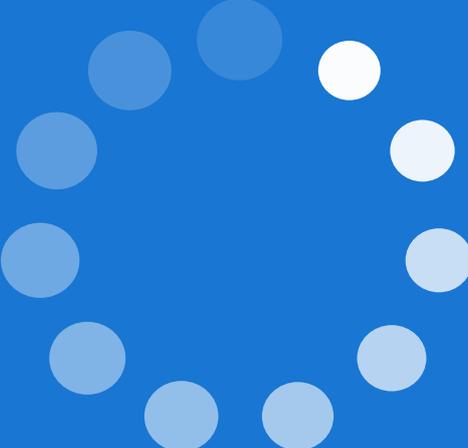


TIRED OF DAILY STRUGGLES WITH YOUR ERP SYSTEM?

Signs it's possibly time to consider an upgrade or even replacement of your ERP or Business Management system – illustrated by Inixion customer user cases



UPDATE...



INTRODUCTION

Investment in a new ERP or Business Management system is something that organisations don't lightly undertake. A project like this doesn't just involve the cost of the software, it carries risk and is 'resource hungry' throughout the whole process from selection through to implementation.

From the moment an ERP or Business Management system has been implemented, an organisation and its users can be faced with several internal or external factors which may cause increasing dissatisfaction with the incumbent system.

If you can identify with one or multiple pain points, associated with your current system, in a similar manner to the Inixion customers mentioned below, perhaps it's time to explore whether the benefits of upgrading or replacing your ERP or Business Management system will outweigh the pains.

COMMON PAIN POINTS

MODIFICATION/CUSTOMISATION AND 'WORKAROUNDS'

Heavily modified or customised systems can make upgrading very difficult. Each modification may have to be updated and integrated to the latest version of the ERP or Business Management system.

This could become cost prohibitive, compelling organisations not to take advantage of and keep abreast with the latest versions.

Another problem with modification/customisation can be that by tinkering "a bit here and a bit there" to make things work for individual processes/departments, cohesiveness across the system, and therefore the business, is lost.

The same is true with workarounds – the myriad of spreadsheets and 'off system', even paper based, mechanisms which initially are there to ease, often end up clogging up the flow.

UPGRADE CUSTOMER CASE - FFP PACKAGING SOLUTIONS

FFP was one of the early adopters of Sage X3 in the UK. However, the system had originally been heavily customised. FFP chose to upgrade to a much later version of Sage X3 and wanted as much of a 'vanilla' installation as possible.

There are now only 6 modifications to the software, the data is secure within Sage X3 due to the interfaces and all accounts are now reconciled within one system.

VENDOR ACQUISITION

The average ERP life cycle is around 10 years. The ERP industry is very acquisitive and there have been instances in the UK where vendors have been acquired twice within the last 10 years.

This can result in support resources being lost, road-maps changing due to new strategies and customers being 'lost' in the system. This could lead to a situation where it becomes time consuming to get the right support or even account management.

ACQUISITIONS

When an organisation grows through acquisition, not only do they acquire a company with its assets, balance sheet and human resources, but also the incumbent ERP/Business Management or Financial system.

UPGRADE CUSTOMER CASE - AVON RUBBER

Avon Rubber made the decision in 2011 to select Sage X3 to replace eight separate accounting and operational applications. The implementation of Sage X3 has allowed Avon to run a smarter, more strategic business.

When the latest acquisition was made, the trend for acquired companies to install Sage X3 was continued. However, as the latest company had additional requirements, Avon elected to upgrade all Group companies, including the new addition, to the latest Sage X3 version.

Over time successive acquisitions can result in multiple systems; possibly not integrated or communicating with each other. When trying to build a cohesive and transparent business, these disparate systems will slow down an organisation.

To move beyond this increasingly disjointed situation, there are really just two options:

- Acquired companies need to install the 'Group' ERP/Business Management system
- Select a new ERP or Business Management solution to have a single, integrated, system across the whole of the new group organisation

REPLACEMENT CUSTOMER CASE - BOND AVIATION

(NOW PART OF BABCOCK MISSION CRITICAL SERVICES UK LTD)

As a result of the growth of the Bond Aviation business across England, Scotland, Ireland, Norway and Australia, the company was operating a large number of different accounting systems, including Sage 200. This meant that data was scattered in numerous and disconnected databases, making the production of group management accounts a long and tedious process.

Bond Aviation selected Sage X3 as a single worldwide solution that would enable all financial operations to be managed from one single system.

LACK OF SCALABILITY

The accounting system that was selected when the company was a certain size, doesn't always keep pace with the different demands placed on it when the business starts expanding.

Growing organisations may discover that as the volume of business data increases, including orders, inventory and customers, the incumbent system slows the business down due to its limitations.

REPLACEMENT CUSTOMER CASE - BLAGDEN SPECIALTY CHEMICALS

Blagden represents major international manufacturers and is active in sourcing new products. Over time they realised that their legacy Sage Line 500 system was not keeping up with the changes in their business and was potentially holding them back.

After having looked at their options, they selected Sage X3 to provide a scalable future proof platform for their business.

SUPPORT DEADLINE

A support deadline happens when a vendor announces that a product or version will no longer be supported within a certain time-frame. For some organisations, a support deadline on a version may not be a problem as they have in-house resource, with a solid embedded system and don't really make use of the support facilities.

However, when a vendor announces that a product will no longer be supported then this also means that development of the product will cease. This has serious implications for the scalability and future proofing of the product and potentially with compliance.

REPLACEMENT CUSTOMER CASE - CENTRAL PHARMA PACKAGING

Central Pharma was at a stage where more was being asked of its existing business system as their business grew and expanded. As the incumbent system was not going to be supported anymore, investigations into a replacement business system were started with the key requirements being both longevity of the solution and capability to support their business growth.

Sage X3 was selected as it had the right functionality for their business requirements at that time and also to support the projected growth – coupled with a clear solution roadmap for the future.

EXCESSIVE COSTS

Maintenance and renewal costs of ERP/Business Management solutions are typically based on the number of modules and users.

In some circumstances, due to re-organisations, it may be that the number of users is less than the original number purchased. It can be difficult to reduce the number of licenses or modules once they have been purchased, making costs disproportionate.

Upgrade costs can also be 'upgrade prohibitive', due to the number of modifications that need to be adjusted to the latest version.

Furthermore, some vendors charge for software upgrades – making this less attractive and hence the business can be 'trapped' with a solution that, potentially, doesn't suit their business model today, has the wrong number or combination of users and/or modules and there is a hefty price to pay to resolve it.

REPLACEMENT CUSTOMER CASE - BELZONA INTERNATIONAL

Ongoing excessive licensing costs from their ERP system, which controlled all operational, stock, financial and human resources, was a factor which led Belzona to look for alternative solutions. Belzona was also keen to exploit functional and technological advances of a more modern system, including reporting, integration options and the ability to deploy a 'vanilla' system without major bespoke developments.

Sage X3 was selected as it satisfied all of Belzona's core requirements in a single system whilst being scalable – and the licencing costs were transparent.

INTEGRATION

Change is a given in any circumstance and technological changes are a constant feature of our busy modern world; particularly the world of business and the automated systems we now rely on.

New versions, releases and different preferences for underlying platforms such as the Operating System and Database can all affect the performance of the ERP or Business Management system.

The latest versions of an ERP or Business Management system should support updates to the underlying architecture; by choosing not to upgrade to the latest version, over time the underlying platforms may become out of date and/or unsupported; along with the business management system.

This can prevent integration with other more modern business-critical systems, as technology may be incompatible.

LACK OF VISIBILITY

Lack of visibility caused by disparate ERP, Business Management, or older, legacy solutions and lack of integration, limits the business-critical information needed for successful business management and growth in today's highly competitive and challenging marketplace.

Most updated versions of mainstream ERP/Business Management systems will now offer access to real-time business intelligence, making it worthwhile to consider an upgrade.

However, in the case of disparate non-integrated systems, it may be more cost-effective to replace with a single solution that provides the functionality of the business-critical systems or allows easy integration, thereby providing access to meaningful data across the business.

REPLACEMENT CUSTOMER CASE - SIL HOLDINGS

SIL Holdings was using outdated solutions for different business processes. Access to consolidated real-time data was needed to better manage the business, drive more profitable growth and enable re-investment in the business.

Sage X3 was selected due to its ability to cover all requisite processes and integration capabilities. This enabled consolidated reporting and effective Business Intelligence.

IS IT TIME TO UPGRADE/REPLACE YOUR SYSTEM?

An ERP/Business Management system should aid the day-to-day management of a business, as well as support decision-making when faced with business-critical events.

If, like the Inixion customers mentioned above, you are experiencing one or multiple pain points, then perhaps it's time to consider upgrading or replacing your ERP/Business Management system.

Why not talk to us to discuss whether Sage X3 delivered by Inixion can help you to achieve your goals and alleviate daily struggles with your incumbent system?

SAGE X3

Sage X3 is Sage's strategic Business Management system. It offers rich and integrated functionality to support all core business processes on a global scale. It supports international business needs including multi-language, multi-legislation, multi-currency, local accounting requirements and consolidation.

It can be deployed on a private cloud, via a hosted cloud or on-premise, giving you flexibility and access from anywhere, on any device.

THE INIXION DIFFERENCE

The Inixion customers who upgraded or replaced their systems did so within budget and on time. Inixion works with customers to ensure they are provided with a clear and professional implementation time-line and plan that delivers to customers' business needs.

By specialising in Sage X3 and continually working with our customers to improve our understanding of their business, we strive to enable them to get maximum output and Return on Investment from their Sage X3 system.