

BUSINESS CASE FOR ERP COST SAVINGS AND BUSINESS BENEFITS ATTRIBUTED TO EPICOR ERP

ORGANIZATIONS PLAN TO IMPLEMENT ERP SYSTEMS FOR A MYRIAD OF REASONS, THE MOST CRITICAL FACTOR FOR DECISION MAKERS IN THE ORGANIZATION IS A CAPITAL EXPENSE JUSTIFICATION OR ROI ANALYSIS

ROI analysis is essential to quantify the expected direct and indirect costs of the ERP implementation project against the business benefits a company can see within 3 to 5 years of an ERP system implementation. A business case outlining the costs, expected benefits and ROI of an ERP implementation is an integral part of getting stakeholder buy-in for an ERP project.

WHAT ARE THE KEY PARAMETERS OF MEASURING ERP ROI THAT ARE WORTH PAYING ATTENTION TO?

The key parameters are cost, complexity, adoption costs, consulting fees, license fees, manpower, infrastructure and savings.

RETURN ON INVESTMENT

$$\text{ROI} = \text{TCO} \div \text{Years} + \text{TCO} \times \text{Profits Increase Forecast}$$

$$\text{Example: ROI} = (\$100.000 \div 5 + 100.000 \times 10\%) = \$30.000$$

This is merely a high-level estimate; further analysis will be required to refine an estimate of your organization's total ERP costs and associated benefits realized.

Let our experts help you with that
Get your ROI assessment now

ERP ROI computation has become an integral part of every company's decision-making process.

42%

of the businesses gain most from ERP when ROI is clearly articulated and accurately calculated

*Source - Easy ERP

According to Aberdeen Group, organizations obtain the most benefits for the ERP system, if the possible ERP ROI was identified before the start of ERP project and evaluated continuously throughout the implementation process. The methodology of determining the ERP ROI helps you identify where the best effect for the particular business has been achieved. Unfortunately, many companies often avoid ERP ROI calculation when it comes to the selection of the system.

WHAT ARE THE BENEFITS THAT YOU OUGHT TO KEEP TRACK OF?

Tangible Benefits and KPIs

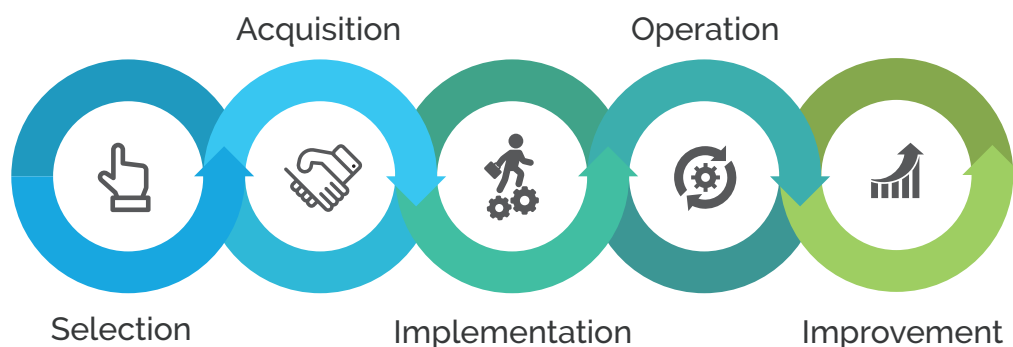
- The increase in effectiveness of manufacturing as a result of effective management of the equipment;
- Enhanced allocation of resources to lower costs on the workforce;
- The improvement of the process of procurement to lower the cost of the materials;
- Improved planning and control to shorten work-in-progress times;
- Reduced double entry and errors through managing processes in one unified system;

Intangible benefits and KPIs

- The strengthening of tighter sales cycle by better accounting control;
- Enhanced customer service;
- Better compliance and audit controls;
- Standardized procedures;
- Increase accuracy of inventory data;
- Shorter order to shipment cycle.

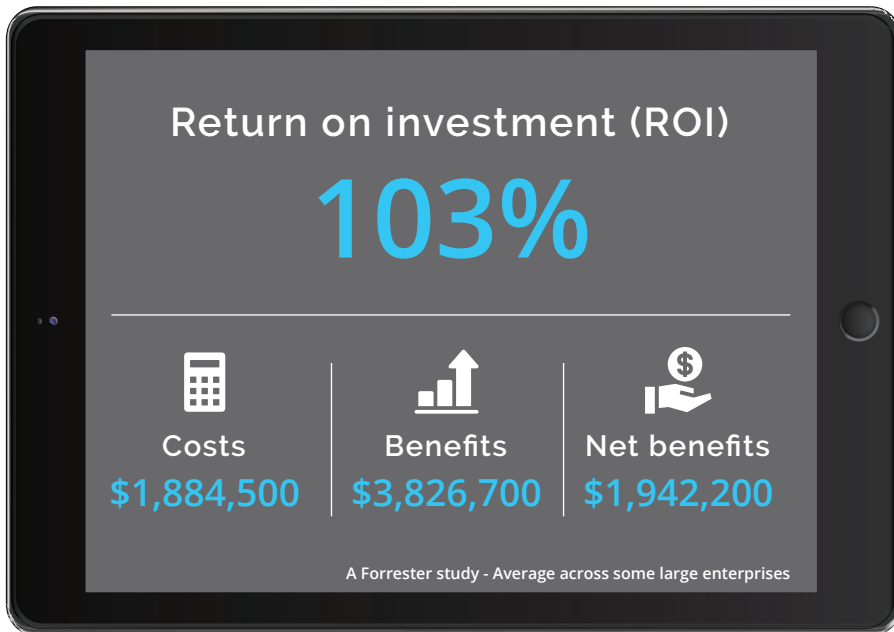
FACT:
A majority of organizations do not have the internal expertise necessary for achieving ERP success. When they don't hire an experienced third-party, they limit their level of benefits realization and reduce their potential ROI.

Life cycle of ERP should be considered to accurately compute ROI



THE TOTAL ECONOMIC IMPACT OF EPICOR ERP

Epicor ERP is changing how midsize enterprises compete and grow by offering simpler, faster and more flexible business management capabilities at a fraction of the cost and complexity of typical enterprise systems.



According to a recent Total Economic Impact (TEI) study by Forrester, Epicor customers can expect a favourable ROI of 103%

Furthermore, with Epicor ERP organisations achieved significant business benefits and productivity improvements across its supply chain management, production management, planning and scheduling, sales, finance and IT functions including:

- Increased inventory turns resulting in a 15% reduction in average inventory levels.
- 12%-time savings (2,500 hours per year) in production control as a result of implemented lean manufacturing capabilities.
- Increased productivity due to the integrated manufacturing execution system (MES) for online visibility of plant floor and plant-based transactions.
- Increased sales productivity and improved customer satisfaction through more accurate sales estimates and order fulfilment, streamlined order-to-cash processing and self-service e-commerce storefronts.
- Improved cross-organisational financial visibility and control over financial reporting, planning, and forecasting processes, while complying with corporate, finance, and international trade standards.
- Continuous improvement and increased productivity through creation and enforcement of unique business processes, alerts and workflows that eliminate waste among critical business processes without customizing the software.
- Relatively short time to implement and deploy, lowering cost of ownership and accelerating ROI.

Average payback period is 15 months for an on-premise implementation

THE RHEINBRÜCKE DIFFERENCE

THE EFFECTIVENESS OF THE ERP DEPENDS ON THE EFFECTIVENESS OF BUSINESS THAT INCORPORATES IT

RheinBrücke has developed flexible Epicor ERP solutions for a myriad of industries. Our flexible solutions increase the ROI as we offer built-in unique functionalities for different industries, such as real time project management for EPC companies, traceability & allergen tracking for food manufacturers, quality control mechanisms for discrete manufacturers, detailed inventory management for distributors, and many more, making them valuable solutions for countless enterprises.

Specifically designed to help companies grow faster, our Epicor ERP solution integrates finances, inventory, purchasing, manufacturing projects, sales, and customer service, allowing many processes to be automated & simplified.

The integration and unification of department's gives customer service access to an accurate and comprehensive view of real-time information. This gives them the tools to provide the best service possible for your business, all of which only increases the overall ROI of our Epicor ERP solutions.

GETTING STARTED

Meet our experts and ask them about the ROI of companies similar to yours and what benefits they were able to experience from implementation and use of their systems.

Get your ERP ROI assessment


To know more please [click here](#)

HOW TO
MAXIMIZE ROI:
Training
employees is the
key - Take the
time to document
future state
business
processes,
address
employee
resistance to
change and
develop a
benefits
realization plan.



RheinBrücke IT Consulting DMCC
PO Box: 342060,
234 & 235, Technohub-2,
Dubai Silicon Oasis,
Dubai, UAE

 marketing@rheincs.com

 +971 50 650 8854

 www.rheincs.com