USING AGILE METHODOLOGY IN ERP-SYSTEM IMPLEMENTATION PROJECTS
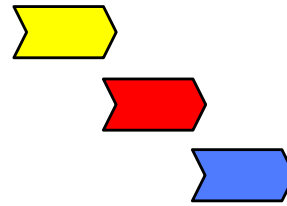
International Conference on Information Technologies
(InfoTech-2021)

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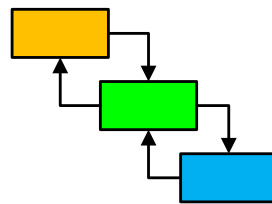MIREA – Russian Technological University
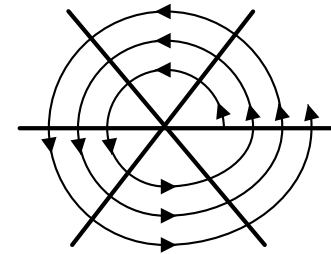
16-17 September 2021

1. Cascade

Implementation
models

2. Iterative   **3. Spiral**

Fig. 1. Classical implementation models

2. Problem statement

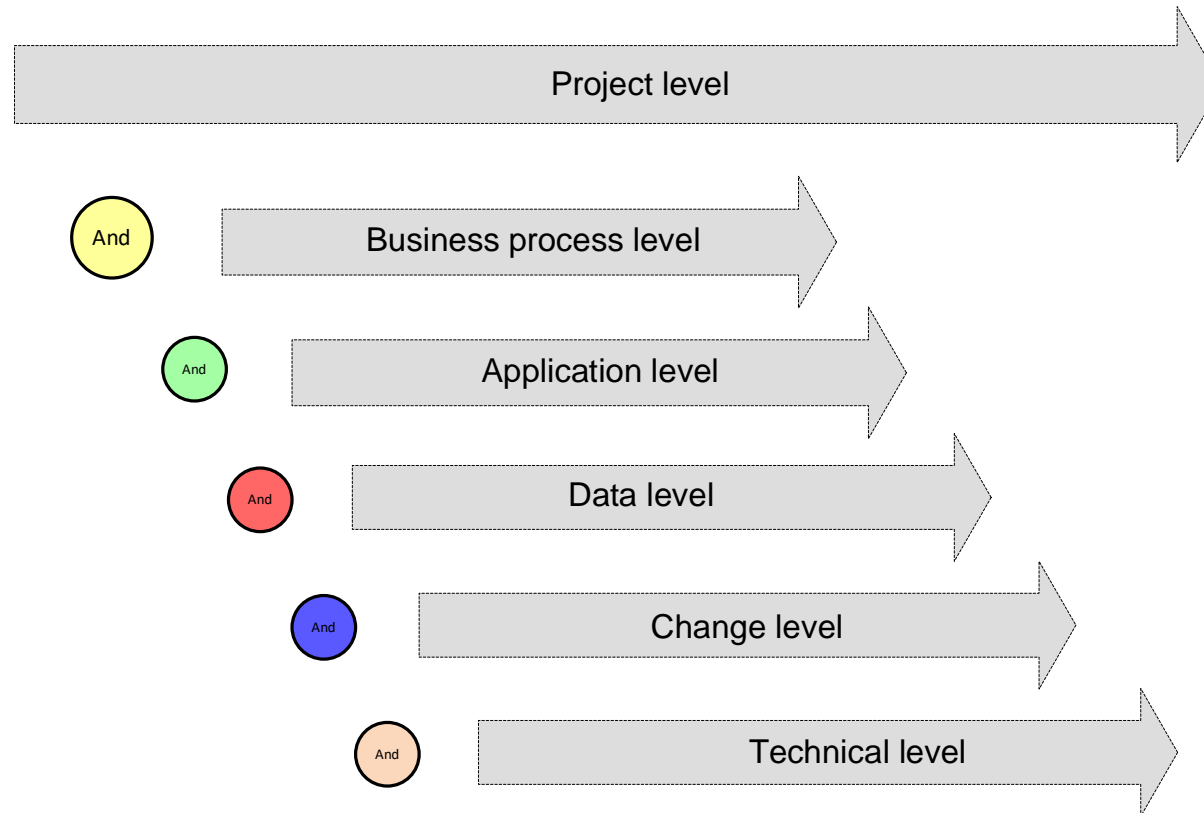The purpose of study is analyzing Agile based methods can be used in ERP-system implementations to reduce project costs, man-days and duration. Following tasks will be performed to achieve the goal:

- considering differences between corporate information systems and other applications;
- exploring incremental and spiral implementation approaches;
- mapping Agile principals with ERP-system implementations.

3.1. Overview of ERP-systems

Project level

And Business process level

And Application level

And Data level

And Change level

And Technical level

Fig. 2. Levels of implementation ERP-system

3.2. Overview of Agile methodology

Values			
Persons and their communication are more important then processes	Working product is more important then documentation	Cooperation with customer is more important then contract terms	Readiness for changes is more important then initial plan

Principals			
Earlier delivery	Changes are allowed and encouraged	Regular delivery	Business and team work together
Trust and support team	Face-to-face dealing	Working product	Steady tempo
Attention to quality	Minimizing excess work	Self-organized teams	Continues improvement

Fig. 2. Agile values and principals

4.1. Implementation of Agile principals in ERP-projects: earlier, regular delivery and working program

Statement 1. Earlier, regular and workable delivery principals of Agile methodology are not relevant for rollout and from the scratch ERP-projects. However, it can be applied in evolution ERP-projects, where core system has already been deployed and fine-tune modification needed. In this case Agile can drive fast and flexible solution delivery.

Statement 2. Due to restricted number of business objects used for ERP-system developing and limited variations how requirements can be customized, continues demonstration of product will not bring much value for any type of ERP-project.

4.3. Implementation of Agile principals in ERP-projects: changes are allowed and encouraged

Statement 3. Changes in requirements are not encouraged in ERP-projects from the scratch and rollouts. Due to ERP is a core system, to make it run only obligatory requirements will be realized.

5.1. Using one and multi-pass models in ERP-projects

TABLE 1. PERCENT OF USING ONE AND MULTI-PASS MODELS

ERP project type	Number of projects	One-pass	Multi-pass
From the scratch	3	3 (100%)	
Rollout	5	5 (100%)	
Evolution	3	2 (66%)	1 (34%)

Statement 4. Agile methodology can be widely used in ERP-projects only if it's adopted for rollout and from the scratch projects. Currently it's too expensive to drive rollout and ERP-projects from nothing based on waterfall implementation model, then transform team for evolution projects, where Agile is used nowadays.

6. Conclusions

- In this paper we have considered Agile methodology and its usage in ERP-system implementation projects. Key differences between ERP-system and other applications were discussed.

- A brief review of multi-pass methods was done to underline its strong points. Key Agile principals were mapped with ERP projects to understand if multi-pass model was applicable.

- It was shown the original idea of Agile was far away from complex ERP-system implementation. As a result, about 10% of ERP implementation projects are driven by Agile-based methods, mostly for modification of already existing system.

Thank you!

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