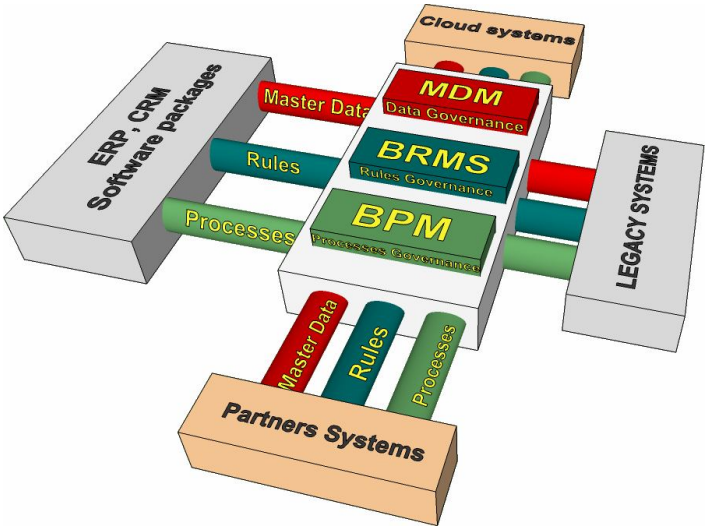
Agility Chain Management System and ERP

Does your ERP become a complex system when upgrading its versions?



When your ERP upgrades impact on business then Business-IT alignment is dead.

Most of the time, companies customize their ERP systems through an approach of hard-coding within the ERP with rigid languages and toolkits.

When it is time to upgrade these systems, you face many problems because of historic customizations non-compliance with new versions. Everyone knows that parameterization tools provided by Vendors of software packages (ERP, CRM, etc.) are not sufficiently agnostic or enterprise-wide to tackle this concern. **This all to common approach to deliver ERP customizations are too expensive and unsustainable**.

In recent years, companies have recognized that implementing an ERP without an enterprise BPM to manage their key processes is a big error. Today, every modern ERP is able to connect itself to external workflow systems and BPM. **Unfortunately, companies have forgotten or not understood that their processes rely on shared Data and Rules requiring a governance at the level and scale of the whole IS, not only limited to the ERP scope.**

To enforce a better management of ERP upgrades, all customizations must be pushed to business repositories outside ERP, in other words within MDM, BRMS and BPM.

To achieve this approach a Model-driven MDM must be deployed first. Software packages, such as ERP and CRM, are seen by the MDM as legacy systems. The shared data model managed at the level of the MDM defines all business data, regardless physical descriptions existing within ERP, CRM and other legacy systems. This is a Common Information Model. Obviously, when designing this model, Data Architects can benefit from existing data models within ERP to avoid a blank page effect. As is usual, the MDM repository is synchronized with ERP Reference and Master Data repositories either in a one-way communication and/or a bidirectional one, depending on requirements.

The same approach must be applied at the level of Business Rules as well. Most of rules can be authored and executed within BRMS rather than hidden within rigid and opaque ERP customizations. To achieve that, two points must be ensured:

- Mastering and governing shared data used by business rules: this is why you need to deploy MDM and Data Governance first.
- ERP must allow to implement a communication with the BRMS, in other words relevant API and triggers must be published by software packages.

Best practices exist to support and drive this architecture, including data modeling procedures to guarantee that the shared data model built for the MDM is fully reusable when Business Rules are added. A progressive and iterative development lifecyle is used to avoid a tunnel effect. To get more information about these best practices, please visit our sister community MDM Alliance Group (www.mdmalliancegroup.com).

By way of conclusion: enforcing the linking value of "MDM + BRMS" is a critical success factor in ERP and CRM upgrade projects.

The real IS value is located at the level of ERP and CRM customizations, not at their standard cores. Then, why freeze those IS Assets with hard-coding and/or proprietary parameterizations within ERP and CRM, when enterprise business repositories MDM and BRMS can absorb, run and govern these IS Assets in a sustainable way and cost effective manner?

As you can guess with the figure presented above, the IS Foundation brought by MDM+BRMS+BPM empowers a complete IS governance at the whole scale of the company, regardless of the complexity of its software packages and legacy systems. It also manages and oversees business operations with third parties systems and other outsourced approaches such as Cloud Computing.

At Sustainable IT Architecture, we firmly believe that establishing this IS Foundation is the right way to enforce a concrete Enterprise Architecture, without big-bang approach and benefiting from a real involvement of Business Users through Data Governance features brought by MDM, then Rules Governance with help from BRMS.

We call this IS Foundation "Agility Chain Management System (ACMS)".