

THE ROUTE TO PROJECT SUCCESS



ERP SERVICE SOLUTION FOR RECRUITMENT FIRM

Client: Logical Options / Kelly Group

Sector: Recruitment and Staffing Services

Period: March to September 2002

Location: Johannesburg, South Africa

Features:

- Successful implementation of ERP solution
- Resolution of project stagnation that had resulted in financial loss for the client
- Management of adversarial vendors



Background

Johan Steenkamp was Program Manager of the implementation project of a terminal-based ERP (Enterprise Resource Planning) service solution for Logical Options Staffing (Pty) Ltd., a provider of nation-wide staffing solutions. Subsequently, the Kelly Group acquired Logical Options, in a deal worth R616-million (\$55.8-million).

At the time, Logical Options operated in various segments of the employment market, from staffing, recruitment, executive search, outsourced and managed staffing, contact centers and response handling, to consulting and payroll administration. Logical Options had partnered with the state-owned telecommunications provider, Telkom, and commercial ICT services provider, the AST Group, for the provision of a terminal-based client contact platform, Citrix. The implementation of the solution had

ground to a halt due to disagreements between the service providers.

Solution

Since the company was losing money due to the delays, Johan was brought in as a matter of urgency to act both as Program Manager and Owner’s Representative. Telkom was supposed to provide the hardware and networks, while AST (now the GijimaAST Group) was supposed to provide the system design and management. Software implementations are notorious for going wrong, and large ERP business implementations, in particular, are large in scope and high in cost.

Although there can be major benefits for customers of ERP software, the implementation and training costs are high. Many companies experience problems when implementing ERP software, because of failure to specify their

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operation objectives, or the absence of a strong commitment or positive approach to change.

Other reasons are failure to deal with organizational differences, failure to plan the change to ERP properly, or inadequate systems testing. All these factors can mean the difference between having a successful implementation of ERP or an unsuccessful one.

Typically, an ERP system like Citrix requires two levels of service provision; hardware and programming, which often pit software and service vendors against each other.

The Program Manager on the Logical Options project had to be product and supplier-independent and have a thorough understanding of how these interrelationships work, in order to move the project forward.

Outcomes

The solution entailed classical Project Management:

- Establishment of a project office
- Review of the Scope of Work of both client and vendors
- Gap analysis
- Identification of solutions
- Implementation of solutions
- Monitoring and management of vendors

The project was, in essence, to bring order to chaos. It took foresight and conviction on the part of the client to realize that they were in need of outside assistance and bring in an expert.

The project was successfully completed and the system went live.

Client comment

“Logical Options grew to the size and stature that it did, because the management team recognized problems before they became critical. We also recognized when we did not have the skills or the independent point of view ourselves, to solve those problems. We had to keep pace with new technologies but also ensure that these were properly implemented. We were very satisfied with the performance and assistance of Johan Steenkamp in helping us reach these objectives.”

- Richard Botha, PhD,
former Operations
Director, Logical Options
Staffing

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