



How to get buy-in for an ERP in your organisation

The UK manufacturing industry is facing challenging times. Companies find themselves faced with rising costs for raw materials and energy, a shortage of technically skilled personnel, and increasing pressure to become more sustainable. In addition, the need to digitise is growing so that processes run more efficiently and companies can better respond to customer needs.

Convincing your team that an ERP is the right solution to overcome these problems isn't easy though. In this guide, we discuss how to overcome internal resistance, engage stakeholders, and convince executives of the value of a new ERP system for your company's future.

Change management is usually the main barrier to transformation

There are two common reasons why organisations are hesitant to adopt new solutions:

1. Resistance to change

Companies can face a strategic handicap by remaining tied to established workflows, even as those methods grow obsolete. The idea that something only needs to be repaired when it is broken stands in the way of flexible and continuous improvement.

2. "We are too small"

This is a frequently heard argument against digital transformation. But the size of your company should not determine how advanced the tools you use are. Manufacturing companies in the SME sector often benefit more than larger organisations from implementing an ERP.

Submit an ERP proposal to the board.

Various objections can be expected when making an ERP proposal. Some examples:

- The idea that the existing processes are sufficient.
- The view that a new ERP solution will only help certain departments within the company.
- Concerns about the costs and complexity of the transition.
- Doubts about whether the investment is justified right now.

Describe the reasons for your proposal

Start by interviewing managers from each department and identify their difficulties, bottlenecks, and needs. This will allow you to build a compelling narrative that aligns with the organisation's challenges and how an ERP can solve them.

Prepare a comprehensive report that precisely describes how the ERP solution will eliminate every identified challenge within the company.

Go through the implementation process

Research leading ERP vendors in your sector and educate yourself about the implementation process. Describe the various steps, including:

- Appointing an ERP evaluation team, a champion, and a support team.
- Evaluating options.
- The internal Request for Proposal (RFP) process, also known as the request for quotation process.
- Data migration, customisation, change management, training, testing, go-live and ongoing support.

Discuss concerns about costs and problems, then emphasise

Talk to suppliers about common issues with ERP transitions so that you can quickly alleviate concerns your team may have about the cost and length of the project.

Conclude this step by demonstrating the benefits of an ERP, and how the investment and upheaval will be worth it.

Emphasise cost savings

Address concerns about cost by providing specific details about savings. Collaborate with managers from each department to map out the additional costs of maintaining the status quo. This includes:

- **Hard costs:** Maintaining on-site hardware, outdated software, and IT resources.
- **Process inefficiencies:** Manual workflows that take days but could be completed in minutes through automation.
- **Costs due to quality issues:** Errors and recalls that could be reduced by an ERP.

Use customer references from suppliers that demonstrate how companies have successfully reduced these costs.

Show the expected return on investment (ROI)

Management is often interested in concrete figures that justify the cost of an investment. The suppliers you are considering must therefore be able to show detailed ROI examples. Think of references in which customers have demonstrated how a new ERP solution has contributed to:

- **Shorter processing times:** Such as payroll administration or inventory management.
- **Automated reporting:** Daily, weekly, or monthly reports that previously took hours or even days to compile.
- **Better decision-making:** Insights from data that help identify the most profitable customers or market segments.

Specifically for cloud-based ERP solutions, you can emphasise how these systems typically generate a higher ROI by:

- Saving money spent on expensive hardware.
- Lower maintenance costs.
- Automatic updates and improvements that lead to lower IT labour costs.

Discuss data quality

Inaccuracies in manufacturing usually arise from poor data quality and limited access to data. Legacy systems can struggle with integrations, leading to inconsistent or incomplete data.

How an ERP system improves data quality

A modern ERP solution integrates all systems and applications your company relies on, offering the following benefits:

- **Time savings:** Reduced need for manual quality checks.
- **Reliable data:** Elimination of errors and inconsistencies.
- **Real-time insights:** Data is always up-to-date and available to all users.

Show how improved data quality increases operational efficiency and strategic decisions.

At the end of this process, it is important to make a clear comparison between the status quo and the benefits of a new ERP solution. Guide the discussion and focus on the risks of not changing versus the opportunities that change offers. If you followed the previous steps, the decision-makers within your business will understand why a new ERP is not only a valuable investment but also a strategic necessity. It allows them to make their decision with confidence, understanding the role the software plays in building resilience and commercial success.

**Do you have any questions about the issues covered in this guide?
Get in touch with us today.**

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