



# CLOUD ERP TO THE RESCUE

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For the past few years, organizations are hard-pressed to keep up with the enterprise resource planning customizations, which isn't an easy proposition. The intricacies involved in re-implementing and applying such customizations is an elongated and wearisome process, which had often forced many to stick with their old software. Apparently, organizations that are plugging along on pre-digital age software, are just moving forward with a leap of faith. To be precise, they are at a big competitive disadvantage. Here, [cloud computing](#) has emerged as a well-established operating model, helping clients to reduce costs, improve service quality, augment process effectiveness and operational excellence across all segments. Going forward, selecting the right ERP solution and technology platforms that are right for company's current operations and future strategies are key factors in ensuring the success of an organization.

**This whitepaper outlines the significance of ERP in Cloud, how it benefits SMBs, and the best practices to migrate ERP to the Cloud.**

## Introduction

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In today's business ecosphere, forward-looking leaders and CTOs are always on the lookout for a solution that ensures speed and quality without incurring hefty overhead expenses. Of course, the intensifying competition has made the systems more complicated to handle and even riskier. It is pretty much obvious that the ERP systems that clients have may not deem fit into the current environment. On the other side, new technologies and processes are making their way, creating vistas of opportunities for all sectors. To capitalize on such growth opportunities, companies need to leverage technologies that can help them manage their systems efficiently as well as lower their capital outflow. Herein, migrating handling ERP in cloud helps companies of all domains to achieve better ROI and client satisfaction.

Enterprise Resource Planning is a category of business management applications that helps clients manage their supply chain, procurement, financial, and other core operations. In addition to this, it involves a trail of business functions, such as product planning, inventory management, shipping and payment. Typically, a resource planning software provides an integrated view of diversified business operations in real-time by making use of common databases and helps in establishing connection with stakeholders. Swath of companies have existing ERP systems that are decades' old, lacking capabilities to meet the demands of the fast-changing world. Also, these companies lack diligent IT staff or [data center](#) to run ERP systems. Moving ERP to Cloud offers some obvious benefits, right from eliminating the need for buying and managing own data centers to hiring, training, and paying IT teams to patch, upgrade, and monitor those applications.



Today, businesses are embracing the cloud in a big way. There is a plethora of reasons and approaches that account for this transition. A variety of companies move an entire segment like ERP and supply chain to cloud, and some commence their transition by moving a single area, such as procurement or sales automation.

In current scenario, new software models to on-premises licenses are increasing. Companies, almost across all domains adopt cloud owing to a variety of reasons, including

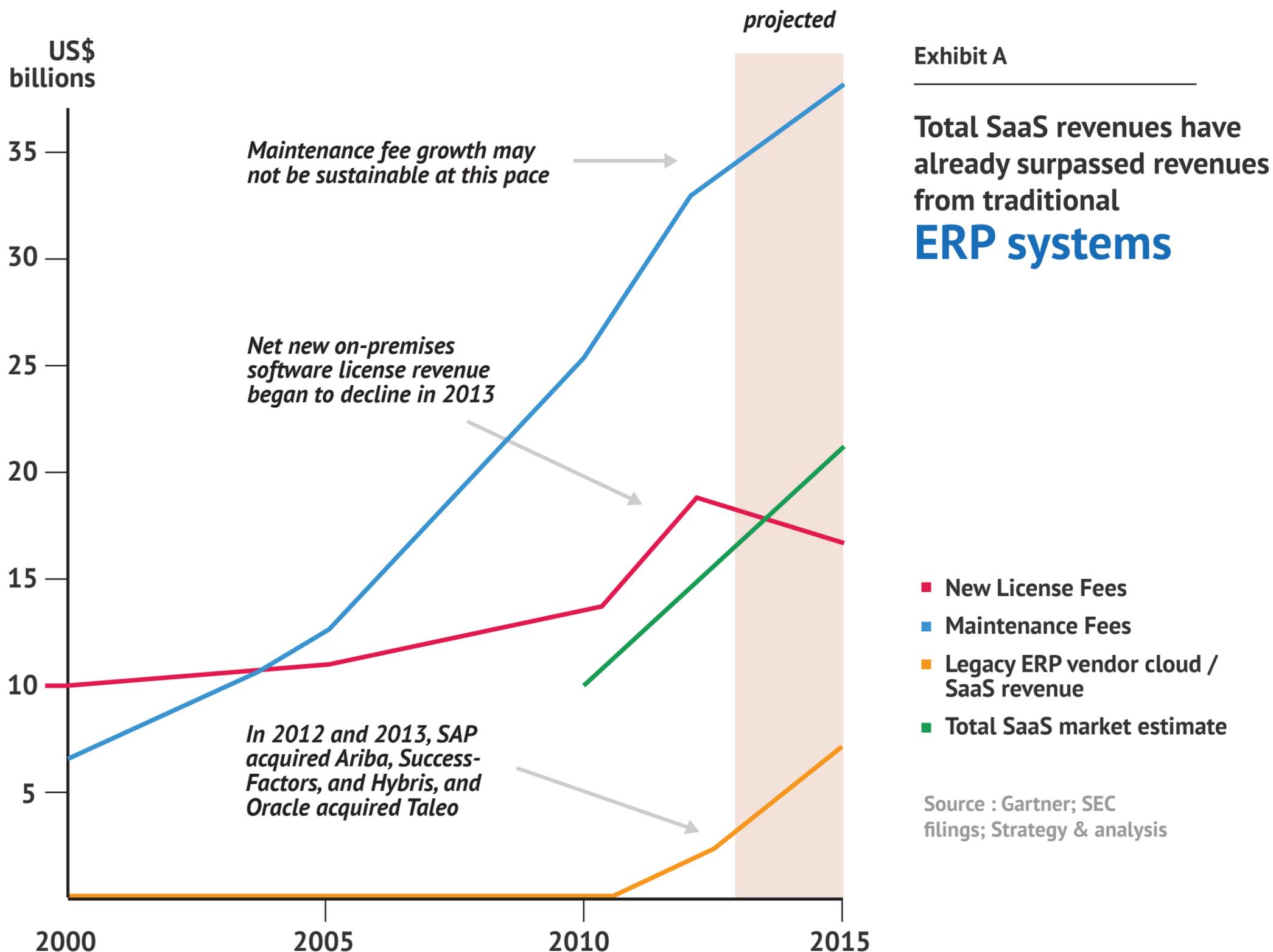
## **Alternative models to on-premises licenses now account for more than half of new software.**

### Gartner

- Those which lack advanced tools to meet their burgeoning business needs.
- Those which look forward to break down their update/upgradation processes
- Startups that wish to manage resources efficiently and economically
- Some adopt ERP cloud to move single ERP process, like planning and budgeting
- Some companies [choose ERP cloud](#) to move an entire software category, such as Human Capital Management (HCM).

Just to add, no matter what reason you choose to make a move, it is important to first gain clarity on your respective business goals.

According to a report by Gartner, new license revenues for conventional ERP systems are going down since 2013 to an extent that has already been surpassed by total revenues from cloud-based SaaS solutions.



## Time to Focus

Maintaining an ERP system is not simple, thus, it requires a team of trained IT professionals to perform the job. Most companies employ a large cadre of technical experts to keep a regular check on the updates and maintain both ERP software and underlying hardware.

However, such companies are too engrossed in catering to the mundane tasks, that they find it difficult to focus on other core objectives. So if IT would spend their complete day in managing non-value-added task, when they will get the time to focus? Moving legacy ERP systems to the cloud allows clients not only to focus and innovate, but also provides them an access to a suite of avant-garde tools to support ongoing business functionalities.

## Speed to Change

Chief Technology Officers have understood that leading technologies are the best fuel to proliferate the business growth across all segments. They have determined that most on-premises applications perform restricted functionality and lack potential to support speed of change. In this regard, the potential of cloud technology is apparent as it provides longevity in the application development ecosphere. Cloud provides an access to advanced modern applications that fosters transformation.

**By 2018, Organizations will insist on Postmodern ERP Project Deployments that can deliver proven results in less than two years.**

## Gartner

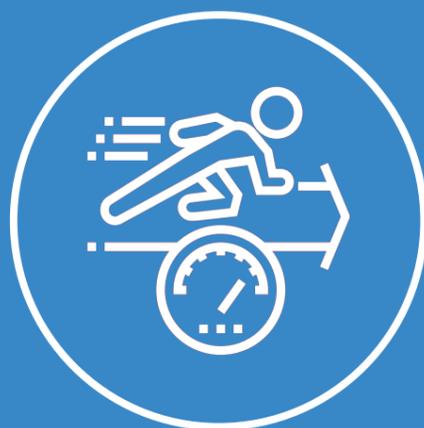
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## Adds Business Agility

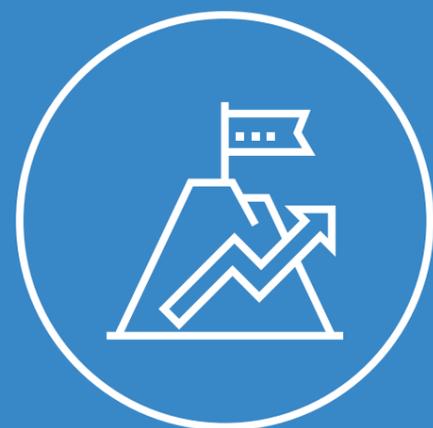
Maintaining on-premises systems is neither easy nor cost-effective. By modernizing less productive software applications, organizations can gain greater efficiency to ditch customizations that are expensive to handle and gear-up towards avant-garde cloud platform to capitalize on digital possibilities. Cloud delivers a centralized platform to combine and manage all the technology systems. This, in turn, helps IT professionals gain control over their systems and governance investments.



**Time to Focus**



**Speed to Change**



**Business Agility**

## How Cloud-based ERP Solution Benefits SMBs

A host of small and mid-sized organizations have recognized the essentiality of upgrading ERP to respond to their growth and make smarter data-driven decisions with no hassle. But, the difficult side is that they lack IT resources and capabilities, including budget to turn this hypothesis into reality, which often puts them behind their competitors. To address the same, the cloud deployment model has emerged as a blessing in disguise. It facilitates them with a variety of features, allowing them to promptly add users and different functionalities required to manage their changing business demands.

## Take a quick look at the impeccable benefits that SMBs leverage after migrating to [cloud ERP systems](#)



### Improved Budget Lines

A cloud-based ERP system does not impose any upfront investment. Right from the ERP implementation to maintenance and software upgradation – everything is handled at the service provider's end, which ultimately sheds off the costs and perils that come with the procurement and maintenance of an ERP system. Cloud-powered ERP services are offered on a flexible, pay-per-use subscription basis.



### Improved Business Availability

The ultimate characteristic of cloud and a top-driver behind its rampant adoption is - its potential to keep businesses always up and running. Cloud provides quick access to the authorized users, settled across any part of the world. The minimum requirement to access the system is smooth Internet connectivity. A standard ERP suite collects data from diverse warehouses, web stores, and retail outlets to provide SMBs an insight to the up-to-date data in a real-time.



### Cuts off Business Headaches

Another best thing associated with the cloud powered ERP systems is that, you don't have to push your IT professionals every time to upgrade the systems. The service provider takes the onus of upgrading systems with every new product release. As cloud ERP systems get automatically upgraded, it provides greater time-to-market.



### On your mark, get set, go

As mentioned above, cloud ERP solutions sheds the ankle weight of maintaining and managing your own hardware and software applications. This, in turn, reduces space requirement, power usage, and maintenance costs. Adding more to it, cloud ERP deployment models help in augmenting business's bottom-line performance and ROI.



### Failsafe Journey

An adept service provider not only enables clients to utilize robust cloud-based ERP systems, but also incorporate data backups and disaster recovery strategies into its offerings for seamless business operations. In addition to this, these sophisticated vendors provide SLA-backed network uptime to guarantee business availability.

In a quest to achieve full-fledged benefits of ERP cloud, CTOs are forced to follow the best migration practice. Let's take a quick look at how companies can make this transition fruitful:

## **Don't go wide**

It is important to perform preliminary tests before you embrace the change in a full-fledged manner. At first, implement ERP cloud in a subsidiary to check if the change is positive. Once confirmed, you can roll on the ERP service to the rest of the subsidiaries.

## **Don't Overlook**

There is a variety of cloud computing models such as public cloud, private cloud, and hybrid cloud. So, which kind of approach you choose for your business is important. It is believed that a hybrid strategy will be a befitting alternative of the future. And, more than 60% of clients who have adopted this model admits that their IT processes have become less intricate after they migrated to hybrid cloud.

## **Don't Split**

Breaking different business operations into different segments won't be of any help in a hybrid ERP ecosystem. For example – if you break your order-to-cash process half to be managed in the cloud and half in an in-house environment – won't it be a mess?

## **Understand**

An ERP cloud works in alignment to various other systems, and most of the companies are unaware of this fact, thus fail. In order to make your migration a rewarding experience, standardize the master data and enforce a strict data governance policy across all systems.

## Proper Alignment

Again, you need to check that a comprehensive set of data is consolidated in a way that it swiftly works in conjunction with ERP cloud in order to ensure that all financial reports are adequate and you can make the best out of the accurate analytics.

**Conclusion :** *From large to small and midsize enterprises, businesses are moving to the cloud at a greater than before pace. The advantages of a cloud are significant and insistent. Moving diverse business functions to the cloud including ERP and supply chain are critical to business success, as it helps businesses in making processes streamlined, easy-to-manage, while eliminating overhead expenses and tricky integrations. Besides, this superior delivery model helps in future-proofing the business from a core technology perspective, enabling companies to gain agility and fuel innovation. It's a wake-up call for organizations that are plugging along on pre-digital age software and envisaging to gain winning-edge.*