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Benefits of Cloud-based ERP systems

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Table of Contents

Task 1: Identifying Benefits of Cloud ERP Systems	1
Low Cost	1
Availability	1
Disaster recovering and instant updates	2
Easy Integration	2
Main business focus	2
Task 2: A Case Study of Cloud ERP System	3
Standardization of processes	3
One integrated system	3
Standardized reporting	3
Improved key performance indicators (KPIs)	3
Lower costs	3
Task 3: Reflection of Cloud ERP Benefits	4
Task 4: References and Report Format	5

Task 1: Identifying Benefits of Cloud ERP Systems

Low Cost

- Lower upfront charges: Because computing resources are segregated from corporate location, organizations do not need to spend for creating the computing environment; simply put, they pay for accessing the environment via the internet. Lower operational charges: Cloud vendors (CSP) are responsible for handling and delivering cloud services, which would also result in the detachment of corporate activities and expenses (Egbon, 2020).
- Reduced Investment, the implementation of cloud services saves expenditures tremendously, benefit from lower infrastructure, user license, and installation costs. Therefore, unlike traditional systems, switching service providers is rather simple. Save cash and effort, Servers necessitate a substantial portion of maintenance. Nevertheless, with such a cloud-hosted ERP solution, have no need to manage your personal hardware and software for servers since the supplier owns them. You also minimize the volume of IT personnel necessary for routine maintenance as there is no server. As an outcome, the cost of Hr. leaders diminishes, all the server maintenance-related extra expenses, such as power, office space, repairs, and upgrades, are abolished (Egbon, 2020).

Availability

- Scalability: Cloud services are quite elastic; organizations may scale down or scale up the resources they utilize depending on the current usage. In terms of value generation, SMEs typically find it tricky to compete with large firms. Nonetheless, cloud-based technologies provide them with the advantage of scalability. Resource elasticity and resource pooling helps them in accomplishing organizational agility and performance whilst competing with bigger corporations (Arif razzaq, 2020).
- Better access, agility, and functionality: Cloud-based applications operate in an inclusive environment, enhancing accessibility capabilities. This improves accessibility, which will in turn enhances the implementation of cloud ERP in and out of the organization. Convenience of Access, the internet is used to link cloud-hosted ERP systems. Therefore, each authorized individual with connection to the internet can access the ERP at any location and at any time. It makes perfect sense for field laborers and remote workers. They can view and edit information in the cloud using personal devices such as phones and personal computers. As a result, your organization is actively working while on the move. These organizations will raise or shrink their IT and then provide the room to make adjustments more quickly. Modern global market sites have to be flexible and adaptable in terms of making organizations more adaptable, according to

Disaster recovering and instant updates

- Rapid updates and improvements: Cloud solutions may be upgraded or enhanced more quickly than traditional ERP applications. Cloud service provider (CSPs) conduct out all upgrading operations in accordance with specific business requirements. Enhanced system reliability and disaster recovery: Cloud service provider (CSPs) offer highly rules and strategies for backing up, restoring, and recovering, as well as most other function's reliability and disaster recovery (Appandairajan et al., 2012).
- Updates in a Flash and Recovery Clouds, it reduces the time it takes to deliver program modifications. Due to the steady steps adopted by service suppliers such as regular backups, full recovery techniques, and so on, data kept in the cloud may indeed be effortlessly restored in the occasion of a software or server's crash (Appandairajan et al., 2012).

Easy Integration

- There are numerous cloud applications available to keep up with the demands of organizations. Considering ERP systems, it interconnects multiple participants within and without the organization, collaborating with several other services becomes straightforward (Simpler) in the cloud (Abd Elmonem et al., 2016).
- Cloud ERP systems are set up in a way that increases their functionalities over third-party software applications in way where it is eased. Correspondingly, cloud application programming interface (APIs) are developed with market-available cloud - based solutions in mind. For different functionalities, supplier and cross-platform interfaces are provided (Abd Elmonem et al., 2016).

Main business focus

- Concentrate on key functions: Cloud ERP solutions allow organizations to run their operations effectively and efficiently, allowing them to focus on certain aspects critical to their core priority (Parthasarathy, 2013).
- Since the provider maintains and administers the cloud ERP software, your firm is spared of the obligation of system installation and configuration. As a result, cloud ERP systems may be implemented immediately even without wasting

money or time on the technical matter, rather focus on the main core business objective. Furthermore, the elimination of a server empowers up a massive proportion of time which could be used to concentrate on its core competences of the enterprise (Parthasarathy, 2013).

Task 2: A Case Study of Cloud ERP System

The following benefits are extracted from the case organization that was implemented by the Canadian organization regarding their field or industry of oil and gas in which it included 20 participants (4 project role groups of senior leaders - project managers - project team members - business users) and the outcome showed a number of 22 key benefits and 4 process improvements, in which this information was published by the Canadian Center of Science and Education.

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3597472

The Top five benefits:

Standardization of processes

- According to one participant, worldwide standardization of operations permitted us to be far more cost efficient and effective, and workload is highly standardized, letting us to relocate different tasks to other regions of the world. They can do it lot more easily currently than they ever did originally, which has become a massive benefit.

One integrated system

- Including all regions in one system, thus having the same functions, operations, and organizational structure improves business operations. The organization's understanding of ERP as an interconnected system is frequently misleading. It is a centralized integrated enterprise system (CIES) that conducts just about all the organization's essential business processes.

Standardized reporting

- Employees used to have numerous spreadsheets and little databases operating only for it to monitor their individual work; now everything will be in SAP and then they can merely run the reports.

Improved key performance indicators (KPIs)

- The methodology and the KPIs (Key performance indicators) are now far more or better defined than they were previously, and then we can assess our progress in a furthermore rigorous manner.

Lower costs

- Organizations will not need to devote funds to make a computing environment; conversely, they pay a subscription the environment over the internet. As a result, unlike previous systems, shifting service providers is relatively straightforward. Servers require a substantial amount of maintenance, so you may save money and time. Nonetheless, with a cloud hosted ERP software,

there is no need to monitor your own server infrastructure and software since the vendor owns them.

Task 3: Reflection of Cloud ERP Benefits

No	Benefits from Literature (Task1)	Benefits from Case Report (Task2)	My Remarks/ Observations
1	Low Cost	Lower costs	The findings from the Case Org supports the Literature
2	Availability	Improved key performance indicators (KPIs)	The findings from the Case Org does not support the Literature
3	Disaster recovering and instant updates	Standardized reporting	The findings from the Case Org does not support the Literature
4	Easy Integration	One integrated system	The findings from the Case Org supports the Literature
5	Main business focus	Standardization of processes	The findings from the Case Org does not support the Literature

Only two out of the total benefits from the literature were in line with the benefits from the Case Org, the low cost and the Integration, the rest of the benefits were not the same. The Case Org presents three new benefits that were not identified in the Literature, Improved key performance indicators, Standardized reporting and lastly the Standardization of processes.

Task 4: References and Report Format

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