# Moving Your On-Premise ERP to the Oracle Cloud

## The Case for moving your On-Premise ERP to Oracle Cloud

**SMART ERP Solutions®**

# The Move to the Cloud

GARTNER

GARTNER INC.

According to Gartner, By 2018, at least 30 percent of service-centric companies will move the majority of their ERP applications to the cloud.

The concept of a single ERP suite that meets all of an enterprise's needs is dead, and has been replaced by a hybrid ERP approach that combines cloud point solutions with a smaller "core" of on-premises ERP function, such as financials and manufacturings. Gartner predicts that hybrid ERP environments will be the norm within five years.

"Longer term, over the next 10 years and more, we envision a scenario where more of the market 'flips' to the cloud. Instead of having on-premises core solutions that are complemented by innovation or differentiating processes being supported in the cloud, some organizations will move all their ERP functionality to the cloud," said Nigel Rayner, research vice president at Gartner.

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You may think you settled the ERP issue many years ago.
When you moved your previous software to what should have
been an all-in-one solution, you thought you were set for the long haul.

But as your IT staff are probably telling you, upgrades are a necessity, in order to keep step with changing technology and provide optimal benefit to your business.

The evolution of Oracle to the Cloud and a new, enhanced platform will not only make your working life easier: it will save you time and money. Consider this and these other reasons why you should take a step towards a modern ERP solution.

## Understanding the Terms:
## Cloud, SaaS, PaaS, IaaS

Before you consider transitioning to a new ERP, it may be helpful to understand some of the terms used by IT professionals. Cloud-based ERP is accessed through the internet via an online subscription service. The software is not installed on your local servers or in-office hard drives.

That is why you will often hear the phrase SaaS, or "software as a service," used to describe the Cloud. PaaS, or platform as a service, is an extension of the SaaS concept. It includes both hardware and software, and is particularly useful for software developers. IaaS, or infrastructure as a service, is a full-suite model that includes hardware, software, storage, servers and other elements of a company's IT.

## The Business Environment Has Changed

Regulatory compliance rules have changed significantly in the past decade. Businesses must produce more detailed reports than ever before and do so more quickly. This compliance includes in-depth financial reporting if your business plans to go public. Once you're traded on the stock market, those reports will be necessary on a regular basis and will in large part determine investor confidence in your company.

While your legacy ERP may produce reports you're used to and that meet your day-to-day needs, they may not serve the expansion and growth of your company. As you get bigger, you'll have to scale your ERP accordingly in order to satisfy not only your own need for information, but also those who have a stake in your business. Scalability in your ERP is essential in order to not impede your business development, and Oracle Cloud can help you to execute rapidly and innovate quickly.

## Cloud-Based ERP is Cheaper

Many entrepreneurs are resistant to the idea of a new ERP because they envision an expensive and time-consuming overhaul of their existing systems. In reality, it may cost you more to maintain your current ERP than to transition to the Oracle Cloud. Upgrading away from an existing legacy system will provide significant return on investment (ROI), even taking into account total cost of ownership (TCO).

The Oracle Cloud allows for significant cost reductions. Due to the dramatic drop in need for consulting and maintenance, companies on average have been shown to have a 15 percent drop in IT spending. There is a 40 percent drop in consulting expenses and 25 percent decline in payments to IT staff.

## Technology is Moving Toward Cloud-Based ERP

In addition to personnel costs, legacy ERP systems cost businesses in hardware maintenance. Staff may have to continually tinker with old systems that no longer benefit from company upgrades, only to keep them working at the current capacity. Legacy systems will never grow to meet the increased needs of your business because the companies that created them have moved on to more efficient, next-gen ERP platforms like the Oracle Cloud.

## Cloud-Based ERP Has Enhanced Performance

Oracle Cloud provides for enhanced security that was not possible with legacy systems. This is increasingly important as your business data, including performance reports, detailed budgets and forecasts, is contained in an electronic format. Your business relies on its data, and its security must be paramount. Outdated systems are more vulnerable to privacy breaches.

Cloud ERP provides more consistent performance, without the annoyance of regular outages or upgrades to keep things running smoothly. Part of those massive IT costs you currently expend are for your staff to simply maintain an aging platform. Your IT budget is better spent empowering those people to use a modern system to support your company's growth with streamlined and relevant data.

## Oracle Cloud is User-Friendly

A common point of resistance to upgrading is comfort with an on-premise ERP. Entrepreneurs whose focus is on running the company, not learning new technology, have little patience for an entirely new system. This is understandable and entirely legitimate, since an ERP must provide optimal benefit to the individual user.

Oracle Cloud offers an extraordinary user experience that is intuitive and modern. Customers who choose to upgrade from legacy ERP systems often find the adjustment is not as difficult to make as they once assumed.

Business owners who are comfortable with an aging system might be surprised to discover how much easier, and better for their company, the Oracle Cloud can be. It combines the best of utility and ease-of-use to help businesses of all sizes grow and expand their enterprises. Its cost-efficiency, flexibility and ability to support business expansion make it a strong choice for companies across industries.

SmartERP provides unique services and solutions for Oracle Cloud that help to drive speed and agility for your organization. Cloud-based solutions and services can provide

faster provisioning, on-demand access, and scalability. Every organization has varying needs, requirements, business process and infrastructure—from hardware to application portfolios to network architecture and beyond.

> "
> SmartERP offers comprehensive implementation packages to help you get up to speed with your Cloud investment.
> "

# SMART ERP
### S o l u t i o n s ®

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