vero projects
value · excellence · realization · outcome

ERP Implementation Lawson M3

Strategic Goal:

Increase efficiency by central ERP system for 27 countries worldwide. Assure future viability by an established standard system instead of outdated proprietary isolated applications. Increase attractivity for potential investors.

Project Objective:

Implementation of the complete system in 6 European core countries. In a second stage successive roll-out into the further 21 countries.

Duration of Assignment:

19 months

Customer Profile:

LR HEALTH & BEAUTY is the largest German MLM company in the area of health and beauty products. The company produces cosmetics and nutritional supplements in Germany and distributes them worldwide.

The company has 500 employees and worldwide 250,000 self-employed sales partners in 27 countries.

Initial Situation:

In the preparation phase the project had already advanced until the decision for the SW supplier Lawson, the SoW of Lawson was work in progress, when the internal project manager of LR fell ill very seriously and had to be substituted. The continuation of project management was assigned to vero projects.

The background of the decision for a new central ERP system was given by LR as follows:

- The current ERP architecture is not suited to support the planned growth of LR. Among other reasons this is substantiated with age and architecture of the current systems, but also with complete lack of application support (e.g. CRM)
- The current ERP landscape constitutes a business risk, among other reasons due to the direct dependency on single external persons
- Legal requirements cannot be complied to without distinct intrusions into the business
- Analyses in due time and preparation of decisions are not sufficiently feasible in the old system

Way of Proceeding by vero projects:

After ca. 10 days the first sighting of the project situation and the existing problems was resumed in an analysis paper with initial solution proposals and presented to the management. Essential items were:

- New creation of the insufficient project plan as a basis for effective project controlling
- Control of the time factor as a crucial project objective demanded a more professional progress determination
- Control of costs should be developed from the former time consuming invoice control to a predictive assessment of potential cost drivers
- Quality control required a better collaboration of the supplier
- Communication in general had to be improved, but also in particular the communication between the process owners of the departments and the business analysts of the supplier.

Within a few weeks the project succeeded to have the kind of basis which made it controllable again. The principle of structure and clarity could be asserted. In addition the partly too controversial atmosphere with the software supplier could be improved significantly. For the latter it was important to maintain the balance between the duty of loyalty to the customer and the impartial point of view as an external person.

During the further course of the project controversial change requests (CR) cumulated, caused by too indefinite contractual agreements in the beginning of the project (RfP and SoW). The implementation of a very exactly defined change control process and the meticulous controlling of all CRs kept the amount of them und thus additional costs within the minimal possible ceiling.

Ca. 6 months after the start of the assignment of vero projects (project manager and 3 more resources) the internal project manager could take over again after his recovery. The vero project manager remained assigned upon request of the customer, because the scope of the project justified a dual leadership in the management of the project and the continuity of the successful work should be ensured.

Furthermore vero projects took over the management of the sub project Output Management and provided two additional resources for the implementation of the document output with Streamserve. In this sub project all documents were created and delivered in country versions which were to comply with the different legal requirements and had to provide more than 10 languages.

Benefit and Results:

A difficult project which lost its internal project manager during a critical stage could be brought back on track within a fairly short amount of time. Furthermore the implementation of structured methods lead to a permanently more stable course of the project and to a less conflict-laden collaboration with the supplier.

After the internal project manager fell ill once more vero project managed the project again single-handed for several months and could then pass it over to a new internal project manager in an orderly state. The accomplished progress until then allowed for the customer to continue without external support and finally to have the Go-Live in the first 6 core countries with a tolerable delay.