Ask the Enterprise Software Experts

Editor's Note: Eval-Source [1] is an enterprise software company that provides its customers with system benchmarking, investment evaluation reports and procurement automation outsourcing. In order to help readers wade through the complex world of enterprise software solution, we have teamed up to answer your most pressing questions in a public forum.

The following list is some of Eval-Source's most commonly fielded questions, and should be a good start for anyone diving headfirst into the likes of ERP and benchmarking. If you have questions of your own, one that you would like to see published on Manufacturing.net, feel free to contact Eval-Source directly at mbtexpert@eval-source.com [2].

Q: What is the difference between cloud and software as a service (SaaS)?

A: The differences between the two are SaaS refers to an application only that is delivered over the internet while cloud computing refers to any combination of products, services and applications that are delivered over the internet. As SaaS offerings evolve there are applications and suites that are considered SaaS. The cloud can be thought of as the ecosystem in where all the virtualization exists. Items such as storage, backup, support, applications, platforms and infrastructure are all included in cloud solutions.

Q: I have a new business process that my business requires but my current ERP does not have those capabilities what can I do?

A: One area is to look at pointed solutions to supplement your current ERP system which are available as on-premise or SaaS. Another scenario may be a lack of configuration of your current system requirement so start by investigating if your existing system is capable of the new required functionalities.

Q: What hidden costs are associated with SaaS or cloud systems?

A: When looking at SaaS or cloud computing a true TCO is a major component that should be understood. TCO includes factors such as understanding monthly subscription fees, training, transaction usage, length of contract, options to switch to on-premises licenses, is there cost to release data if you cancel your subscription, support and maintenance. Integration, data migration and implementation costs

should be considered additionally as they still occur. Understanding tenancies can allow you to distinguish between vendors' pricing models.

Q: Are there any cloud security standards?

A: Yes, there are several standards that exist. These protocols are certifications and are used as guidelines. Namely there are emerging protocols such as SaS 70 1&2, PCI DSS and the SIIA specifications. Industry specific protocols are being developed as SaaS solution become more popular. The SaS 70 1 & 2 standards address encryption, as well as where data is stored as part of the certification process.

Q: I make cookies and pastries and need an ERP system to manage my manufacturing and distribution functions along with contacts and accounting what kind of software do I need?

A: Vendors that sell ERP software usually classify their software in four types of software being Process, Discrete, Mixed-Mode and Engineer-To-Order. Usually, any type of manufacturing can be categorized into these four categories and then the industry specific vertical as a further qualification criteria. In your particular case, you will need to consider a Process-Based ERP system. Process-based ERP systems will offer the manufacturing components and the recipe management that are required.

Q: What differentiates software vendors when I am looking for a system?

A: Vendors are very particular about the software they sell therefore a key differentiator to consider is target industries. Some vendors target specific or a few verticals and market segment size, while other vendors that can offer a broader solution offer a wider range of verticals they target and a broader customer base. This is usually dependant on the four types of ERP categorization ETO, Process, Discrete and Mixed Mode. Some vendors offer one or several types of software targeted to different customer sizes and industries.

Again, contact Eval-Source with your most pressing questions, and see them posted on Manufacturing.net: mbtexpert@eval-source.com *[2]*.

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