ERP, The Next Generation
The Final Frontier?

Cindy Jutras
President, Mint Jutras
Star Trek: The Series, The Movie, The Software
The USS Enterprise

Mission: to explore new worlds and boldly go where no man has gone before
Enterprise Resource Planning

Mission: to conquer the final frontier of ERP, managing not a small piece of the enterprise, but the enterprise itself

As Next Generation ERP continues to evolve...
Are you evolving with it?
What is Next Generation ERP?

• Growing footprint
• Technology rather than functionality that makes it “Next Generation”
The New Basics

- Traditional: G/L, A/R, A/P, Order Management, purchasing, inventory
- Manufacturing requires more: MRP, production scheduling and management...plus
- 43% of survey respondents view this as a commodity
Today Basics Include More

Advanced Technology Modules:  
Fully Implemented

<table>
<thead>
<tr>
<th>Module</th>
<th>2011</th>
<th>2013</th>
<th>Change in Adoption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Process Modeling</td>
<td>11%</td>
<td>29%</td>
<td>164%</td>
</tr>
<tr>
<td>Enterprise portal</td>
<td>15%</td>
<td>27%</td>
<td>80%</td>
</tr>
<tr>
<td>Workflow Technologies</td>
<td>17%</td>
<td>29%</td>
<td>71%</td>
</tr>
<tr>
<td>Business Intelligence/Analytics</td>
<td>20%</td>
<td>31%</td>
<td>55%</td>
</tr>
<tr>
<td>Event Management (triggers and alerts)</td>
<td>20%</td>
<td>24%</td>
<td>20%</td>
</tr>
</tbody>
</table>
What Should You Be Looking For?

*Listen carefully for these terms*

- Service oriented architecture (SOA)
- Object oriented data models
- Event-driven and/or message-based
- Semantic layers
- Mobility
- Rules Engines
- In-memory databases
- HTML5
- XML
But What Does It All Mean?

• New ways of engaging with ERP
• Ease and depth of configuration rather than customization
• More and better ways of delivering innovation
• Better integration capabilities
## Selection Criteria Priorities

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ease of use</td>
<td>3.33</td>
</tr>
<tr>
<td>Fit and Functionality</td>
<td>3.30</td>
</tr>
<tr>
<td>Flexibility to address changing business needs</td>
<td>3.24</td>
</tr>
<tr>
<td>Integration technologies and capabilities</td>
<td>3.15</td>
</tr>
<tr>
<td>Quality and availability of vendor support services</td>
<td>3.10</td>
</tr>
<tr>
<td>Ease and speed of implementation</td>
<td>3.08</td>
</tr>
<tr>
<td>Must be an integrated end-to-end solution</td>
<td>3.08</td>
</tr>
<tr>
<td>Total cost of ownership</td>
<td>3.05</td>
</tr>
<tr>
<td>Ability to tailor functionality without programming</td>
<td>3.03</td>
</tr>
<tr>
<td>Level of industry-specific expertise available</td>
<td>3.02</td>
</tr>
<tr>
<td>Software Cost</td>
<td>2.84</td>
</tr>
<tr>
<td>Availability of your preferred deployment option</td>
<td>2.79</td>
</tr>
<tr>
<td>Ability to access through a mobile device</td>
<td>2.77</td>
</tr>
<tr>
<td>Having a choice of deployment options</td>
<td>2.61</td>
</tr>
</tbody>
</table>

Rated on a scale of 0 to 4 where 4 is Must Have and 0 is Not a Consideration.
New Ways of Engaging with ERP

*Ease of use now trumps functionality in selection*

*What does that mean?*

- Minimize time to complete tasks: 55%
- Intuitive navigation: 49%
- Ability to customize my own view: 37%
- Visually appealing user interface: 28%
- Easy access to ERP from anywhere, any time: 23%
- Ability to support my natural way of working: 23%
- Do not make me change my business processes: 16%
- Let me stay in a workspace that combines ERP with other tools: 13%

*All Respondents*
Executive Access to ERP

- All executives have access and regularly use ERP: 59% World Class, 45% All Other
- At least some executives have limited access to ERP: 29% World Class, 34% All Other
- Dashboards can only be run on a laptop or desktop: 24% World Class, 23% All Other
- Carry dashboards on their mobile devices: 15% World Class, 17% All Other
- Get alerts from ERP on mobile devices; cannot take direct action: 15% World Class, 7% All Other
- Get alerts from ERP on mobile devices; can take action: 15% World Class, 7% All Other
- No direct access to ERP: 0% World Class, 4% All Other
Customization versus Configuration

- Historical Synonyms for “Customization”
  - Programming
  - Mucking around in source code
  - Building barriers to updates and upgrades
  - Trouble

Today, it may mean none of the above
Why Do You Need Customization?
Two Possible Situations

• Missing functionality
  – Expect more
  – Are you looking at the right solutions?
Why Do You Need Customization?

Two Possible Situations

• Missing functionality
• You believe you are unique:
  – Change the way you do business
  – Change the software

If you think you are “unique,” does this uniqueness differentiate you?
Type of Customization Required

- **Custom reporting**
  - 57%

- Must be able to add user-defined data fields
  - 49%

- Must be able to personalize transaction screens for look and feel
  - 44%

- Ability to create ad hoc reports and queries quickly, on demand
  - 42%

- Must be able to construct personalized dashboards with drill down capabilities
  - 39%

- Ability to tailor pre-defined work flows and/or construct your own
  - 31%

- Custom logic is required
  - 24%
Customized Reporting and Queries

• “Report Writers”
  – How easy?
  – Can you “find” what you need?
  – Do you need to understand the data structures?
  – Do you need technical expertise?
  – Do they automatically change with the software?

• Think “Analytics”
Look and Feel

• Labels:
  – Clients or customer?
  – Products, services, components, items?
• User-defined fields?
• Fields you don’t want to see?
• Separate presentation from business logic
• Simple way to check: Ask for a demo
Integration and Innovation

• Tightly integrated versus loosely coupled

G/L

Inventory Control

A/P

A/R

Purchasing

Order Mgt

MRP

SFC

other

other

other

...

Master Files

Tightly Integrated
Integration and Innovation

• Tightly integrated versus loosely coupled
Innovation

Upgrades: You can’t afford to put your ERP in “dry dock”

Services – Object Orientation - Components
A Final Step: Into Darkness

Is ERP slipping into the darkness of uniformity, non-differentiation?

• Basics: a commodity
• Differentiation not in the core, but in the services and functions that surround it
A Final Step: Into Darkness

Is ERP slipping into the darkness of uniformity, non-differentiation?

- Basics: a commodity
- Differentiation not in the core, but in the services and functions that surround it

**ERP Platform: the gravity that holds it all together**
Key Takeaways

• New technology:
  – Allows users to engage in new and different ways
  – Intuitive and visually appealing
  – Deals with little or no knowledge of how system and data is structured

• Easy configuration, less invasive customization

• If not plug and play, at least loosely couple

• Keep the path clear for innovation
Stuck in the 20\textsuperscript{th} Century?

- Look for an ERP that can take you into the darkness and into the light, both at the same time.
- Pick one with sufficient gravity to hold all the necessary components in place and let your competitive advantage shine through.
ERP, The Next Generation

The Final Frontier?

Questions?

Cindy Jutras
cindy@mintjutras.com