



AFCEA InfoTech 2007

IT Best Practices Enterprise Acquisition Putting First Things First, One Step At A Time

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Presented by

Dr. Cheryl Mason

— Exhibit Booth #129 —





Meet Your Speaker

Dr. Cheryl Mason is an Oracle/ERP Subject Matter Expert and IV&V Project Lead for Lighthouse Technologies, Inc.

Dr. Mason has over 20 years of Information Technology experience, 10 of which have been with Oracle Business Applications including 5 years of Oracle 11i financial services, human resources, manufacturing, and customer service. Cheryl holds BS, MBA, and PhD degrees.

She is currently providing Oracle/ERP Subject Matter Expertise on two large Air Force ERP IV&V assessments.





Overview

- **Introduction**
- **IT Best Practices
Enterprise Acquisition Steps**
- **Questions**



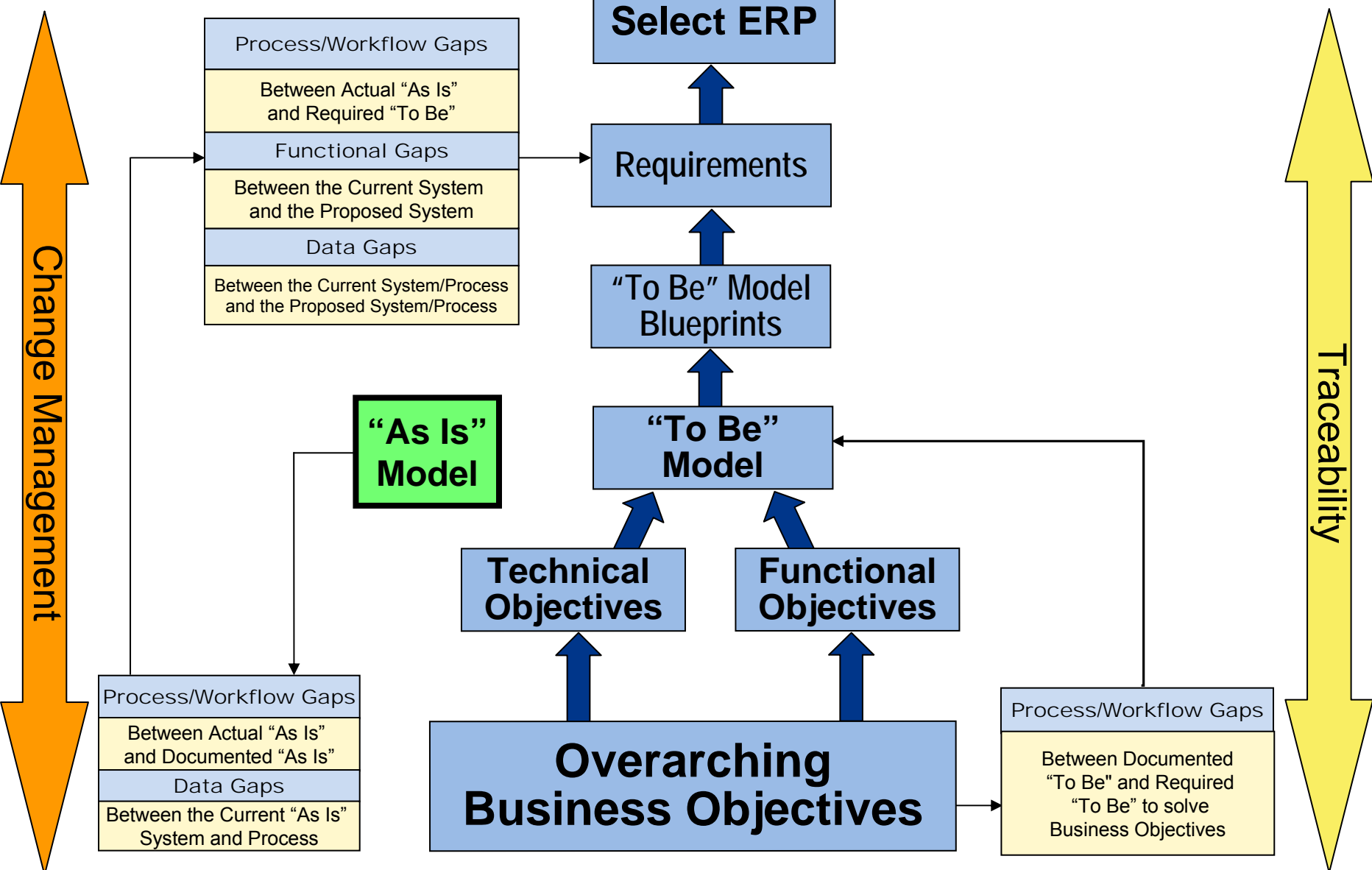
Introduction

The foundation for an IT Best Practices Enterprise Acquisition begins months prior to the actual Enterprise selection process. The organization must undertake significant and necessary steps in ensure that the ERP selected at the completion of the acquisition process meets the current and possibly future needs of the organization. This is better known as “Putting first things first, one step at a time.”



IT Best Practices Enterprise Acquisition Steps

- Establish Overarching Transformational Business Objectives
- Develop Technical and Functional Goals of the Enterprise Acquisition
- Perform Fit-Gap Analysis
- Create “To Be” Model
- Develop Requirements
- Select ERP



IT Best Practices Enterprise Acquisition Process

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Overarching Transformational Business Objectives

What, Who & Why

What

- Observable and measurable goals
- Conditions under which the goals should be achieved
- Expected level of performance

Who

- Blending of various stakeholder groupings
 - Senior Management
 - Functional Management
 - IT Management



Overarching Transformational Business Objectives

What, Who & Why (con't)

Why

- Focuses on aligning Enterprise Acquisition with the organizational needs
- Provides the link between the acquisition of an appropriate ERP, and an organizational transformation that is both efficient and effective.

**Overarching
Business Objectives**

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Technical & Functional Goals of the Enterprise Acquisition

What, Who & Why

What

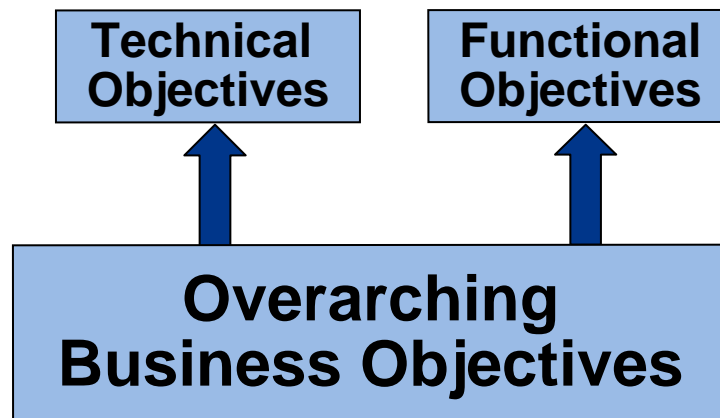
- A defined tangible, specific, realistic and time-targeted technical as well as functional solution, that satisfies the business goals

Who

- **Stakeholders include:**
 - Functional Management
 - IT Management

Why

- Provides the foundation to be used as input into the construction of the “To Be” Model



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Fit-Gap Analysis

What, Who & Why

What

- **Process/Workflow Gaps**
 - Between the actual “As Is” and the documented “As Is”
 - Between the documented “To Be” and the required “To Be” needed to solve the business objectives
 - Between the actual “As Is” and the required “To Be”
- **System Functional Gaps**
 - Between the current system and the proposed system
- **Data gaps**
 - In the current “As Is” system and process
 - Between the current system/process and the proposed system/process



Fit-Gap Analysis

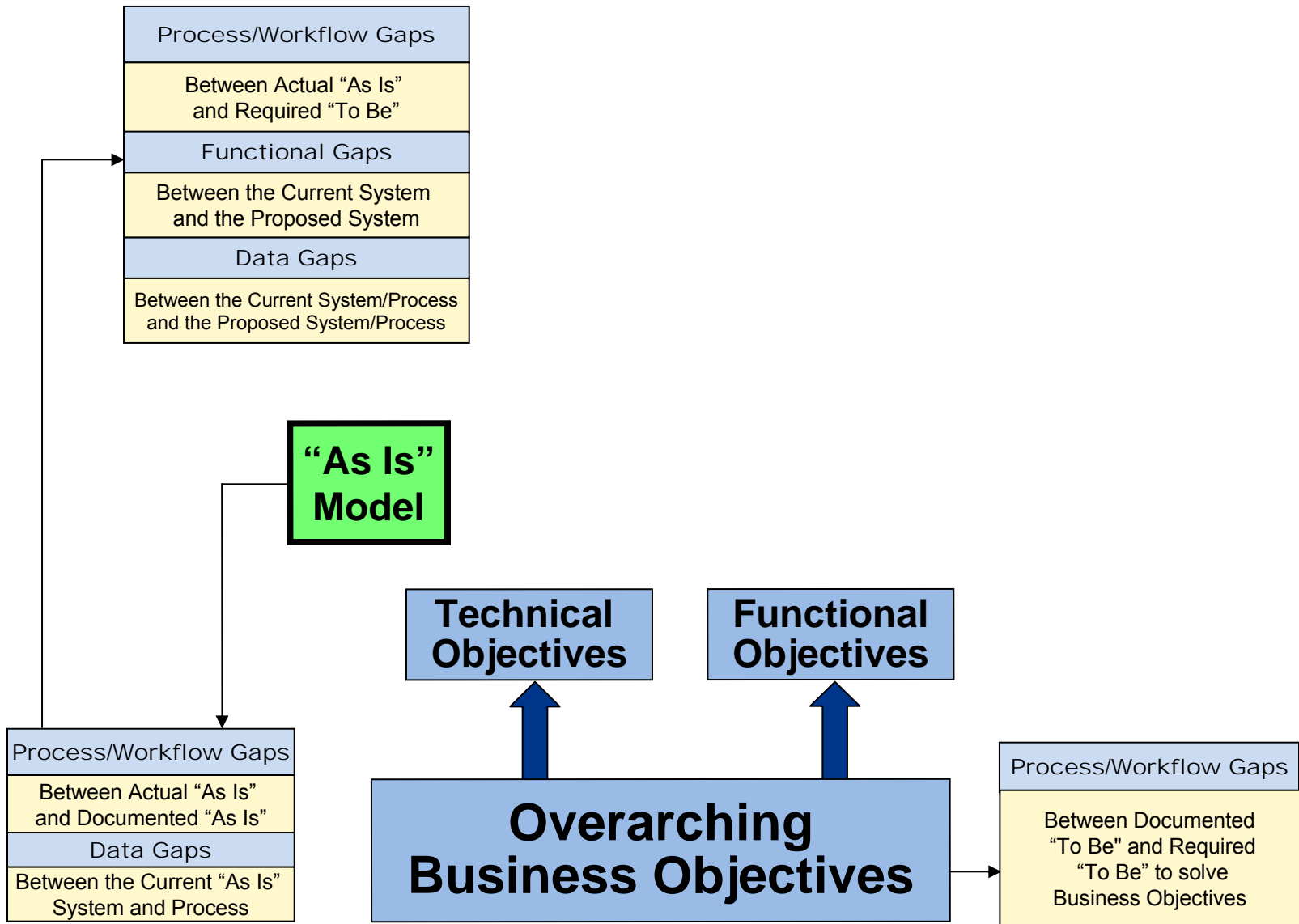
What, Who & Why (con't)

Who

- **Stakeholders include:**
 - Functional Subject Matter Experts
 - IT Subject Matter Experts
 - End-Users

Why

- Ensure that the proposed solution will meet overarching business objectives
- Facilitate changes in current procedures and technologies so “Best Practices” that support the organization’s vision are achieved
- Determine the scope of the project



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“To Be” Model

What, Who & Why

What

- **A defined future process model using business process reengineering**
 - analyzing business procedures to eliminate non-value added activities
 - simplifying and streamlining existing processes of little value
 - identifying more effective and efficient alternatives to the gaps (process, data, and system)
 - supporting defined functional and technical objectives



“To Be” Model

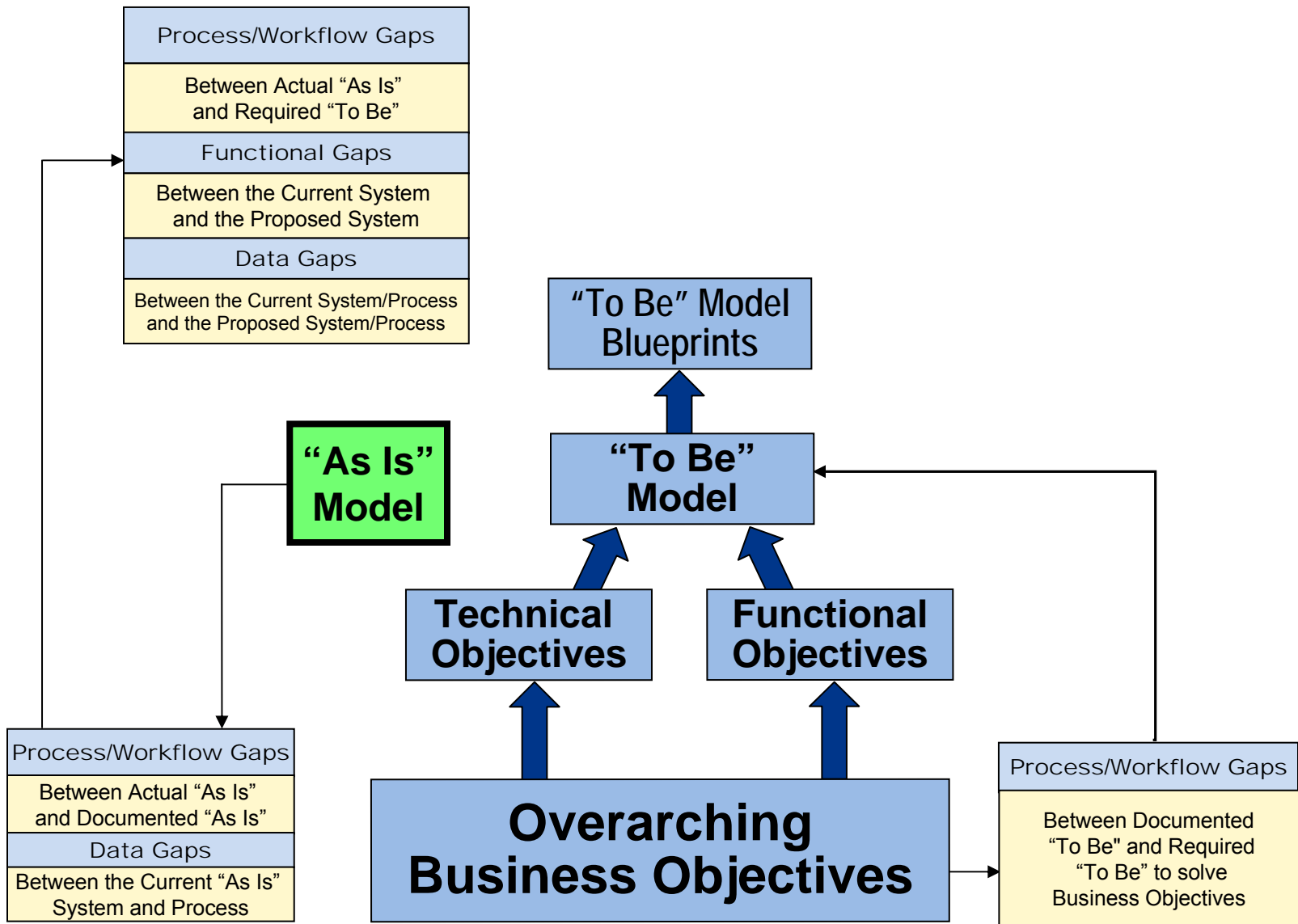
What, Who & Why (con’t)

Who

- **Stakeholders include:**
 - Functional Subject Matter Experts
 - IT Subject Matter Experts
 - End-Users

Why

- Ensures the deliverables of the acquisition project will meet stated objectives and provide value to the end-user
- Promotes concise applied evaluation techniques that include functional analysis, economic analysis, and comparative analysis with baseline or Best Practice alternatives
- Requires clearly defined success metrics that are specific, measurable and achievable



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Requirements

What, Who & Why

What

- Statements that have been constructed to describe a necessary functional capability, performance parameter, or other property of the intended product (or item)

Who

- **All stakeholders identified (internal and external):**
 - Functional Subject Matter Expertise
 - Technical Subject Matter Expertise
 - End Users
 - Quality Assurance

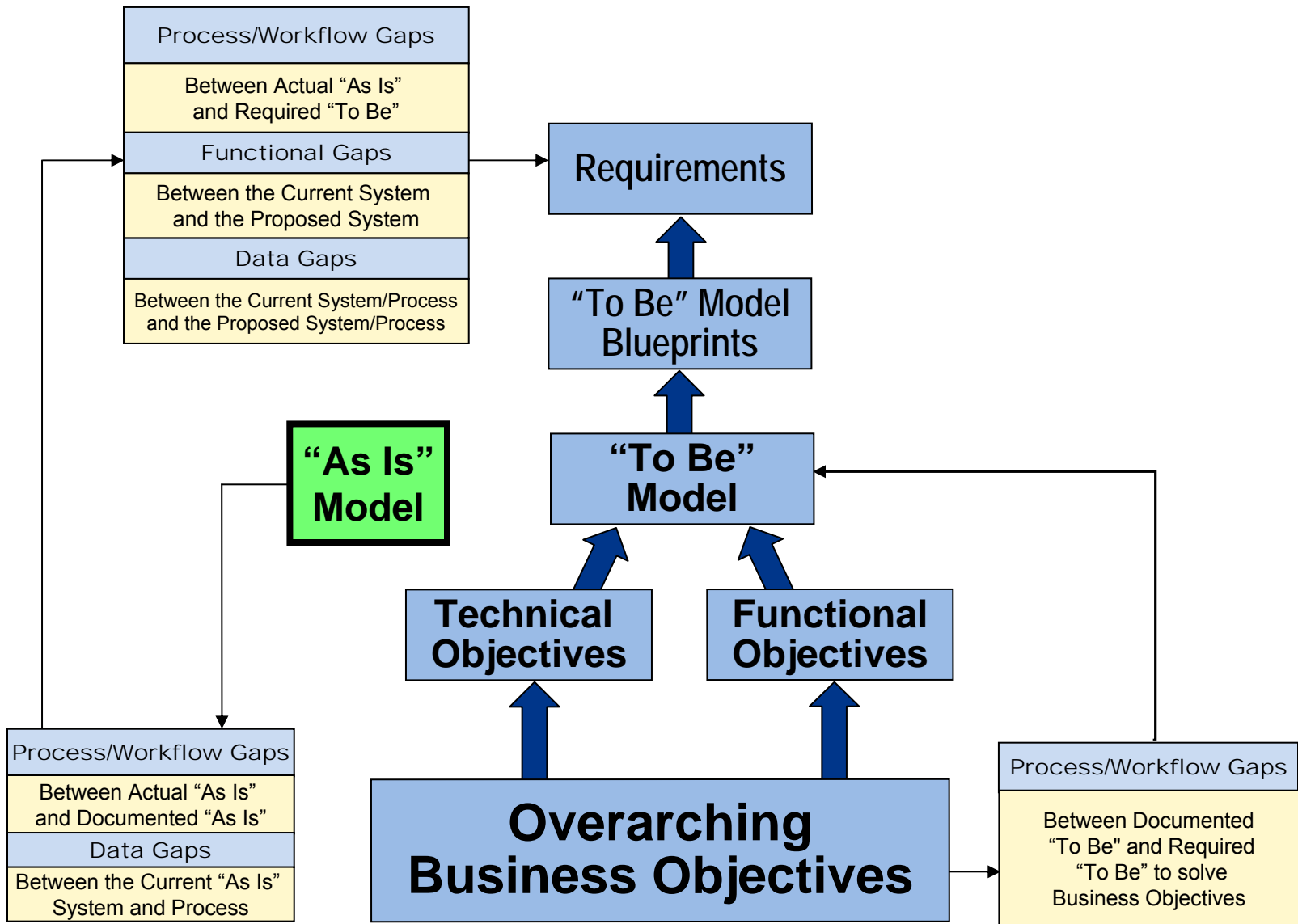


Requirements

What, Who & Why (con't)

Why

- Record of reference and living agreement between the customer and the systems integration team
- Baseline for estimating, planning, performing, tracking, and measuring project activities throughout the life cycle
- Ensures the final products or services satisfy the overarching business objectives



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Select ERP Solution

What, Who & Why

What

- Proper planning prior to Enterprise Resource Acquisition will ensure that you select the correct solution for your organization

Who

- **Stakeholders include:**
 - Senior Management
 - Functional Management
 - IT Management
 - Functional Subject Matter Expertise
 - Technical Subject Matter Expertise



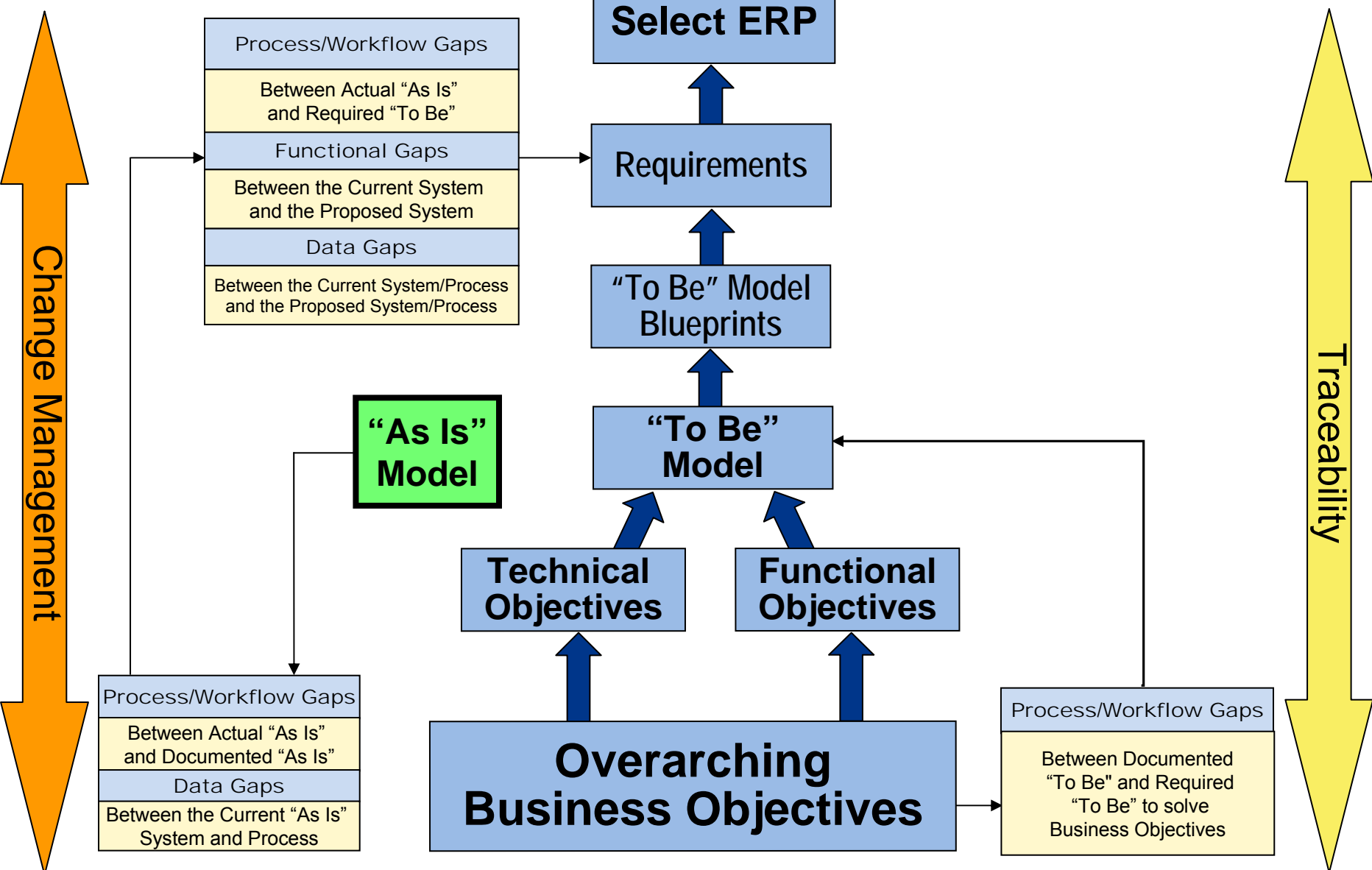
Select ERP Solution

What, Who & Why (con't)

Why

- **Satisfy overarching business objectives utilizing IT Best Practices for Enterprise Acquisition, thereby reducing known post-ERP selection risks that include:**
 - Only 34% of ERP implementations succeed with full functionality, within forecast cost and time frames ¹
 - Only 34% of ERP implementations succeed with full functionality, within forecast cost and time frames ¹
 - Cost overruns average 43% ¹
 - Schedule overruns average 82% ¹
 - Implemented functionality averages 52% of what was desired ¹

¹ Chaos Report - 2002, The Standish Group



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Thank You! Come See Us at Exhibit Booth 129!

Questions, Answers & Comments

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- **Don't miss tomorrow's related workshop:**
“ERP Business Transformation” with Mr. David Deakin
- Mr. Deakin will focus on the **critical success factors** and **major failure drivers** that need to be considered as you ready your organization for ERP Business Transformation

