

IN POSITION



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Turn the Biggest Technology Challenges into Opportunities

Technology can help transform organizations by optimizing business processes to help achieve scale and consistency, improve productivity and operational performance, and enhance the ability to manage risk and compliance. The pressure to achieve cost-efficiencies makes it difficult to navigate the best way forward. Principal KPMG LLP (US) and Global Oracle Lead Partner, Angela Carter, shares how companies make better strategic decisions by addressing both the challenges and opportunities of enterprise resource planning (ERP), data management, and cloud.

“There is a shift happening in the marketplace from cost-cutting and efficiency gain initiatives to a focus on business transformation aimed at customer engagement. With this we see a renewed energy in using technology including ERP upgrades, cloud computing, and information architectures as a means to drive transformation.”



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Q: Why is now a good time to consider a total upgrade of your ERP system?

A: Now, more than ever, there is an opportunity to leverage technology to achieve core business objectives such as the centralization of shared services, optimizing the tax efficiency of your supply chain, or global accounting compliance. You cannot achieve these simply by adding new functions onto an existing ERP system.

In the current climate, the last thing many organizations want to do is spend more money on technology. But implementing a total ERP upgrade puts you in a much better position to be more efficient and to adapt to changes in the market more effectively.

Q: The goal of business transformation is not new, but it has remained elusive. Why is true business transformation more realistic today?

A: Technology has now reached the point where sustainable transformative benefits truly are achievable. Take the supply chain, for example. If you can better understand customer patterns, and identify the data around customer demands, analyze and evaluate it, and then use that data to optimize your supply chain, it's incredibly powerful. There was no way you could have achieved that before, but the latest ERP systems can help you develop a predictive supply chain that anticipates, rather than reacts.

Q: How are companies effectively managing the ever-increasing amount of data they are dealing with?

A: A recent KPMG study cited information management as one of the top two causes of complexity in a company's world today. Customer experience is one key area—historically, that meant buying and using products. Now, we have access to information such as how customers use your product, when they use it, why they use it, and what they think about it. By looking at this information, companies can more carefully review inventory levels or supply chain efficiencies, for example.

It is very hard to envisage a dynamic, responsive company that makes the right strategic decisions without collecting, analyzing, and querying their

data in this way. A good consultant can help you draw a map of where your data sits, how to structure it with the rest of your systems, and how you can bring together the right analytical tools with your ERP and other applications.

Q: How do you expect cloud computing to add value to an organization?

A: We've done some research that shows 78 percent of our clients are evaluating, implementing, or managing cloud-based solutions. At the moment, most CIOs are grasping the low-hanging fruit—which is what can actually be moved to the cloud now. The next step is to look across the broader core applications and learn how the cloud can help reduce your costs and infrastructure.

But the cloud is not a panacea. Opportunities for flexibility and savings also bring challenges. Companies need to step back and define a cloud strategy that is supportive of their overall business and technology plan and roadmap. There are numerous options of how cloud computing can help add value, such as in increasing the time to launch new technology or lower resource costs for utility computing. The best option for a company should align with their growth and cost strategies and ensure they evaluate the risk, compliance, and integration components of cloud that drive total cost of ownership. You need to make sure that you're not chasing savings at the expense of something else.