



# Top Reasons to Move Your ERP to the Cloud Now

If you're like most manufacturers, you're probably weighing the pros and cons of moving your ERP system to the cloud. It can be a difficult decision, but in many cases, the benefits outweigh the risks. In this blog post, we will discuss some of the top reasons to make the switch to the cloud now. Keep reading to learn more.



## Lower Costs

One of the main reasons to move your ERP to the cloud is lower costs. With on-premise ERP, you have to factor in the cost of hardware, software, licenses, and maintenance. Over time, these costs can add up, eating into your bottom line. With cloud-based ERP, most of these costs are significantly lower if not eliminated completely. Subscription costs can still be lower when you consider maintenance and support costs (typically 20% after license costs) are covered in the subscription.

## Upgrades and Maintenance

Another reason to consider moving your ERP to the cloud is upgrades and maintenance. With on-premise ERP, you have to schedule and pay for regular

updates and maintenance windows. These can be disruptive to your business and take away valuable time from your IT staff. With cloud-based ERP, upgrades are included in the subscription cost. Database, servers and other infrastructure are maintained by the provider, and all updates and patches are automatically pushed out to all customers, ensuring their software is secure and in compliance with all rules and regulations. Having a single vendor handle any issues increases accountability. In addition, since cloud ERP services are subscription-based, they typically provide 24/7 support to deal with problems as soon as they arise. With cloud ERP providers, businesses can typically achieve better uptime and security than they could with in-house IT personnel because their business depends on their service's availability.

## Implementation

Implementation times for cloud-based ERP systems are generally shorter than on-premise systems due to lower complexity and less need for customization. Cloud providers also offer a variety of services to help with the transition, such as data migration, user training, and change management.

## Real-time Data

Cloud ERP delivers real-time data better than older, on-premise systems. With an on-premise system, data is typically updated overnight in batches. But with cloud ERP, users always have access to

the latest information. This is because changes are made in the cloud and then pushed out to users in real-time. It helps to remove the bottlenecks of many software integration points. This reduces the chances of inaccurate data when creating reports and forecasts.

## Access to New Technology

In addition to lower costs and easier maintenance, another reason to move your ERP to the cloud is access to new technology. With on-premise ERP, you have to wait for a major release to get new features or functionality. With cloud-based ERP, new features are pushed out as they become available so you can take advantage of them right away. This can be a major benefit for manufacturers that want to stay ahead of the competition and take advantage of the latest and greatest technology ERP has to offer.

## Security

Security is always a major concern for businesses, but it's especially important when it comes to ERP systems. Your ERP system likely contains a wealth of sensitive data, from customer information to financial records. With on-premise ERP, you are responsible for ensuring this data is properly secured. This can be a daunting task, especially for small and medium-sized businesses that don't have the resources of a large enterprise.



When you move your ERP to the cloud, you can take advantage of the provider's security measures. Cloud providers use a variety of techniques to keep data safe, from firewalls and intrusion detection to encryption and physical security. They also have a team of security experts that are constantly monitoring their systems for threats. This can give you peace of mind knowing that your data is in good hands.

## Compliance

Another benefit of cloud-based ERP is compliance. Manually updating on-premises ERP systems to comply with regulations is a frequent, onerous task for businesses in finance, healthcare, defense, and other highly-regulated fields. HIPPA, GDPR, and GAAP are among the provisions that cloud ERP vendors are proactive about complying with at the state, federal and international levels. To ensure compliance with these regulations and others, cloud ERP software incorporates them and updates them automatically. To facilitate compliance across global operations, many cloud ERP systems feature localization functionality that lets companies switch between the regulations of different countries.

## Accessibility

Accessibility is another advantage of moving your ERP to the cloud. Cloud ERP systems are accessible from any device with an internet connection and a browser, making it possible to collaborate on data from anywhere. This is a major benefit for businesses with employees that work remotely or travel frequently. A cloud ERP also allows key decision-makers to stay connected when traveling or outside of regular work hours and

gives businesses a larger talent pool to tap into since they can more easily hire remote workers.

## Scalability

Scalability is another big advantage of cloud ERP. With an on-premises system, you have to predict your future needs and capacity requirements and make a large upfront investment in hardware and software that may not be fully utilized for years. Cloud ERP systems are much more flexible and can be easily scaled up or down allowing the ERP to grow with the business. Additionally, cloud ERP is cheaper to implement across multiple locations because configurations can be performed remotely, which means hardware investments are minimal and a team does not need to be dispatched to each location.

## Disaster Recovery

Disaster recovery is another key benefit of the cloud. With an on-premises ERP system, you are responsible for backing up data and keeping it safe in the event of a disaster. It is imperative that data can be recovered, and operations continue as soon as possible after a hardware failure, fire, flood, or theft. In spite of the fact that disaster prevention and recovery are integral parts of an organization's IT infrastructure, many companies are reckless, taking on very high risks if their on-premises ERP is damaged or experiences data loss.

Cloud ERP providers take data security and disaster recovery seriously. They have multiple layers of security to prevent data loss and their systems are designed

for high availability so that businesses can continue to operate even if there is an issue at one of the provider's data centers. In addition, cloud providers typically have a team of experts that manage data backups and disaster recovery so that businesses don't have to worry about it.

## Peace of Mind

ERP systems running on-premises usually reach an end-of-life support date when vendors stop providing software updates and patches, as well as taking technical support calls for these systems. Moving your ERP to the cloud provides peace of mind knowing that you will always have access to the latest software version with all the latest features, security patches, and support.

## Conclusion

As you can see, there are many reasons to move your ERP system to the cloud. Cloud ERP provides lower costs, upgrades and maintenance, access to new technology, security, compliance, accessibility, scalability, and disaster recovery. It also provides peace of mind knowing that you will always have access to the latest software version with all the latest features and support.

If you are considering moving your ERP system to the cloud, contact us today to learn more about how we can help. Our team of experts can assess your specific needs and requirements and recommend the best solution for your business.