements, best practices, and potential obstacles.

2. Customization Expertise

A vendor might not have a portfolio in your industry but they are able to customize the solution. Look for a partner who can tailor the ERP system to meet your organization's unique needs, ensuring the system aligns with operational workflows and long-term goals.

3. Support Services

Choose a partner who offers comprehensive support, including training, troubleshooting, ongoing updates, and post-implementation optimization.

4. Portfolio and Track Record

Evaluate the partner's portfolio and case studies to assess their experience, expertise, and success in delivering ERP solutions for similar organizations.

5. Focus on Innovation

A forward-thinking partner should embrace the latest technologies and trends, such as cloud adoption, automation, and AI, to ensure your ERP system remains competitive and future-proof.

6. Adaptability to Change

Look for a partner capable of adjusting to changing business requirements, market conditions, and technological advancements to ensure the ERP continues to meet evolving needs.

7. Commitment to Security and Compliance

Considering that the partner will work with a lot of your data, some may be sensitive, the partner must prioritize data security and compliance with industry standards and regulations, ensuring that your system is secure and meets legal requirements.

8. Organizational Stability

Consider the partner's financial health and longevity to ensure they will be available to support your ERP system for years to come.

9. Effective Communication and Collaboration

A reliable ERP partner fosters open communication, provides clear project updates, and values collaboration with stakeholders throughout the implementation process.

10. Scalability and Long-Term Support

The partner should have a clear strategy for scaling the ERP system as your organization grows and for providing long-term support, upgrades, and maintenance.

11. Proven Methodology

Look for a partner that follows a structured implementation methodology, ensuring consistency, accountability, and timely project delivery.

12. User-Centric Approach

A good partner focuses on ensuring the system is user-friendly, provides adequate training for employees, and facilitates smooth adoption across the organization.



95% of companies have experienced process improvements after implementing ERP systems, showcasing the tangible benefits these systems can provide.

Netsuite

53% of organizations with ERP software use cloud-based solutions rather than on-premises enterprise platforms.

Panaroma Consulting Group

77% of organizations identified institutional leadership support as the most critical success factor for ERP implementation, emphasizing the importance of executive buy-in.

Netsuite

28% of companies reported achieving a positive ROI within one year of implementing their ERP systems.

RCADEMY



Over 2 decades of customizing and implementing ERP systems across different sectors.



Plenty of success stories from our clients.



ERP customization abilities that suit your specific needs.



A team of experienced ERP developers and functional consultants.



105+ successful implementations.



Strong cybersecurity measures in place.



Cloud adoption.

Some Of Our Clients



A future to believe in



Dr. Kalebi Labs
New Era of Lab Services



**TRAMOM REGULATED
NON-WDT SACCO**





Coretec has been our partner and support since 2013 when we installed Dynamic NAV 2013 as our core banking system. Coretec has walked with us by providing us with competent and capable support staff in all our activities for the last eight years.

At the beginning of the year 2020, Coretec again supported Postbank Sacco in the upgrading of its System to Microsoft Dynamic 365 Business Central. This was achieved within the first quarter of the year with minimal challenges, the Transition was a joy to implement and we are forever grateful to Coretec for the smooth transition.

Postbank Sacco



The upgrade to Dynamics 365 has been a significant leap forward. It has integrated all our functions into one unified platform, giving us better control over member data, improving communication, and enhancing our financial reporting and human resource capabilities.

One thing to note is that the customization possibilities with this system are vast. As our SACCO continues to evolve, we're excited about exploring more advanced features to continue improving our member services. If you're looking for a robust, scalable solution, Coretec Africa will deliver.

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Request A Free Demo

Request a demo of Dynamics 365 Business Central, and learn how we can help you streamline your operations and improve service delivery.



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