

Business Post

How ERP has been an unexpected lifeline for companies during pandemic

For most companies, enterprise resource planning systems are at the heart of how they do business – and the ability to continue to use these systems through the Covid-19 pandemic and resulting work-from-home era of Irish business has been crucial



The pandemic has made many companies realise they do all their business remotely – all that's needed is really good communications software

For many, the ability to make their line of business applications work for them with a distributed workforce has made all the difference, and in many case has led them to rethink how they organise their work life.

“The move towards facilitating people working remotely is something that’s here to stay, for a lot of reasons. Some of those reasons are business related, some are social and some are personal. The outcome of all this that I see coming is a hybrid organisational model for a lot of companies, depending on the product and service they offer,” said Ray Ryan, chief executive officer of the Noledge Group.

“If I look at our own specific business, which is in the IT sector delivering support services to companies using financial ERP and accounting software, we can do our whole business completely remote and have no need to go to an office at all. The pandemic in fact has made many companies realise they can do the same – all that’s needed is really good communications software.”

The Noledge Group has relied upon Microsoft Teams to keep staff on the same page across its two companies, Envisage and Osssm.

“One of our companies is a Sage partner and the other is an Oracle Netsuite partner. Sage is a hybrid product that can be run from the cloud or locally and the Oracle product is cloud-native. When things changed back in March 2020, the Netsuite client base just worked on with no impact to their workflow,” he said.



Ray Ryan, chief executive officer of the Noledge Group: ‘The move towards facilitating people working remotely is something that’s here to stay’

“They were able to just remotely log on from a browser on their laptops and on they went. The Sage user base needed a bit more hand holding and that took around a month-and-a-half to get the hardware providers involved to operate VPN logins.”

One challenge for companies like those in the Noledge Group that are reorganising themselves and using remote communication tools more than they were before, is how to effectively deploy and maintain corporate culture.

Personal relationships and corporate culture are most easily created in person, but nevertheless they are an important aspect of business. Just because staff aren't in the office doesn't mean this element of management can be dispensed with.

"One thing that helps is using video as much as possible. I'm pushing this through the business at the moment to improve professional engagement, by pushing Teams as a default method of communication with customers on support calls," said Ryan.

"It's important that they see a face at the end of the line and that the person on the call is engaged with them, and isn't just staring off into the distance. Your employee will reflect your culture when they're talking to the customer."

Getting this just right is something that Ryan believes has yet to be fully figured out by the providers of communications software. A face on a screen isn't enough, but it's better than a disembodied voice. An in-person conversation is best of all, but we're at a new dawn in how businesses are organised and this will get ironed out over time.

"The one thing I miss sitting in my office with my team of people around me – and we would have 30-odd people normally – is when a sales call is going slightly wrong and you can step in and help a sales person learn how to bring it right. Being able to grab that situation instantly because you happen to be walking past the person's desk is a big advantage," he said.

Meanwhile, the Covid-19 pandemic has had an interesting effect on the market for ERP and mid-range financial products. According to John Donagher, consulting manager of Lumenia Consulting, it initially led to some great deals for customers, but things have subsequently levelled out a bit.

"Over the last 12 months we initially saw a lot of vendors scrambling to close deals. There were discounts on offer at a scale that you wouldn't normally see, but that seems to have passed now. The landscape is a little bit more normal now and, if anything, things are a little on the quiet side."

"It's nothing like the panic stations from the vendor side that we were seeing between last April and June. Things have settled down. But I still think it's a good time to buy because, while things have recovered to some extent, it's certainly not a buoyant market and I think European financial vendors are keen to do deals," he said.

So while the world has been turned upside down by Covid and there has been an exodus from the workplace, companies operating in the ERP and mid-range financials space have to do deals to stay in business. The message from Donagher is that if you're a company looking to invest in ERP and the circumstances are right for you, there are still deals to be done.

Lumenia Consulting specialises in helping companies implement core ERP systems, so according to Donagher it frequently works with companies looking to either replace technology that's dated or which they've outgrown.

"They're in a situation where the business has changed and what they've got isn't fit for purpose anymore. In that scenario, we're looking at the core operations of the business, areas like finance, procurement, sales, inventory, manufacturing and so on," he said.

"Covid-19 hasn't changed that and there are still companies which need to do all of that core stuff. But now there are also companies that are looking at opportunities to do digital transformation in response to Covid. They're thinking beyond core functionality, but we would always advise them to get the core right first. Our experience is that if you don't have that right then trying to do digital transformation initiatives isn't the right move."