

The Hitchhiker's Guide to ERP Platforms



DON'T PANIC!

If the idea of navigating through software jargon and tech buzzwords makes you want to grab the galaxy traveler's essential towel and hitch a ride off this planet, you're not alone. But don't panic! This guide is here to make sense of ERP software, one question at a time.

Enterprise resource planning (ERP) systems are often misunderstood as complicated, expensive, and only for the big players. The truth is, they can be easy to implement and are gamechangers for businesses of all sizes when used correctly. Whether you're frustrated with your current setup or just starting to explore what an ERP platform can do for your business, this guide breaks down everything you need to know.

Think of this as your friendly roadside guide to the ERP universe. Industry jargon is simplified, and biased thoughts on any specific platform are left behind, making this a resource any team can benefit from.

So, take a deep breath, buckle up, and let's explore how an ERP solution can turn your business into a lean, efficient, and even more profitable operation.

Ready?
Let's dive in and make ERP easy.

Table of CONTENTS

- 1 What the heck is an ERP platform anyway?
- 2 How do I know my company needs an ERP platform (or a new one)?
- 3 What are the recurring costs of an ERP platform?
- 4 How long does it take to implement an ERP platform?
- 5 How do I choose and implement an ERP platform successfully?
- 6 Do we have to stop everything while implementing an ERP platform?
- 7 Do I need an army of IT professionals to maintain an ERP platform?
- 8 How often should we update or upgrade our ERP platform?
- 9 Can I tailor my ERP platform, or is it one-size-fits-all?
- 10 Can we integrate other software with our ERP platform?
- 11 How can I convince my boss that we need an ERP platform?

1 What the heck is an ERP platform anyway?

An ERP, or enterprise resource planning system, is like the command center for your business. It's software that combines different parts of your operations—accounting, inventory, customer management, production, you name it—into one unified system. Think of it as the ultimate multitasker that keeps everyone on the same page, no matter how many plates you're spinning.

So, why should you care? Because an ERP system can save you time, reduce costly mistakes, and give you a real-time snapshot of how your business is doing. It's about turning chaos into clarity. With everything connected, you can make smarter decisions faster—no more hunting through spreadsheets or hoping that sales and inventory are talking to each other. An ERP platform makes sure they are.

What's the difference between cloud-based and on-premises ERP platforms?

On-premises ERP software is like buying a car: you pay a big chunk upfront, handle all the maintenance yourself, and hope it doesn't break down in the middle of rush hour. It's installed on your company's hardware, so you're in charge of servers, updates, and all the security and technical stuff. Matching the reliability of a cloud-based platform is difficult and expensive with this system.

A cloud-based ERP platform is more like a rideshare service: you pay a monthly fee, the vehicle (your ERP system) is always up to date, and someone else handles the maintenance. With a cloud-based ERP system, your data is hosted on the provider's servers and accessed via the internet. This means you can log in from anywhere, your costs are predictable, and you're always using the latest version without the hassle of manual upgrades. Plus, there's no need for an IT army to keep things running smoothly; a team of expert handles that for you.

Are ERP and accounting software the same?

Not exactly, but they do hang out at the same parties.

Accounting software focuses on, well, accounting—tracking income and expenses and generating financial reports. On the other hand, ERP software is like the life of the party.

It handles accounting and integrates other areas like inventory management, customer relationships, and production. It's the all-in-one system that ensures your accounting team is in sync with sales, operations, and even your supply chain.

Capabilities: What can an ERP platform do?

An ERP system can be a jack-of-all-trades. Here are some of its main capabilities:

- **Customers and suppliers:** ERP software helps you manage customer relationships and supplier interactions in one place. You can track orders, monitor supplier performance, and ensure your customers are always happy—no more playing email tag or losing track of purchase orders.
- **Inventory:** With an ERP system, you'll know exactly what's in stock, what's on order, and what's flying off the shelves. It keeps your inventory in check and can even automate reordering. This means fewer stockouts, less overstock, and more satisfied customers.
- **eCommerce:** An ERP platform can be a sales booster for businesses with an online sales component. It integrates with your eCommerce platform to handle everything from order processing to shipping. When a customer places an order, the ERP system updates your inventory, initiates fulfillment, and handles invoicing—all with automation.

In short, an ERP platform is the backbone of a well-organized business. It's not just software; it's the nerve center that keeps your entire operation running smoothly, making it very useful for your bottom line.~



2

How do I know my company needs an ERP platform (or a new one)?

There's a good chance your business has helpful information in the depths of its data, but it's buried under piles of paperwork and endless spreadsheets. Here are some red flags to look for that may mean you need an ERP platform:

- **You're drowning in spreadsheets:** If you spend more time wrestling with Excel than focusing on your business, it's a sign. Spreadsheets are great until they're not. An ERP system can automate many of those manual processes so that you can reclaim your time.
- **Your systems aren't talking:** Your inventory software, accounting software, and eCommerce platform are like guests who refuse to mingle at a party. If you're constantly re-entering data or dealing with mismatched information, an ERP system can bring everyone together under one roof.
- **You're flying blind:** Do you know how much stock you have right now? Can you quickly see which products are your best sellers? If you're making decisions based on outdated or incomplete information, an ERP platform can give you the real-time insights you need.
- **Customer satisfaction is slipping:** If orders are falling through the cracks or customer complaints are piling up, it might not be your team—it could be your system. ERP software helps streamline processes, ensuring customers get what they want when they want it.

Is an ERP platform only for big companies?

Not at all. The idea that ERP systems are only for big businesses is an outdated myth. Modern ERP solutions, especially cloud-based ones, are built with scalability in mind. Still, the adaptability for small to mid-sized businesses can vary.

Some software vendors are geared toward large enterprises and focus their research and development dollars there. The versions they market for smaller organizations are often scaled-back versions of their enterprise editions and aren't necessarily tailored for small to mid-sized businesses.

If you are a small to midsize business, you may want to look for a software publisher specializing in those needs to reduce the risk of a bad fit. These providers have scalable options that fit the needs and budgets of small to midsize businesses. So, whether you're a growing startup or an established company looking to level up, there's an ERP platform out there that's just the right size.

How do I know if I've outgrown my current system?

Breaking up is hard, but sometimes it's not you—it's your ERP software. Here are some signs you've outgrown your current system:

- **You're adding more spreadsheets or software to plug gaps:** If you keep adding new apps to fill the holes your current system can't handle, it's a clear sign. A modern ERP system can consolidate these functions into one platform, eliminating the need for patchwork solutions.
- **Your system is slow and unresponsive:** If running reports or processing transactions feels like waiting for dial-up internet, it's a signal that your current system can't keep up with your growth.
- **You're struggling with compliance and reporting:** As your business grows, so do the requirements for accurate reporting and compliance. If your system can't easily adapt to new regulations or reporting standards, it's time to consider an upgrade.

Can an ERP platform really help us grow, or is that just hype?

It isn't just another sales pitch—an ERP system can genuinely help your business grow. They streamline operations, reduce errors, and provide valuable insights that enable smarter decision-making. With an ERP platform, you can automate routine tasks, allowing your team to focus on strategic initiatives rather than getting bogged down in daily minutiae.

Imagine knowing exactly how much inventory you have, being able to process orders faster, and having a clear picture of your cash flow—all in real time. These efficiencies translate to better customer experiences, more sales, and growth. So yes, an ERP solution can absolutely help you grow, and that's not just hype; it's reality.

Breaking up is hard, but it's not you; it's your ERP system

If you've realized your current system just isn't cutting it, it's time for a change. Think of it as trading in your old, unreliable car for a new, high-performance model. Sure, it can be a tough decision, but the benefits far outweigh the effort to migrate. And the best part? With the right ERP software, you won't be left stranded on the side of the road.



64%

of companies shopping for an ERP platform are looking for a cloud-based system.



80%

of new ERP implementations projected to be cloud-based.



88%

of businesses believe strongly in the benefit of ERP to their organization one year after implementation



95%

report improvements in business processes following ERP system implementation.

Source:

<https://www.forbes.com/sites/moorinsights/2024/01/29/erp-and-scm---what-to-expect-in-2024-part-1/>

3

What are the recurring costs of an ERP platform?

The cost of an ERP platform isn't just about the price tag on the software licenses. It's like buying a house, with costs beyond just the listing price. You also need to consider property taxes, insurance, security, maintenance, and utilities. In the world of ERP systems, that means not just the software license but also the cost of support, maintenance, updates, integrations, and more. Here's the breakdown:

Licensing - The licensing cost is often the most visible part of an ERP platform's price. Traditional ERP systems may require a hefty upfront payment for a perpetual license, while cloud-based ERP software typically offers a subscription model. Some subscription models come with a consistent monthly fee that covers more than just the software to help you avoid a big upfront investment and make budgeting easier.

Support - Support acts like your ERP platform's insurance policy. When things go wrong (and at some point, they will), having a support plan is crucial. The support costs can vary depending on your partner's options or tiering. Some partners offer limited support hours in their base package. Others include ongoing support in the monthly subscription fee, so you get the support you need without changes to your monthly costs.

When things go right and your business is growing, support plays an important role in helping you launch new branches, expand your eCommerce presence, connect with big box stores, and more. Some partners charge extra for these projects, and others include them in their standard pricing.

Maintenance and updates - With traditional on-premises or hosted ERP software, maintenance and updates can be a major expense. You'll need extra resources to do periodic software updates or installs, server maintenance, and bug fixes. You can hire a dedicated in-house resource or outsource to a third-party IT team to manage these tasks. On the other hand, cloud-based ERP systems include updates as part of your subscription. This means you're always using the latest version with no surprise fees or technical headaches.

Integrations - ERP platforms are powerful on their own, but they often need to play nice with other software—like CRM, eCommerce, third-party logistics providers, and others. The cost of integrations can vary widely depending on their complexity. Some ERP systems offer built-in integrations, while others may require custom development work, which can add up quickly.

How to evaluate ROI and TCO

Now, let's talk about return on investment (ROI) and total cost of ownership (TCO). To truly understand the cost of an ERP platform, you need to look beyond the initial investment and consider the long-term benefits.

ROI: Start by identifying the inefficiencies and pain points in your current processes. How much time and money could you save by automating manual tasks, reducing errors, and gaining better visibility into your business? An ERP system can boost productivity, improve customer satisfaction, and even drive revenue growth. The ROI often comes from reduced labor costs, improved inventory management, and faster order processing.

TCO: Total cost of ownership includes all the direct and indirect costs associated with the ERP software over its lifecycle. This includes licensing, support, maintenance, training, and even the cost of potential downtime during implementation. Cloud-based ERP platforms use the predictable costs of a subscription model to help keep TCO in check by covering many of these costs, reducing the risk of unforeseen expenses.

Weighing the cost of an ERP system against the long-term gains is crucial. A well-implemented ERP platform can pay for itself many times over by streamlining operations, reducing errors, and providing insights that drive growth. The right ERP software can be worth every penny—and then some.

Tip:

If you are considering buying an ERP solution, be sure to ask what your costs are beyond your initial year. The upfront discounts they offered aren't likely to carry over into year two and beyond.

4

How long does it take to implement an ERP platform?

Implementing an ERP platform is faster than learning to play the guitar, but it's no quick weekend project (not yet, anyway). Depending on the complexity of your business and the ERP solution you choose, it can take anywhere from a few weeks to several months. It's like planning a road trip—you need a solid plan, the right vehicle, and a clear map to get you where you want to go.

The traditional Waterfall process

In a traditional Waterfall approach, ERP software implementation is a linear process. First, you spend weeks (or months) gathering requirements with consultants. From there, the consultants design and build the implementation by functional area. The configuration team will complete each phase before moving on to the next. Users are generally brought into the testing and feedback process just before deployment.

While this approach can be thorough, it often leads to long timelines and little flexibility. The result can be a longer time to value, with some implementations taking 9-12 months or more. With longer timelines, requirements and priorities can change, leading to an outdated implementation before go-live.

The Agile route

The Agile methodology is designed to get you up and running quickly while increasing quality and control. Instead of waiting for the entire system to be built before you see any results, implementation starts with a core set of functionalities—your minimum viable platform. The platform is then refined and expanded based on real-world use and feedback from your team.

Agile is like learning to play guitar one chord at a time. You start playing simple tunes, get comfortable, and then move on to more complex songs. This approach decreases the time to value and ensures the system is tailored to your business needs every step of the way. With rapid prototyping, significant parts of your business processes are live in your ERP system in just three to four months.

Different partners, different timelines

It's worth noting that implementation timelines can vary depending on your ERP software partner and the methodology they use. Some partners might follow a strict Waterfall approach, while others lean into Agile methodologies. When evaluating partners, ask about their implementation process, how they handle unexpected challenges, and what kind of support they provide during and after the go-live phase.

For example, some partners might offer templated solutions for faster implementation but with less flexibility. In contrast, others may provide a more customized but longer process. Some partners blend the best of both worlds—rapid deployment with the flexibility to adapt the system to evolving needs.

So, how long will it take for you?

The time it takes to implement an ERP platform depends on factors like the size and complexity of your business, the scope of the implementation, and the partner you choose. The key is to find a partner and a methodology that aligns with your business goals. A fast deployment can bring a faster return on your investment, but only when it's paired with due diligence. The goal is to quickly access and benefit from an ERP system that optimally supports your business in the long run.

Dedicating time and resources to implementation, making the necessary business decisions, and learning your new software are essential to the process. In the end, you'll wonder how you ever ran your business effectively without it.



5

How do I choose and implement an ERP platform successfully?

Not all ERP providers are created equal. You'll encounter two main types when evaluating your options:

Software Publisher

This is the company that develops the ERP software. They often have a network of resellers or partners who handle sales and implementation.

While buying directly from the publisher might seem like the obvious choice, it can sometimes mean less personalized support and a one-size-fits-all approach.

ERP Partner

A partner is often more hands-on and focused on helping you get the most out of your ERP system. They work closely with you to understand your business needs, guide you through the implementation process, and provide ongoing support. A good partner acts as an extension of your team, ensuring the ERP software is tailored to your business and adapts as you grow.

Questions to ask and answers you need before committing

Determining an accurate total cost of ownership for an ERP platform can save your implementation from being derailed by an unexpected surge in costs.

Before you commit to an ERP system, ask:

- What is the cost of implementation and data migration?
- What billing structure is used?
- Will services be delivered by the partner's in-house team, or outsourced?
- What certification or expertise are provided?
- How much time will your team need to put into the project?
- How will your team be onboarded and trained? Is retraining available?
- What ongoing support is included? Is there an additional cost for different levels of support?
- How often are updates and upgrades required, and what do they cost?
- What's the cost of customizations and integrations, now and in the future?

Things that make or break an ERP system implementation

ERP platform implementations come with a fair share of hurdles. Plan meticulously, prepare your team for change, and choose a partner committed to your success. ERP platform success is about more than just deploying software; it's a long-term relationship that can drive your business forward if nurtured correctly.

ERP platform implementations fail or succeed for a variety of reasons, but these are the primary areas:



Outcomes: A clear understanding of what you want to achieve with your ERP system makes it much easier to stay on target. Define and prioritize your goals upfront. Are you looking to streamline operations, improve inventory management, or enhance customer experience? Having clear objectives helps guide the implementation and measure success.



Change management: People resist change, especially when it disrupts their daily routines. A new ERP platform often means new processes and workflows. To mitigate this, involve key stakeholders early on, communicate the benefits clearly, and provide thorough training. Remember, a smooth ERP solution implementation isn't just about technology; it's about people.



Data: Moving data from your old systems to the new ERP system is like cleaning out the garage. You'll find outdated, redundant, and sometimes downright incorrect data. Take the time to clean, validate, and map your data properly. It's not glamorous, but it's crucial for a successful implementation.



Scope: It's easy to get carried away with adding features and customizations. However, this can lead to delays, increased costs, and a bloated system. Start with a condensed timeframe necessary for the essentials—your minimum viable ERP system—and build on it once you're live and comfortable with the system.



Cost: Look beyond the software's price tag to see the total cost of ownership (TCO), including support, maintenance, training, and potential downtime during implementation. Working with a partner that emphasizes cost predictability prevents you from being caught off guard by unexpected fees.



Executive Support: Buy-in from the top leaders ensures not only the support and resources needed but also sends a signal to everyone in the company that this is a meaningful, impactful project. Getting leadership support is easier when there's a strong alignment between executive visions for the business and the benefits of using an ERP platform.



Implementation Team: Put the best people on the job. It's not always supervisors or managers who make the best change leaders. Build a cross-functional team from each area that can work with or around internal resisters (every project has them). The right team will understand how the business runs so that all areas are covered.



End User Adoption: Even the best ERP system is only useful if your team uses it properly. This ties back to change management. Ensure your team understands the benefits, receives adequate training, and has access to ongoing support to foster adoption.



Support: Deploying an ERP platform isn't a one-and-done process. There will be ongoing personalization, processes, and capabilities your business will want to adjust or add. Don't short-change the chance for continued improvement by not factoring in long-term access to the support your team needs.



6

Do we have to stop everything while implementing an ERP platform?

Nope, no need to hit the pause button on your business. Implementing an ERP platform doesn't mean shutting down operations or putting everything on hold. It's more like a renovation—you might have to shuffle things around, but you can still operate at full capacity.

Implementation without the interruption

A well-planned ERP system implementation allows your business to continue running smoothly while the new system is being put into place. The key is a phased approach that rolls out the new ERP in manageable chunks. This means you don't have to flip the switch on everything all at once. Instead, you can gradually transition different departments or processes to the new system. For example, you could start with accounting, inventory, and order management; then connect eCommerce and payroll later.

This phased approach minimizes disruption and allows you to keep critical operations running. It also gives your team time to adapt to the changes, reducing the feeling of overwhelm that can come with a big system overhaul.

Bring your employees along for the ride

An ERP software implementation isn't something that happens behind closed doors. It's a journey, and bringing your employees along is crucial to success. Involving your team from the beginning ensures they understand the benefits and have a chance to learn during the process. Here's how to do it:

- **Involve key stakeholders:** Identify champions within each department who can represent their team's needs, provide input during the implementation, and help drive adoption.
- **Provide training opportunities:** As you implement the ERP platform, offer training sessions tailored to different user groups. This hands-on experience lets your team learn the system in real time, making them more comfortable with the change.
- **Gather feedback:** Use the implementation period to gather feedback from employees. They use the system daily, so their insights can be invaluable in fine-tuning the setup.

Keeping the wheels turning

While implementing an ERP system does require some focus and effort, it doesn't mean business comes to a standstill. You'll be able to continue serving customers, managing inventory, and running day-to-day operations while the ERP software is rolled out.

The right partner can help keep your business moving and will have a tried-and-true method they have used successfully to help other companies deploy an ERP platform with minimal to no disruption.

The bottom line: Implementation without the drama

An ERP system implementation doesn't have to be a dramatic, all-consuming event. With the right partner and approach, a smooth transition can happen in the background while your business continues to operate. By involving your team and taking a phased approach, you'll avoid hitting the brakes and set the stage for a more efficient and streamlined operation in the long run.

So, no, you don't have to stop everything. Just keep moving forward, one step at a time.

The Stellar One Process

>> Learn more

7

Do I need an army of IT professionals to maintain an ERP platform?

Only if you're planning to build your own ERP system from scratch (which, trust us, you don't want to do). Modern ERP systems, especially cloud-based ones, are designed to be user-friendly and require minimal IT intervention. Here's what maintenance looks like and how to avoid turning your office into an IT command center.

Understanding maintenance costs: On-premises vs cloud

On-premises



If you opt for an on-premises ERP system, you're in for a more hands-on experience. This system is hosted on your servers, so you'll need IT personnel to manage it all—servers, security, troubleshooting, and updates. On-premises ERP software can offer more control but have higher maintenance cost requirements. On-premises means it's on you to take care of all associated elements.

Cloud-based



Cloud-based ERP platforms shift maintenance to the provider. Since the software is hosted in the cloud, the provider handles updates, security, and server maintenance. You get the latest features and security patches automatically without needing an in-house IT team to manage the infrastructure. Scaling for growth is easier and doesn't require additional hardware.

Maintenance costs: T&M vs. fixed fee vs. subscription

- **Time and materials (T&M):** Some ERP providers use a T&M model for maintenance, where you pay for support and maintenance services as needed. These fees can be unpredictable since costs vary based on the level of support and frequency of issues. If your ERP platform requires constant tweaking or you run into unexpected problems, the bills can pile up quickly.
- **Fixed fee:** With a fixed-fee model, you pay a set amount for support services. This can provide more predictability in budgeting but may still include limitations on the level of support or number of service hours you receive.
- **Subscription:** This model typically includes maintenance and support in the subscription fees. This inclusive model offers a predictable cost structure, covering software updates, security patches, and basic support. This model allows you to get continuous updates and support as part of your monthly subscription, so there are no surprise maintenance bills or unexpected downtime. There's also less effort needed to get future enhancements.

Support can vary depending on whether you buy directly from the software publisher or work with an ERP partner. Here's what to consider:

Software publisher

If you go directly through the software publisher, you'll get support through them. This may be provided by the publisher or through offshore, contracted support. A publisher's standardized approach to support might lack a personalized touch or deep understanding of your specific business needs. This may mean explaining your business with each issue, slowing resolution time. For software bugs, it's publishers that update the code and push the fix.

ERP partner

An ERP partner can offer a more tailored support experience. You are likely to continue to work with the same team involved with your implementation. Since they know your business, they can provide faster, more personalized support that fits your specific requirements. They act as an extension of your team, handling maintenance and updates proactively to minimize disruptions. Support at a Tier 1 help desk-level may not be as knowledgeable as publisher support.

The bottom line: No IT army needed

You don't need an army of IT professionals to maintain a modern ERP platform, especially if you choose a cloud-based solution. Cloud ERP systems take care of the heavy lifting—updates, security, and server management—so you can focus on running your business, not your software. With a predictable subscription model, you get the peace of mind that maintenance costs are covered, and your ERP software is always current.

In other words, save the IT army for another day. Your ERP platform can run smoothly with a much smaller (and less costly) team.



8

How often should we update or upgrade our ERP platform?

More often than you replace your phone, but less often than you change the coffee filter. A modern ERP system should receive regular updates to stay current, secure, and efficient. With many cloud-based ERP platforms, you can expect a steady stream of monthly updates along with more significant annual or bi-annual upgrades.

Monthly updates + annual/bi-annual upgrades

- **Monthly updates:** These are generally minor tweaks and enhancements. Monthly updates usually include security patches, performance improvements, and small feature enhancements. They ensure your system stays secure and up to date without causing disruption to your daily operations. Most cloud-based systems handle these updates automatically, so you get the benefits without lifting a finger.
- **Annual/bi-annual upgrades:** These are the big ones—the new features, major functionality improvement, and significant enhancements that can take your ERP system to the next level. Unlike monthly updates, these upgrades may take some planning and testing to ensure everything runs smoothly. However, they bring new capabilities to help you stay ahead of the competition and adapt to changing business needs.

Different solutions, different approaches

Not all ERP solutions handle updates and upgrades in the same way. Here's a quick rundown of the different approaches:

- **On-premises/hosted:** If you run an on-premises or hosted ERP solution, you're usually responsible for managing updates and upgrades yourself. This can be a significant undertaking, often requiring downtime, IT resources, and additional costs for new versions. Many businesses delay upgrades due to their complexity and cost, leading to outdated systems that lack the latest features and security enhancements.
- **Cloud-based:** The provider manages your updates and upgrades with cloud-based ERP platforms. This means you're always using the latest version without the hassle and cost of manual upgrades.

Different providers have different approaches to delivering these updates:

- **Standard delivery:** Some providers roll out updates and upgrades on a fixed schedule, and you may have to plan around these times to ensure minimal disruption to your operations.
- **Continuous delivery:** Providers use a continuous delivery model, meaning updates and new features are rolled out seamlessly and frequently. This approach ensures your ERP is always current without major downtime or disruption to your business.

Stay current without the hassle

Keeping your ERP system updated is crucial for security, performance, and competitive advantage. With the right cloud-based ERP solution and partner, you can enjoy the benefits of continuous updates and regular upgrades without the headaches of manual processes or unexpected costs. Your ERP platform should work for you, not the other way around.

Staying current ensures your system remains a valuable asset that evolves with your business.

9

Can I tailor my ERP platform, or is it one-size-fits-all?

The short answer: Yes, you can tailor your ERP platform, but there can be a tipping point where over-customization just adds complexity without any benefit. ERP systems offer different abilities to personalize and customizitize the fit for your business processes, but striking the right balance between customization and personalization is crucial.

Customization: When tailoring goes too far

Customization involves modifying or extending the core code of the ERP system to fit your specific needs. Want a unique workflow that only exists in your company? Customization can make that happen. However, there are a few caveats to consider:

- 1 High costs:** Customizations are usually expensive and can lead to a significant upfront investment. Plus, every time you need to update or upgrade your ERP software, those customizations may need to be reworked, which means more costs down the line.
- 2 Complex maintenance:** The more you customize, the more complicated your ERP system becomes. This can make maintenance a headache, requiring specialized knowledge to troubleshoot and fix issues.
- 3 Risk of breaking things:** There is a chance that customizations will conflict with future updates from the ERP software vendor, leading to compatibility issues. Not only will the fix cost you more, but your business productivity can also be impacted until the issue is resolved.

Personalization: Tailoring without the overhead

Personalization, on the other hand, is about configuring the ERP system using its built-in tools to fit your workflows and preferences. Think of it as arranging furniture in a new house. You're not tearing down walls; you're just making the space work better for you.

Most modern ERP platforms offer robust personalization options, such as:

- **Personalized dashboards:** Set up dashboards with the metrics and reports that matter most to specific teams so they can quickly access needed information.
- **Flexible workflows:** Adjust workflows to match your business processes without changing the underlying code. This allows you to adapt the ERP software to how you work, not the other way around.
- **User preferences:** Tailor user interfaces to set module access rights and views as needed for different roles. For instance, your accounting team can have a different setup than your warehouse team, making the system intuitive for each user group.

The right balance: Customization vs. personalization

While it's tempting to go all-in on customization, focusing on personalization first is often better. Personalization allows you to adapt the ERP system to your business without the risks and costs associated with heavy customizations. Let's be honest, 90-90% of what you do isn't unique to your business.

Customization may be the right answer in some cases, but before your company takes on an expensive, time-consuming project, ask yourself why customization is needed. Are you trying to support a custom process unique to your organization? If it's not unique, it's not a problem that needs a custom solution because the ERP software marketplace has most likely already filled that gap.

If it truly is a custom process, is it a differentiator for your business in the marketplace? If the process is needed to support a legacy system or idea, it's time to ditch it and move on. Continuing to hold on to it will just cost more money over time. Prime examples include calculating commissions and pricing models.

If you find that you still need some level of customization, it's essential to work with a partner who can guide you through the process to minimize future headaches.

So, one-size-fits-all? Not quite

An ERP system isn't a one-size-fits-all solution. It's more like a tailored suit—you start with a solid foundation and adjust to ensure it fits just right. Remember that sometimes a few smart adjustments can make all the difference, and too many alterations can do more harm than good. When it comes to tailoring your ERP platform, think Goldilocks: not too little, not too much—just right.

10

Can we integrate other software with our ERP platform?

Short answer: Yes.

Longer answer: Yes, and a partner can help you do it right.

Integrations are like bridges connecting your ERP system with other essential software to ensure that all parts of your business work together seamlessly. Integrating these systems with your ERP platform can streamline operations, reduce manual data entry, and give you a unified view of your business, whether it's your CRM, eCommerce, third-party logistics, or other external system.

Integration options

Native integrations: These are built-in integrations provided by the ERP system right out of the box. They're designed to work seamlessly with popular software tools and usually require minimal setup.

Middleware platforms: Also known as Integration Platforms as a Service (iPaaS), these platforms are intermediaries that connect your ERP system to other applications. They facilitate data exchange and workflow automation, providing a scalable solution for integrating multiple systems.

Custom-built integrations: Custom integrations are tailored for your business's unique software landscape. While they offer greater flexibility, they can be more complex to develop and maintain. Working with an experienced ERP partner is crucial. They can help design, build, and manage them to ensure they function smoothly.

The importance of integrations

Integrating other software with your ERP platform is essential for a few key reasons:

- **Unified data:** Integrations help consolidate data from different systems into one central location. This means no more toggling between multiple software tools or dealing with fragmented data. You get a single source of truth for real-time insights into your business operations.

- **Process automation:** By integrating your ERP system with other tools, you can automate processes like order processing, inventory updates, and customer notifications. This reduces manual work, minimizes errors, and speeds up workflows, so your team can focus on more strategic tasks.
- **Better capabilities:** Some software is exemplary at what it does, and the same level of performance can't be replicated in an all-in-one platform.
- **Enhanced decision-making:** When your ERP, CRM, eCommerce, and other tools talk to each other, you get a holistic view of your business. This integrated data provides the insights needed to make informed decisions and respond quickly to market changes.

Choosing if and when to integrate

Not every tool needs to be integrated right away. Start by identifying the most critical systems that will benefit from a direct connection to your ERP platform. This is a good time to make sure you understand your ERP software's capabilities for these important functions. It's possible that you can consolidate and solely rely on your ERP system. If the embedded features aren't enough for your needs, integration is the right path.

Here are some common integrations/consolidations to consider:



CRM: The native CRM capabilities in ERP platforms are limited. Marketing lists, deals, and sales pipeline need to be integrated for more robust activity. Integrating your CRM software with your ERP platform ensures this information is in sync to streamline sales processes, improve customer service, and provide a 360-degree view of each customer.



eCommerce: For online sellers, integrating your eCommerce and ERP platforms is a no-brainer. It automates order processing, inventory updates, and customer notifications, providing a seamless shopping experience for your customers and reducing the risk of overselling.



Supply chain management: Connecting your ERP software with suppliers, third-party logistics providers, and advanced inventory management and planning systems helps optimize your supply chain. This ensures that inventory levels are accurate, orders are fulfilled on time, and costs are controlled.

Types of integrations: Webhooks, APIs, FTP/file-based

Different types of integrations suit different needs and systems:

Application programming interfaces (APIs): APIs are like the universal translators of the software world. They allow different applications to communicate with each other quickly. APIs are commonly used for building custom integrations, providing a flexible way to connect your ERP system with various tools and systems.

Webhooks: Webhooks are event-driven integrations that send real-time data from one system to another when a specific event occurs, such as when a new order is placed in your eCommerce store. They can be used to trigger actions automatically without manual intervention.

FTP/file-based integrations: These involve transferring data files, like CSV files, between systems on a scheduled basis. While not instantaneous like APIs or webhooks, they can be a practical solution for integrating legacy systems or when real-time data isn't necessary.

Working with a partner

Navigating the world of integrations can be complex. That's why having the right ERP partner is crucial. A partner can help identify the key systems to integrate, choose the right type of integration, and ensure implementation is correct. Whether setting up native integrations or building custom connections, a partner ensures everything runs smoothly and continues to work as your business evolves.

The bottom line: Integration makes everything better

Integrating other software with your ERP software is essential for creating a connected, efficient business. With the right integrations, your ERP platform becomes the nerve center of your operations, ensuring data flows seamlessly and processes are automated. And the best part? With the right partner by your side, integrating your systems can be as straightforward as connecting the dots.

How do I convince my boss that we need an ERP platform?

Convincing your boss that you need an ERP solution can be challenging. The key is to present a compelling case focused on practical benefits, measurable ROI, and how ERP software addresses the current pain points of your business. You may also need to dispel some fears and bust some myths about ERP implementation. These practical tips can help you win over the decision-makers:

1. Speak their language: Dollars and sense

Start with the numbers. Executives love data, especially when it translates into cost savings and revenue growth. Here's how to frame your pitch:

- **Cost of inefficiencies:** Highlight the financial impact of current inefficiencies. How much time is wasted on manual data entry? How many errors are costing you in lost sales or customer dissatisfaction? Translate these inefficiencies into hard dollars to show how an ERP platform can save money.
- **ROI and TCO:** Break down the return on investment (ROI) and total cost of ownership (TCO) of implementing an ERP system. Explain that while there's an upfront investment, the long-term savings from automation, reduced errors, and better decision-making will far outweigh the costs.

2. Focus on business growth

Executives are always looking for ways to grow the business. Explain how ERP software can support and accelerate this growth:

- **Scalability:** Emphasize that an ERP system can scale as the business grows, supporting increased transaction volumes, expanding product lines, and entering new markets. It's not just a tool for today's problems; it's a platform for future growth.
- **Data-driven decisions:** Point out that an ERP provides real-time data and analytics, allowing leadership to make informed, data-driven decisions that drive business strategy and growth.

3. Address pain points directly

Your boss may be aware of the pain points in the current system, whether it's inventory issues, delayed order processing, or fragmented data. Showing how an

ERP platform directly addresses these problems helps supply the needed evidence:

- **Streamlined operations:** Explain how an ERP system automates and streamlines processes across departments, eliminating bottlenecks and reducing manual work. For example, integrating inventory with sales and purchasing can prevent stockouts and overstock situations.
- **Enhanced visibility:** Demonstrate how ERP software provides a single source of truth for the business. Instead of sifting through spreadsheets and siloed systems, an ERP solution offers a unified view of operations, from inventory levels to customer orders.

4. Highlight risk mitigation

Executives are often risk-averse, so it's important to discuss how an ERP platform can mitigate risks:

- **Compliance and reporting:** Point out that an ERP system helps maintain compliance with financial regulations and provides accurate, timely reporting, reducing the risk of costly errors and penalties.
- **Data security:** Explain that cloud-based ERP systems have built-in security measures that protect sensitive business data from breaches and ensure business continuity.

5. Show success stories

Bring real-world examples to the table. Share case studies or examples of similar companies that successfully implemented an ERP platform and saw significant improvements:

- **Before and after:** Use before-and-after scenarios to illustrate how an ERP system transformed a company's operations. Examples could include reduced order processing time or cuts to inventory holding costs after implementing an ERP platform.
- **Industry standards:** Highlight that many successful businesses in your industry already leverage ERP software to gain a competitive edge. Position the ERP solution not as a luxury but as a necessity to stay competitive.

6. Offer a low-risk approach

If the idea of a full-scale ERP platform implementation seems daunting to your boss, suggest a low-risk approach:

- **Free demo:** Many ERP vendors offer demos through meetings with a sales team or videos that show a platform walk-through. These usually involve “demo” data instead of your business information.
 - Tip: Set the right expectations with your leadership so they know that the demo is a higher-level overview and not personalized.
- **Risk-free trial:** While not common, some partners offer a free trial. Look for a free trial that uses your company's actual data so you can take the platform for a real-world test drive. This gives your business a chance to see the ERP system's value in action before fully committing.
- **Phased implementation:** Suggest a phased implementation to reduce disruption. This is the path to a minimal viable product mentioned earlier. Begin with the most critical areas, such as accounting and inventory, and expand gradually. This approach allows the team to adapt and the system to prove its worth incrementally.

7. Be ready for objections

Your boss will likely have concerns or objections, so be prepared to address them:

- **Cost concerns:** If the initial cost is a worry, reiterate the long-term savings and the predictable cost structure of a cloud-based ERP software subscription model.
- **Disruption to operations:** Explain that with a phased implementation and the right partner, the ERP platform can be implemented without halting business operations.
- **Learning curve:** Highlight the support and training that comes with the ERP software implementation, ensuring the team can quickly adapt.

Focus on the value

Convincing your leadership is about focusing on the value an ERP platform brings –cost savings, efficiency, risk mitigation, and the ability to support business growth. By presenting a well-rounded, data-driven case and offering practical solutions to potential objections, you can turn that “Maybe next year” into “Let’s make this happen.”

ERP systems bring everything together

By combining accounting, inventory, and customer service in one place, ERP platforms make it easier for your teams to work together and communicate more easily. ERP systems give you a live view of inventory, sales, and financials. This lets you make faster, more informed decisions using up-to-date information and powerful reporting and analysis capabilities. The end result? Fewer headaches and smoother operations for everyone.

If your operations are holding you back, it's time for an ERP system

Disconnected systems, manual tasks, and data that doesn't flow between teams slow everything down. If you're dealing with inventory errors, missed orders, or your team is overwhelmed by growing complexity, an ERP can bring everything together. Choosing an ERP isn't just about getting new technology—it's about setting your business up to run more efficiently, grow smoothly, and scale easily.

Automation reduces errors and cuts costs

Replacing manual tasks with automated processes makes things run more smoothly across the board. Inventory management gets a big boost with full visibility of current stock levels, real-time stock tracking, and automated reordering. With less manual work to worry about, your team can focus on more important projects.

Cloud-based ERP solutions are easier to deploy, use, and maintain

- **Phased implementation** keeps your business up and running throughout the process.
- **Automatic updates** mean that your ERP grows with you. Scalable features and easy integrations eliminate costly upgrades, heavy support, or extra IT resources.
- **Built-in security and compliance** protect your customer and company data and keep you up to date with the latest regulations.
- Powerful **out-of-the-box capabilities** and easily tailored workflows—without the need for custom coding—make maintenance simple.
- **Robust integration** with other software, like eCommerce and CRM, ensures all systems communicate, giving you a clearer view of your business and your customers a better experience.

The right partner makes all the difference in your ERP success

It's not just about the software—deploying and using an ERP platform only succeeds if you've got a partner who understands your business, provides training, and supports you every step of the way. A good partner works like an extension of your team, making sure your system is set up smoothly and delivers long-term value.

Choosing and buying an ERP platform is easier than ever

Free trials let you try before you buy, and demos give you a peek under the hood, so you know you're choosing the right solution. Subscription-based pricing with price certainty helps keep your budget under control, eliminating hidden fees and surprise costs you'd get with traditional ERP systems.

Hello! We're Stellar One!

Thank you for reading our guide to ERP systems. We hope you feel more informed and less mystified about the ins and outs of choosing, evaluating, and deploying an ERP platform.

This guide is part of our greater mission to make your ERP software experience easy and effortless. Why is this so important to us? We've seen firsthand the difference an ERP system can make to a business's growth and profitability. We've also seen the challenges companies face when deploying and using their ERP software.

Businesses deserve a better way. That's why Stellar One developed a new ERP experience. What makes it different?



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