PULSE ENAVATE

ERP Usage and Challenges

Over Minute Insight Report summary:

- Most have already implemented enterprise resource planning (ERP) tools
- Most use multiple ERP tools in a hybrid-cloud infrastructure and are satisfied with their deployment
- HR is the most popular type of add-on, with business intelligence (BI) add-ons the most popular planned purchase
- Improved reporting and visibility are the main perceived benefits of ERP
- Costs, ongoing management, and business and technical goal misalignment are the main challenges to ERP success
- Costs are the main differentiator for choice of vendor, while decision makers seek ERP tools to be easy to use

ERP tools promise to enable organizations to align business processes into a manageable, integrated system. Yet many organizations struggle to realize the full value of their investments. We at Pulse and Enavate surveyed IT and technology decision makers adopting ERP tools! What are the benefits and barriers to adoption?

Data collection: September 28 – October 5, 2021 Respondents: 50 tech decision makers

Most decision-makers are already using an ERP solution, and most others plan to follow eventually

87% of decision makers are using an ERP tool in their organization.

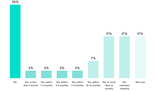
For those who aren't currently deploying an ERP tool (13 in = 25, 5% plan to at some point in the future):

> The larger the organization, the more important an ERP solution is.
>
> Director, medium-sized consumer goods company

> We are developing our ERP using low-code tools.
>
> C-suite, small/medium-sized transportation company

Most are using multiple ERP tools, deployed in hybrid-cloud infrastructure

For those using an ERP tool, 76% are using more than one tool.



Most (36%) are deploying ERP in a hybrid-cloud infrastructure, though just over a quarter (26%) are leaning on partners.

Over three quarters (77%) are satisfied with their ERP deployment.

> I would much rather run an ERP in the cloud versus hosting it.
>
> UK medium-sized software company

The most common type of ERP add-on is HR, while many are planning to purchase BI add-ons

The most popular ERP add-ons deployed alongside ERP tools are human resource management (HR) (60%), finance management (61%), and business intelligence (BI) (60%).

Robotic process automation (RPA) (41%), Supply chain management (57.5% RPA, 57% CRM), and customer relationship management (CRM) (57%) are the most underdeployed enterprise resource planning (ERP) tools.

Most of the ERP add-ons are planned purchases, with business intelligence (BI) (56%), human resources (HR) (56%), and customer relationship management (CRM) (57%) add-ons top the list.

Marketing automation (MA) (56%), Financial management (60%), Customer relationship management (CRM) (57%), Human resources (HR) (56%), Business intelligence (BI) (56%), Inventory management (56%), Supply chain management (SCM) (60%), Other (0%)

> RPA offers add-ons which gives leverage to IT people to scale the functions easily.
>
> Director, medium-sized consumer goods company

> We are currently implementing a financial ERP.
>
> C-Suite, large finance company

ERP tools can improve reporting and increase visibility, and almost all agree it's the best option for business process efficiency

The top 5 perceived benefits of ERP tools are improved reporting (53%), increased visibility (53%), and increased productivity (44%).

An overwhelming 94% agree that ERP is the best option for improving business process efficiency.

> ERP is an) important tool for companies of any size to achieve business and operational efficiency and visibility.
>
> C-suite, small/medium-software company

Most see costs as a challenge to ERP adoption, and point to business and technical goal misalignment as the main cause of ERP initiative failure

As the challenges, costs (55%) and the main concern for most, followed by ongoing management (50%) and tech stack complexity (50%).

And the top reason given for ERP initiative failure is a misalignment of technical goals with business goals (52%).

> Change management is a critical success factor.
>
> UK, large arts and entertainment company

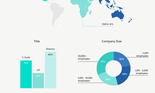
> I would change the way we have implemented our ERP and consult with more stakeholders.
>
> C-suite, large consumer goods company

Costs are the most important factor when choosing an ERP vendor, and ease of use is the most attractive feature

Most (55%) focus on ERP vendor cost when selecting a vendor, vendor reputation (50%), and whether they offer implementation services (50%).

The most attractive features in an ERP tool are ease of use (68%) and centralized dashboards (50%).

> The barriers to switching ERP systems are very high due to the cost of implementation.
>
> C-suite, medium-sized education company

> We are looking for ongoing management assistance.
>
> C-suite, large telecommunications services company

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