



White Paper

Enterprise Resource Planning (ERP) and Truthiness: Thirteen Ways to Avoid Nearly Accurate Vendor Statements

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Version 1.1
06 June 2007



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Enterprise Resource Planning (ERP) and Truthiness: 13 Ways to Avoid Nearly Accurate Vendor Statements

The word “truthiness” means a preference to state ideas one wants to be true instead of stating the actual facts. In advertising, truthiness is expected. However, in major technology implementations, especially enterprise resource planning (ERP) projects, you need to know the difference between fact and truthiness. The difference will dramatically affect your odds of having a successful project.

The American Dialect Society voted “truthiness” as the 2005 Word of the Year. If you missed the definition, it refers to “the quality of preferring concepts or facts one wishes to be true, rather than concepts or facts known to be true.” In moving his comedy to a state of useful political and social commentary, the word’s creator, Stephen Colbert of cable television’s Comedy Central, has also given the Information Technology (IT) industry a word with major applicability to information systems development and project management.

A Wharton School of Business marketing professor, Lisa Bolton¹, writes about a slightly different version of truthiness. She calls it the “truth effect.” It seems that if half-truths are repeated a multitude of times, the effect is that people who hear these misstatements start to believe the statements are true. Bolton indicates that when people reach a point that a statement sounds familiar to them, they believe the statement is true.

In advertising, we have come to expect truthiness and we live daily with the truth effect. Another Wharton marketing professor, David Schmittlein,² writes that

the public has become so cynical about advertising that winning a lawsuit against a firm for false advertising is almost impossible. It seems that lawyers can argue effectively that, if people are skeptical of the advertising, then truthiness is the norm and not a real deception. If consumers expect truthiness, then they cannot be deceived when they get it.

Our company, InfoSENTRY Services, rarely sees the humor of truthiness in enterprise-wide information systems projects. Our quality assurance (QA) audits and independent verification and validation (IV&V) projects require that we report information that is factual, clinical, and specific to a client’s technology implementation. In trying to capture an accurate picture of the state of an enterprise resource planning (ERP) project, a customer relationship management (CRM) project, or other enterprise-wide technology implementations, we often encounter the results of truthiness throughout the implementation lifecycle.

Here are 13 ways InfoSENTRY helps organizations separate facts from truthiness during their technology projects.

¹ “A Million Little Embellishments: Truth and Trust in Advertising and Publishing,” Knowledge @Wharton, February 22, 2006

² .Ibid.



1. **Beware truthiness embedded in advertising buzz.** Here's a simple piece of advertising buzz from a vendor: "Customers who run our ERP application are X% more profitable." The truthiness here is that although this ERP vendor's customers may be X% more profitable, the profitability may have nothing to do with implementation of the ERP vendor's software. More profitable than what? More profitable than firms that do not implement ERPs? More profitable than firms that run a competitor's ERP? More profitable than all firms in the world—or just some firms in a particular market category?

According to metrics developed by the Standish Group (www.standishgroup.com) in their Chaos Chronicles, more large enterprise-wide IT implementations fail to achieve their goals than meet their goals. In fact, some very large companies that implement ERPs have nearly gone bankrupt in the process or have experienced a massively negative impact on short-term and even long-term profits. We doubt that those companies have been included in those statistics about "more profitable" companies using particular vendors' software.

InfoSENTRY recommends that you look beyond the advertising

buzz and remember that advertising "statistics" geared to capture you as a client do not guarantee—or even increase the probability—that your business will run more profitably. The increase in profitability or your return on investment for your new system will depend more on how well you implement and manage your system than on which vendor's system you select.



2. **Explore the truthiness of customer success stories and testimonials.** Success stories depend on how you define success. The truthiness definition of success from a vendor might be that after a very difficult time the vendor received almost full payment for the product license and has moved the effort into maintenance mode. At that point, the vendor's success will depend more on you paying recurring maintenance fees and upgrading to new version releases.

One of InfoSENTRY's staff members was on the senior management team involved in a Fortune 500 company's implementation of a global enterprise-wide ERP implementation. She saw on an ERP vendor's website several success stories about ERP implementations in US school districts. She called these schools to ask how they managed to be so successful.

One Superintendent and his CIO seemed surprised when our staff member said, "Congratulations on your ERP implementation. I saw your success story on Vendor XYZ's website. What did you do to be so successful with your ERP?"

The Superintendent laughed nervously and said, "Well, as Mark Twain might say if he were implementing this ERP, the rumors of our success are much exaggerated." Though the success story is still listed on Vendor XYZ's website, the Superintendent and CIO are no longer listed as employees of that school district. The State took over the financial operations of the district because the financials were in such disarray. And the vendor has started adding a disclaimer in small print on all their customer success and case study promotion.

So remember, while you are defining project success as getting the right information to the right person at the right time at a lower cost, your vendor's definition of project success may involve your continuing maintenance payments, your upgrades to new releases, and their sales to new customers. It will be a good exercise for you to ask all prospective vendors for their definitions of success while they are still in the courtship stage—and to incorporate the winning vendor's definition in the contract.



3. **Take advantage of a vendor's truthiness statement that "we want to be your partner."**

Vendors frequently say they want to be your partner. We love to hear this statement and so do some of the technology law firms with whom we have worked.

A true partner in a project must share an equal, or at least, substantial amount of the project's risk with you. This risk should include not only financial risk, but should include a risk to their reputations and jobs if the project fails. Your vendor is your actual partner only if they are willing to accept financial and reputational risks in line with the risk you are bearing as you undertake such a large project. If the vendor is receiving a substantial upfront payment for their software and services or if their "standard" contract includes language that places a substantial burden on you to provide "adequate" or "competent" management and staff during the project, your "partner" has just shifted most of the project risk to you. A failed project might mean their project manager shifts to another project while you clear out your desk and head for a new place of work.

So, InfoSENTRY suggests that if the vendor wants be your partner in the project, you should incorporate in your contract the exact nature of the financial and

reputational risk the vendor is willing to absorb during all phases of the project. You might find that this definition of “partner” was not the one the vendor had in mind during their sales presentations. The vendor’s truthiness definition of “partnership” is often another way of creating a psychological connection with you and your project team. It is an excellent sales technique and might help you establish an early project teamwork environment. However, a truthiness partnership probably provides you with little tangible benefit outside the contract with the vendor.

The vendor’s idea of “partnership” is often similar to the one in the old “Ham and Egg” café story. Yes, the chicken is a partner in making the ham and eggs, but the pig has the real commitment in the relationship. (Oh, by the way, some vendors must have caught on to the danger in using this language because they have started to place “partner” in quotation marks in their advertising materials.)



4. **Question the truthiness of your vendors’ claims that they will use “lessons learned” and “best practices” in your project.** Vendors and integrators often speak about their “lessons learned” or understanding of “best practices” they gleaned from previous ERP or CRM

project implementations. These phrases seem to indicate processes of continuous learning and improvement. Best practices indicate that some one has practiced a process or activity enough to be a master of the practice. Such phrases give the appearance of vast experience and expertise.

One state agency with whom we talked noted that they had disbanded their implementation team right after the GO LIVE of their ERP. When a number of problems arose after the GO LIVE, all their resources had returned to their previous department jobs. The system vendor and the project’s IV&V vendor, a name brand consulting and research firm, never told them to keep the team together several months after the GO LIVE, a lesson learned and best practice documented widely in Year 2000 ERP implementations.

If you hear these phrases from an ERP vendor or integrator, particularly during the sales and “courtship” phase of your project, ask the vendor to provide you with a set of documentation containing their lessons learned or best practices from previous ERP projects. They should be able to show them to you with minimal effort. If the vendor indicates that the documented lessons learned and best practices are part of their services, preventing them from being used unless you have a contract with them, ask the vendor to at least show you the printed volumes that contain them or give you an overview of

the database in which they store the documents.

If vendors truly have a set of lessons learned or best practices from previous engagements, they will have a repository for those materials. They should be willing to provide you with some sample lessons learned from previous projects and a written description of the processes they use to collect and document those lessons. An “oral tradition” of lessons learned and best practices is not a very effective and reliable transmission medium for passing on those lessons and practices to your team—or to the less experienced, “green” members of the vendors’ teams who often show up to start work on the project.



5. **Be sure the vendor’s “best practices” apply to your specific organization.** When you hear the phrase “best practices” coming from your vendor, it is common to nod knowingly and accept that everyone has a common point of reference about what those practices are and what they mean for your ERP implementation project. However, there are many questions that require answers before merely accepting someone’s understanding of best practices. What does your vendor mean by best practices? Are the vendor’s “best practices”

really industry-wide standards or merely reflections of the vendor’s recommendations built around what their system can do? Does a best practice the vendor implemented in a manufacturing setting have any relevance to your industry if you are not a manufacturer?

Maybe it does, but if not, the practice may be the worst one for you to use. One public sector organization for whom we conducted a project status assessment initially could not hire temporary staff when they first installed an ERP’s human resource module. That module simply did not allow handling of the types and numbers of temporary staff that the organization relied on heavily for various peak-period activities. The vendor had designed the module to handle a very limited number of temporary staff types.

So, the organization creatively used the system’s procurement module. They used the same software module and processes to “order” temporary staff members as they did to order toilet paper and diesel fuel. Then, they made “adjustments” through journal entry accounts. Unfortunately, this process did not allow convenient entry of the resulting “commodity” into a category that could report total labor cost for projects.

In another situation, a public sector organization for whom we organized a project recovery effort required the ability to process direct payroll deposits to five separate financial institutions, each of which might accept a currency (with varying

exchange rates) different from the US dollar. However, after the organization had signed the contract with the vendor and were two months into a one-year, “fast-track” project, the vendor informed them that their payroll module supported direct deposits to only two separate financial institutions. Of course, the software supported only a single currency for the transactions—or so the vendor informed them after signing the contract.

The vendors informed the organization that it was a “standard practice” to limit the number of financial institutions for direct deposit to only two. They also suggested that use of a single “standard” currency such as the US\$, the €, the £, or the ¥.

In these or similar situations, would or could your organization modify long-standing practices or contracts with employees in order to follow “best practices” (or more simply stated, the vendor’s system limitations)? If not, you should clarify your vendor’s experience with best practices in your industry group and experience with meeting your organization’s actual requirements before you sign the contract. If these experiences really are “best practices” they should be in documents other than those produced solely by your vendor. In fact, if these practices really are the “best,” more than one vendor should be able to provide them.



6. **Be skeptical if vendors do not tell you about the “real success rate” of large IT implementations in their sales pitches.** If a tour leader told you that the trip you were taking had a 70% chance that you would be maimed, injured, or die on the trip, would you take a few precautions before, during, and after the trip? You might actually decide not to take the trip or you would insist that you have adequate safety precautions in place before you start the trip.

According to the Standish Group research, about 70% of these enterprise-wide implementations are considered failures or seriously impaired implementations. That is the truthiness behind vendors’ assurances that they are so big and successful that you cannot fail if you just follow them. When we informed one of our clients, who called us in for a project status assessment after the vendor missed several key deliverable requirements, about the documented failure rates of large projects, one senior manager exclaimed “Why didn’t our vendor warn us about these kinds of problems?”

Most of us think, “Those bad things could never happen to us.” However, these ERPs are not easy to implement. Many vendors like Hershey, Corning, Whirlpool, and others have failed their way to success, but not all

companies can afford this method of implementation.

You can begin to avoid this truthiness trap by preparing a project risk assessment/mitigation plan and a project contingency plan before you sign a contract with your ERP vendor. Then, keep both plans active throughout the project lifecycle. If you do not have someone in your organization with the skills and experience to develop such plans, you should consider bringing in an experienced third-party who has a track record of not only being able to identify and track risks, but of being able to explain and defend those risk ratings when they are challenged by the vendor and integrator. The same applies to developing a project contingency plan in very early project stages. If you use a third party to develop the project risk or project contingency plan, be sure they train one of your project team members to keep the plan current throughout the project's duration.



7. **Investigate the truthiness of vendors' claims that "quality is built in" their products and services.** Vendors' proposals often shine with statements that quality is built into their product and throughout all of their project management and integration processes. In fact, many vendors' initial project proposals and workplans have quality

assurance reviews scheduled at specific project milestones.

Some vendors even go so far as to refer to project reviews carried out by another division in their own company as being "independent" quality assurance reviews. You do not have to let your imagination run too far afield to guess that these reviews result in generally glowing assessments of the vendor's performance. Very few major findings about the vendor's shortcomings ensue from the internal QA reviews.

In one such mid-project "independent review" conducted by the vendor on its own \$30 million ERP implementation, one of the major review findings was that the client had provided inadequate parking spaces for the vendor's programming staff. That project ultimately came in at well over \$75 million and failed to deliver major pieces of functionality to the client. The vendor's "independent quality assurance review" failed to mention the project's cost overruns, lack of documentation, poorly planned training, scope creep, and non-existent test plan.

In reality, ERP vendors often short-circuit quality assurance and quality control steps or even ignore them altogether. We conducted an external quality assurance review of a project that found a vendor had delivered an "internal quality assurance review" on schedule. However, our report also found that the vendor's review consisted of a senior corporate consultant coming onsite for one

day and writing a three-paragraph report that the project was moving ahead nicely. The cost attached to the vendor's internal QA review effort was in excess of \$35,000 and buried in a \$60 million budget. The project came in one year after the scheduled cutover date with a cost overrun of 75%.

That kind of "internal quality assurance review" is known generally as a "jiggling the ice" review. The vendor's internal reviewer(s) come to town for a day, just long enough to jiggle the ice in the cocktails at the airport lounge before leaving town.

InfoSENTRY has conducted project QA reviews and forensic audits in which we found that vendors had convinced their clients to delete internal quality assurance reviews and various quality control processes altogether. The most commonly cited reason is that the project is running behind schedule and the project needs the resources elsewhere. Those projects typically fall farther and farther behind and the costs escalate accordingly.

You can easily correct these errors by having periodic, independent, third-party quality assurance oversight built into your project. In particular, it is worthwhile to have an experienced third party conduct independent validation of your vendor's quality assurance procedures and quality control processes. You simply cannot assume that your ERP system vendors and integrators employ quality assurance and quality

control mechanisms, even those mechanisms that vendors tout in their own project implementation methodologies. And if you see that you have skipped the QA reviews, be sure to check to ensure you did not pay for a QA you did not receive.



- 8. Beware of comments from your vendors and your own organization's managers that "Failure is not an Option."** We have heard this fatal truthiness countless times in organizations, even as the waters in their ERP projects' bowl were beginning to swirl in a familiar rotation.

There is a general impression that optimism is a critical component in an ERP implementation. That impression is true to the degree that project optimism does not blind the organization's sense of reality. Jim Stockdale, who was a prisoner of war during the Vietnam War and endured torture for eight years, was asked, "Who did not make it out of the camps?" Stockdale's response was, "That's easy. It was the optimists....I think they died of broken hearts."³

The key to surviving an ERP implementation is combining optimism with a "sober, down to earth view of those parts of reality that really matter for

³ "How Resilience Works." Diane L. Coutou, Harvard Business Reviews, May 2002. p.3.

survival.⁴ However, research suggests that facing reality can be painful. Oftentimes to cope with the pain “people slip into denial as a coping mechanism.” They push out reality in favor of optimistic tunnel vision. They often punish the realistic status reports and project risk assessments as being too negative.

Though the battle cry for these enterprise-wide implementations is a familiar saying, “Failure is not an Option,” sober research indicates that failure is not only an option, but frequently a reality in large ERP implementations. In many situations, it is you—the client—who creates the problem. You are generally more likely to select a vendor that has an optimistic approach to your daunting project than you are to select one that provides a balance of challenge and reality along with their optimism. So, you get optimism during the sales cycle that carries over into the implementation phase.

It is important that you gauge a vendor’s ability to provide you with accurate news, both good and bad. If a vendor cannot provide you with challenge and reality during the sales phase, they are not likely to be able to provide you with that information during the implementation phase.



- 9. Pay attention to the terms of your contract on a weekly or daily basis, even if your vendor reports that everything is on schedule and on budget in the project.** You simply cannot blindly trust that your project team members and the vendor will do everything called for in the contract. Trust your vendor and integrator, but verify what they are doing what you are expecting. If something goes wrong and you have not monitored and enforced the contract requirements, you probably have little or ineffective recourse.

You are probably working with big, brand-name vendors and integrators. Their firms have worked on hundreds of ERP or CRM projects. Your project team might have worked on only one or two—or perhaps, none. When the word hits the “street” that your project is in trouble, most people may believe that you were the ones who were at fault, not the big name vendors and integrators. You might not be fired for hiring a big-name vendor or system integrator. However, if the project goes awry, you and your organization will probably be the ones who receive most of the blame for the failure. Most likely, you will be the one who has experienced a career-limiting event.

Oftentimes, organizations do not want to offend their vendor so they let small things slide like

⁴ Ibid. p.4.

missing weekly reports, delayed delivery of “secondary,” non-critical documentation, or substitution of one or two “green” project team members for team members in the original proposal. Even when those organizations have the evidence that their project is off course, they do not know how to approach the vendor. You would be surprised at the number of organizations whose project managers and staff members cannot even locate a copy of the project’s key contracts.

If your organization’s project manager does not know how to handle these situations and manage both the project and the contract, you can remedy this situation by having an independent firm conduct periodic contract compliance audits as part of regular project quality assurance (QA) reviews. That QA will document if the vendor is delivering what is in the contract and the lead QA reviewer will know the steps to take if your internal project team or the vendors are off course.

These are tough conversations that require someone who has experience cutting through the truthiness and moving toward the contract’s requirements and the project’s facts. As President Harry Truman stated when someone highly objected to his critical remark “No, I am not giving you hell. I am giving you the truth and you just think it is hell.”



10. **Understand the truthiness involved in implementation vendors saying they are “certified business partners” with your ERP system vendor.** At first glance, bringing on a “certified” implementation partner of your vendor conveys the idea that these are the experts with a seal of approval from the main software vendor. They often times are indeed true experts. Other times, they are very “green” staff members of a consulting firm that the ERP software vendor has certified.

There are two problems that you might face with a certified partner. First, InfoSENTRY directed a project recovery effort for one client who was very impressed with the “business partner’s” implementation team suggested by the software vendor. However, the team members that hit the ground to carry out the implementation had never worked on a project using that vendor’s software. They were very familiar with another vendor’s system. Most of the implementation team members actually had completed a “boot camp” for our client’s ERP system the month before they arrived onsite to carry out the implementation. The firm was a “certified partner,” but the actual team members had no experience on the vendor’s system.

Second, there is the issue of allegiance. Suppose you hire companies that have partnerships or alliances with your ERP vendor to be your system integrator, manage your project, or perhaps to conduct your third-party QA reviews. If the project runs into big problems, where will that third-party vendor's loyalty most likely lie? Will that certified partner risk offending the vendor who helped them get this job and who will be instrumental in finding their next jobs?

To avoid this type of conflict, hire a project manager, an integrator, and an independent quality assurance consultant whose revenue streams are not largely under the control of your ERP system vendor. The truthiness of vendor business partnerships, alliances, and certification programs is that they create a pattern of loyalty that is not necessarily to your advantage.



- 11. Beware the truthiness of your system vendor's fast-track implementation project approach.** Technology projects and the business managers who become involved in them have a need for speed. Vendors use the selling point that they can get you up and running faster than their competition. They also tell you that the sooner you implement the new system, the sooner you can reap the return on your investment. As a

customer, you know the phrase "Speed to Market" can provide you a competitive advantage or save you money. The vendor is right! They sometimes can get the technology into your offices very quickly, but what they very often cannot do is teach all those new processes and applications to your existing staff as quickly as they can roll out the software and hardware.

The problem is that most ERP projects require, as Peter Drucker used to say, the hardest learning of all—unlearning. How many times have organizations found that the "fast track" project required staff involvement in tasks labeled as "prototype evaluation" or "acceptance testing" without those staff having received training in using the system? How many implementations found that after cutover, their staff still did not know how to use the system, reverting instead to manual procedures and spreadsheets to "do things the old way? How many ERP implementations have foundered on problems associated with an inability to access and use historical data immediately after the cutover to the new system? Unlearning old habits, adequate training of new procedures, and completing comprehensive data conversions often do not find their way into fast-track implementations.

One major corporation found that it had to stop using its new ERP system entirely because its employees did not understand that if they input data incorrectly, there was no one down the line whose job it was to review and correct data. The old system had

built in a “bad practice” of allowing multiple data edit points downstream before releasing data for general use. The new ERP eliminated those “wasteful” editing steps and made the data available much quicker. Also, the integrator had installed the system with role-base security in place that actually prevented down-the-line correction of faulty data. Because the organization had relied on flexibility to correct bad data, everyone had assumed that the same process would apply in the new system. So, the project’s train ran off the fast track. The corporation had to halt the implementation and require that certain employees go back through training and a data quality certification program before they even had access for data entry into the ERP.

When a vendor promises a fast track for your implementation, remember the other important adage: Speed Kills. Insist on visiting at least two organizations that are **similar to yours and have implemented ERP modules similar to yours** in order to study their implementation process in detail. You need to learn how long the implementation actually took from the time the project began until the system was running without any but genuinely negligible data quality issues.

The burden is on you to assure that the project is not simply a fast track for moving your money into the vendor’s bank account.



12. **Avoid the truthiness trap of thinking that the project is over when the software is “in” and the vendor announces it is ready to GO LIVE.** “It’s not over ‘til it’s over” as that noted management adviser, Yogi Berra, reportedly said. Your ERP implementation project is not over when you GO LIVE. Just when you think the GO LIVE is up and running and toasts of success are all around, you might find that many details pushed aside from the fast track come back to haunt you.

Several organizations have found that after the GO LIVE and “final” cutover the numbers are not reporting correctly or the staff is not really using the system. In InfoSENTRY’s project forensic audits, we have found that several actual project failures occurred after apparently successful GO LIVE dates announced by the vendor. One large school district as well as a state government central administration department learned that actual payrolls, supplier reports, and IRS reports coming from their ERP systems contained major errors well after the GO LIVE date. Both situations resulted in audits and Federal penalties. The state subsequently abandoned its new ERP system. The school system required an extensive audit, an extensive re-write for its project plan, a re-structuring of its project staff, and additional

funding to complete the project. That district's state department of education finally took over the administrative operations of the school district.

The simplest solution to the "fast track" promise of an artificially early GO LIVE is to insist on the "right track" approach to the project. It is your responsibility to assure that the vendor does not cut corners and abandon standard, documented project management principles solely to meet an arbitrary, early deadline. You might think you are saving a great deal of money on consultants by having a system up and running in a year.

However, if it takes three years to recover from the mistakes you made during the rushed project, you probably will spend even more money than originally planned. You might never be able to recover from the damage to your reputation by announcing that you have "gone live" when virtually everyone in your organization knows that the project was never really completed. In the meantime, your vendor probably received a substantial "progress payment" on the GO LIVE date and might be receiving additional payments to correct problems that should have been resolved before you went into live production.

It is important to keep major components of your project implementation team intact for up to six months after the system has "gone live." You will need the team to help assist in solving problems that inevitably occur after your GO LIVE. You will also need that team to help your

organization transition from a "project" status to a "program" status. You will also need to have your project team catch up with all the documentation tasks that have been delayed during the intense implementation efforts. This is one of the lessons InfoSENTRY has learned in numerous QA reviews and forensic audits of projects that failed. However, we still see organizations with plans to disband their project team within a few weeks or even days after the vendor has promised a GO LIVE celebration. This bit of vendor truthiness can literally snatch project defeat from the jaws of victory.



13. **Remember the other side of the vendor's statement "We are too big to let you fail."** The implications in this statement from a vendor are that (1) the firm has vast resources that it will bring to bear to make your project succeed and (2) the firm has experience with many projects and tremendous experience to help you overcome the many obstacles that often challenge ERP projects.

Those statements might be true. However, the reality too often has been that "We are so big

that if **your** project fails, it will not really hurt **our** track record.” For you, it might be one failure in one attempt at implementing an ERP system. That means your batting average would be .000. However, if the vendor is really large and has thousands of clients, a failure in your project probably will affect only the second or third digit of the vendor’s batting average. We have heard vendors in more than one instance badmouth their client because of the client’s inexperience in implementing multi-million dollar ERP systems. Such inexperience was hardly unexpected, given that none of the client firms had ever implemented an ERP system!

We also could find no documentary (or even anecdotal) indications that the vendor had told their clients that they needed to hire experienced internal resources before they started the project. In fact, we found indications that the vendors had told their clients that they did not need to have experienced internal staff. Why? You guessed it: the vendors were so large they had plenty of resources and would not let the clients fail.

Unless your contract specifies that the vendor will bring in their most experienced resources **at your request**, you are likely to get only the level of experience and skill for which the contract calls. All of that vast wealth of experience and skill might remain on the bench or on someone else’s larger project unless your contract specifies that you get experienced help when you need it.

Your ERP vendor’s size and vast experience implementing hundreds or thousands of systems might be relatively meaningless to your implementation. It is your responsibility to see that you have a skilled in-house project management team. Your vendor’s overall size, sales volume, and installed base do not necessarily provide any assurance that they will apply the right resources to your project. That will be a function of your request for proposals and your contract with the vendor.

CONCLUSION

You probably have seen many of these examples of truthiness on ERP vendors’ websites, in their sales brochures, and in their proposals. You might have heard the examples in their presentations. They are all perfectly normal occurrences during the typical ERP sales cycle, also called the “courtship” phase of the relationship. The truthiness does not necessarily stop when you sign the contract with the vendor. The examples in this White Paper have shown how truthiness can easily continue right up through the final system GO LIVE.

However, you probably recognize by now that the burden is on you—the organization undertaking the project—to recognize the truthiness statements. The burden is on you to probe behind the statements and separate the wheat from the chaff of the vendors’ presentations. In general, if the vendor is not willing to clarify and place the truthiness statements directly into the contract, the statements will have more impact on the likelihood of the vendor closing the sale with you than they will on the likelihood of your project’s

success. Remember: if it is not in the contract, it is not in the contract.

All of these comments might give you the impression that all vendors' statements about their ERP products and services are misleading. You might get the impression that you cannot trust anything the software and implementation vendors say. That is not the case. That message is not the "takeaway" from this White Paper. The more important message is that the burden is on you to walk the fine line between your ultimate dependence on your system and implementation vendors and your responsibility to manage the contracts and projects through which you are inextricably tied to those vendors. You must "trust but verify"⁵ to assure that you are getting the system for which you are paying instead of the truthiness that led to your selection of your system and implementation vendor.



Helen Sims is Vice President of InfoSENTRY Services, Inc. and a certified quality auditor (CQA). Helen's ERP experience began during the first waves of ERP implementations that

⁵ Here is another bit of truthiness. While many attribute the origin of this quote to the late President Ronald Reagan's translation of a Russian saying—and it was indeed in a Reagan speech—the American quote more likely originated decades earlier with the American journalist and novelist Damon Runyon. But Runyon was never elected President of the United States.

were driven by Year 2000 objectives. Her involvement with ERPs continued at InfoSENTRY with her work on independent, third-party quality performance audits, technology project recoveries, and technology readiness assessments of enterprise-wide implementations. Helen has continued to document successes and failures from the early ERP implementations to the present ones. In the process, Helen has observed a lot of truthiness being used throughout the years in projects around the world. Helen has a Certificate in Executive Business Management from the Peter F. Drucker Graduate School at Claremont University and is a Certified Practitioner of the Achieving Styles Institute. Please contact Helen at helen_sims@infosentry.com.



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