Part 7 of 20

Project Planning: The Architecture of a Successful Implementation

The phases, governance, resource planning, milestone design, and go-live strategy decisions that determine whether the implementation proceeds on schedule and on budget

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WHAT YOU WILL LEARN AND WHY IT MATTERS

The project plan is the operational blueprint of the ERP implementation — the document that translates the analytical work of requirements definition, vendor selection, and partner selection into a specific, time-bound commitment to deliver specific capabilities by specific dates with specific resources. The quality of the project plan determines, more than any single factor after partner selection, whether the implementation proceeds on schedule and on budget or encounters the timeline extension and cost overrun that characterize a significant percentage of ERP projects.

This part covers the complete project planning architecture: the phase structure of a well-organized implementation, the resource planning discipline that most organizations underestimate, the project governance structure that keeps large projects on track, the milestone design principles that make progress visible and measurable, the risk identification process that protects the project from known failure modes, and the go-live strategy decision between big bang, phased rollout, and pilot approaches. These are the planning disciplines that professional project managers apply to complex implementations, translated into the language and context of a finance leader who must govern the project rather than manage it day to day.

THE PHASE STRUCTURE OF A SUCCESSFUL IMPLEMENTATION

A well-structured ERP implementation proceeds through a defined sequence of phases, each building on the previous and each producing specific deliverables that gate progress to the next phase. This phase-gate structure is the most important architectural discipline in ERP project management because it prevents the most common sequencing errors — attempting to build before the design is complete, attempting to test before the build is verified, attempting to train before the system is stable — that cause the rework and delay that derail implementation timelines.

The discovery phase is the first phase of the implementation and typically runs four to eight weeks. Its purpose is to translate the requirements document into a specific implementation design — the detailed specification of how the ERP will be configured to meet each documented requirement. The discovery phase output is the design document: the chart of accounts specification, the module configuration specifications, the business process flows, the integration architecture, the reporting specifications, and the data migration approach. The design document should be reviewed and approved by the finance leadership team and the executive sponsor before the build phase begins. Building on an unreviewed design is the most common source of rework in ERP implementations.

The build phase implements the approved design — configures the ERP modules, builds the integrations, develops the data migration scripts, and creates the custom reports and workflows specified in the design document. The build phase is the longest phase of most implementations, typically running twelve to twenty weeks depending on implementation scope. Build phase quality is primarily determined by the quality of the implementation partner's configuration work and the rigor of the design document it is implementing.

The test phase validates that the built system meets the requirements documented in the requirements traceability matrix. Testing proceeds through the hierarchy described in Part Twelve — unit testing, integration testing, user acceptance testing, and parallel run — with each level building on the results of the previous. The test phase is the quality gate that protects the go-live decision: a system that has passed rigorous testing is significantly less likely to encounter critical failures in production than one that has been inadequately tested.

The train and go-live preparation phase overlaps with the late stages of the test phase and covers all activities required to prepare the organization for the transition to the new system: user training, data migration execution, go-live cutover planning, and hypercare support planning. The go-live event itself — the moment at which the new system becomes the system of record — is a specific, planned event rather than a gradual transition, and its execution requires the detailed contingency planning described in Part Thirteen.

RESOURCE PLANNING: THE INTERNAL COMMITMENT MOST ORGANIZATIONS UNDERESTIMATE

The internal resource requirement of an ERP implementation is consistently underestimated by the organizations undertaking it, and the gap between estimated and actual internal resource consumption is one of the most common causes of implementation timeline extension. The implementation partner provides the technical expertise and implementation labor, but the implementation cannot succeed without significant sustained involvement from internal resources — finance team members, IT staff, and business stakeholders — who have other responsibilities and limited implementation bandwidth.

The internal resource requirement falls into three categories. The first category is the project team: the internal employees who dedicate a significant portion of their working time to the implementation throughout its duration. For a mid-market ERP implementation, the project team typically includes an internal project manager who owns the relationship with the implementation partner and coordinates internal activities, a finance subject matter expert who represents the finance team's requirements in design sessions and validates the system configuration, an IT resource who manages the technical environment and the integration development, and a change management lead who coordinates training and adoption activities. These project team members should expect to spend thirty to fifty percent of their working time on implementation activities throughout the implementation period.

The second category is the subject matter expert population: the broader group of finance team members and business stakeholders who participate in design workshops, configuration reviews, testing, and training, but at a lower time commitment than the core project team. Design workshops require two to four hours of concentrated attention from the relevant process owners; configuration reviews require one to two hours per module; user acceptance testing requires four to eight hours per functional area; end-user training requires four to eight hours per user. Aggregating these activities across the full subject matter expert population for a typical mid-market implementation produces a total internal resource commitment in the range of fifteen hundred to three thousand person-hours — the equivalent of one to two full-time employees for the duration of the implementation.

The third category is the executive sponsor time: the CFO and other senior leaders who provide governance oversight, escalation resolution, and organizational direction for the project. The executive sponsor's time commitment is less predictable than the project team's because it is driven by decision and escalation requirements rather than scheduled activities, but it should be budgeted at approximately five to ten percent of working time throughout the implementation period. The most expensive executive time cost in ERP implementations is the time consumed by the decisions that should have been made proactively but were deferred until a crisis forced them — typically scope decisions, vendor performance decisions, and go-live readiness decisions that the executive sponsor avoided because they were difficult.

PROJECT GOVERNANCE STRUCTURE

The project governance structure is the organizational framework through which implementation decisions are made, escalated, and resolved. It is the institutional equivalent of the capital allocation committee in the investment decision context: it creates the regular, structured opportunity for informed decision-making that prevents decisions being made informally, inconsistently, or without appropriate authority.

The steering committee is the executive governance body for the implementation. It should be chaired by the CFO or executive sponsor and include the heads of the major functions most affected by the implementation — typically the controller or head of accounting, the VP of FP&A;, the head of IT, and in some cases the CEO. The steering committee meets monthly during the implementation and is responsible for three types of decisions: scope decisions — whether to add or remove scope from the implementation — resource decisions — whether to increase or reallocate implementation resources — and escalation decisions — resolving issues that the project management team has escalated and cannot resolve at the operational level.

The project team is the operational governance body for the implementation. It includes the internal project manager, the lead functional consultant from the implementation partner, the lead technical consultant from the implementation partner, and the key internal subject matter experts. The project team meets weekly and is responsible for day-to-day implementation management: progress tracking against the milestone schedule, issue identification and resolution, change order assessment, and resource coordination. The project team is the first escalation level for issues that arise during the implementation, and it escalates to the steering committee only the issues that it cannot resolve with the authority and information available at its level.

The issue log and risk register are the operational governance artifacts that make the governance structure effective. The issue log tracks every identified issue — a specific problem that is affecting project progress — with an owner, a target resolution date, and a current status. The risk register tracks every identified risk — a potential future problem that could affect project success — with a probability assessment, an impact assessment, an owner, and a mitigation plan. Both documents should be reviewed at every project team meeting and summarized for the steering committee at every steering committee meeting.

MILESTONE DESIGN AND PROGRESS MEASUREMENT

Milestone design is the project planning discipline that makes progress visible and measurable — that replaces the subjective percentage-complete assessments that characterize many project status reports with specific, verifiable deliverable completions that provide an objective basis for progress evaluation.

A well-designed milestone is specific, verifiable, and binary — either the milestone has been achieved or it has not. The design document is approved is a well-designed milestone: it is specific, it can be verified by reviewing the signed approval, and it is binary — the document either has approval or it does not. The design is eighty percent complete is a poorly designed milestone: it is specific in form but not in content — what does eighty percent complete mean? — it cannot be verified objectively, and its percentage completion is subject to the optimism bias that afflicts most project status assessments.

The milestone schedule should include milestones at intervals no greater than two weeks throughout the implementation. More frequent milestones create more precise early warning signals when the project begins to fall behind schedule, allowing course corrections before small delays compound into significant schedule overruns. Milestone schedules with monthly or quarterly milestones are too coarse-grained to provide early warning — by the time a monthly milestone is missed, the project may already be weeks behind the schedule that could have been recovered with earlier intervention.

The critical path analysis — the identification of the sequence of milestones whose collective duration determines the overall project timeline — should be conducted at the project planning stage and updated throughout the implementation. A delay in a critical path milestone automatically extends the project timeline by the length of the delay; a delay in a non-critical path milestone extends the timeline only if the delay exceeds the float — the slack time — available in that activity sequence. Understanding which milestones are on the critical path enables the project team and the executive sponsor to prioritize resource allocation to the activities that most determine the go-live date.

THE GO-LIVE STRATEGY DECISION

The go-live strategy decision — whether to cut over to the new system all at once, in phases over time, or through a pilot in a subset of the organization — is one of the most consequential project planning decisions and one that should be made with explicit analysis of the organization's specific risk profile rather than defaulting to the implementation partner's preference or industry convention.

The big bang go-live — switching all functions and all users to the new system simultaneously on a single cutover date — maximizes the disruption risk but minimizes the period of operating dual systems. When the go-live succeeds, the organization moves immediately to full operation on the new system with no legacy system maintenance cost. When it encounters significant problems — system performance issues, data quality failures, user adoption challenges — the impact affects the entire organization simultaneously. The big bang approach is most appropriate for organizations with a relatively simple business model, a well-prepared user community, a system that has been rigorously tested, and a strong hypercare support structure for the post-go-live stabilization period.

The phased go-live — cutting over to the new system in stages, typically by function, geography, or legal entity — reduces the risk of any single go-live event affecting the entire organization while extending the period during which both the legacy system and the new system must be maintained. The phased approach requires careful management of the interfaces between the functions and entities that have cut over and those that have not, and it extends the implementation timeline. It is most appropriate for large, complex implementations where the risk of a single big bang go-live is genuinely unacceptable.

The pilot go-live — implementing the new system fully for a small, representative subset of the organization before expanding to the full population — provides the most risk-controlled approach by allowing the implementation team to identify and resolve problems in a contained environment before they affect the full organization. The pilot approach extends the overall project timeline significantly and requires careful selection of the pilot population to ensure the pilot experience is representative of the full implementation. It is most appropriate for very large implementations where the risk of a failed go-live affecting a large user population or customer-facing systems is particularly consequential.

ACTIONS TO TAKE IN THE NEXT THIRTY DAYS

The following actions will build the project planning foundation for a rigorous ERP implementation.

The first action is to develop the implementation timeline based on the phase structure described in this part, working backward from the target go-live date to identify the start date for each phase and the completion date for each major milestone. Assess whether the timeline is achievable given the available internal resources and the implementation partner's capacity, and identify the critical path activities that most determine the go-live date.

The second action is to estimate the internal resource requirement using the three-category framework — project team, subject matter expert population, and executive sponsor — and assess whether the estimated internal resource is available given the organization's current commitments. If the internal resource requirement exceeds available capacity, either the go-live timeline must be extended, additional internal resources must be identified, or some activities must be transferred to the implementation partner. Identifying this capacity gap during project planning rather than during the implementation prevents the resource crises that commonly extend ERP timelines.

The third action is to establish the project governance structure: document the steering committee membership and meeting cadence, the project team membership and meeting cadence, and the escalation criteria that define when issues move from the project team to the steering committee. Communicate the governance structure to all participants before the project begins and hold the first steering committee meeting before the discovery phase starts to ensure that the executive sponsor's expectations and priorities are clearly understood by the implementation partner and the internal project team.

The fourth action is to make the go-live strategy decision based on the risk assessment specific to your organization — the complexity of the business model, the state of user preparation, the quality of the testing program, and the adequacy of the hypercare support structure. Document the rationale for the decision and communicate it to the implementation partner so that the implementation design can reflect the specific requirements of the chosen go-live approach.

CLOSING PERSPECTIVE

Project planning is the activity that converts the analytical work of requirements definition, vendor selection, and partner selection into a specific, actionable implementation commitment. The quality of the project plan — the precision of the milestone structure, the realism of the resource planning, the rigor of the governance design, and the thoughtfulness of the go-live strategy — determines whether the implementation proceeds with the discipline required to deliver on its business case or encounters the delays and overruns that erode the projected value before it is realized.

The planning work is unglamorous, detailed, and often contentious — the negotiations over resource commitments, milestone dates, and scope boundaries are rarely comfortable. They are, however, the investment in execution clarity that most determines whether the implementation succeeds.

COMING NEXT IN THE SERIES

Part 8 — Data Migration: The Technical Challenge Most Projects Underestimate

Part Eight addresses the highest-risk activity in most ERP implementations — data migration. It covers the migration methodology, the data quality assessment that reveals what you actually have before you move it, the chart of accounts migration as the most consequential data design decision, historical data strategy, and the validation testing that protects the go-live decision.

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