Balancing short-term and long-term goals is tough for any business. And nowhere is that more apparent than in your company's ERP software investment. Companies delay upgrading their ERP software for lots of reasons, including the belief that it works just fine for the short-term. But long-term thinking is critical to protect your organisation's health. If your company is stymied by short-sighted goals, then your business won't be prepared to compete in the global marketplace of the future.

The following questions can help you determine if your business is prepared for the long-term.

Does your organisation have complete visibility into the entire supply chain?
Is your organisation using multiple third-party bolt-ons?
Have users developed time-wasting workarounds to complete tasks?
How frequently does your ERP provider add new consumer goods features?

Read on to learn how each of these items can affect your business in the future.

Does your organisation have complete visibility into the entire supply chain?

If you aren't able to quickly and reliably obtain relevant information on every aspect of your business, then you are lacking complete visibility. In the past, technology limitations impacted the speed of decision making. As the pace of business continues to increase, having immediate access to business information will take on a more critical role. Business information also needs to be collected and displayed in usable form. Therefore, your company's reporting and business intelligence tools must reveal your profitability, inventory and financial metrics at the detail levels most important to your business.

Over the long-term, companies with complete visibility into business operations can improve exception management, delivery performance, forecasting accuracy, inventory reductions and more. If your company's attitude is that current processes are good enough, then your short-term approach may cause you to lose ground to best-in-class competitors. Remember, your competitors are vying for the same retail shelf space as your business. Achieving end-to-end visibility will give you a distinct competitive advantage.

As supply chains expand across the globe and become even more complex, there will be more opportunity for problems to arise. Disruptions can occur at any point in your supply chain, from production to inventory allocation, and to delivery to retailers. If your competitors have the tools to recognise problems in their supply chain before you, they will be able to react faster to minimise business disruptions. Faster problem recognition can elevate your business above your competitors, because you will be able to respond faster to retailer and end-customer needs.

Accurate forecasts are essential to planning the use of your manufacturing, importing and distribution resources. Visibility into supplier lead times, point-of-sale data, customer forecasts, sales trends and more, can help improve forecast accuracy. A fully integrated ERP solution that updates information in real-time and offers integrated demand resource planning enables consumer goods companies to have better forecasting information and lower inventory levels than their competitors, leading to a long-term competitive advantage.

Is your organisation using multiple third-party bolt-ons?

Many consumer goods companies choose a best-of-breed approach for their ERP solution. These companies cobble together best-of-breed applications from a variety of software companies and combine them into one hybrid solution. In theory, cherry-picking the best individual applications for each aspect of the supply chain should create a superior product. But in practice, bolt-on bundles can create more problems than they solve.

While best-of-breed solutions may work in the short-term, they pose many problems that detract from long-term success. One issue is that using best-of-breed applications requires you to track multiple applications and upgrades that occur on separate schedules. Version upgrades that occur on separate timetables can tie up IT resources and slow down your organisational efficiency. A fully integrated ERP solution offers a much simplified upgrade process. It also enables your users to learn one system, rather than trying to navigate through several disjointed applications. Solutions that are fully integrated have been shown to perform better in terms of reporting, data integrity and usability.

When using best-of-breed software, your business information is spread across multiple applications and platforms. This makes pulling reports more difficult because each disparate system can contain different variations of information. Fully integrated software automatically pulls and updates numbers across the system since all business information is hosted on the same application. Using a best-of-breed approach can lead to incorrect or delayed reporting, and poor decision making.

Information stored in best-of-breed software is not updated in real-time since it is housed across many applications. Companies must set up ways for the data to be synchronised across systems, which can lead to duplicate data and other issues. This leaves your company with poor data integrity. Full suite ERP solutions have no issues with data integrity because the entire suite is running off the same information. Ensuring your entire team is working off of the same information is critical to future success.

Adopting a third-party best-of-breed approach to your software solution means you will have dissimilar tools and features to learn and use. Users need to learn multiple systems with different interfaces, which can slow down the pace of business and increase the likelihood of errors. Fully integrated solutions offer a consistent user experience. So training new employees is much easier and offers a shorter learning curve.

Have users developed time-wasting workarounds to complete tasks?

Many companies are still using manual processes for tasks that should be completed via automated workflows. The more processes your company can automate, the more time and resources your team will free up to work on other strategic tasks. When you aggregate together the total hours spent manually each day, week and year, the number quickly catapults to thousands of wasted work hours. If your ERP software has limitations in its functionality, and your ERP users have developed workarounds rather than using automated processes, then your company is slowly falling behind.

Some consumer goods companies choose to buy cheaper software that lacks important features. This causes users to develop manual workarounds for tasks that should be automated.

A short-term detriment to manual processes is a higher rate of errors. Over the long-term, automating processes can enable you to increase sales without increasing your workforce, and save money and time.

The right ERP software creates automated processes that reduce labour resource requirements. It can reduce the amount of time for reports to be created, turn paper-based processes into automated ones, and reduce discrepancies and errors. The ability to ship more products out of your warehouse without having to increase your workforce means higher and healthier profitability for your business.

Partnering with an ERP solution provider that can automate your consumer goods tasks means that your company will also save money and time. The amount of time that users spend on manual tasks translates directly into lost revenue and time. Automating those manual processes will free up internal resources to work on more strategic projects and save your company money. In the competitive consumer goods landscape, every advantage your company can maintain will make a difference in the long-term.

How frequently does your ERP provider add new consumer goods features?

In order to be prepared for the future, you must be using an ERP provider that is focused completely on your business. Horizontal, or general software providers, are too broadly focused and use their resources to create general functionality not necessarily applicable to your business. When you choose a horizontal ERP application you are only receiving a small percentage of the resource and development efforts of your ERP vendor. In contrast, choosing an ERP vendor that is wholly focused on consumer goods, means you can count on software enhancements that will be applicable to your business.

Horizontal solutions are designed to be all things to all industries. These solutions can't adapt to your industry specific needs as quickly as a vertical solution can. As a result, horizontal solutions can't meet industry specific business needs. Organisations with specific business requirements end up with a

fraction of the functionality they need. Instead, they have to piece together the rest, or use time-wasting workarounds to accomplish tasks that should be automated. Not having an ERP vendor that can quickly adapt to your changing industry landscape puts your company at a long-term disadvantage.

By contrast, software vendors that are industry specific adapt quickly to change, provide best practices, and have the latest consumer goods features and functionality. Choosing industry specific software also means you'll have a software partner that is up to date on industry best practices. Software providers that operate within narrowly defined industries will have project managers and customer service team members that are experts in your industry. Their industry expertise is developed by working with hundreds of customers within a defined industry. These software providers are able to leverage industry expertise to build features, functionality and tools to help you optimise your supply chain. Another advantage to industry specific software is that you will have access to a network of your peers from whom you can learn and share best practices. Best-in-class companies know the value of industry specific software and are better positioned for long-term success.

Ready to Learn More?

Want to learn more about the long-term benefits of consumer goods specific ERP vs. Best of Breed applications? Contact one of our product specialists at +44 19 0844 0010, via email at emea@apprise.com, or by visiting our website at www.apprise.co.uk.

Apprise® ERP in the Cloud

Apprise offers on-premise, multi-tenant and private cloud options for global consumer goods companies. Our partnership with Microsoft Azure gives our customers the reliable, secure and scalable solutions they need to launch their business in the cloud. Partnering with Microsoft Azure gives consumer goods companies lower latency and higher throughput. Together, we offer easy-to-deploy, affordable-to-license, subscription-based alternatives to traditional on-premise solutions.

About Apprise

Founded in 1984, with offices in North America, China, Australia, Czech Republic, and the Netherlands, Apprise is a leading provider of integrated ERP and SCM software and services for consumer goods distributors and manufacturers. Leveraging the latest technologies — such as Microsoft® .NET, wireless warehouse solutions, RFID, cloud and iPad applications — along with industry best practices, our solutions deliver reduced costs, improved efficiencies, enhanced revenues and profitability, and a quick return on investment.

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