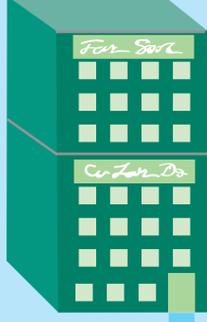


# The Value of Upgrading ERP

## Why upgrade?

Best-in-Class organizations are **66%** more likely to be implemented on the latest release of their ERP



All others are **46%** more likely than the Best-in-Class to be at least one version behind



The reasons that ERP gets replaced could be solved by upgrading to the newest version

Less productivity



Inability to take advantage of emerging technologies

Lack of support



Old technology

### Definitions

#### Best-in-class

Practices that are the best currently being employed and are significantly superior to the industry average, and result in the top industry performance.

#### Industry average

The middle 30% of industry performers. Practices that represent the average or norm, and result in average industry performance.

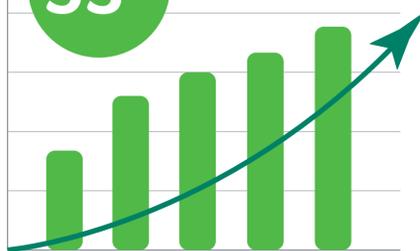
#### Laggards

The bottom 20% of industry performers in Aberdeen research.

## The benefits of upgrading

### Functional, usable, scalable

**53%**



of small to midsize organizations implemented on the latest version utilize the best practices contained within their ERP solution

Small to midsize organizations that are implemented on the latest release are 70% more likely than those that are not to have the ability to share and integrate data with the extended enterprise

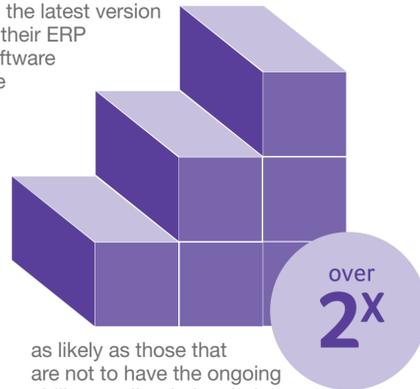


Those on the latest version are

almost **2x** as likely

as those that are not to have the ability to collaborate in real time

Midmarket organizations on the latest version of their ERP software are



as likely as those that are not to have the ongoing ability to tailor their solution to reflect business change

### Prepared for the latest technology

Organizations that are on the latest version are



more likely to have ecommerce integrated into ERP



of small to midsize organizations on the latest version have integrated Business Intelligence into ERP — gaining instant access to information to make faster, more informed decisions

## Improvements as a result of ERP

Organizations on the latest version of their ERP see greater benefits resulting from the solution.

Not on latest

On latest version

**10%**



Reduction in operational costs

**13%**

**9%**



Reduction in administrative costs

**14%**

**15%**



Improvement in complete and on-time shipments

**22%**

**36%**



Improvement in inventory turns

**52%**

**9%**



Reduction in inventory

**17%**

**13%**



Improvement in cycle time of key business processes

**22%**

**14%**



Improvement in internal schedule compliance

**17%**