ERP Strategy & Roadmap

Changes in business and technology force organizations to redefine their ERP strategy and underlying ERP roadmap. New developments provide great opportunities but also bring new complexities. Your ERP strategy and roadmap are the basis for the effective alignment of your IT landscape with your business strategy and help you get the most value out of your ERP systems.

**Why ERP strategy matters**

Organizations face internal and external forces arising from stakeholder expectations, growth, regulations, competition as well as technological advances that trigger the need for (re)defining the ERP strategy. ERP’s success will hinge on adapting to these changing business conditions.

ERP strategy and roadmap is mainly focused on maximizing business value from ERP and related applications. ERP strategy and roadmap includes the design of your process and ERP architecture, selection of applications and defining a roadmap to get to the desired end state.

From a technology perspective this also includes making clear choices on the use of On Premises versus Cloud (such as Oracle Cloud), the use of in-memory technology (such as SAP HANA) and the use of specific cloud-based applications on top of your core ERP application. For example to support your Purchase-to-Pay (P2P) process and supplier integration with applications like Coupa, Esize, Ariba or Basware.

Different expectations and the need to focus on both maintenance of current ERP and innovation towards future ERP result in tough choices that are to be made. In the quest to find the balance between lowering cost and increasing value from ERP an effective ERP strategy and roadmap will support you navigating the strategic challenges.

**ERP enabled transformation**

ERP strategy and roadmap definition is not an isolated activity. It is the foundation for a future state situation and is used as starting point of a bigger transformation enabled by ERP (such as integrating acquired businesses, changes in the business model, business process redesign).

In our approach “ERP Strategy” covers both the “Strategy” and “High Level Design” activities.

- **Strategy** is focused on assessing the current state and defining the design principles for the ERP (and process) landscape ensuring alignment with the business strategy.
- **High Level Design** is focused on defining the process and ERP architecture.

**Alignment of ERP and business strategy**

Your ERP and related applications support your business processes and therefore it is key that ERP strategy is always considered from both an IT perspective as well as business perspective. In this way it is ensured that besides classic IT themes (such as the total cost of ownership and maintenance) also business topics such as the standardization, simplification and integration of processes are included and your ERP strategy is best aligned to your business strategy.
Key areas of ERP strategy & roadmap

ERP strategy & roadmap covers the full range of activities needed to (re)define your ERP (and process) landscape. In the overview below the key areas are shown. The outline on the right provides further information per area.

Why KPMG

KPMG can support your organization in all areas of ERP strategy and guides you in defining a vision on ERP and the way it will support your business strategy and your business processes. This not only includes defining the ERP strategy itself but also translation to concrete next steps to actually realize the ERP strategy as well as the implementation of the defined initiatives.

Our ERP specialists have in-depth knowledge and insights in latest technology developments and cover all key ERP applications such as SAP, Oracle and Microsoft. Our ERP specialists know the trends and roadmaps (such as for S4HANA and Oracle for Cloud) but also have in-depth knowledge of these applications to support with process and architecture design. To support you making the right choices.

KPMG has both a national and international focus. Due to our local presence KPMG can support you both on global and local level in the desired language and aligned to the local culture. Above all KPMG is independent in our advice on ERP cost, IT partners, ERP solutions and roadmaps.

Overview of ERP strategy & roadmap

- **Operating model:** defining the operating model that best supports your business ambition; main focus is on design principles and architecture of processes and IT.
  
  Key themes are standardization / simplification of processes and IT, integration and separation, delivery models (e.g. Shared Service Center)

- **Current state:** assessing the current state of processes and IT as input for improvement opportunities and high level design of operating model

  Key themes are IT cost analysis (CAPEX/OPEX), complexity analysis and complexity reduction, AS-IS analysis and functional/technical quality assessments, maturity assessment

- **Process design:** defining the process model and understanding the requirements as foundation for defining the supporting ERP landscape

  Key themes are BPM, process standardization, controls, requirements analysis, fit/gap analysis, customization versus development

- **Solution Design:** defining the ERP landscape that best supports the process model and business model strategy

  Key themes are scenario development, vendor selection, best-of-Breed, cloud vs. on premises, postmodern ERP, in memory, big data.

- **Roadmap:** defining next steps to realize the defined ERP strategy while maintaining a balance between controlled projects and business ambition

  Key themes are program and project planning, business case analysis, (multi-year) roadmap definition.