Acumatica

The Cloud ERP

Should I move my ERP to the cloud?

Every company is no doubt aware of cloud computing and the dramatic rise in popularity it has demonstrated in recent years. Many are asking themselves "Should we be moving to the cloud?"

Cloud computing is almost certainly a part of nearly everyone's computing landscape, from SnapFish and iCloud for personal use to SalesForce.com in business. There are many options available, including full-function ERP hosted in the cloud. The big question is whether a company with an existing on-premise ERP system should feel compelled to move to the cloud or else strongly consider the cloud when it is time to replace their existing system.

Some facts to consider

- Cloud computing is a deployment option, meaning it is a technology decision that may have a profound effect on your IT department but not so much on the users of the system. When done right, the system being deployed in the cloud is invisible to the system users.

- If you have made the decision to change systems or to implement ERP for the first time, the cloud decision is strictly the concern of financial and IT departments.

- When selecting an ERP system, choose the software that's right for your company, and only then consider deployment and infrastructure options after the software solution has been identified. Most ERP solutions are available in a variety of deployments including cloud and on-premise, but some are only available one way or the other. Making the deployment decision first limits your choice of software.

- Cloud computing doesn't necessarily cost less (or more) than conventional on-premise deployment. Cloud computing, and a subset of this philosophy known as Software-as-a-Service (SaaS), can change the nature of costs – from capital expenses to operating expenses. It's like the difference between buying or leasing your car. Compare the cost of ownership over a reasonable period of time – 5 to 7 years, for example – to see the true comparison of your total costs.

- There are some technology trade-offs that your IT department will have to address, including security, access control, availability and communication speed, network and communications

infrastructure, and the like. This is all part of their strategic posture and greatly influences the resources they will need and how they are used.

- There is also a significant HR concern. Staffing and tasking of IT resources are different under a cloud strategy than for on-premise. Be sure that the right people are involved in the deployment decision, after the solution selection is complete and the deployment choices move to center stage.

- ERP deployment is just one part of the corporate technology strategy. Be sure that any ERP deployment decision is made in context with overall IT plans and resources.

How to get started

Cloud computing is a popular approach because it offers alternatives that fit many companies' financial and technical needs. It is not necessarily the best approach for a specific company, application, or financial position. The primary take-away is this: application fit and implementation partner choice are the most important decisions you will make to insure ERP system success. Technology deployment is secondary and, although it is also an important factor, it does not affect the usability or the benefits of the system. Deployment decisions can be left up to IT and finance since the impact should be invisible to the users.