

## **Enterprise software - some love ERP and others hate it. What has been your experience?**

Once upon a time (in the 1990's) companies used to implement individual solutions for any given problem domain. Since in those days, software existed in silos, it was difficult for the applications to exchange data. Then came the "holy grail" of large ERP vendors who promised everything for everybody in single monolithic systems. Many companies that implemented large ERP software had varied experiences. Some love it and some hate it. But where is the future of enterprise technology headed?

### **The Good:**

In general, the intent of ERP concept was good. It provided a single source of the truth especially the financial transactions. So Wall Street and the CXOs embraced the concept of ERP systems. Many companies implemented ERP to manage market perception even though the pay back on millions of dollars of investment looked good ONLY on paper.

### **The Bad:**

The real challenge of ERP implementations is the lack of specialization. You take an unfinished product, hire hundreds of highly paid "consultants" and custom develop your own solution. The ERP vendors liked it because they could charge heavy licensing fees. System integrators and consultants liked this because it created consulting jobs. Your internal IT liked it because, it created a lot of jobs for hardware and software maintenance and support. This drama also created the perception that end-users were getting exactly what they needed. After 2-3 years of this saga, comes the hard pill to swallow - excessively going over budgets, and taking longer to get the basic functionality working. Some companies do not even make it all the way – going bankrupt is not so uncommon. Corporate management needing better control of their operations may like this. Finally end-users feel "this is overly complex and scary. We need solutions that are easy for us to use."

If you successfully make it, then comes another release to upgrade. All the saga including millions of dollars of investment for the rework starts all over again.

### **The Future:**

I am optimistic that a better future is not too far away, thanks to the advances in the Internet technologies including Cloud Computing and SOA. It is high time for corporations to stop the ERP saga and look for domain specific innovative Cloud Computing solutions. Customers should adopt Cloud Computing niche solutions such as Sales Management, Warehouse Management, and Asset Management. These newer generation technologies support plug & play interoperability, Web 2.0 for access anywhere, significantly lower cost and more importantly foster innovation. Cloud Computing vendors push customer focused solutions in a few months as opposed to traditional ERP vendors who take about 5 years for an upgrade.

Long live innovation and cloud computing!

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