

## View Point



### ERP Service Management Collaboration over Cloud

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Prashant Rohatgi, Ravi Kumar S

CXOs are affirmative that enterprise's IT portfolio must have ERP to move up the value chain. However, they are concerned about ERP deployment - high overall cost and low return on investments.

ERP deployment cost comprises of 3 key components –

1. Hardware and Software cost
2. SI Implementation Cost
3. Business and IT resource cost

On an average, System Integrator's (SI) implementation cost accounts for 50% of the total cost.

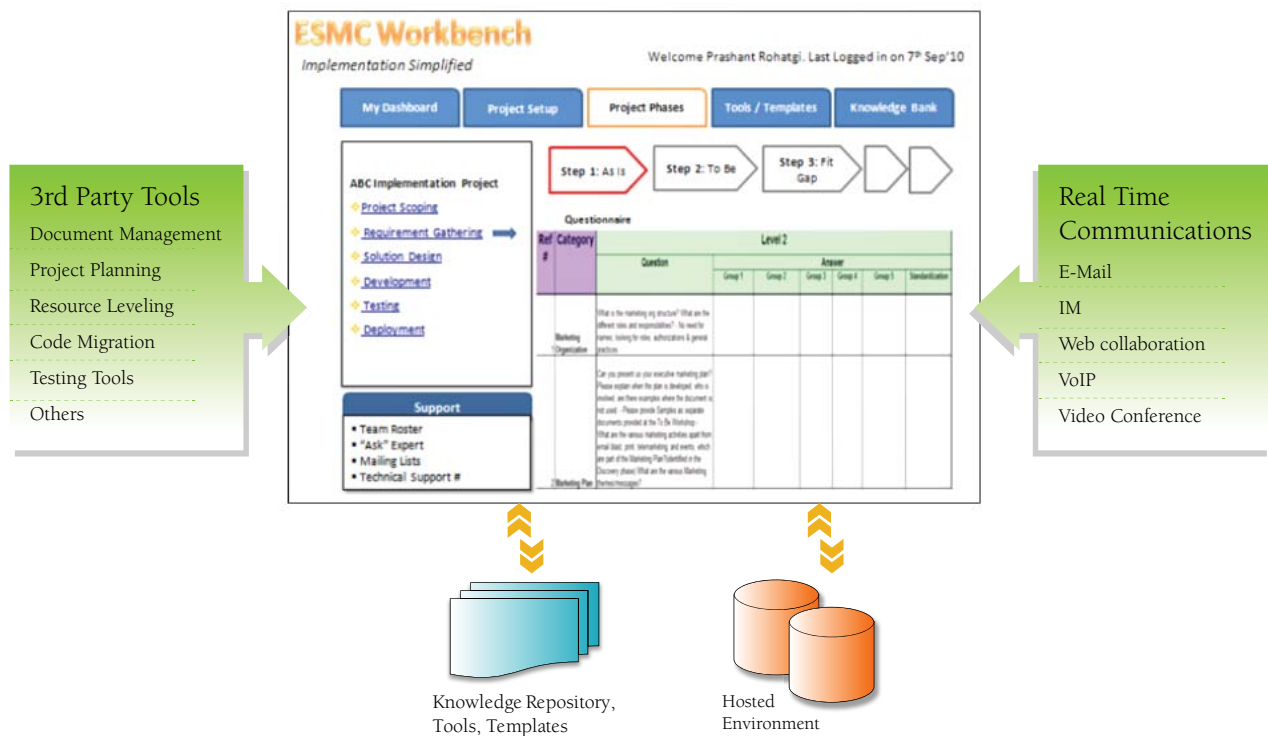
To address CXOs concern, SI needs to constantly innovative their execution model to lower implementation cost and to reduce time- to-benefit. Conventional service model have effort dependency and significant time lag in sharing information. Conventional models may ensure completion but either time, budget or stated benefit realizations is always compromised. Market slowdown has given an opportunity for SI's to relook their model and come up with innovate service offering that implicitly controls time, budget and scope and explicitly delivers stated benefits leading to higher customer satisfaction.

Here a hosted ERP services management collaborated model is ideated to aid system integrators and IT managers in improving implementation effectiveness and efficiency.

## ERP Service Management Collaboration (ESMC)

ESMC, a hosted workflow driven workbench, integrates implementation approach, gives access to project stakeholders and acts as a collaboration platform for internal and external teams to interact and enhance overall productivity.

Figure 1: ESMC Workbench Integration



ESMC workbench over private cloud (as indicated in Figure 1) will become the way implementation services are offered to enterprises in future. Key features:

- Integrating with Document Management Solutions
- Integrating with Real time communication like Web Conferencing, IM, Video Telephony, etc.
- Integrating with platforms and enterprise applications (like Oracle, SAP and other ERP).
- Supported by cloud vendor. Relieving SI and client to focus on delivery.

## ESMC workbench Usage in ERP implementation

ERP implementation typically spans over multiple years. Implementation teams work from multiple client and SI locations. In typical scenario, teams are stationed in 3-4 locations at any given time. Coordinating teams and involved locations are further multiplied in case of parallel rollouts.

Typical ERP programs have numerous inter dependent tasks to be performed by multiple teams across geography. Tracking each task becomes gargantuan effort for managers. Effective collaboration within teams and integrated progression of program activities is required for successful implementation – on time, within budget and meeting stated benefits.

ESMC workbench can provide the required integration, execution, sharing, tracking and support for implementation programs. Well integrated workbench will provide “Just in Time” services to reduce time and effort slag; enhance productivity and reduce overall implementation cost.

ESMC Workbench will have SI implementation approach as the backbone. Implementation phases will be interconnected through set workflows. 3rd party tools will be engaged on pay per usage basis. Managers will be able to track progress at each level on real time basis. Project specific workbench will either pull information from knowledge repository, etc. or push information to dashboards, secondary operation services, etc.

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ESMC workbench features in typical ERP implementation program are highlighted:



PMO can execute an “interactive” plan and tighten overall management. Workbench usages are:

- Project workbench setup (plan, scope, workflow, etc.)
- Project plan integration with reporting and notification tools.
- Workflow driven potential risk / mitigation management.
- Knowledge Management (wiki, “Ask Experts”, etc.) services.
- Progress indicators, specific dashboard, etc. to continuously monitor and control.
- Project enabling information (such as operation, quality, etc.) pushed on need basis.

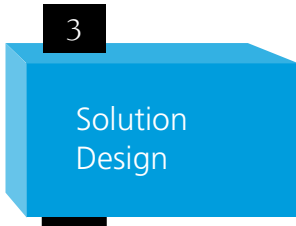
There are long term benefits for adapting the workbench. With automation of mundane effort, managers will be freed up to manage exceptions. Dashboards will provide real time updates.



Using workbench, project tasks will be moved to respective team member queue and progress will be recorded automatically. This will keep project planning at center of all effort and give manager tighter control. Workbench helps in:

- Accessing As-Is documents and questionnaires from document management tool.
- Integrating Web Conferencing, IM messaging and other software for discussion.
- Hosted CRP environment on workbench for product demo.
- References to Vertical specific business models.
- White boarding business processes through online collaboration.

Integrated workbench will marginalize onsite presence; optimize resource utilization; provide on need based SME support option; support reuse of proven business models; reduce people dependencies and lead to better interlinked & organized deliverables. Efficiencies can reduce timeline significantly.



Design can be perfected by systematic collaboration. Workbench will:

- Provide reference- able wikis, pre-configured processes, etc.
- Collaborate with product vendors and industry experts to fail-safe the solution.
- Conduct solution workshop and track user feedback through Web Meetings.

Embedded communication tools will reduce onsite presence. SI will have flexibility in staffing (between generalist onsite and shared pool specialist at offshore). Collaborating with experts will provide best in class solution. Document and Approval Management will be effectively orchestrated.

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This phase determines the quality of execution. Significant efficiencies brought in by using project specific workbench:

- Development resource modulation using real time planning
- Artifacts, tools and proven reference-able scripts availability
- Online SME review and coding audit check at regular intervals
- Automated UTPs with requirement linkage
- Development effectiveness measurement on real time basis

Custom delivery can be enhanced by using required knowledge, tools, gating and auditing and other automation.

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Testing links back to requirements. Test plan, scenarios and scripts can be effortlessly prepared from requirements captured on workbench.

- Unit test cases “drag & drop” for integration and user testing preparation.
- Automated testing tools on workbench for respective testing needs.
- Online user testing using testing tools, hosted instance and Web Conferencing.
- Automated defects assignment and resolution using knowledge repository.
- Real time testing status. Online discussion for any remediation.

Automated and detailed testing will ensure solution alignment to stated requirements. With automation and set workflows, face to face presence can be reduced.

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## Deployment

Multiple rollouts can be well affected using workbench:

- User manuals preparation using workbench traceability and SI artifacts.
- User Training through hosted environment and embedded communication tools.
- Production Monitoring using reports and embedded communication tools.
- Project history availability on workbench for production support.

Workbench helps in keeping all the activities well knitted and timely executed. Thus collaboration will be productive for both client as well as SI. SI can offshore effort and provide cost effective services to client.

Stated business benefits will be the driving force for project planning and will be center of implementation activities in each phase. Dashboard & reports will measure implementation against stated benefits.

## Financial Analysis

For implementation cost\* financial analysis, a large transformational implementation program is considered (4 rollouts in 2 year span, around 715 person month SI effort, 40% onsite presence)

Using ESMC workbench model, overall timelines can be reduced by around 13%\*\*.  
SI implementation cost can be reduced by around 18%\*\*\*. We have considered 2 key parameters for this analysis:

1. Reduction in Timelines.

*With automation and other efficiencies, both effort and timeline are reduced.*

2. More work done from low cost offshore location.

*With ESMC workbench onsite presence can be reduced significantly.*

\* Hardware and Software costs analysis not considered.

\*\* Timeline savings are indicative and will vary from project to project.

\*\*\* Implementation cost savings are indicative and will vary from project to project.



# Conclusion

ERP Service Management Collaboration Workbench is a need of the hour. It will help IT managers to have firmer grip on project execution and reduce time to benefits. For SI partner, it will be a practical model to coordinate, collaborate and deliver services. Resource planning, leveling and optimizing will be highly orchestrated giving flexibility to better SI's margin as well as share the advantage with client as cost reduction. It will definitely be a positive move in current market condition.

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## About the Authors

[Prashant Rohatgi](#), Principal Consultant at Infosys

[Ravi Kumar S](#), Vice President & Global Head- Consulting and Systems Integration Practice, Manufacturing Industry Vertical, Infosys.

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