

ERP and Cloud Adoption: *An Integrated Solution*



Summary

Over the past few years, state and local governments have adopted cloud technology to take advantage of the increased flexibility it provides Finance and IT professionals. In 2013, a Unisys-sponsored research report, conducted by the Center for Digital Government, found that 32 percent of government IT professionals surveyed said their state or municipality is migrating to a cloud computing environment, with an additional 14 percent reporting they are currently planning to do so.

Nearly a quarter of respondents cited hardware and software capital and maintenance cost savings as their number one reason for moving to the cloud. This is no surprise, since eliminating maintenance/licensing fees, ongoing consulting costs, and new hardware purchases has been an immediate benefit to those moving their applications and infrastructure to the cloud. Finance chiefs in particular have appreciated faster payback on their investments and reduced capital expenditures coming from the adoption of cloud applications.

In addition, about one-fifth of respondents said the ability to meet the demands of a growing mobile workforce was their top reason for moving to the cloud. More and more organizations are utilizing cloud-based applications and devices. Tablets, such as iPads, play a big part in cloud strategies. These devices give users the ability to manage their work on-demand.

Case in Point: Harris County

In winter 2013, Harris County, TX, the third most populous county in the U.S., subscribed to a cloud-based grants management system to integrate with their legacy on-premise enterprise resource planning (ERP) software. The integration allowed senior members to simplify the management of their grants portfolio and utilize iPads to quickly see which grants have been awarded or are being pursued. With grant funding making up a significant portion of the county's general operating budget, cloud technology has provided an easy-to-deploy solution that simplified the grants management process for nearly 50 departments.



To overcome the challenges of expensive ERP upgrades and implementation, state and local governments are increasingly adopting a hybrid strategy that uses on-premise ERP with cloud applications. This means upgrading or using their existing general ledger features, while also integrating cloud applications to manage

other functional/niche areas like grants management, civic engagement platforms, and even municipal payment systems where costs are lower and functionality is better designed for the end user.

This type of approach provides state and local governments with robust financial features they need along with user-friendly applications for end users. More importantly, implementation times improve because complexity is reduced. As a result, adoption dramatically improves, leading to increased efficiency.

The Trend of Cloud Adoption

The bottom line is that more CFOs are open to moving their enterprise applications to the cloud. A 2012 survey by Financial Executives Research Foundation and technology advisory firm Gartner found that 53 percent of CFOs believe that more than half of their enterprise transactions will be delivered through software-as-a-service over the next four years. In a similar Oracle survey, 70 percent of CFOs said they would consider moving to a cloud-based version of their core enterprise software. The trend points to continued cloud adoption in the long term, and the hybrid model as a viable way to adopt.



Publisher's Contact Information:

James Ha, CEO

eCivis, Inc.

Corporate Headquarters

418 N. Fair Oaks Blvd., Ste 301, Pasadena, CA 91103

Phone Number: (877) 232-4847 ext. 5338

www.ecivis.com