THE ULTIMATE GUIDE TO

Choosing an ERP Implementation Partner







As part of its 2023 Digital Trends Series, G2 predicts that cloud-based Enterprise Resource Planning (ERP) software will be critical for businesses in the near future.



According to G2, companies are investing in ERP software because of the tool's ability to manage multiple business functions in a single system. But there's a catch. Current economic difficulties are forcing companies like yours to closely review their software buying strategies, making it critical for business leaders to streamline the ERP selection and implementation process. That's where a Value-Added Reseller (VAR) comes in.

In this guide, we define what a VAR is and why a quality implementation partner is important to the success of your ERP project. We also discuss what to look for in an ERP consultant and questions to ask of your VAR before selecting the right ERP system for your business. "A good VAR provides clear information to help customers make informed buying decisions and is dedicated to ensuring the technology works, is used effectively and produces great results."



What is an ERP Value-Added Reseller?

A VAR partners with software vendors to facilitate the selling, implementing, testing, training and support of a software product. Many software vendors utilize VARs to get their products into the hands of their customers. Because of this, some vendors provide VARs with the best resources, product training and support to attract and retain the best resellers in the business.

Companies looking for software often turn to VARs because of their unique expertise and industry knowledge. An established VAR may add industryspecific features and services to an existing software product, creating the best possible solution for its customers.

An ERP VAR is an authorized consultant who specializes in personalized ERP services, from planning to deployment and beyond. A VAR's success is linked directly to the success of its customers, which means that most VARs dedicate their time and resources to becoming experts in the technology they sell. This helps ensure their customers get the most out of their ERP software.



Why is a Quality Implementation Partner Important?

Even companies utilizing the top software solutions in the world struggle without the right support team behind them. That's because ERP software is only as good as the team behind it.

In fact, research firm <u>Gartner</u> estimates that up to 75% of ERP projects fail to meet their goals and objectives.

Let's take a look at a hypothetical example:

Red Roof Manufacturing worked with a VAR to select one of the industry's top-rated ERP solutions. Without truly understanding Red Roof Manufacturing's needs, the VAR recommended a number of complex customizations that proved extremely costly and complicated upon implementation. After years of patchwork fixes, scope creep, new VAR project managers and endless support hours, the implementation project never fully reached the finish line. Red Roof Manufacturing is left without a functioning business management solution and the funds necessary to hire a new VAR.

Red Roof Manufacturing's story is common and is why a quality implementation partner is critical. ERP implementations are costly and time-consuming, which is why you want to make sure your company only has to do it once.

Ask the following questions when evaluating VARs:

- » Does the ERP solution being recommended integrate with our company's existing business model?
- » Do you have expertise in my industry?
- » How many people are supporting the products represented?
- » Do you offer local, North American support?
- » What is the average tenure of your implementation and support team?
- How many successful implementations have you completed in the last 24 months?
- » Do you have a defined implementation methodology?

An established and reputable VAR understands that software is just a piece of the puzzle in terms of your business's success. A capable and reliable team of ERP consultants will work alongside you to provide solutions that automate and simplify operational tasks, so your staff has more time to focus directly on meeting customer needs and reaching business goals. Look for a VAR that has the experience and customer references to back them up. The best implementation partners are certified by the software solutions they represent and have a team of solution architects, developers, project leaders and service staff ready to ensure your business needs are matched with the right ERP system.



What to Look for in a Consulting Partner

When beginning your search for a VAR, you need to know that there are two different types of VARs: partners and predators. A <u>Whitepaper</u> by Brian Sommer—founder of Vital Analysis and offered by Acumatica Cloud ERP—speaks to the importance of distinguishing between ERP partners and ERP predators. Sommer provides telltale signs of an ERP predator, which include frequently changing pricing, aggressive customer usage auditing and pages-long contracts.

He also discusses the attributes of a real partner, including the desire for a happy

customer, spending capital on building their products and nurturing strong relationships.

Though Sommer's is addressing ERP vendors (those who create the Cloud ERP software) and their characteristics, they hold true for implementation partners, as well. You want an implementation partner who understands that Cloud ERP software is just one aspect of your organization's overall success and who works hard to understand your unique needs and requirements. "Consider getting help from certified experts to help you define goals, set an aggressive (but achievable) schedule, and stay on track."

<u>The Real Facts about ERP Implementation,</u> Ultra Consultants



Features of a Reputable VAR

Not all VARs are created the same. The ERP industry is filled with implementation partners that masquerade as reputable consultants but are lacking in industry knowledge and product expertise. Only an established VAR will offer the experience and proficiency you require to successfully implement and utilize your ERP solution to its fullest.

Deep Industry Experience

While generic ERP solutions provide a number of benefits to businesses in every industry, industry-specific ERP solutions are designed to meet the particular pain points of one industry, supplying users with the infrastructure, processes and workflows unique to them. An ERP consultant that comes with industry experience can better understand your business and what it takes to compete. For example, a manufacturer will require different software functionality and processes than a distributor or field services provider. Look for a VAR that has knowledge of your industry and can offer tips for best practices during the ERP implementation process.

When vetting ERP partners, ask for references, especially from customers in your industry. Speak with both established customers and those undergoing an implementation and find out if the project is on schedule and how the VAR handles project scope changes.

Decades of Expertise

Relying on a VAR who understands the ins and outs of the software industry ensures you're getting someone who can provide informed, expert support. With their proven methodology tailored to the needs of your business, they will help you fully realize your ERP solution's features and capabilities as well as streamline your processes, saving you time, energy and money.

Don't forget to ask your potential VAR questions such as "What experience do the consultants working on my project have?" and "Do you have a process to ensure I get timely help when I need it?". It's also a good idea to verify whether your partner has an implementation methodology or framework in place to help customers succeed.

Dedicated Internal Teams

An ERP is only as good as the teams behind it, which is why it's critical to look for a partner with proven consulting experience as well as a partner who makes adding new features and software releases to reflect market trends and regulatory advances a priority.

Selecting the Right VAR

Selecting the right implementation partner for your ERP project is critical. Look for a VAR that has a proven implementation methodology, years of experience helping customers choose the right solution for their company and a framework for ensuring you get the support you need after go-live and beyond. To be able to use your software to its fullest potential, you need a partner that thoroughly understands your challenges and needs and works to make the technology work for the way your business operates, not the other way around.

"We started the company because, as consultants, we worked with software sellers that had never walked a mile in their customers' shoes. We had, and knew that we could offer something different."



The NexTec Difference

At NexTec, we help businesses select, implement and optimize their software. With almost 30 years of experience, we're focused on providing customers with the best solutions for their unique business needs.

Our proven implementation experience has resulted in a 90% annual retention rate, with 50% of our clients switching to us after working with another partner. NexTec is the biggest and most experienced Sage X3 team in the industry and is a gold-certified Acumatica partner with one of the largest Acumatica teams in North America.

To learn more about how to go about choosing the right Value Added Reseller (VAR) for your company's unique needs, check out our <u>Ultimate</u> <u>Guide to Choosing an ERP Implementation Partner</u>.



Contact to learn more about ERP software:

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About the NexTec Group

NexTec Group is one of North America's largest and most experienced technology consulting firms, specializing in industry-specific solutions for mid-sized organizations. For nearly 30 years, NexTec has been a trusted partner to businesses, delivering, implementing, and supporting the core Enterprise Resource Planning (ERP) and Business Intelligence (BI) solutions they need to scale and grow. With seasoned consultants from coast to coast, and a premium portfolio of innovative business management solutions including Acumatica, we help you get the most out of your technology investments.

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