

AGRESSO
VITA

A Living Architecture for
Businesses Living IN Change (BLINC)[™]

The ERP Edge for Executives Who Lead

ERP ... with NO Expiration Date [™]





Forward

Since the new millennium, and over the last 24-36 months in earnest, a divide has been presented to the enterprise resource provider (ERP) user community – particularly for people-centric, services organizations operating in the mid-market. That divide is: how to survive and thrive amidst a fast-escalating environment of seemingly non-stop business change while relying on an increasingly fragile and restrictive technology infrastructure that has been patched ... and patched again.

Organizations have been put in the untenable position of trying to successfully navigate business super-highways powering antiquated ERP “roadsters” refitted with shiny new chassis (service-oriented architectures-SOA). The cars look great and are certainly more aerodynamic, *but* they’ll neither manoeuvre around the potholes, nor overtake speedy competitors.

Metaphorically speaking, the example closely parallels events unfolding within IT architectures of the ERP leaders, and the uproar of service-oriented architecture (SOA) marketing being thrown at the problem of gaining business agility.

This white paper has been produced by Agresso for 3 reasons:

- To separate IT architecture myth from reality
- To present the case for post-implementation agility, versus pre-installation flexibility
- To outline a strategy for organisation executives to attain an effective, financially responsible and responsive plan for ongoing business change.

The end game is to achieve ongoing business agility while minimizing resource drain and business disruption. Since this achievement is tied to complex technology architectures that are the heartbeat of 21st century organizations, the requirement is for an ERP solution framework that will live on through successive generations of business climates, new technologies (like SOA) and regulatory challenges.

The purpose of this paper is to provide a strategy for achieving ERP...with NO Expiration Date [™] for private and public sector organizations whose resources are “people” and whose reality are that they are truly Business Living IN Change (BLINC [™]).

Agresso VITA is the ERP edge for executives who lead.

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1. Agresso: Rare, Exclusive....a True "FIND"

a) ERP for mid-market, people-centric services organizations

Agresso (www.agresso.com) is one of the top five worldwide providers of people-centric enterprise ERP solutions. Founded in 1980, it is a subsidiary of Netherlands-based Unit 4 Agresso (Dutch Stock Exchange EURONEXT-U4AGR), a \$450 million provider of business software. Agresso offers a fully-integrated suite of software application solutions to support both operational and strategic management, including Financial Management, Human Resources and Payroll, Procurement Management, Project Costing and Billing, Reporting and Analytics, Business Process Automation and Field Services/Asset Maintenance.

Agresso features state-of-the art, role-based, security-driven solutions sitting on what leading IT analysts describe as perhaps "the most unique and agility-focused IT architecture ever built" - Agresso VITA. Like its name, is a living architecture that has successfully enhanced numerous generations of technology breakthroughs, including today's highly marketed Web Services and SOA capabilities. Each successive new generation of technology, and those yet to come, is enriched atop Agresso's VITA platform.

With market leadership positions throughout Europe and proven multi-national, multi-currency and multi-company capabilities, the heart of Agresso's customer base is the mid-market, where it has amassed 2,600 organizations throughout 100 countries. Agresso targets companies in the \$50 million to \$1 billion range, though there are ample success stories outside of that range on both ends.

Equally important, Agresso understands the people-centric, services business environment and the accompanying rescheduling, reorganizations and the project "go/kill" decisions that are a reality of organizations in this sector.

b) Target Market: Businesses Living IN Change (BLINC™)

A primary differentiator between Agresso and other leading ERP brands (SAP, Oracle, Microsoft) is Agresso's pinpoint focus on organizations in rapid change mode – a market that the company calls Businesses Living IN Change (BLINC™). As the leader in this new, multi-billion-dollar cross-vertical niche, Agresso is focused on providing an architectural backbone that is distinctly ahead of the market leaders.

Agresso is focused on correcting the CxO's longstanding assumption that there is no alternative to the continual rip-and-replace technology strategies that have plagued the corporate and public sector world. As each new technology paradigm is built, the above market leaders, and others in their wake, then spend hundreds of millions of Euros in advertising and public relations programs convincing buyers that they REALLY NEED THIS. The message resonates effectively to companies in rapid-change mode that are looking for an edge against their competitive landscapes.

Agresso believes the cycle of invest, upgrade and disappointment by end users is legend. At the end of the day, dynamic BLINC™ companies don't really care if they are SOA, Open Standards, Intelligent Applications, etc. They care if they can buy, sell or move a company/division or product line, outsource a business function, build a new business base or reorganise around a new CEO or Board of Directors. They care about what they can do to stay agile.

Change happens and will continue to happen in virtually every business environment, and the underlying enterprise system should be an aid, and not a detriment, to that change. At the end of this paper there are three case histories of very different mid-market organizations that have thrived in rapid-change (BLINC) environments using the Agresso VITA platform.



c) Ideal Fermentation (2,600 Customers, 25 years – EXPERIENCE)

Like superior wine that has appreciated over time, Agresso's technology platform exhibits value, dependability and undisputed quality. Agresso customers universally agree that the system's underlying architecture continues to provide a time-worthy ERP solution that moulds easily to customers' changing business needs.

Agresso has a 25-year history of success tied to the clever architecting of the VITA platform – that has allowed each successive technology vine to thrive. At the 2007 User Conference in Dublin, 69 percent of Agresso customers said they have faced change and adapted their Agresso solution without external technology help. The surveyed Agresso business and IT customers stated that they managed enterprise resource planning (ERP) system changes completely independently, a trend that runs counter to users of rigid competitive solutions.

The Agresso customers report that their main drivers for change are: reorganisation/restructuring (61 percent), a change of business model (44 percent); and mergers/acquisitions (30 percent). For 2007, 74 percent of the respondents expect significant change in their organizations, while 84 percent expect an increased pressure to change in the coming years.

When it comes to purchasing ERP solutions, Agresso challenges organizational decision-makers to do their homework: the biggest vintner is not always the best vintner and the same is true of ERP choices. Attention purely directed at ERP licensing and installation costs alone is misplaced when measuring long-term cost of ownership. The ability to *absorb ongoing business change without expensive, ongoing upgrades/ investment* allows business leaders to deliver long-term value for their ERP investment.

Agresso offers an ERP framework that **lives** ... and that provides a framework for Businesses Living IN Change.



2. Agresso's Architectural Philosophy

There is consensus throughout the IT analyst and enterprise architecture community that organizational agility – the ability to move swiftly, cost- and resource-effectively through ongoing business change – relies on 2 things:

- Optimal Design/Structure of the data (the legs)
- Moving Data, Business Processes and Reporting/Analytics in lockstep (the balance)

a) The Quest for “Good Legs”

Agresso's architecture is profoundly different than the rest of the ERP landscape. In vintner's terms, it has “good legs,” able to stand on its own without any marketing spin to gain appreciation. Its strong foundation or “good legs”, disallows for bitter, unpleasant and surprising ERP costs.

The key, according to founding members of Agresso's original design team, including one who today is Agresso's CTO – is a fundamental focus on GETTING DATA OUT versus IN to an organisation's data warehouse.

“Twenty-five years ago, Agresso was fundamentally a database management company – so our focus was on achieving a connoisseur-level of data coding, tagging and tracking,” says Anders Hauan, Chief Technology Officer of Agresso. “To say we were concerned about how the data model was configured would be an understatement. We were obsessed with getting it right from the start; we were young developers in competition with each other and with the rest of the market. We knew that we were doing things differently than everybody else...and that we were mavericks. Truthfully, there was no way to know that some 20 years later that our quest for a distinctive architecture would put Agresso in a superior technology position to serve Businesses Living IN Change.”

Agresso's original design team agreed on a universal philosophy to create a generic data model versus a specific data model that would have been locked in and static. While customers can repeatedly change their Agresso solution, Hauan's team built in underlying “fail-safe” mechanisms to ensure that all change tracks back to the same physical data model. It is the best of both worlds for organizations – particularly those in continual change mode: the metadata and the correlating relationships remain pure, but the business data, processes and delivery methodology can be configured and reconfigured again. Best of all, it can be done internally, without expensive outside IT intervention.


b) Well-Balanced -- *The inter-coupling of the data, process and delivery model*

Agresso is different both architecturally and substantively in that VITA combines its data model, process model and delivery model into a cohesive unit. A change made in any one of these areas, automatically flows intelligently and makes associated changes and adjustments throughout the system. This combination not only impacts the bottom line, but it impacts the corporate strategies selected by management.

Beware: this is not the same as plugging applications together in an open framework so that they connect together – it is much more fundamental and much more difficult to achieve if you haven't built the entire framework that way in advance.

Agresso's VITA architecture understands the smallest data, business processes or reporting/analytics change intuitively throughout the system. It has the embedded intelligence to adjust all trailing data/process/delivery parts.

For example, organizations can make worldwide, global-reaching process and/or data changes on the fly. Imagine a company moves 8 of 10 business divisions completely over to a Six Sigma Business Process approach, replacing the business practices/workflow framework for those 8 divisions. Yet it



wants all 10 of its payroll systems to completely adjust to Six Sigma practices. The two remaining divisions are left with business process change in only one functional area, which Agresso recognizes.

Because of the three-part integration of the data/process and delivery models, Agresso is able to easily flow the analytics and reporting to the two divisions via the old methodology, but understands and supports the newer methodology across all divisions for payroll. A change like this could take months to separate out re-coding of the underlying data, then the business processes, and then the reporting and analytics. For Agresso, the correlation and relationships of those three areas makes changes like these easy. Company executives can change and change again, as their businesses grow, consolidate, and/or if they need to respond to new workplace dynamics.

Agresso VITA is the living architecture for the IT Connoisseur who wants an active part in the success of his or her company.



3. Agresso's VITA Architecture

Over time, organizations grow and/or collapse, management's change, political/environmental/regulatory rules come and go. Simultaneously, the IT world moves recklessly fast through its own set of hardware, networking, operating system, etc., changes. This deadly duo of dynamic change and technology waves causes havoc for the vast majority of ERP solution architectures, as platform after technology platform is passed on to the great dustbin of uselessness.

The elements of Agresso's VITA architecture mimic the same components of fine winemaking, allowing for this cycle of change to occur in harmony with the changes and growth of the organisation. Metaphorically, the three most critical variables both to winemaking and facilitating business agility are:

- a) **The Soil** (technology framework)
- b) **The Grapevine** (technology 'topic of the moment'; i.e. client/server, web services, SOA, etc.)
- c) **The Weather** (technology agility to respond to unknown, but expected variables)

a) Soil: the technology framework

Agresso's fundamental data model -- provides a rich, fertile environment for whatever technology is planted in it – and that "soil" has allowed the generations of mainframe, client-server, Web-based, Web-services and SOA technologies to thrive. Called model-based architecture by some and data architecture by others, the very foundation of Agresso's agility is housed within this "soil" ... its information warehouse.

Each piece of data – financial or non-financial, structured or unstructured, is filed and coded into Agresso's data model via one of these three patterns:


- Dimension (i.e. your name is a dimension)
- Measurement (i.e. your salary is a measurement)
- Time (stationery point in time or by range)

By classifying data so simplistically and generically, it remains open, easy to export, classify or re-classify and to attach whatever additional dimensions or attributes of data that are desired.

To ensure that any additional changes to the Agresso architecture continue to meet the intentions of the original Agresso database authors/designers, no data model changes are accepted unless they undergo a series of tests: it must be expressible via SQL and it must reuse the pattern to "get out" or be extracted. Anyone trained to work with Agresso's architecture adheres strictly to these principles. Further, Agresso customers are not permitted to change these underlying metadata definitions in the data model, which provides for unlimited customisation of all of the data therein.

In vintner's terms, the soil can be cultivated, things can be planted and removed; fields can be realigned and re-harvested; fertilizer and growth accelerators may be added; but the soil will always behave as soil. It will remain grounded as the foundation, and the fertile base from which all technologies (the "grapevines") planted within it flow. If the soil is good, the grapevines will flourish; if it is substandard those technologies will be marginalized. That is why services-oriented architectures sitting atop weak architectures – will struggle mightily to fulfil the promise of true business agility.

b) Grapevine: the technology 'topic of the moment'



Agresso's VITA architecture is distinctly different from other leading ERP solutions, and most particularly those that are the result of disparate software and technology acquisitions.

Technologies will come and go, and as a 25-year old company, Agresso has seen a lot of them, including the latest flavour – Services Oriented Architecture (SOA). The advantage of good soil is to continue to be able to support the best vines, and to replace them cost/resource-effectively, as they age/tire or become less (organizationally) prolific.

Agresso's VITA architecture will support whatever technology trend that people-centric, mid-market businesses desire. The solution has been built intelligently from the ground up with the right soil – whatever grapevine technology is planted is irrelevant. It is not a matter of "will it grow;" it is a fact that it will "grow better" within an environment that has anticipated new growth. (VITA=life).

All business information in the dynamic data model continues to map the relationships between the pre-existing conditions and those that are new. Business concepts can be planted and harvested in the information structure – literally on the fly. New workflows are supported immediately – and yet obsolete (historical) data/process trails are retained for auditing/reporting purposes.

Agresso VITA is an N-Tier, Web-based scalable architecture that is Microsoft.NET compliant, supports extensible Mark-up Language (XML), Web Services and Service Oriented Architecture (SOA). Today, via an ultra thin, smart client (the grapevine- of choice), Agresso is portal and browser independent, middleware independent and Microsoft SQL Server, Oracle and MySQL compliant.

c) Weather: Technology Agility

Unpredictability, like the weather, is the hallmark, and either the delight or the demon for business/technology executives. The only given is that change for either is guaranteed, and yet, the primary emphasis both from a planning, budgeting and even for ERP selection criteria remains fixed and point-in-time oriented.

Organizations often make their ERP buying decisions (or indecisions to stay with what they have) by looking at today's needs and those that they can perhaps foresee in the near future. For example, a company may have embraced an acquisition strategy, a new line of business, consolidation of business operations – and may be planning for those strategies.

However, the more important decision criteria needs to be much more forward looking and outside of foreseeable parameters. In other words, and in keeping with vintner's terms:

- What if there is a drought (existing buyer market dissolves)?
- An unexpected sunshine (business opportunity based on a competitor exiting/selling their business)?
- An earthquake (a primary market opportunity/challenge that changes buying behaviour)?
- Or, a parasite that can destroy the vine (the emergence of a new negative situation on any business level)?

Will the technology architecture allow organizations to respond quickly and cost-effectively from either an opportunistic or damage control need -- or will they need to endure the cost, organizational disruption and pain of ripping out all of those grapevines and starting anew?

McKinsey says, in its 2006 report, "The Adaptable Corporation" that one of the greatest challenges facing corporations today is a "complexity catastrophe" with business planning.



The Problem? “Highly interdependent systems, such as large software programs become so complex that (corporations) go into gridlock”

Because Agresso's VITA architecture has limitless configurability and re-configurability, organizations can continually adapt their infrastructure to gain a powerful business edge over competitors with restricted agility. Customizations in Agresso Business world are different from other ERP packages in that, as stated earlier, the application source code is never modified. Customisation coding occurs at an overlay or extraction layer.

Meaning, in simple terms, changes, upgrade, any desired response to “the weather” occur at the most simplistic level possible with extremely minimal time/resource/cost impact. You can change it, and change it again and again, using internal resources.

Viewing IT change-management as a resource-smart opportunity (and not a gridlock-threatening event) is a radical departure from the way ERP solutions are analyzed and purchased today. Organisation executives selecting Agresso, continually report that in their pre-planning, they tend to “over budget” (vs. under budget) for planned changes. They also report that changes to the Agresso system occur faster than anticipated and without external IT resources. The savings using Agresso is ongoing and the solution has virtually no expiration...it keeps on living.

In summary, Agresso's development team has optimally configured the solution to have lockstep intelligent integration between the data model, the business process and the reporting/analytics delivery model. But, equally important, Agresso's VITA architecture has separated the database, business logic, customisation layer and user interface to optimize the IT department's ability to deliver business agility and avoid the “complexity catastrophe” of competitive solutions from SAP, Oracle, Microsoft, Lawson, etc.

Agresso is ERP...with NO Expiration Date™.



4. Demystifying SOA (The truth vs. the fiction)

SOA is a fine vine, but it's usually planted in weak soil. Worse, it cannot hold up to the capricious nature of change.

It is quite common for an ERP provider to wrap the shortcomings of obsolete, rigid or poorly designed applications software code with that of new technology. The goal is to provide the latest "look" and effectively conceal or confuse users as to what's underneath. In the preface of this paper, this occurrence is likened to the antique roadster with a new chassis...and this is unfortunately the phenomenon occurring with SOA technologies. (eWEEK reported this in the summer of 2006 as putting "lipstick on a pig." The colour may be very pretty, but what's underneath is still underneath, and it is not the fault of SOA!)

Like any technology "grapevine" Agresso can support them all within its fertile soil foundation. Agresso has incorporated SOA to its solution as its newest grapevine to facilitate continued standardisation.

SOA has either been intentionally or unintentionally made confusing in the market – opening the door of interpretation for a thousand marketing spins. If companies don't really know or understand what it is, and enough PR and glamour surrounds it, it will likely sell.


Here are some basic **truths** about SOA that will help to demystify it:

- Services-Oriented Architecture just means that information and business logic are encapsulated into modular pieces with standard interfaces. "Services" is the name for those pieces. (Simple!)
- XML (extensible Mark-UP Language) or Web Services, is the preferred language today because it is open, standardized and uses the Internet. (Simple!)
- Translating these services from proprietary (the previous binary format) into XML format is a lot of work, that's why you see the 2-year projections from ERP leaders to get it done. (Hard!)

Here are some basic **"fictions"** about SOA that the ERP leaders would rather keep in the dark:

- If the core "service" (i.e. the data/business logic contained in the "soil" level) is poorly designed, all you will achieve is **great integration of poor services!** Rigid data, rigid processes and rigid code that is the hallmark of the ERP leaders' disparate foundation systems – will remain rigid, non-agile and incapable of supporting ongoing business agility
- SOA is focused on releasing data and process that **you have today**. People-centric BLINC™ organizations continuously adjust the way they operate. Combining loosely-coupled applications will not facilitate ongoing business agility at the root data/process level that drives change.
- Whether you use Web Services/XML... (or the former language, "object-oriented programming" that combined data/processes via "object request brokers" or "remote procedure calls")...SOA will not give you better, more agile, customizable information or processes. SOA will combine things...the good, the bad or the ugly.

Make no mistake, the ERP leaders have a clear understanding that SOA alone is no more or less than a sophisticated (and expensive) bandage over a wound that would be impossible to fix at the root level. That wound is a poor data model, the result of multiple disparate acquisitions and an inability for them to work effectively together. There has been a very aggressive blurring of the capabilities of SOA by the ERP leaders that SOA as a technology will provide business agility. It will not.



Agresso's VITA architecture supports SOA, and because of the inherently tight coupling and coding of Agresso's business data/processes and delivery methodology as "one"...it will continue to deliver the richest instance of SOA and any other technology planted within its infrastructure data model soil. Agresso's SOA capabilities will provide:

- Ease of process integration to other systems
- Ease of delivery (analytics/reporting) between other systems
- Elimination of data redundancies with other systems
- Improved "business context" to users of disparate systems

Since SOA is clearly the technology 'pick of the day' for the foreseeable future, getting it right is important. Agresso provides the best platform in the industry and will therefore deliver the industry's best SOA capabilities. As for ERP leaders attempting to cover poorly crafted, disparate systems, buyers beware: If the core ERP system's structure is ill-fitting, then branching it out to new and disparate modules will simply increase this malady AND the level of complexity. Organizations attempting to gain summary and detailed "drill down" information to plan, direct and control operations will be disappointed in their instance of SOA.

Extending a data structure that is at odds with organizational business processes will aggravate, not ameliorate the quest for better business agility.

According to the January 15, 2007 issue of CIO magazine, there stands to be a lot of disappointed people who select SOA solutions from the ERP giants who have poor data/process backbones. In a survey of CIO's entitled, "Getting the Most from SOA," respondents named their SOA objectives:

- 79% seek improved agility and business alignment
- 69% seek reduced IT complexity and maintenance costs
- 56% seek improved user productivity
- 52% seek better business analytics, delivered faster
- 46% seek data consolidation
- 31% seek real time views into the supply chain
- 13% seek outsourced IT

The bottom line:

Organizations currently deployed on the leading SAP, Oracle, Microsoft and Lawson solutions have perhaps become inured to non-stop spending, and anticipate that there is no way out of this need-spend-need-spend dilemma.

As the Feb. 14, 2007 edition of eWEEK reports in its article "SAP Skills Pay off Big for IT Pros," "Pay for non-certified IT skills grew 8% in 2006....Among non-certified IT skills, professionals with SAP specialisation raked it in 2006, their salaries increasing 15.2%."

People-centric, BLINC™ organizations in particular need to do a thorough examination of the post-implementation capabilities of their chosen ERP provider – and decide where to draw the line on this continual spending.

Agresso is world class alternative, and provides the right ERP framework for Businesses Living IN Change.



5. BLINC™ Business Cases

Agresso's VITA architecture is praised by both the business and technology community for delivering post-implementation agility to organizations in both the public and private sector. Companies, organizations and associations, including the United Nations, the U.K. House of Commons, the Red Cross, Saab, LogicaCMG, have more than 1.1 million users deployed on Agresso Business World across 2,500+ organizations in 100 countries.

Following are specific case histories from three North American organizations facing business change from three different areas: acquisitions, rapid growth and a revamped business (go-to-market) services strategy:

a) SYSTRA – SYSTRA is a planning, engineering, design and construction management firm specializing in transportation systems and associated facilities. It is part of the SYSTRA Group, the world's largest consultancy devoted to public transportation. Operating from 60 offices on six continents, SYSTRA Group's clients operate many of the world's largest and most complex major public transportation and railway systems. Headquartered in Paris, the company's U.K. subsidiary, MVA, had successfully deployed Agresso to run its enterprise resource planning (ERP) solutions since 1997. SYSTRA's U.S. operation, which includes six offices and approximately 200 employees, has been fully deployed on Agresso since 2003. Systra has been in rapid growth mode and is supported successfully by Agresso.

b) Eidos – Eidos Interactive Ltd. is part of \$227 million SCI Entertainment Group, one of the world's leading developers, publishers and distributors of entertainment software. The company's hallmark video game series, Lara Croft Tomb Raider™ was originally launched in 1996 and has sold over 30 million copies. Agresso won the initial compete for the Eidos business in 1998, absorbed Eidos' corporate offices three years ago, added disparate back office operations from France and Germany, and then absorbed the newest merger with SCI in 2005. Each time, Agresso successfully absorbed the new operations in record time and at lower projected cost point. Today the company has 1,000 employees and offices throughout the world.

c) Skookum - Skookum, a \$25 million non-profit employment services contractor, services both the public and private sector, including the U.S. Army on the hiring side, and disabled veterans on the employment side. Juggling the needs of a workforce beset with physical, emotional and developmental disabilities -- against employers needing jobs done right and on time, Skookum leans heavily on its operational infrastructure. Agresso supplies financial management, project management and logistics capabilities to help Skookum management undertake a rapid-growth organizational plan to grow to \$100 million over the next 3-5 years. Through Agresso, Skookum has been able to modify its business processes and cost projections to alter its original business strategy that it could not compete for previously.

Please see the attached case histories for full testimonials about the success these BLINC organizations are enjoying with Agresso. For more information on Agresso please visit www.agresso.com.



Agresso's BLINC™ Case Studies



A Living Architecture for
Businesses Living IN Change (BLINC)™



Agresso Client Case Study – Systra

AGRESSO SAVING U.S. TRANSPORTATION SYSTEMS LEADER \$200+K PER YEAR SINCE 2003

Overview

SYSTRA is a planning, engineering, design and construction management firm specializing in transportation systems and associated facilities. It is part of the SYSTRA Group, the world's largest consultancy devoted to public transportation. Operating from 60 offices on six continents, SYSTRA Group's clients operate many of the world's largest and most complex major public transportation and railway systems. Headquartered in Paris, the company's U.K. subsidiary, MVA, had successfully deployed Agresso to run its enterprise resource planning (ERP) solutions since 1997. In 2002, SYSTRA's U.S. operations began a search to replace an outdated Platinum Software system and investigated a wide array of replacement solutions. With six U.S. offices and approximately 200 employees, company management began a careful selection process.

"Frankly, this is a case of where your strong European reputation opened the doors for you," said Garry Hartwig, CFO of SYSTRA. "We were researching Deltek, BST, Microsoft Great Plains and others. Each of those companies had factors holding us back. In the end it was the combination of Agresso's proven reference ability with our business affiliates, plus Agresso's ability to scale cost effectively and across national boundaries that made our decision."

The Need

SYSTRA'S CFO made a comprehensive inventory of the ERP players addressing the professional services segment, tossing the multi-billion-dollar software giants out of the mix ("we were sure we wouldn't get the right level of attention for a 200-person organisation") and diligently researching capabilities/reputations. While one of the named competitors above had federal contracting certifications, Hartwig's industry associates complained that the vendor had horrible service ratings. In fact, Hartwig was aware that one engineering firm executive was fired for selecting that ERP vendor.

"Our English sister company, MVA, had a controller who continually spoke favorably about

Agresso," Hartwig said. "I had a very finite budget and I was hearing very poor implementation stories with what appeared to be the best known U.S. choices. We entered into an agreement with MVA that we would select Agresso, copy MVA's chart of accounts and report structure...and pay our affiliate for those costs. Conversely, our agreement was that any Agresso capabilities, like timesheets, web pages, etc. that we developed, would transfer back to the U.K."

SYSTRA found the Agresso solution easy to implement and the historical data conversion went seamlessly. Fully deployed since 2003, the solution includes:


- Financial Management
- Project Costing and Billing

"I would say that it's almost unheard of for a company of our size to have Web-based timekeeping, reporting and the type of sophisticated analytic and information management capabilities that we have," Hartwig said. "As we bring on our Canadian offices, that additional cost will be negligible and we'll further regionalize our payroll process. In our industry, scalability like this is a huge competitive advantage. With Agresso, you also get a total solution – you don't need to buy any other software packages to get exactly what you want."

The Benefit

SYSTRA began to see cost efficiencies almost immediately after deploying Agresso. Prior to the implementation, the company's accounting staff was almost 6% of payroll; today it is just 3%.

In another clear cut area of hard dollar savings, Agresso's web-based time and expense reporting has allowed SYSTRA to eliminate two redundant positions for data entry and systems control, saving almost \$200,000 in salary and benefits per year over the past three years...for an aggregate savings of \$600,000.



The IT group also was consolidated from a staff of three to two, saving another \$330,000 over three years.

“The financial and organizational benefits are even greater than we had predicted,” Hartwig said. “In 2002, we did an ‘incremental impact on our business’ review on Agresso versus BST versus Deltek. Using Agresso, we have a net positive impact on our business of \$250,000-300,000 per year after removing our licensing, installation and maintenance costs. Even when

you offset an incremental increase of \$80,000 per year for communications fees to tie our entire organisation together, our Agresso solution saves us close to \$1 million in a four to five year window – which we will approach next year.”



Agresso Client Case Study – Eidos Interactive

VIDEO GAMES PUBLISHER AIMS HIGH, SCORES BIG WITH AGRESSO ERP SOLUTION FOR FINANCIAL MANAGEMENT

Overview

Eidos Interactive Ltd. is part of \$227 million SCI Entertainment Group, one of the world's leading developers, publishers and distributors of entertainment software. The company's hallmark video game series, Lara Croft Tomb Raider™ was originally launched in 1996 and has sold over 30 million copies. Following a merger in 2005 between video game leaders Eidos and SCI Games, the company has 1,000 employees and offices throughout the world.

Like the video game characters of its client, Eidos, the Agresso Business World installation has been challenged repeatedly by competitive software companies who appeared bigger and stronger – but ultimately, not better -- than Agresso.

Following the initial compete (challenge one) in '98, Eidos corporate offices revisited its Agresso decision with the goal of consolidating disparate back office operations at its subsidiaries in France and Germany (challenge two). In 2005, Eidos then merged with SCI, which also had its own ERP solution (challenge three).

Each time, the winner was Agresso; and each time, Agresso successfully absorbed the new operations it had won, in record time and at lower projected cost. Eidos has been able to simultaneously take on data warehousing, management reorganisation and financial accounting revision projects.

"I can tell you from hands-on experience with Oracle, Peoplesoft and SAP that these projects might have taken as long as five man years to complete," said Steve Clayton, Director of Business Systems for Eidos. "Using Agresso, the projects were completed in approximately nine months and we easily saved hundreds of thousands of dollars on IT staff and consultant salaries."

The Need


Eidos executives say that the company is focused on an aggressive business plan that is best served by one underlying back office solution. As the company grows and circumstances change, it has found a partner in Agresso that is competent in rising to the company's changing circumstances.

Following the initial Eidos decision to select Agresso, Microsoft Navision was three years ago one of the challengers Agresso bested when the decision was made to unify on one platform provider. Then, in 2005, when Eidos was acquired by SCI Entertainment Group, SCI was running its operations on Microsoft Great Plains, where again, Agresso prevailed in a face-off.

"We have a Microsoft-based infrastructure, so naturally there had been a strong desire to consider Microsoft solutions," Clayton said. "The thinking was that it was hard to go against Microsoft because we were generally satisfied elsewhere with their products. "But at each turn the decision to go with Agresso was two-fold: we had sampled Agresso and knew of its change-oriented capabilities. Conversely, we could not get comfortable with Microsoft's answers to an upgrade path – they were heading into what looks like a major re-architecting which would have put us potentially into a major conversion."

The multiple ERP product consolidations undertaken by Oracle, Peoplesoft and Microsoft are a source of concern for both former and potentially future customers. "We're all wondering about that big gamble we might have to take four years down the road...and I don't think many forward-thinking businesses want to risk it."

Of additional concern was steadfast knowledge that a deployment on Microsoft or any other of the ERP leaders left you with a rigid set of templates that would make it hard for Eidos to continually change its operations as it entered new countries and took on additional acquisitions.



Today, Eidos is using a growing list of Agresso financial management solutions, based soundly on Agresso's tight coupling of an information warehouse, business processes and analytic/reporting capabilities. Eidos' general ledger, accounts payables and accounts receivables are integrated worldwide, and each new office deployment can be managed in less than 60 days.

"I'd like to know how many other ERP solutions can claim they can do a full, complex operation deployment in less than two months," Clayton said. "As a matter of fact, we could have implemented Agresso in just two to three months – and that includes new servers, a new database, converting historical data and training, as well. To put a new system in within six months is considered pretty good – let's be blunt, from an IT perspective if you can pull off an ERP deployment for a complex company in six months you are considered 'top of the heap.' But with Agresso, accommodating change quickly is commonplace."

The Benefit


Eidos uses Agresso's database to go directly at market/sales data from a wide variety of internal and external sources, then invokes Agresso's embedded analytics capability to produce secure, role-based reports for management.

For example, the company can pull existing and trailing Eidos sales data, compare that data against other computer games launching within the industry and overlay projected trends from industry analysts. This combination provides

sound and timely indicators on the relative success of any given video game, allowing the company to make nimble marketing, pricing and distribution decisions that will impact quarterly earnings.

"We continually merge data from our sales database against competitors' data that we can view from the NPD Group (the leading provider of consumer and retail market research)," Clayton said. "So, let's say in one example that our goal is to sell one million units of a game, and NPD shows that last week we were at 500,000 units moved through distribution channels. Our quarter is closing and we can play what-if scenarios on whether to discount, change our channel or run the financials on what the downside is of getting those units back. Agresso allows us to manage and converge data in a number of ways to meet our objectives."

Eidos' IT staff provides itself on a solid understanding of both its business and the technology surrounding its business. "My primary training was as a database administrator, and I can look at data and the database and tell you without hesitation which solutions are going to be easier and harder to work with," Clayton said. "Agresso's data is consistent across every single installation, everywhere in the world, across every table. It doesn't matter if you merge, consolidate, and add three extra pieces or 1,000 – the core data is always going to be consistent. Without a lot of additional tools and third-party intervention, I can't say the same of Oracle, Navision, Great Plains or SAP.



Agresso Client Case Study – Skookum

NON-PROFIT SERVICES CONTRACTOR RESTORES DIGNITY TO DISABLED, CONFIDENCE TO EMPLOYERS VIA FAST-GROWTH AGRESSO SOLUTION

Overview

Skookum, a \$25 million non-profit organisation, walks the line each day between compassion and competition; competence versus capability. The Seattle-based employment services contractor has earned a reputation for delivering on promises and instilling confidence to employers and employees alike. As their website at www.skookum.org tells it, it's all about "people, pride and performance."

Skookum services both the public and private sector, including the U.S. Army on the hiring side, and disabled veterans badly in need of restoring both their pride and a pay check. Juggling the needs of a workforce beset with physical, emotional and developmental disabilities, against employers needing jobs done right and on time, Skookum leans heavily on its operational infrastructure. That's where enterprise resource solution provider, Agresso, brings in the reinforcements.

Supplying financial management, project management and logistics capabilities, Agresso helps Skookum management maintain the agility it needs to meet the changing needs of today, while planning for the rapid-growth organizational plan Skookum has for tomorrow. Like its workforce, Skookum is committed to surpassing expectations: the non-profit organisation plans to grow to \$100 million over the next 3-5 years, with the lion's share coming from the government contracting sector.

The Need

In 2005 and in need of updating their back-office capabilities, Skookum took a hard look at the ERP software providers geared to growing mid-market, services organizations. Like many smaller organizations on a fast-growth plan to mid-market status, Skookum had outgrown its "start-up" software that was populated with thousands of spreadsheets, a stand-alone database and home-grown code that was difficult to change and even harder to maintain.

Skookum "short-listed" four companies for review: Agresso, Deltek, Microsoft (Solomon) and a fourth that was later deemed too small.

Skookum then did a deeper dive into the vendors' architectures, feature/functionality and future plans. Skookum also enlisted an IT consultant firm, Soft Resources, to assist with the selection/decision process.

Ultimately, Skookum found both the Microsoft and Deltek solutions too rigid, and like many organizations, has more than a few concerns about the future product direction of Microsoft. Skookum also felt Deltek's orientation towards large federal contractors would make the company feel like "a small fish in a big pond."

Agresso was selected in October 2005, and went live just three months later in January 2006 with financial management, project management and logistics for invoicing -- despite working around 3 sets of year-end holiday interruptions.

"I had the usual advance concerns typical when you move from one system to another, but it turns out my concerns were ill founded," said James Golden, Business Systems Director of Skookum. "Typically one of the most challenging periods is with data entry, but our internal implementation team saw that the Agresso system was far better than what we had from day one. We were able to quickly see that the power and flexibility of the Agresso architecture would allow us to grow and change as often as we desired."


The Benefit

Forearmed with the new capability to bid on employment contracts with more accurate and integrated project logistics information – such as the number, type and duration of manpower

Agresso is the ERP Market's *Definition of Agility*

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resources; financial costs; and associated project overhead – Skookum says it has found new avenues to compete, grow revenue and profits.

“Previously there were many finite jobs that we couldn’t begin to bid on, or that when we did so, ineffectively,” Golden said. “We typically do well from a profitability standpoint with jobs that are continuous, like cleaning. However, jobs that are not continuous, like asbestos removal or highway striping, have finite time and project-oriented parameters. That takes a much more complex set of data integration, analytical and reporting needs – as well as the right business processes to make the contract work.

Golden explains that in the government contracting space, there is the opportunity to compete for Indefinite Quantity Work as well as contracts for Firm Fixed Pricing. Through the capabilities of the Agresso system, Skookum can direct its growth to both segments – and gain a better profitability margin in the process. Also, Skookum has grown beyond its Seattle environs and into multiple divisions and operating companies; some overlapping, some with shared resources and the firm now has contracts in Kansas, North Carolina, Texas, etc.

“Our business development resources can now track projects that are three months, one year, even two years out,” Golden said. “And while we are primarily a government

contractor, we are gaining significant work outside of the Department of Defence so that our revenue stream is less cyclical and tied purely to federal initiatives. We have a contract that we are currently bidding on that can increase our revenues by as much as 20% -- this is growth opportunity that Agresso is both helping to facilitate and that the system’s architecture can continue to unfold.”

While better business development, profitability and geographic expansion have all been credited at least in part to the Agresso deployment, Golden recalls a recent instance when the Agresso Business World solution also saved an existing contract.

“We faced a difficult situation with the Department of Public Works at Fort Louis in Washington State. Our contract with them was in crises mode due to inconsistent scheduling and invoicing on our end. With Agresso, we were able to do an integrated matrix of work orders, service schedules and invoice generation that was consistent, accurate and that greatly reduced paperwork on both sides. We had a very short timeframe to completely change the implementation path we were on. Agresso pulled all of the data together, revamped business processes and created reports that everyone was happy with,” Golden said.