



White Paper

THE VITA™ ADVANTAGE - M&A

**AN AGRESSO WHITE PAPER,
OUTLINING AGRESSO BUSINESS
WORLD'S BENEFITS OF THE VITA
ARCHITECTURE FOR ORGANISATIONS
FACING MERGERS & ACQUISITIONS (M&A)
ACTIVITIES OR RESTRUCTURING.**

The VITA™ Advantage

Mergers & Acquisitions (M&A)

I. VITA – a platform for agility

AGRESSO Business World offers customers unrivalled post-implementation agility – the ability to alter the system and get new information out when your requirements change, without having to call in external help. This is especially relevant to dynamic, mid-market public sector and professional services organisations. It is AGRESSO's unique VITA architecture that allows it to do this. VITA is a reverse-engineered architecture; unlike others' solutions, it is designed for ease of getting data out rather than focusing on getting data into the system. Crucially, it sits beneath the Services-Oriented Architecture (SOA) technology layer, so that the power and capabilities of VITA are inherent and not dependent on SOA; AGRESSO is able to make use of SOA easily and in its correct capacity – as a technology enabler, rather than as a replacement for a proper systems architecture.

II. Choosing the right technology

Businesses involved in M&A activities face critical technology choices regarding platforms, networking and applications. They cannot afford to repeat old enterprise resource planning (ERP) mistakes, or to make new mistakes based on any misunderstanding of SOA's capabilities. It is easy to understand market confusion (and subsequent disappointTMent) about SOA-based technologies, when SOA is so often inaccurately cast as a breakthrough architecture promising salvation for out-moded and unwieldy systems, instead of as an enabler or an architectural façade, which are more accurate descriptions.

SOA technology delivers its real value in allowing the market's best-of-breed solutions to integrate effectively into strong and agile architectures like AGRESSO's VITA.

AGRESSO customers, characterised as "Businesses Living in Change" (BLINCTM), have a better choice.

When facing M&A activities they can:

- either to move data from their acquired/merged businesses completely into AGRESSO's VITA; or
- leverage AGRESSO's integration capabilities – which also use SOA – to add in any non-AGRESSO applications that they wish to retain.

III. M&A advantages

Ultimately, AGRESSO customers gain a three-fold business advantage, when faced with a merger or acquisition scenario:

a) VITA M&A advantage #1: iterative ERP conversion – the agility factor

Many reasons are cited in the press for disasters occurring in ERP installation and conversion projects, but it's not unusual to see the ERP vendor blame the buyer for not clearly defining their business requirements. Worse still, this excuse is often corroborated internally and even some industry analysts accept it as a justifiable reason for failure.

Instead of businesses having to specify precisely and finally, the data structures, reporting methodologies and analytic components that they wish to keep from the merged companies – at the outset of the new merger – shouldn't they be allowed to:

- start with initial assumptions and expand on them, as their understanding of those assumptions evolves?
- change their minds even during or after the conversion process, because of (for example):
 - a changing business requirement?
 - an honest mistake?
 - new processes or management thinking?

The AGRESSO VITA architecture is adaptable. It is forgiving. It allows merged companies to pursue strategies of continuous business process improvements – without re-implementation costs or business disruption. It is also intelligent enough, at the outset, to import only the data needed from replaced ERP systems – avoiding the more typical implementation step of moving “everything” and then laboriously weeding out redundant processes and data.

These features even offer benefits to highly experienced IT heads, who have managed multiple ERP deployments. When converting merged/acquired (non-AGRESSO) ERP solutions over to AGRESSO Business World, they state that they are consistently well under their budget and timescale estimates. AGRESSO customers often report that doing M&A conversions (from non-AGRESSO solutions over to AGRESSO) takes much less money and time than they originally believed – as much as 50-70 percent less than internal cost projections and with completion timescales 30-50 percent faster than they have experienced with other leading ERP solutions.

b) VITA M&A advantage #2: post-implementation agility – business user and GUI capabilities

Mergers challenge the agility of even the most disciplined and process-driven organisations, as the infusion of new leadership promotes re-thinking and re-evaluation of prior practices used by either organisation. Customers can exploit the post-implementation change capabilities of their AGRESSO solutions as often as necessary – with little or no outside IT intervention.

With VITA: the data, the business processes and the delivery (analytics and reporting) mechanisms residing in AGRESSO applications move as one. The reverse-engineered “Lego brick” style framework allows ongoing change to business structures, workflows, data and processes. Even business users with relatively little IT knowledge can single-handedly make the types of ongoing adjustments they desire – for example, to:

- improve their work processes;
- make reporting changes
- revise needed analytics.

Frequently, these changes can be performed with a simple “drag and drop” methodology with tree structures (i.e. like those in their e-mail folders) that are familiar to even the least experienced users.

Merged companies find that, even for more significant changes, ongoing modifications in business processes can be performed at the graphical user interface (GUI) level by business power users – rather than outside IT staff. This provides a unique total-cost-of-change advantage that cannot be matched by other ERP architectures.

c) VITA M&A advantage #3: delivering better value from non-Agresso applications

The VITA architecture also provides a significant market advantage, in instances where an AGRESSO customer wishes to retain one or more non-AGRESSO solutions (e.g. payroll, CRM, etc.) from a newly acquired company. AGRESSO VITA adds a complete new layer of intelligence (an unlimited number of views and hierarchical structures), eliminating the information silos in disparate vendor applications. As a result, users at any level of the organisation gain a much richer capability to achieve contextual analytics – i.e. data from multiple source systems can be merged, sorted and analysed for better-informed decision making.

So, how does this differ from standard SOA/Web Services integration? The point is that SOA is only as good (or as bad) as the data/process/delivery (analytics & reporting) architectural capabilities beneath it. If that underlying architectural model is rigid or inefficient or patchwork, then the SOA-connected products deliver rigid/inefficient/patchwork-style performance. In contrast, Agresso’s VITA is a great platform for agility; a merged company’s “favourite” or best-of-breed application is enriched by the connection into AGRESSO’s data/process models and source systems.



VITA - give all your applications the best platform for agility.

If your organisation is affected by M&A activities or restructuring, you need the VITA advantage.

Discover how organizations like yours are already benefiting from AGRASSO's unrivalled post-implementation agility at: www.agresso.com.au

Or contact us to discuss your specific requirements.

About Agresso Pty Limited

Agresso Pty Limited (www.agresso.com.au) is a dynamic organisation providing innovative business information management solution to leading organisations across Australia and New Zealand. Agresso provides, AGRASSO Business World (AGRASSO) for organisations that are people, project and service oriented. Over 2,900 private and public organisations, in over 100 countries, have deployed AGRASSO. AGRASSO's unique ability to change as new requirements appear, without incurring expensive programming costs, is its main competitive differentiator.

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