

Hitting the Suite Spot

A White Paper by Pegasus Software



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In this white paper, Stuart Anderson, Operations Director at Pegasus Software, talks about why adopting one integrated enterprise software suite can reduce complexity, enhance profitability and deliver flexibility for growth.

When selecting software to support business operations, SMEs are typically faced with two choices: a single integrated enterprise software suite which encompasses all departments' business processes, or a large number of best-of-breed applications to meet the specific needs of individual departments.

Until recently, making such a choice was a case of 'horses for courses'. Some organisations might prefer niche functionality, while others favour a fully integrated solution. However, as market conditions for SMEs continue to be challenging, and every penny of expenditure is scrutinised against the value it will deliver, making the right decision has never been more important.

There are a number of reasons for this. Business complexity is on the increase: recent research from global analyst firm, IDC¹, highlights that 53% of manufacturers believe their operations are either *More* or *Significantly more* complex than they were five years ago. There is also a growing amount of evidence to suggest that running a selection of disparate systems is counter-productive to profitability: the role of technology is to support and streamline to mitigate against complexity, not add to it.

Best-of-breed or dying breed?

As many traditional enterprise software systems start to move towards the end of their lifecycles, many organisations have adopted best-of-breed solutions in recent years. While these applications can supplement, and bridge shortfalls in older systems, they deal with small segments of the enterprise, inhibiting the free flow of communication and reducing efficiencies.

As the term suggests, best-of-breed applications are attractive because they can deliver highly tailored, finely tuned functionality for niche areas. The flipside is that if the information cannot be easily shared, its influence and impact on wider organisational goals cannot be ascertained, rendering many of the benefits invalid. Successful business operations require effective communication across all areas and departments to achieve common goals.

Another major issue in adopting this approach is that maintaining a plethora of best-of-breed applications means incurring expensive integration projects so that systems can talk to each other, or requires cumbersome manual processes to transfer information from one system to another. Garnering business critical information to support decision making and reporting is almost impossible to achieve fully with a best-of-breed approach.

As SMEs continue to make the uphill climb to recovery, absorbing the cost of the additional inefficiencies and costs which accompany the running of numerous different systems is simply prohibitive to profitability.

The whole is greater than the sum of the parts

In contrast to the best-of-breed model, a single enterprise solution integrates all departments and functions across an organisation into one system, enabling all systems to be managed centrally, and facilitating easy sharing of information to support company-wide decision making.

Given the business complexity referred to previously, building a single software solution that serves the needs of people in finance as well as it does the people in sales, payroll, human resources, production and in the warehouse, is not straightforward. Each department typically has its own processes which are set up for the specific ways in which the department operates.

But the advantages of one software system for the whole business are impossible to ignore in a business climate where sharing information from which to make good business decisions, in the most cost effective, profitable way possible, is the end goal.

¹ IDC Manufacturing Insights recently conducted on behalf of Infor and IBM a worldwide study of over 700 small and medium-sized enterprises in the discrete manufacturing industry across four sectors and in eight countries.

From prospect to customer: two journeys

The typical prospect-to-customer journey is a good example of why a centralised system has become so important. In many organisations, when a prospect first engages with an organisation, their contact details might be scribbled on a post-it note, and placed on the desk of the relevant sales person. In a worst-case scenario, that sales person might be out of the country for several days, allowing sufficient time for the note to be misplaced and for the prospect to refocus their enquiry in the direction of a competitor. Even if the call is returned quickly, the order process is often far from customer-friendly. Upon placing an order, it begins a mostly paper-based journey around the company, often being keyed and rekeyed into different departments' computer systems along the way. The delays, scope for manual error and inability to track the status of the order properly, prohibit good customer service and efficient billing - both of which pose substantial threats to the bottom line.

The benefits of using a system which efficiently manages all communications with the prospect; converts the prospect into a customer; accepts the customer order; instantly alerts the warehouse to fulfil it; generates a purchase order and billing details; and advises on specific delivery timescales, are clear. Cost effective fulfillment, good customer service through tracking and advising on status and timescales, less time spent responding to complaints, and ultimately enhanced profitability and reputation are all pretty compelling reasons to consider this approach.

Too good to be true?

Of course, if it was this clear cut, wouldn't everyone be adopting the single solution? One of the barriers in the past, was that integrated enterprise software suites held a reputation for being inflexible and demanding process change to fit the system, rather than the other way around.

Thankfully, the new breed of integrated solutions are designed with much more flexibility to support individual business processes of organisations, supporting growth and responding to change as markets dictate.

Customisation and tailored reporting options, as well as features such as browser-based technology for ease of use, and mobile access via PDAs, help users to engage with the system, thus encouraging optimum benefit.

Keeping focused on the business

Another major advantage to adopting one tightly integrated system for all business needs, is less stress on resources. The majority of SMEs simply do not have the surplus bandwidth to manage integration issues and multiple system providers. Most do not have the luxury of any IT staff, never mind a dedicated role to manage systems. So through working with a single provider, there are no integration issues, only one line of communication, and ultimately only one point of reference should issues arise.

Even where a dedicated IT resource exists, it makes no sense to dedicate that resource to continuously firefighting issues with a number of systems, when they could be focusing on how technology can better support the strategic goals of the organisation.

Looking ahead

The pressures and demands placed upon SMEs are constantly changing, but in the wake of the latest recession, a continued and consistent focus on core disciplines such as cost control, informed decision making, better planning and regulatory reporting, look set to stay for the long term.

Against this landscape, operating a plethora of applications which are unable to interact with each other can only generate additional cost, and cause time delays, as integration, manual input and bottlenecks hinder the quest for operational excellence.

SMEs require robust, flexible, low maintenance systems to support their business processes and help to achieve growth. And solutions which provide a unified view of an organisation, from financials to payroll, to supply chain management and service & helpdesk management will inevitably deliver the information integrity, consistency and availability to reduce complexity, facilitate better business decisions and enhance profitability.

About Pegasus Software

Pegasus Software has been one of the UK's leading suppliers of accounting and business software solutions for almost 30 years. Over 20,000 small and medium-sized businesses across the country currently benefit from our in-depth understanding of the particular challenges and the specific needs of this sector. By developing innovative software solutions that offer real business benefits and value to our customers, we have become one of the market-leading suppliers of mid-range, modular accounting software.

All Pegasus products are sold and supported through our handpicked Pegasus Partners: a highly skilled nationwide network of local, dedicated, independent specialists who can provide top quality Pegasus support.

Our Partners provide a complete service, from pre-sales consultation to installation, training and after-sales support. That way, we ensure our customers buy the Pegasus product that is right for their business, and that it will do exactly what they want it to do.

Pegasus is part of Infor, one of the world's leading enterprise solutions providers. With more than 8,000 employees and offices in 100 countries, Infor has over 70,000 customers and revenues in excess of \$2.1bn. Whether your business is Manufacturing, Retail, Wholesale, Distribution, Transport, Service, Construction, Engineering or Charity, Pegasus has the software to make a positive change to the way everyone in your organisation works.

About Opera 3

Opera 3 is a complete business solution: it can be fully integrated throughout your organisation, eliminating the need to run separate finance, payroll, CRM or service systems.

Offering unbeatable inter-departmental integration and knowledge sharing, Opera 3 provides everyone within an organisation with a unified view of the business, and crucially, is easy to learn and to use. Even your mobile workforce can be constantly in the loop via web browser applications, PDAs and other remote tools such as TomTom Business Solutions.

Opera 3 delivers the required information at the right time allowing for smarter, fully informed decision-making. And because it is completely up to date with legislative changes, you need have no concerns about compliance.

With Opera 3 flexibility comes as standard. Its modular applications, features, customisation, configuration and setup options allow you to build the specific solution you need to suit your particular business. It means you can buy what you need, when you need it, and expand the solution as your business grows.

Opera 3 is the ideal solution for growing businesses which need more power, more users or more flexibility.



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