

Is ERP Add-on Software Right for You?

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Short for Enterprise Resource Planning, ERP is an industry term for a multi-module software system that allows businesses and institutions to manage the various activities essential to operation. These multi-functional systems are designed to streamline almost every aspect of how your institution operates. In education, ERP usually refers to a system with program modules for Human Resources, Payroll, Finance, Purchasing, Asset Management, Grants, Travel & Expenses, Student, Student Account Receivables, Financial Aid, and Advancement.



While most ERPs will offer a holistic solution to your institution's needs, there is a possibility that the software that comes standard with the ERP you've chosen will not provide all of the services you need. Should this be the case, you will need to consider

Add-on software that will create a more robust system that provides a complete solution to your organizational needs.

In this article we will outline the process of selecting Add-ons and help you decide if ERP Add-on software is right for you.

How Do Institutions Decide Which Add-ons Are Necessary to Creating a Complete Solution?

When selecting Add-on software, it is important to have a thorough understanding of which needs your ERP cannot meet and which Add-ons can best fill those gaps. Some of the more commonly used Add-on software assists in managing duplicate records, cleansing addresses, providing scheduling solutions, checking printing solutions, documenting imaging solutions and cashiering systems for paperless solutions.

In order to reduce the need for too many Add-ons, you should research the strengths and weaknesses of all ERP solutions. Examine all sides of the system to determine how well it will support your institution's business needs or "business practices". You may also want to examine what Add-on options are available with the system of your choice and which are most compatible with systems already in place.

Are All Add-ons Integrated?

The simple answer is no. Not all Add-on software packages are easily integrated into an ERP solution. The best way to identify an Add-on solution that is designed to integrate to your ERP is to find out if the software you are considering is “partnered” with the ERP vendor. Remember that some of the most familiar ERPs have a different meaning for the integration of Add-on solutions. Some ERP solutions consider Add-ons integrated based on technology or how well the systems work with each other on a technical level. Other ERP solutions have formal partnerships where full integration is achieved with Add-ons that enhance the performance of the system thus creating what is considered an integrated solution.

The next best approach to selecting an Add-on solution is to determine if the desired Add-on software works with the ERP version your institution is implementing. For example, if your institution has purchased a new student ERP solution but decides to continue to use the current Financial Aid Add-on solution; will this work? First, remember that most ERP student systems provide Financial Aid as a part of the solution, so do not be surprised that there are no partners with your ERP vendor that market Financial Aid Add-on solutions. A great way of determining if the current Add-on Financial Aid solution will integrate with the new ERP solution is to locate other institutions that have successfully accomplished the same goals you are researching.

However, do not make the mistake of confusing the example above with a fully integrated Financial Aid solution since ERP systems can be fully integrated via the usage of the same technology and full integrated solutions partnership. When contacting other institutions, be prepared to listen to the trials and tribulations of integrating the two products, you may have the same or similar experiences. Companies that sell Add-on solutions are in the business of assisting

institutions in being successful. The most successful companies are willing to share their successes and the institutions that will stand behind the Add-on solution. In summary, do your homework.

How much does it cost?

Determining the cost of Add-on software can be difficult. Costs usually depend on several factors such as on the institution size, needs and complexity. Some integrated Add-ons can cost hundreds of thousands of dollars in implementation cost and annual maintenance costs. Others will not add up to a total of more than few thousand dollars including implementation and maintenance costs. In most cases, institutions can contact the vendor directly to request a no-obligation estimate. Generally, vendors will be willing to provide a potential customer with an initial licensing fee cost of the software and the cost of the annual maintenance fees based on the size of the institution and the acquired Add-on software.

Where Do I begin My Research?

In order to assist you in the process of selecting Add-on software, Collegiate Project Services has prepared a spreadsheet describing the most frequently used add-on software solutions for Higher Education ERP systems. To download a copy of this spreadsheet, please visit the ERP library at www.collegiateproject.com.

If you found this article helpful and would like to read more, please go to our website at www.collegiateproject.com and browse our ERP Library.