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Oracle Calls School's Revised Lawsuit Over Software Project a 'transparent Ploy'

– Chris Kanaracus, IDG News Service

January 19, 2012

Oracle is asking a judge to throw out some of the claims made in a lawsuit filed against the vendor by Montclair State University over an allegedly failed ERP (enterprise-resource-planning) software project, according to a filing made this week in U.S. District Court for the District of New Jersey.

MSU sued Oracle in May 2011, blaming the vendor for a series of problems and delays on the PeopleSoft project, which was supposed to replace 25-year-old legacy applications. The parties had signed a US$15.75 million contract for software and implementation services in 2009.

The New Jersey school ended up firing Oracle and has said completing the project will cost up to $20 million more than the original budget. Oracle has countersued, seeking money it says MSU owes it and blaming school officials for the project's woes.

In December, the school filed an amended complaint that added new allegations, including that Oracle had conducted a "rigged" demonstration of the software package at issue.

Oracle's motion this week responds to that filing, asking that its allegations of fraudulent inducement, gross negligent misrepresentation, grossly negligent performance of contractual obligations and willful anticipatory repudiation of contract be dismissed.

The school's initial complaint "was premised on the alleged breach of the Consulting Agreement between Oracle and MSU," Oracle wrote in its filing this week. "Now, recognizing that there was no breach by Oracle and that the contract contains valid and enforceable limitations of liability, MSU has conjured up claims which completely contradict the allegations it filed initially."

This amounts to a "transparent ploy" that "fails as a matter of law because, try as it may, MSU cannot avoid the fully integrated, extensively negotiated contract which covers the exact terms that form the basis of MSU's new tort claims," Oracle added.

MSU's amended complaint includes claims of wrongdoing by Oracle that are "directly contradicted by a number of contractual provisions," according to the filing.

For example, the school had alleged that Oracle said its base PeopleSoft system for higher education institutions would satisfy 95 percent of MSU's more than 3,000 business requirements.

But "the Consulting Agreement makes clear, however, that 596 of the 3,071 requirements laid out in Attachment C-1 of the Fixed Price Exhibit were 'Not in Scope,' that 60 of the requirements were designated as 'Undefined,' and 52 of the requirements were to be met by customization of the base product," Oracle said. "Thus, the Consulting Agreement provides that roughly 23% of MSU's requirements were not to be met by the Oracle base product."

Oracle's motion also denies MSU's allegation that the software vendor misrepresented how much MSU staff and resources would be required to finish the project on Oracle's proposed schedule.

Once again, the parties' consulting agreement contradicts the allegation since its wording "put the onus on MSU, not Oracle, to assure that MSU had the required personnel and resources," the filing states.

If the school can provide documentation for all of its allegations in the 60-plus-page amended complaint, "they're going to be in a real strong position," but it's not yet clear how the case will play out, said one IT consultant and expert witness who has testified in several cases involving Oracle software.

For example, the amended complaint included a long list of original project requirements. "Many of them are stated in general enough terms that it's entirely possible there was a legitimate misunderstanding on the part of Oracle as to what those requirements involved," said the consultant, who requested anonymity because of current involvement in another case regarding Oracle.

To that end, Oracle's motion to dismiss cites an "assumption" in the consulting agreement regarding the project requirements.

If the base PeopleSoft product could do "what" a particular requirement called for, but not "how" MSU wanted it addressed, "it is MSU's responsibility to change MSU's business process to accommodate how the base product's business process addresses the requirement," the motion states.

"It's entirely possible when you look at what was delivered it will be a judgment call, rather than a clear-cut determination, as to whether what Oracle delivered met those requirements or not," the consultant said.

MSU plans to oppose Oracle's motion, according to a spokeswoman, who declined further comment.

Overall, the case presents a cautionary tale for vendors and software customers.

"This is why both sides should document the process," said analyst Ray Wang, CEO of Constellation Research. "When a project goes down, fingers point everywhere."

Chris Kanaracus covers enterprise software and general technology breaking news for The IDG News Service*. Chris's e-mail address is* Chris_Kanaracus@idg.com

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Massive Air Force ERP Software Project Still Struggling

– Chris Kanaracus, IDG News Service

February 13, 2012

A massive Oracle ERP (enterprise-resource-planning) software project being conducted by the U.S. Air Force continues to experience difficulties, with the defense agency deciding to toss out some completed work as part of a restructuring plan that will be announced soon, according to an official communication released last week.

Dubbed the Expeditionary Combat Support System (ECSS), the project was started in 2005 and is supposed to replace more than 200 legacy systems. Its total estimated costs, which were originally placed at about US$3 billion, have grown to more than $5 billion, the U.S. Government Accountability Office said in an October 2010 report.

In October, the Air Force said it had begun a "strategic reassessment of the overall program" and was considering a number of alternatives. Those included "building on the current ERP software, leveraging other service/Defense Agency solutions, and/or modifying legacy capability," Air Force Deputy Chief Management Officer David Tillotson told lawmakers at the time.

"An announcement detailing program restructuring is imminent and a refocusing of ECSS capabilities will result," according to a document from the ECSS Communication Office issued last week, which was seen by the IDG News Service.

As a result of the restructuring, the Air Force plans to scrap two pilot programs, A and B, which had been "fielded with known deficiencies and workarounds," Lt. Gen. Judith A. Fedder, deputy chief of staff for Logistics, Installations and Mission Support, is quoted as saying in the document.

"The plan included workaround resolution in Pilots C and D for a feasible Air Force solution," Fedder's statement added. "Per direction, these C and D pilots will no longer be fielded. Without the enhanced capabilities of the follow-on pilots, the A and B-only solution is not suitable for fielding across the Air Force."

Users in the A and B pilot programs will be "rolled back to their legacy systems" by the end of this month, and will subsequently no longer "transact in ECSS," according to Fedder's statement.

An Oracle spokeswoman declined comment. A spokeswoman for CSC could not immediately comment Monday.

The Air Force did not immediately respond to requests for additional information, including the project's

current total cost estimate and details on why the
pilot programs were ceased.

But there are two sides to every story, and this one is no different, said Michael Krigsman, CEO of the consulting firm Asuret and an expert on IT project failures.

"The fact they did a pilot and decided not to proceed with the full thing? That's one of the reasons you do a pilot," he said. "It's better to have the pilot fail than have the whole program fail."

"But then it raises the question of what is the nature of the pilot, why did it fail and what are they doing instead," added Krigsman, whose firm has not been involved in the Air Force project. The question now is how the Air Force and CSC will address whatever deficiencies the pilots experienced going forward, he said.

Chris Kanaracus covers enterprise software and general technology breaking news for The IDG News Service*. Chris's e-mail address is* *Chris_Kanaracus@idg.com*

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10 Biggest ERP Software Failures of 2011

– Chris Kanaracus, IDG News Service

December 20, 2011

With the year drawing to a close, one thing seems abundantly clear: There are still an awful lot of ERP and other software projects running off the rails out there.

Software project failures are no fun for anyone involved. They lead to piles of wasted money and effort, heaps of accusations and recriminations, and even to lawsuits. Here's a look at some of the highest-profile problem projects to surface this year.

UK government scraps the 12 billion National program for IT in the NHS

In September, U.K. officials pulled the plug on what is considered to be the largest public IT project of all time, an attempt to provide electronic health records for all of the country's citizens.

The sprawling effort was begun in 2002 but failed to produce a workable system, despite massive spending outlays that have been estimated at about 12 billion (US$18.7 billion).

The U.K.'s Major Projects Authority concluded the project was "not fit to provide the modern IT services that the NHS needs."

"The higher they fly the farther they fall," said Michael Krigsman, CEO of the consulting firm Asuret, which helps companies run successful IT projects. "They tried to impose a centralized solution onto just an enormous geographic and political base. It was a massive undertaking filled with political differences and technical failures, and in the end it serves as an example of what not to do."

New York City's CityTime project

Fallout continued this year over New York's massive CityTime payroll system project, which has been wracked by cost overruns and a criminal probe into an alleged kickback scheme involving former employees of systems integrator SAIC and a subcontractor, TechnoDyne.

CityTime originally had a $63 million budget, but costs since skyrocketed astonishingly, with total estimates reportedly reaching $760 million.

In June, officials indicted TechnoDyne executives Reddy and Padma Allen. Others, including a number of former SAIC employees, have also been charged.

New York officials are seeking to recover money paid to SAIC. Earlier this month, SAIC said it had set aside a $232 million loss provision in connection with the case.

SAP project woes impact Ingram Micro's profits -- twice

In April, massive technology distributor Ingram Micro announced that problems with an SAP project in Australia had made a significant dent in its first-quarter profits.

Net income stood at $56.3 million, a drop from $70.3 million in the same quarter the previous year, Ingram Micro said at the time. The shortfall was "primarily attributable to difficulties transitioning to a new enterprise system in Australia," it said.

Ingram Micro went on to stress that the system would provide a great deal of value and efficiency once in place. However, it also warned that its financial results may yet again be impacted by the project's issues, a premonition that proved true.

In the second quarter, net income stood at $59.7 million, down from $67.7 million in the same period last year, Ingram Micro reported in July. However, the SAP project's issues had been largely resolved, it said.

Montclair State University sues Oracle over a PeopleSoft project, but Oracle returns fire

In May, Montclair State University in New Jersey filed suit against Oracle, claiming the vendor had completely botched a PeopleSoft project that was supposed to replace the school's aging legacy systems.

Because of Oracle's alleged misdeeds, it might cost up to $20 million to finish the project, Montclair has claimed.

But Oracle quickly fired back, claiming that the problems were the school's fault.

"When issues arose during the course of the project, it became clear that MSU's leadership did not adequately understand the technology and the steps necessary to complete the project," Oracle said in a court filing. "Instead of cooperating with Oracle and resolving issues through discussions and collaboration, MSU's project leadership, motivated by their own agenda and fearful of being blamed for delays, escalated manageable differences into major disputes."

Montclair recently filed an amended complaint that adds a wealth of detail to its claims, including an allegation that Oracle ran a "rigged" software demo during the sales process and was also guilty of extortion.

Oracle hasn't commented on Montclair's latest claims.

Epicor sued by customer over ERP project that turned into a 'big mess'

Some ERP failures are bigger than others with respect to scope and cost, but they all can have a serious impact on a company's operations.

Commercial outdoor furniture seller ParknPool took Epicor to court in late November over a "big mess" of an ERP project that it says will results in it taking a loss this year.

ParknPool was looking to move up from its QuickBooks system, which it was outgrowing, Jim Fonner, administrative manager of the Lexington, Virginia, company, told IDG News Service in a previous interview.

It chose Epicor over a Sage system because Epicor's product seemed more tightly integrated, Fonner said. But nothing seemed to go right once the contract was signed, according to ParknPool, which has about 20 employees.

"Epicor said they could do it in seven weeks. We gave them seven months, and we got zero," he said in the interview. "I couldn't even look at a profit-and-loss statement. We couldn't process orders. We were saying, 'QuickBooks is so much better than this' and we were paying $3,500 a year for it."

In a previous statement, Epicor denied wrongdoing: "Our products, consulting personnel and partner performed well, all of which Epicor believes will be borne out as we defend our position in any proceedings."

Marin County accuses SAP, Deloitte Consulting of a racketeering scheme

In February, the government of Marin County, California, sued Deloitte Consulting and SAP in federal court, claiming they had "engaged in a pattern of racketeering activity" aiming at bilking the county out of more than $20 million in connection with a failed ERP project.

Marin County had originally sued Deloitte in a lower court last year, claiming that the systems integrator had dumped inexperienced workers on the project, which led to the problems. The county has decided to rip out the SAP software and replace it with something else, in the belief that doing so would be a lower-cost option to finishing the job.

Its suit alleges that SAP and Deloitte are in violation of the federal Racketeer Influenced and Corrupt Organizations act (RICO). Under the statute, the county's desired $35 million in damages would be tripled.

Marin County later said that SAP enticed it into joining a "Ramp-Up" early adopter program for the software suite, a move it claims ended up contributing to the project's failure since the software was new and risky.

SAP and Deloitte have both denied any culpability. Deloitte has called Marin County's federal suit a "frivolous" tactic and an attempt to get a more favorable legal forum for its claims, while SAP has questioned why it would want to collude with Deloitte on a project that was doomed to fail, among other defenses.

The lawsuit has yet to go to trial. A case management conference is set for Jan. 27.

Epicor customer sues after allegedly wild cost overruns

It's common, and the cynical might say expected, for ERP projects to end up costing more than originally expected. But five times as much? That's the claim of Whaley Foodservice Repairs of South Carolina, which sued Epicor in August.

Whaley, which sells and fixes equipment used by commercial kitchens, first started talking to Epicor about an ERP project in 2006. The system was supposed to be implemented and live in Whaley's home office as well as a dozen branches by March 2007, but that goal was never met and the software has never worked as it was supposed to, according to Whaley's lawsuit.

The project's implementation topped $1 million, or more than five times the original estimate of $190,000, according to the suit. Epicor has denied wrongdoing, and says that under the terms of the companies' agreement, Whaley still owes it more than $283,000.

Auditors: ERP software woes could cost Idaho millions

In March, an Idaho state auditor released a report that found that problems with a new system developed by Unisys for processing Medicaid claims could end up leading to the loss of millions of dollars.

The system is supposed to handle claims from health care organizations that treat patients who receive Medicaid. But design defects and other issues led to many payment delays and faulty processing of claims, according to the auditor. The state ended up sending more than $100 million in advance payments to providers while figuring out the problems.

It since began attempting to get that money back, but some $2 million was "at risk of not being recouped at all," the report said.

The auditor's report also pinpointed a potential root cause for the problems, noting that the system went live before certain testing milestones had been reached.

Lawson, CareSource Management head to court

Health care plan administrator CareSource Management Group sued Lawson Software in September, claiming that an ERP system from the company hadn't been able to get beyond the testing phase and wasn't the fully integrated suite Lawson promised.

The system instead was two modules, including the then-new Lawson Talent Management, according to the organization's suit. CareSource was in fact one of the first companies to install the new application, it added.

As the project went on, severe data-transfer issues between the talent management module and a financial application occurred, to the degree that at one point CareSource had 20 open tech-support cases with Lawson, it states. CareSource is demanding at least $1.5 million in damages.

In response, Lawson acknowledged that "certain issues" occurred with the modules' integration, but they were resolved. In addition, while the project did remain in a testing phase, CareSource "halted" it before filing the lawsuit, according to Lawson, which is seeking more than $335,000 in unpaid fees.

SAP-IBM payroll system woes fouled up nurses' pay

Nurses in Nova Scotia reportedly suffered through at least six months of faulty paychecks this year due to problems with an SAP system project led by IBM.

After the Victorian Order of Nurses flipped the switch on the SAP system in January, some nurses got shortchanged while others got double their expected pay, said Janet Hazelton, president of the Nova Scotia Nurses Union, in a July interview.

"My concern is with the nurses that got $100 more," Hazelton said. "They may not have noticed it. Our pay is never the same."

SAP's payroll software is solid technology, but tricky to implement given all the variables with worker pay, as well as the job of mapping over details from the legacy system, consultant Jarret Pazahanick previously told IDG News Service.

Most problematic SAP payroll project failures have the same characteristics, according to Pazahanick: "The common thread is junior consultants and weak testing."

Despite the above roll-call of ERP horrors, there's reason to be hopeful, said consultant Krigsman.

While the number of high-profile failures was about the same this year as last, Krigsman thinks the industry "is waking up to the fact that customers find this situation abhorrent and unacceptable." And many of the major vendors are taking steps to address the problem.

But, "ERP vendors are only one step in a broader ecosystem that includes the customers and the system integrators," Krigsman said. "Ultimately solving the problem requires coordination among these three groups, but certainly the ERP vendors should take strong leadership."

Chris Kanaracus covers enterprise software and general technology breaking news for* The IDG News Service*. Chris's e-mail address is Chris_Kanaracus@idg.com

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13 Common ERP Mistakes and How to Avoid Making Them

– Jennifer Lonoff Schiff, CIO

March 27, 2012

Costing anywhere from hundreds of thousands of dollars to millions of dollars, and requiring hundreds of man hours to implement, enterprise resource planning (ERP) systems are huge investments of money, resources and time. And while a successful ERP implementation can help your organization streamline workflow and cut costs, a poorly planned and implemented ERP rollout can severely cost organizations, in terms of lost productivity and delays.

To help ensure your ERP implementation is a success, or at least to minimize potential problems, CIO.com surveyed dozens of ERP experts (IT executives, consultants and ERP vendors), asking them to describe the most common ERP-related mistakes organizations make and how to avoid or solve them. The 13 most commonly cited ERP mistakes—and their fixes—appear below.

ERP Mistake #1: Poor planning . "Planning is absolutely necessary if you want your ERP project to succeed," says Erik Kaas, vice president of Product Management for Mid-Market ERP products at Sage. "You simply can't wing ERP."

Kevin Beasley, CIO ofVAI, a provider of ERP software and solutions to mid-market and enterprise-level organizations, agrees. "Many organizations do not do enough up-front planning before they begin an ERP software evaluation," he says. "This often leads to confusion down the road because they might not fully understand their current processes and how to evolve them to maximize business benefits and efficiencies."

To solve this problem, organizations should conduct an internal audit of all of their processes and policies before choosing an ERP system. In addition, Beasley recommends putting together an ERP evaluation team composed of stakeholders from across the business. And, if you feel you do not have the in-house capability to properly evaluate ERP systems, consider hiring an experienced third-party, vendor-neutral consultant, who has experience implementing ERP solutions at companies in your industry.

ERP Mistake #2: Not properly vetting ERP vendors. "Many of my best clients are 'sold' by the [vendor's] marketing team; however once the implementation is complete they are surprised by system functionality restrictions, lack of capabilities, and the impact on existing internal best practices," says Shawn Casemore, president, Casemore & Co., which helps clients improve their operational performance. His advice: Always ask for references. Request the names of at least three companies "who are in your business sector, who you can contact and discuss the software with, then call and discuss features, functionality, and challenges," he says. If the vendor can't (or won't) provide at least three names? "Walk away," unless you want to be a guinea pig.

ERP Mistake #3: Not understanding or using key features. "In our annual ERP survey, only 46 percent of respondents reported having a good understanding of which features they were using in their ERP system," says John Hoebler, managing director, MorganFranklin Corp., a business consulting and technology solutions company. "This is shocking, considering the millions companies invest in [their ERP systems]. Without knowing features, companies miss opportunities to automate business processes, complete functions faster, and meet business objectives," he says. In addition, "upgrades, enhancements, and maintenance are more costly, and less likely to succeed."

To solve this problem, Hoebler suggests creating a master list with all features, tracking usage, and periodically reviewing the list to determine which features are being used and which are the most helpful. "This knowledge catalog can [then] be used to train new employees, write test scripts, and assist with audit, compliance, and reporting requirements," he says.

ERP Mistake #4: Underestimating the time and resources required. "All companies grossly underestimate the time and resources required to implement a new ERP system," argues James Mallory, marketing director,e2b teknologies. How can you calculate the necessary time involved? "The time involved can be estimated by dividing the cost of the software by 100," he explains. "For example, $20,000 for software will take approximately 200 man-hours or five weeks to implement using a certified consultant. Double that number if you plan to self-implement with minimal professional assistance." In addition, Mallory stresses the importance of assigning a dedicated project manager.

ERP Mistake #5: Not having the right people on the team from the start . "Often times, organizations do not bring the right people together from the very start of an ERP implementation," says Beasley. "ERP implementation is one of the biggest projects an organization can undertake, and consequently, mistakes can be made and plans might get derailed if the right stakeholders are not involved in every aspect of the decision-making process," he points out. For example, many organizations focus on getting executive approval, instead of gathering key participants from across the organization, from finance, operations, manufacturing, purchasing, and the warehouse, in addition to IT. The benefit: employees who are actively engaged with the ERP implementation, who have an investment in getting it right, right from the start.

ERP Mistake #6: Not setting priorities . "When implementing an ERP system, the single most important thing one can do to minimize delays and accelerate time to completion is to reduce multitasking," says Yoav Ziv, vice president, Realization , a project management specialist. "People work much slower when they are juggling multiple tasks and constantly switching gears," he argues. Therefore, creating a priority system should be a top priority for IT managers. "The priority system should not only indicate when to do which tasks, but should also provide managers with the issues they need to resolve, per priority," he says. In addition, "ERP implementation managers need to implement a rigorous issue resolution process to act upon those signals and remove issues immediately in order to avoid delays."

ERP Mistake #7: Not investing in training and change management. "A lack of proper training is one of the most common reasons that ERP projects fail, and it can also result in employees resenting the new system because they don't understand it," explains Kaas. "Making sure employees have a chance to become comfortable with the new system before it goes live will do wonders for your chances at ERP success." Adds Kevin Herrig, president and CEO of GSI, an ERP software specialist with a primary focus on Oracle's JD Edwards products: "If you don't make training and frequent communication with users a top priority, you will end up owning a very expensive version of Excel."

ERP Mistake #8: Underestimating the importance of accurate data. Your ERP system is only as good as the data that is in it. So, if you want your ERP implementation to succeed, "it is imperative that proper programming and procedural parameters are put in place [right from the start] to minimize the likelihood of errors," argues Martin Levesque, director of Professional Services, iDatix , a document management and workflow solutions provider.

ERP Mistake #9: Taking the kitchen sink approach. "No matter how powerful or flexible an ERP system is, it will not be able to absorb all business logic," explains Akan Iza, software architect, NetFoliage, a website development firm. "One of the most common mistakes made during ERP implementations is to assume that ERP can be used to run a business end to end," he points out. "To avoid this costly mistake, companies should focus on implementing ERP to optimize value chain and to trace costs. Everything else should be a secondary goal."

ERP Mistake #10: Not decommissioning legacy applications. "If [organizations] do not actively work to decommission applications during the implementation, the end result is an ERP with all of the original legacy applications hanging off of it," argues John Picciotto, principal, Application Modernization & Optimization at Accenture . "The end result is another piece of software that [you] are paying maintenance and support on, paying for hardware and upgrades, and paying for interfaces back into the core ERP," when the point of getting an ERP system was to streamline workflow and reduce costs and waste.

ERP Mistake #11: Not having an active load testing environment . "You won't be able to see the true results of your changes based on a couple of test users," points out Herrig. "You must be able to simulate your user load in order to see the real-world effects of changes and avoid costly unplanned downtime."

ERP Mistake #12: Ignoring third-party support alternatives. "Many companies insist on premium vendor support, despite the fact that maintenance rates are at an all-time high and they can get the same level of service from a third-party support provider," says Jon Winsett, CEO of NPI, an IT spend management consultancy that works with Fortune 1000 enterprises. "Companies should explore all options for support, ranging from hybrid support providers that work directly with their vendor to deliver service, as well as providers that work independent of their vendor's partner program," he says. "A third-party support alternative can easily reduce support costs by 30 to 50 percent."

ERP Mistake #13: Not having a maintenance strategy. "Customers not conducting preventative maintenance are not taking full advantage of their ERP investment and their maintenance dollars," states Marco Valencia, vice president, Upgrade Office, North America & Latin America, SAP America, Inc. "By not applying maintenance, their systems will quickly become obsolete (from a technical perspective) as will their business processes." Moreover, he says, it is important to "keep the kernel up-to-date, with the right legal changes applied to prevent potential problems," and with improvements in installation technology, customers now experience only limited disruption when implementing support packs.

Have an ERP mistake and solution not covered above that you would like to share? Please leave a comment.

Jennifer Lonoff Schiff is a contributor to CIO.com and runs a marketing communications firm focused on helping organizations better interact with their customers, employees and partners.

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Fast, Easy ERP: Here's How to Get It

– Stephanie Overby, CIO

March 15, 2012

"ERP" and "rapid implementation" were once rarely uttered in the same sentence. But smaller enterprises in particular need affordable, reliable software that can still be rolled out quickly.

Gallus BioPharmaceuticals is one ERP customer that took a faster, cheaper approach. The nascent contract manufacturer of biopharmaceuticals acquired an existing, FDA-approved biologics plant from Johnson & Johnson last year and had 120 days to wean itself off the corporate giant's IT infrastructure--including desktops, networks, phone systems and software.

Migrating from highly customized, well-supported SAP software to its own ERP system, however, was a big challenge. Gallus uses living cells to make medications that treat conditions such as arthritis and psoriasis. It's a highly regulated industry, so the transition really had to be seamless.

"We have to track everything from preventative maintenance to cell-performance data," explains Gallus CFO Steven Kasok. That needed to continue from the day Gallus signed the Johnson & Johnson deal right through the day after SAP access was shut off. After all, says Kasok, "the cells didn't know they were sold."

The CFO, who began his career in IT at GE and oversees Gallus's technology function, knew the 17-week implementation schedule was tight, particularly given the company's bare-bones IT staff. The key? "You go with a simple, non-customized implementation," says Kasok.

Kasok chose EzPharma, a pre-configured ERP package built on SAP, based solely on the viability of the vendor. "We have the same regulatory and quality framework as large pharmaceutical clients, so it only makes sense to run on the same system background," says Kasok. "The real question is, Can you afford it?"

There is no cut-rate ERP suitable for the drug industry, so Kasok bit the bullet on EzPharma's "couple million dollar" price tag, shaving costs on the implementation itself. He hired consultants from Answerthink, an SAP consultancy, to manage the rollout, but used internal staff on the project as much as possible and vetoed customization in almost all cases. "You can make modest changes in your own operating systems to meet the standards of the off-the-shelf software," Kasok says.

Because Gallus manufactures products for the commercial market, the regulatory bar is set higher than it is for other manufacturers. To meet its complex tracking and documentation requirements, the company required one bespoke element of software to support its maintenance and calibration tracking procedures. Other than that, what it rolled out last year was what came in the box.

"It's a big cultural shift to say, 'We're going with a standard system,'" says Kasok. "The consultants would talk about [making changes in] the next phase. But I always said, 'This is the only phase.'"

Master data migration proved tougher than expected, says Kasok, who is more familiar with the straightforward flat files of his IT days. "Intense data cleaning added stress--and about 30 days--to the project."

"In an ideal world, we would have implemented just what we needed instead of what [Johnson & Johnson] already had," Kasok says. For example, Gallus will now manage multiple customer inventories. "We weren't able to do as much up-front planning as we would have liked."

"The reality is, there will be more," which Kasok admits sounds suspiciously like a phase two. "We did this as cost effectively as possible, and the return is a business that continues to run."