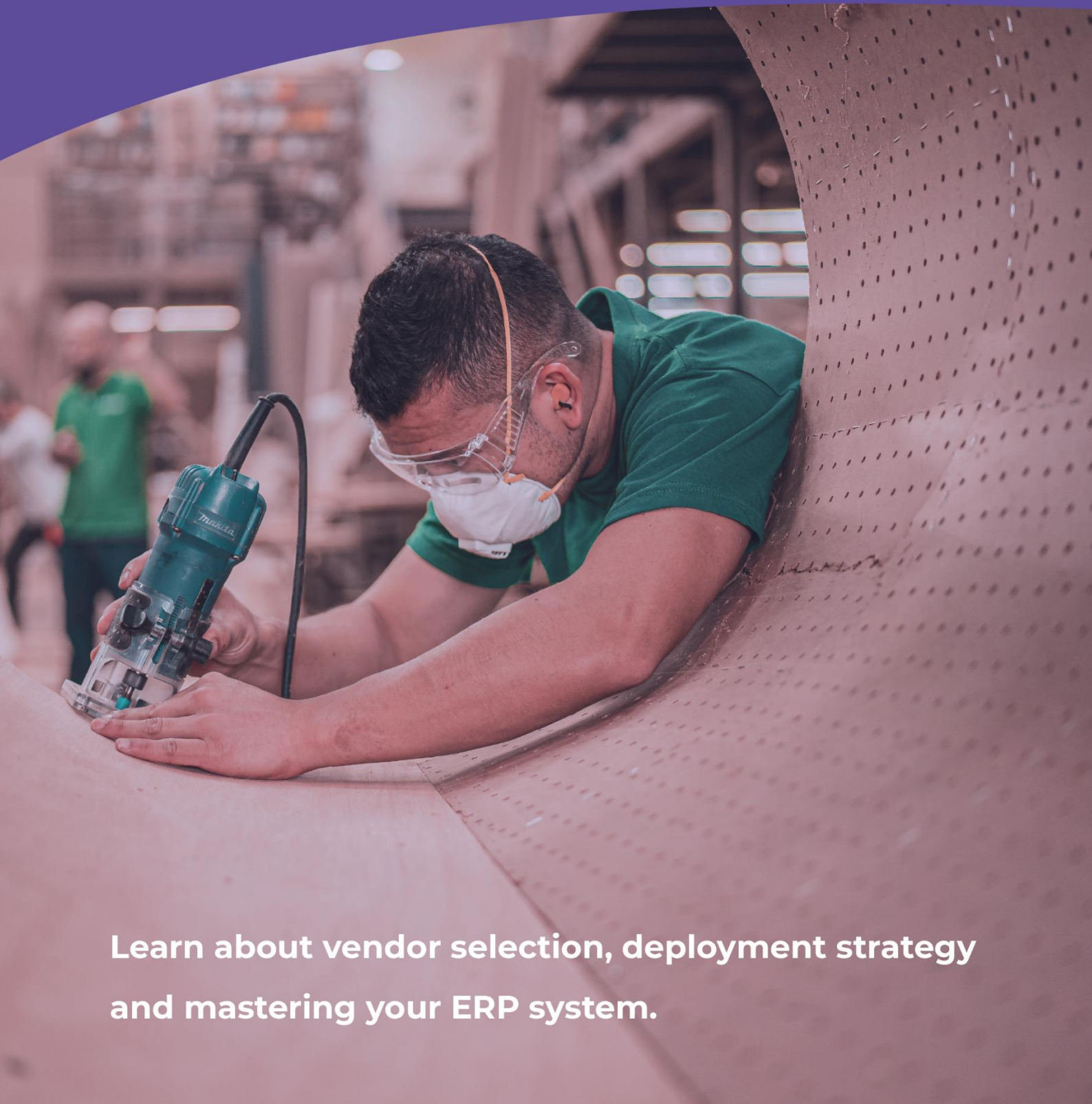**FRACTION ERP**

ERP IMPLEMENTATION GUIDE

A quick guide for first time users of ERP.

Learn about vendor selection, deployment strategy and mastering your ERP system.

Contents

Introduction

Welcome and thank you for downloading this guide.

At Fraction ERP, we know that choosing and implementing an ERP system can be expensive, unnecessarily complicated and outright frustrating. It doesn't need to be.

We also recognise that most businesses will only go through this journey a handful of times. This guide is to help you through it, especially if you are new to this.

The structure of this guide will take you through the following topics:

- Selection Stage
- Implementation Stage
- Managing Stage

Implementing a suitable ERP system for your business can achieve great results and be transformative for your business performance.

We hope that you find this guide to be useful and timely,

Giles, Patrick and Junzi

Fraction ERP Limited

About the author

Giles Johnston is an experienced manufacturing consultant. He specialises in optimising ERP systems and improving on time delivery performance.
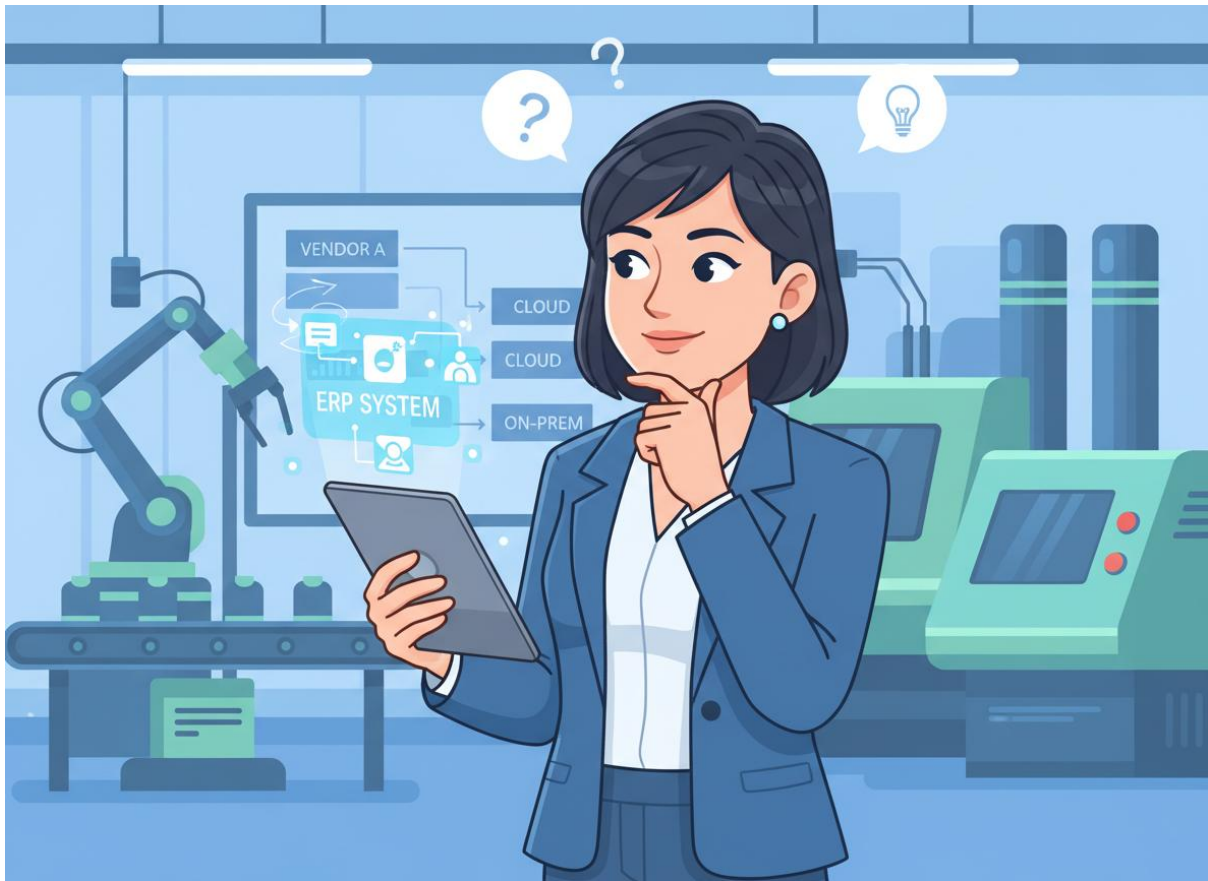
Giles' experience in this area comes from the real world. He has deployed and troubleshooted many ERP systems during his employed life. He has consulted with a wide range of businesses that each had their own ERP system. Each system may have been different, but their fundamentals were the same.

As a Chartered Engineer, Giles has worked in many roles. Production Controller, Manufacturing Engineer, Project Manager, Operations Manager and as a Senior Consultant for a prestigious university.

This guide is a distillation of some of his practical experience around ERP systems.

Selection Stage:

Choosing the Right ERP System

Looking for an ERP system doesn't have to be a long winded and difficult process. Following the tips in this section of the guide will help you to speed up this process and avoid many of the common pitfalls.

And, if you are going to ask other companies what they are using, make sure that you also ask them if it is any good. Too many times, we, at Fraction ERP, hear when this question hasn't been asked…

1. Appoint the Right Project Leader Before You Start Looking

Don't dive into vendor demos without first identifying who will lead the project. Choose someone with a solid grasp of how your business works, an instinct for where problems lie, and the ability to spot improvement opportunities.

2. Map Your Needs Before Exploring Features

Most ERP systems have similar core functionality—they differ mainly in add-ons and "nice to have" features. Get clear on what will actually make a difference to your operation before you get dazzled by demos.

3. Ask the Three Critical Questions First

- Why do we need an ERP system?
- What do we want to get out of it?
- How will we measure the benefits in 6-12 months?

These questions will guide your entire selection process.

4. Research Vendors Systematically, Not Randomly

Create a structured approach:

- What size companies do they target?
- What's their price range?
- Do they have manufacturing specialisms?
- Is it cloud-based or on-premise?
- What's their implementation approach?

Eliminate vendors before demo stage to save you and your team time.

5. Don't Skip the Trial—All Systems Look Good on Paper

If possible, trial multiple systems to understand how the software flows, ease of navigation, speed of use, and training depth required. Cloud systems often offer free trials that on-premise systems can't match.

6. Budget for the Total Cost, Not Just the License(s)

ERP systems come with various price tags. Consider implementation costs, training, customisation, ongoing support, and internal resource time—not just the software license.

7. Evaluate Vendors on Implementation Support, Not Just Features

The best software is worthless without proper implementation support. Ask about their implementation methodology, available training resources, and post-launch support structure. Remember, the easier the system is to use, the lower this requirement becomes!

8. Shortlist Based on Your Business Model

Your business approach (Engineer-to-Order, Make-to-Order, Make-to-Stock) affects what you need from an ERP system. Make sure vendors understand your specific manufacturing model.

9. Consider Ease of Use as a Core Requirement

Complex systems lead to workarounds, spreadsheets, and user resistance. If your team finds it difficult to use, they won't use it properly—no matter how powerful it is.

10. Define Your Success Criteria at the Start

Start with the end in mind. What does "successfully implemented" look like for your business? Define this before you select a system, not after you've signed the contract.

Implementation Stage:

Deploying Your ERP System

The successful deployment of an ERP system is a little more complex than logging into a new system. But it doesn't need to be too complex… just thorough!

11. Build Your Implementation Team Around Attitude, Not Just Knowledge

Look for people who understand your processes, have time to help, are interested in systems, and can methodically work through issues. Availability and the right attitude often beat textbook ERP knowledge.

12. Align Your Processes with the System, Not the Other Way Around

This exercise aims to align your team and processes with your ERP system. The closer they become, the easier your life will be later. Some adaptation is essential. If you have carried out your selection thoroughly, you'll know your position on this at the outset.

13. Use a Demo System as Your Learning Playground

Many businesses have access to a demo system with test data. Make it your friend—experiment, try to break things, and learn in a safe environment without risking your live business data.

14. Get Your Bills of Materials Right from Day One

The BoM drives purchasing, manufacturing, stores picking, and production scheduling. Inaccurate BoMs create chaos across your entire operation. Start with high-volume products using the 80/20 rule.

15. Don't Underestimate the Importance of Accurate Routing Data

Your scheduling depends on accurate routing times. If these are wrong, your work-to lists will be wrong, and your on-time delivery will suffer. Verify routings systematically, starting with frequent products.

16. Plan Your Data Migration Strategy Carefully

Decide early: big bang switchover or incremental rollout? Can you move processes across in stages (quotes, then orders, then scheduling)? Your decision depends on how workable the incremental approach is. The ability to incrementally rollout may need to be one of your questions during selection if it is going to be a show stopper.

17. Keep an Organised List of Concerns During Testing

As your team tests the system, issues will arise. Appoint someone to own the concerns list and find solutions. Some will be training-related, some configuration-related, some process-related.

18. Implement at a Pace Your Team Can Handle

A lack of configuration at the go-live leads to workarounds, spreadsheets, and knowledge loss. Don't rush implementation just to meet an arbitrary deadline if your team isn't ready.

19. Invest Properly in Training—It's Not Optional

Inadequate training creates "system fear" and leads to manual interventions and workarounds. Provide structured training that builds confidence, not just checkbox exercises. Often this can be an internally driven task. Real training, not just the brief training provided by the vendor. Build muscle memory by doing it yourselves along with reducing your costs.

20. Test with Real Data, Not Generic Examples

Many MRP software companies provide test data, but if it looks nothing like your real data, trials will be sub-optimal. Arrange to copy live database information to your test environment monthly.

Managing Stage:

Running Your ERP System Effectively

Management of an ERP system is something that many business leaders ignore. Their approach of 'switch it on and watch it work its magic' rarely delivers results in real life.

This section of the guide looks at some of the key aspects of running an ERP system. The first job is to make it work. The second job is to help you to become more productive. Your business case needs to become a reality.

21. Embed Daily Disciplines into Your Management Routine

Effective system use requires disciplined routines and regular reviews embedded into daily processes. Don't let the system become something you "check occasionally"—make it central to daily operations.

22. Stop Manual Rescheduling from Becoming a Habit

Manual rescheduling should be a corrective learning tool, not a recurring activity. If you're constantly overriding the system, you have configuration or data accuracy problems to fix.

23. Implement Cross-Functional Contract Reviews

Interdepartmental conflicts create poor data quality. Establish contract reviews involving sales, production, and purchasing to improve order accuracy and reduce miscommunication.

24. Control System Privileges to Maintain Data Integrity

Not everyone needs access to change critical configuration. Controlled system privileges prevent well-meaning but damaging changes that create havoc when you run your MRP cycles.

25. Use Exception Reporting to Focus Your Attention

Don't drown in data. Set up exception reports that highlight what needs attention—late orders, stock discrepancies, capacity overloads—so you can manage by exception, not by exhaustive review.

26. Integrate Lean Principles with Your ERP System

Being "stuck between going Lean and using MRP" is a false choice. Your ERP system and Lean principles should support each other in reducing waste and improving flow.

27. Establish KPIs That Drive Behaviour, Not Just Measure Outcomes

Measure key points in your processes, not just final results. This allows you to change your approach and achieve better outcomes. Combine process and outcome metrics for effective management.

28. Create and Maintain Standard Operating Procedures

SOPs provide the basic knowledge your team needs to use the system correctly. They're essential for training new staff quickly, maintaining consistency, and preventing knowledge loss when people leave.

29. Conduct Regular System Audits and Data Quality Reviews

Schedule periodic audits of your critical data—BoMs, routings, stock levels, lead times. Data degrades over time without active maintenance. Make audits a scheduled activity, not a crisis response.

30. Build a Continuous Improvement Mindset Around Your System

When KPIs show problems, determine what needs to change with your ERP usage. Trial, test, and refine the change. Document improvements in your SOPs. Small, systematic improvements compound over time.

Closing thoughts

Selecting and implementing an ERP system doesn't have to be an ordeal. It is my hope that this guide has given you some ideas on how to approach your ERP project to get better results.

If you can get clear on the key features you need, finding an ERP partner will become easier.

If you can apply some logic to your ERP setup, training and deployment activities are not arduous.

If you can apply process management to your day-to-day operations, ERP can be a big help (not a hindrance).

If you can continue your ERP journey, past implementation, the system will become an ally and not a burden.

I have seen many businesses deploy an ERP system because everyone else has one. They don't consider the points I have raised in this guide and the system consumes resources. It is unclear if it adds more value than it costs. We don't want that position for you.

ERP systems, managed in an effective manner, speed up business operations. They support your Lean journey and they reduce the amount of admin you need in your business. If you ever feel like this is not the case then I urge you to revisit the points raised in this guide.

That's enough from me. I wish you all the best on your journey.

If Fraction ERP can be of any help in the future, please let us know!

Giles

About Fraction ERP

Fraction ERP is a straightforward and low-cost cloud ERP system.

We developed it to avoid the complexity and complications users often experience. Fraction is a remedy for modern ERP woes.

The system includes all the main functions that you would expect from an ERP system:

- Part control, stock management and Bills of Materials

- Quotes and sales orders

- Work orders

- Purchasing and goods received

- Scheduling and shop floor tracking tools

- Shop floor data collection
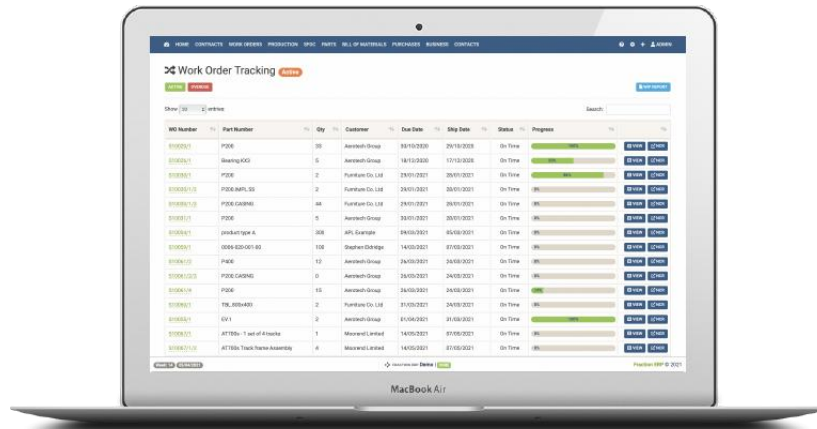
- Capacity planning / management

- Invoicing

Fraction ERP integrates with cloud-based finance packages, providing a complete system.

Mobile devices, tablets and any browser can access our ERP system. Whilst we advocate a work-life balance, you can check on production from your kitchen table at 3am with a smartphone!

We are continuously developing Fraction ERP with new features and improving the user experience. Full onboarding resources are available, including step by step guides and video walkthroughs on our website.

There are no setup fees. As Fraction ERP is a cloud system, the only fees you pay are the monthly subscription. Plus, we include unlimited shop floor user accounts with all subscriptions.

When you're ready to take a further look, visit www.fractionerp.com.

www.fractionerp.com