VIZIYA®

Empowering ERP Asset Management Solutions

On-Premise or Cloud?
The Choice is Yours

Premier EAM add-on software providers offer both delivery methods

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Enterprise level software purchasers are struggling to grasp today's software delivery options – and rightly so. The days of running, integrating, and maintaining every application on site may be numbered as more innovative and practical delivery alternatives become available.

One of the biggest developments in software purchases is the influence of "The Cloud", - a hosting and licensing model - which has led to a variety of new deployment approaches. Understanding the options, and the advantages and disadvantages of each, is necessary to select the path that best matches your company's business strategy, mitigates your operational constraints, meets your budgetary requirements and delivers the necessary value.

Because VIZIYA understands there are many factors affecting enterprise-wide software purchases and implementation, the company accommodates both cloud and on premise deployments. VIZIYA has been pioneering cloud solutions since 2008 while also serving companies that have the capacity to host and maintain software programs on premise.

VIZIYA accommodates both cloud and on-premise deployments.

One trend is clear: There is increasing curiosity regarding the cloud. To help companies better understand the differences, and what the cloud means to their organization, this paper summarizes the leading delivery alternatives, common decision drivers, strategies of major ERP players, and how VIZIYA partners with ERP vendors and customers to help ensure the most effective and informed selection.

What is the Cloud?

Traditional, on premise software implementations are increasingly being overshadowed by new cloud delivery models. Thanks to mixed marketing messages from software vendors and analysts, "Cloud" is a word that means different things to different people. Generally speaking, cloud means someone else is managing and hosting your software.

The major ERP solutions were originally designed to be installed or "self-hosted" on site, with the buyer assuming responsibility for maintaining the software and data center infrastructure. Over time, external hosting and Software as a Service (SaaS) options emerged. These new approaches vary in approach, but they are all cloud. For example:

- There are hosted services where the application is run by the vendor or a third party in a managed environment.
- There are subscription-based software licenses with payments based on seats or usage.
- And, there are true cloud applications, which are fully-administered, vendor-operated, turnkey solutions that run on a cloud server and are billed monthly on a pay-as-you-go basis.

It pays to be aware that many providers will claim a cloud presence, even if their solutions are merely hosted on another server. VIZIYA, on the other hand, has been hosting software in the cloud for more than 10 years.

Software Buyers Have More Choices

Love it or hate it, the cloud remains an option. Some companies have no intentions of moving to the cloud, whereas others see it as an inevitability, but few have figured out if it is the best option. Software buyers tend to ask if a solution is cloud-based or cloud-enabled, without completely understanding the implications or whether it's good for their company. The following are some of the most common elements that influence a company's decision to go with the cloud.

Security

Understandably, what purchasers feel the biggest issue surrounding the choice to use the cloud is a resistance to releasing data outside an organization's four walls. Data security is important whether it is being housed on premise or in the cloud. Some organizations feel safer having their data maintained on site. Unbeknownst to most, it is the cloud providers who have a core

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competency in this area, and who will make larger investments in the quality of their IT systems and personnel. On the other hand, larger companies have the capacity to build a large, fully capable IT team to securely manage on premise software.

Cost

Smaller-sized companies may be inclined to adopt cloud software sooner, particularly when the monthly cost is in the range that can be approved by the user. The alternative is a higher cost capital expense for software licenses, hardware and implementation services, and, depending on the provider, a high cost of infrastructure upgrades every few years. However, the cloud may be the more expensive option in the long run, since it shifts the costs from internal to third party personnel and spreads the costs out over time.

Speed

Implementation speed and efficiency are inherent advantages of cloud solutions. Some vendors can turn on a new virtual machine (VM) with a full software suite in just a few hours or days, compared to the weeks, months, or longer that may be needed for on premise installations.

Quality

In the software delivery world, customers are becoming tired of late and over budget implementations, and being locked into a solution that falls below expectations. The cloud gives companies the flexibility to evaluate products on a subscription basis to determine if they're a good fit before pursuing a broader rollout.

Resources

IT personnel may view the cloud very differently than an executive. Job preservation is a concern of IT, whereas the business side may view the cloud as a way to operate leaner and reduce costs. When the IT team is already overworked and the prospect of implementing new software and hardware is daunting, a cloud alternative may appeal to everyone. But if IT is highly paid or a profit center with intercompany chargebacks for expensive services, the cloud option will appeal more to the business side. Moving software and hardware hosting off premise frees IT personnel from routine maintenance and patching to do more challenging and consequential work, such as defining and maintaining the cloud strategy or ensuring system security.

Application

The type of software will influence the deployment choice. A company that has already invested a substantial amount of money implementing an analytics package on site, or has a policy against housing data on outside servers, will likely forgo a new cloud analytics solution. On the other hand, a company lacking the desire to acquire, manage, store and replace its own physical disk arrays for data, combined with the need to keep personnel with the requisite skills on staff, may find value in a cloud hosted solution.

Corporate Strategy

Though most organizations have not yet formulated a cloud strategy, the cloud may be conducive to their corporate strategy. One company outsources 50-60% of its trade and 90% of its IT, not because it is struggling but because its growth strategy is centered on becoming lean. Having their own servers is not a concern; they are fine putting their data up in the cloud. When IT is not a focus, does it make sense to spend a lot of money to develop it? Or is there a compelling reason to keep the data on site? The cloud forces these conversations.

> Cloud adoption may be an attractive option for companies whose strategy focuses on becoming lean.

Major Cloud Providers

VIZIYA can support customers on multiple ERP systems by maintaining strong partnerships with major vendors, such as Oracle, SAP, PeopleSoft, JD Edwards, and IBM Maximo.

From Oracle OnDemand to Oracle Cloud Services, Oracle has long allowed its customers and partners to run ERP and third-party solutions within a managed, hosted environment. Oracle has moved ahead in its cloud offerings with its Oracle Cloud SaaS applications and newly introduced, fully cloud-based Oracle Fusion solutions. It may be some time before Oracle Cloud eAM is ready for market however. Oracle's Integration Cloud Service helps to connect on premise products securely to the cloud. Oracle is also heavily promoting its Platform as a Service (PaaS) and Infrastructure as a Service (IaaS) solutions.

SAP's cloud strategy includes the HANA Cloud Platform, which is an open PaaS that allows anyone to develop new applications or extend existing SAP applications in the cloud. SAP S/4 HANA, the next generation SAP Business Suite, is now available for new installations and for customers migrating from SAP Business Suite on HANA. The SAP Fiori Cloud applications and cloud service enable personalization of the SAP user experience across all tasks and devices.

VIZIYA is an Oracle Gold partner, a SAP Silver certified partner, and an IBM Maximo partner, which allows the company to track each partner's technology evolution very closely. In fact, as a member of Oracle's Cloud Maintenance Strategy Council, VIZIYA contributes to their solution design, making sure it fits both company and customer needs. Staying on top of the technology curve has always been a prime focus of VIZIYA, and one the company feels puts itself ahead of competitors.

How VIZIYA partners with customers

VIZIYA products are utilized by over 55,000 users at 850 sites around the world. Generally, VIZIYA customers manage complex, mission-critical IT environments, making it essential for them to carefully conceive a delivery plan. VIZIYA works with both business and IT teams to help map out business needs and strategies, align them with personnel and financial resources, and collaborate on a plan of action that makes the most sense. Based on customer history, VIZIYA products – whether installed on premise or in the cloud -- can be implemented within a few days. This includes:

- On-premise deployment of VIZIYA products in the customer's data center
- VIZIYA turnkey appliance delivery, pre-installed, configured to suit, and drop-shipped to the customer
- VIZIYA SaaS Cloud, with VIZIYA's products running in the VIZIYA data center, fully managed by VIZIYA personnel
- Deployment of VIZIYA products in other data centers such as Amazon Web Services, Oracle Cloud's managed cloud environment.

It pays to be aware that VIZIYA's products are all web-based and run in virtual environments. The company focuses its efforts on working with expert developers, and we are committed to financially supporting Research & Development. VIZIYA's team of

IT professionals supports more than 100 Virtual Machines in keeping them up to date, current with the latest software patches, and working on an ongoing basis.

VIZIYA has been delivering our software in either the cloud, or on premise for over 10 years. VIZIYA recognizes the importance of offering both on premise and cloud options because customers have individualized needs. It is inconsequential what server a customer chooses to run VIZIYA's software, but rather, we focus on meeting customer's needs.

VIZIYA delivers software either in the cloud or on-premise to ensure we meet the individualized needs of our customers.

Unlike cloud-only providers, who are a bit ahead of their time, premise-only software providers will be left behind if they're not ready for the cloud. It is likely that most vendors would love to send customers to their website to register and pay for a license, and download their software for use, rather than needing to determine the customer needs, and then staffing a large and complex implementation. However, it is VIZIYA's opinion that software vendors will find it difficult to operate on subscription revenue alone, at least initially, especially since the major CMMS packages are still primarily on premise solutions.

The vast majority of VIZIYA customers run Oracle or SAP in their own data center, so the company usually installs our bolt-on solutions in the same data center on a Windows Server. This requires minimal administration. For companies able to run their own ERP systems, this is an easy solution. There is no benefit to putting the software in the cloud and connecting it to an on-premises CMMS.

VIZIYA also has customers running our products on external servers (VIZIYA or a third party) with a connection to their on-premise ERP/CMMS. Another option is subscription pricing for on premise installations to help capital-constrained companies avoid having to justify upfront software licenses and infrastructure expenses.

Flexibility is key. What VIZIYA has found in its 10-plus year history is that some companies begin in the cloud and later switch to on premise. For instance, one oil and gas company wanted the VIZIYA WorkAlign Analytics solution immediately, but was 12 months away from deploying Oracle BI on site. VIZIYA arranged to host their analytics for 12 months, and then transitioned the solution to their premises when they were ready.

If a company is running their CMMS in the cloud, then it makes sense to also have the software in the cloud. Whatever the customers' plan, VIZIYA is there to support it.

Conclusion

When choosing a software deployment method, it pays to be aware of your options. Take your time, understand what it is you're looking for, and then make an informed decision. VIZIYA can help you to understand your delivery options, find the right solution for you, and plan an effective evolution. We can help you weigh the options, but in the end, the choice is yours.

About VIZIYA

Headquartered in Hamilton, ON, with offices in Barcelona, Perth, Atlanta and Dubai, VIZIYA is the industry leader providing bolt-on software products to enhance ERP- based asset maintenance systems. VIZIYA's proprietary WorkAlign™ Product Suite delivers seamless integration into existing ERP systems. With over 55,000 users at 850 sites across 6 continents, the world's best companies use VIZIYA products to help them better maintain their assets. Visit viziya.com for more information.