THREE WAYS TO TAKE CLOUD-BASED ERP TO THE NEXT LEVEL

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In a business environment dominated by remote work routines, enterprise resource planning (ERP) systems are critical technology. More than ever before, ERP platforms play a foundational role in the business, bringing together potentially disparate functions like financial management, operations, manufacturing, reporting and analytics and human resources.

The ability to operate and monitor your business remotely hinges on the accessibility, standardization and communication provided by your ERP software. To meet the demands of today's workplace, your ERP needs to provide the highest level of security, secure access to data and the opportunity to gain a competitive edge. Here are several ways you can take your ERP software to the next level and optimize its capabilities.

Automate Security Functions
As ERP platforms have evolved, so has the need for exceptional security. That means your organization needs to adopt a 2021 security mentality. We often see businesses stuck in the 1990s and early 2000s mindset with their cybersecurity strategies. Hackers today are more sophisticated and are capable of generating technology that deceives employees into disclosing sensitive information.

To protect your organization from evolving cyberthreats, it's essential for your cloud-based ERP services to offer automated security functions. With on-premises hosting, it is up to your business or an outsourced provider to maintain security. Automated security saves time and resources so you can focus on measures like cybersecurity training your employees. Other recommended safety measures include the required use of strong password policies, multifactor authentication and biometrics — all of which can be automated. For the highest level of security, use private cloud or specialized ERP hosting, which offers more security than the public cloud. Modern and secure methods of connecting to data, intrusion detection, and intrusion prevention also are essential.

Integrate Third-Party Applications
The ability to integrate third-party applications and APIs with your ERP systems expands your ability to apply advanced functions like forecasting and predictive analytics to decision making. When connecting to third-party applications and APIs, security is paramount — and it starts with the sourcing of data.

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offer a good launching point for intelligence gathering. This information is usually vetted and is typically more reliable than free third-party data. That is not to say that credible free data doesn't exist — it's just potentially less accurate or timely and requires much more scrutiny. Take advantage of advanced security features for authentication to ensure you are connecting with the correct data source.

Use Predictive Analysis

Predictive analytics use historical data, statistical algorithms and AI technology to predict future patterns. The right analytics strategy can help improve inventory management and production planning, detect fraud, optimize marketing strategies, manage risk and improve operations. To optimize the use of analytics, deploy an ERP system that can monitor and analyze external datasets relevant to your operation.

For example, if plastic is essential to your operation, ERP systems can be set up to monitor trends related to the supply and demand of the materials you need and base purchasing decisions on that data. And this isn't historical data — modern ERP systems can also use AI to make real-time recommendations and purchasing suggestions based on other conditions in the supply chain. Correlations between internal and external data inform future trends.

The exponential increase in external data sources also creates opportunities for more accurate predictive analysis. Volvo Group recently applied machine learning techniques to analyze past data and predict essential parts delivery and repair times for trucks. Preventative maintenance planning reduced diagnostic time by up to 70% and repair time by up to 20%. If used correctly, predictive analytics optimizes business strategy and saves time and money.

Leverage Your ERP For Cost-Saving Results

Investing in ERP optimization strategies can reap benefits for years to come. A 2018 study showed that the top three areas in which ERP produced ROI were reduced IT costs, inventory levels and cycle time.

Innovation and agility matter to your business in 2021. While you may not be able to predict everything, the right ERP strategies can better prepare your company to make informed decisions for what comes next.