Supporting workplace mobility with ERP

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For mid-sized businesses, quick and secure access to real-time business information via mobile devices will become an enabler for modern commerce.

Mapping business processes via mobile enterprise resource planning (ERP) is crucial for mid-size businesses tasked with equipping management and staff with crucial insight and company information on the go.

ERP has become regarded as a "mission-critical investment" for Chief Information Officers (CIOs), although the benefits of having integrated solutions to manage business processes are becoming apparent in most departments of the company. From product planning, development, manufacturing processes, sales and marketing and more, ERP is no longer considered a luxury, but rather a requirement. Consumers are mobile, staff are mobile and logic dictates that in order to keep up, business management will also need to become accessible on the go.

A recent survey conducted by CDW assessing the impact mobile devices are having on business found respondents from 752 companies almost unanimously (94 per cent) said they believe their mobile devices make them more efficient. What's more, 89 per cent of business employees use personal mobile devices for work and over two-thirds (67 per cent) said their companies would lose competitive ground without those devices.

The need for enhanced mobile capabilities is also recognised in backend operations. According to the 'ERP Trend Report 2013', conducted by Softselect, some 88 per cent of CIOs admitted to preferring an integrated IT system rather than using a 'best-of-breed' approach that uses multiple tailored solutions. A study conducted by IDC based on a survey of 455 IT leaders across the world found ten per cent of the average IT budget is already spent on mobile ERP and over half of respondents said their organisation has a plan for mobile ERP.

Although mobile ERP isn't, in itself, anything new - "enterprises have been integrating capabilities with mobile devices for over a decade", Gartner's Brian Prentice recently noted - there has been an evolution which has significant ramifications for business. A study by the Business Application Research Centre found adoption of mobile business intelligence solutions is expected to triple in 2013, but there are still several overarching questions that cloud the landscape and the application of such solutions within the corporate sphere.

In order to dissect mobile ERP and the implications it will have on mid-sized enterprises, we take a comprehensive look at which elements of business processes it is affecting, how it can improve business procedure and the challenges enterprises may have in implementing mobile ERP solutions.

How will mobile ERP impact my business?

Mobile ERP is likely to impact many facets of a corporate entity with a reach that extends far beyond the IT department. The director of quality, supply chain manager, production worker, shipping personnel and other staff are finding it "increasingly more convenient and appealing to use their mobile devices to monitor what's happening in real time throughout the entire enterprise", Jeff Carr from Ultra Consultants recently noted.

Dan Roberts, a senior consultant at Cambashi, has produced a report assessing the scope and ramifications of mobile ERP in business. He identified three key areas in which mobile ERP is most likely to have an impact, starting with HR solutions. From an employee perspective, there is more flexibility in terms of where they can submit expense claims, holidays and personal development assessments. Although the benefit for companies from these applications is harder to gauge, "happier, more engaged staff tend to work more effectively", Roberts notes, and cutting administrative hassle of working on the go also leads to efficiency gains that are often overlooked.

Supply chain and manufacturing solutions offer more obvious benefits and are a key area in which mobile ERP is likely to be utilised. Production and operations will have instant access to information of potential problems (machine breakdowns or faults in the supply chain) and managers could even authorise changes to expedite specific work orders or deliveries. Linked with financial applications, the cost ramifications of real-time changes will become immediately apparent when access to information is given on the go.

The final area Mr Roberts highlights is the sales and marketing team, which requires a holistic view of internal operations when on the move and good insight into the market it is operating in. Links to finance and manufacturing data can help with decision making and deals can be tailored to fit both the internal needs of the company and external requirements of the client.

What are the advantages of mobile ERP?

"Mobile ERP provides surprising benefits in almost any situation where the user works more effectively away from their desk," Mr Roberts explained. Mobile apps, therefore, need to be accessible to a large number of employees and across a number of different platforms in order to be fully effective, but solutions which meet these requirements bring endless gains.

Saving cost/improving efficiency

Mobility and productivity can be rather contradictory terms in the business realm, but ERP pairs the two together by giving access to information and functionality on the go. Whether in a hotel, an airport or commuting to work, mobile ERP offers significant cost gains by improving efficiency. For instance, with a mobile workforce, managers are able to approve workflows on the go – something that would not be possible without mobile ERP and would have to be left until the individual is back in the office and sitting at their desk. Another example would be how a sales team equipped with mobile devices could prepare for appointments with prospective clients on the go, as well as have the ability to bring up real-time data about customers on the spot.

Better BI

Business intelligence (BI) gives sales and marketing teams a competitive advantage when they're on the go. Mobile software can make you aware of emerging developments, help streamline operations and deliver superior supply chain visibility. The ability to answer 'what if' questions with a click of a button is also a desirable trait for staff au fait with the vicissitudes of running a business on the go.

Improving performance

Not only do employees gain access to vital information on the go, but they are also able to update and change data as and when it is collected. Mobile ERP software makes it easy for workers to input information accurately when they gather it in the field, rather than having to re-key the data into back end systems, which increases the likelihood of mishaps and mistakes. Real-time submission of data also ensures that the company is kept up to speed with developments, improving corporate performance elsewhere.

Implementation

Arguably one of the biggest benefits of mobile ERP is the ubiquitous nature of portable devices. Most, if not all, professionals are carrying one or multiple mobile devices with them today, and there will be no respite in the growth of portable devices in the workplace. ICD projects that worldwide shipments of tablets will reach 282.7 million units by 2016, up from 122.3 million last year. Transferring capability onto these mobile devices will be seamless and effective because the infrastructure is already in place.

What are the challenges?

There are several challenges to implementing a mobile ERP plan that should be carefully considered before embarking on such an endeavour. App management will be a major headache if IT functions approach the subject with traditional paradigms, and an appreciation of the diverse range of devices coming into the workplace is essential both in relation to ERP implementation and the development of IT functionality in general. But there are several specifics that should be addressed when mobilising the workforce, which predominantly relate to security.

Data security and sharing

ERP systems are a treasure trove of corporate secretes, which like any company asset raises the question of security. While most IT groups have moved out of the denial stage that the 'bring-your-own-device' (BYOD) movement wouldn't take off (statistics show 70 per cent of mobile professionals will conduct their work on personal smart devices by 2018), many are confronted with how to deal with the operational complexity created by employee-owned, multi-platform mobile devices connected to their networks.

Will Kelly of TechRepublic explains: "Enabling access to the kind of sensitive and proprietary data that resides in any ERP or customer relationship management (CRM) system to BYOD users requires up-front analysis and planning to ensure that your platforms, infrastructure, and security protect your critical corporate data."

The best way to deal with BYOD and the risk of compromised company and client information is to take a proactive approach by engaging IT teams, auditors and other compliance team members. From device level MDM security to containerised app specific MAM technology, there are many solutions ensuring the backend of the company is kept safe.

Employee owned devices

Above the security issues, employee-owned devices can blur the distinction between personal and professional lives. This can affect work/life balance on a personal level, but there are similar concerns from a business perspective.

Access to corporate ERP systems from a personal device requires a documented data ownership policy to ensure there is no confusion over what is 'personally owned' and what belongs to the company. Management, legal and other business stakeholders should all have a hand in compiling an ownership plan, which should be shared and accessible.

Cost of transforming to a mobile workforce

There is an initial cost to transforming into a mobile workforce, but it is an inevitable evolution and the long-term efficiency gains make it a requirement, rather than an optional luxury. Along with license costs and infrastructure, there are costs to providing additional configuration on the system-side and extra auditing and reporting. Ensuring the security requirements are in place will also be crucial to the success of mobilising the workforce and bringing new capabilities into the business.

"In ten years, hindsight will have made the benefits of mobile ERP obvious in retrospect. However at this point, there are as many questions as answers. There is a distinct possibility that information overload – the point at which there is so much data available in real time that random variation and true problems are indistinguishable – could do more harm than help. One thing is certain however: businesses will figure this out." - Phil Marshall, ERP Focus.

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