



THE FIXED ASSET CONNECTION



YOUR INFORMATION CHANNEL FOR ASSET MANAGEMENT AND PERSONAL PROPERTY TAX MANAGEMENT

A Newsletter For Leaders of Industrial Organizations With Large Investments in Fixed Assets

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EAM, BPM and ERP – can this alphabet soup really become the melting pot of the new integrated enterprise architecture?

Are vast enterprise-wide suites the answer? Or is a no-nonsense and pragmatic approach going to win the day?

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With all the focus on financial indicators, it's no wonder businesses are becoming more and more interested in gathering, understanding and acting on information that already resides in cross-organizational applications. This back-to-basics approach focuses on aligning companies to actual business objectives without straining lean budgets. This new direction seems to indicate that organizations should fully leverage existing software investments and invest as needed in "best-of-breed" solutions rather than taking a "best-of-suite" approach that occupies the entire company and can take months, or sometimes years, to complete.

In addition, the advent of Sarbanes-Oxley is being used as the catalyst to deploy applications that provide transparency and visibility, financial controls, communications and fraud prevention. This includes business performance management and business intelligence, tightening up ERP processes and best-of-breed solutions, and focusing on data quality. Moreover, to comply with Sarbanes-Oxley Section 404, firms will need IT support for applications that can address program management, content management and business process management.

The Enterprise Application Integration (EAI) question

One may answer, "But that's what EAI is supposed to fix." That is correct *IF* you have

assumed that EAI only synchronizes cross-functional transactions. If, however, you are looking for visibility and decision support needs across application and organization boundaries, EAI is just one part of the equation. Companies that have not implemented an EAI initiative will most likely look for lightweight products from standards-based adapter vendors and let business goals drive the choice for filling process gaps. Those that already have EAI installed should continue to use it, but will need to provide visibility and decision support solutions for their business users.

The challenge ahead is to integrate disparate software technologies, processes AND people across organizations and channels. What line-of-business managers want is decision support and visibility without multi-year, multi-million dollar projects that can impede business advancements and objectives.

Since EAI does not provide the complete answer, and companies are struggling for process automation and visibility across business processes, what do business users really need?

The case for the new architecture

There are some enterprises who would like to operate on a "one suite" backbone to reduce the ordeal of information inconsistency and



metadata management. But most pundits believe that the value or maturity of this approach merits little attention. In most cases, complete suite applications do not provide the functionality companies thought they were getting when the initial investments were made – rather, most companies function better when they purchase best-of-breed systems and applications to fulfill specific organization requirements. These include applications such as one for procurement, another for financial functions and another for asset management.

For example, an enterprise has purchased an eprocurement application for new purchases and a lifecycle asset management system for asset management, and is using an existing auction system for ad-hoc transactions. They are using the eprocurement application for items found in a catalog, but want to initiate auction events for items not in the catalog, and return the result to the eprocurement application AND send the final transaction to the asset management system. If this setup is like most enterprises, all three applications are managed in separate departments, requiring the user to call an auction expert to create and conduct the auction, and then call the property manager to ensure the information is properly created in the asset management system.

This may seem like a classic EAI instance, but using established EAI would only keep the systems and transactions synchronized. It completely misses the desired functionality. Business users want to automate processes from their standpoint, not based on the limits of the technology. This solution would deliver business results through a “system of record” and would look and feel like an application by drawing functionality from the existing applications. This is commonly referred to as a 'composite application'.

Composite applications allow enterprises to employ an incremental approach that tackles business processes a few at a time rather than protracted “big bang” implementations. This results in more happy users because the “all or nothing” framework of many suite applications makes it very difficult to tackle somewhat simple problems. Another advantage is that most of the technology an enterprise needs to create composite applications is already installed – it’s now a matter of leveraging those investments to get to the next level of process automation, visibility and decision support for business users.

Bringing it full circle

EAI initiatives and composite applications mean little to the business user who is liable for their company’s financial accounting practices. This means that IT architectures must make a clean separation between business processes and the underlying technology. Tools that help model business processes must be able to involve business logic and user interfaces, as well as an infrastructure that can rapidly support development.

The language of business users is still focused around purchase orders, responsible parties and financial statements. It is at this level that they demand visibility into the information coming from their IT system. The end result will be building services from existing IT investments that will deliver what business users want to see.

Contributing writer Robert Kaehler, vice president and general manager, Sunflower Systems

About Robert Kaehler

Robert Kaehler has 19 years of sales and marketing management experience. Before joining Sunflower Systems, Kaehler was general manager of US

operations and a member of the Board of Directors at Proactive Systems. He was instrumental in growing the company from \$400,000 in revenue to over \$6 Million within three years. When Proactive Systems was acquired by JetForm Corporation, Kaehler became responsible for the western region covering 15 states, and managed a staff of 10 sales and 12 support personnel. Prior to Proactive Systems, Kaehler was Vice President of Marketing for Pantechnic, Inc.

Kaehler has been a featured speaker at HP World, as well as numerous local and regional conferences. He holds a bachelor's in economics from Pepperdine University. The many awards he has received include the Chairman's Club Award from Citicorp, the President's Award from American National and the Achiever's Club Award from JetForm.

About Sunflower Systems

Sunflower Systems significantly improves asset management processes across the enterprise. We help organizations increase asset utilization and tighten financial accountability by providing a holistic view of every asset throughout its lifecycle. The Sunflower Systems solution:

- Provides a system of record to substantiate financial reporting
- Enables analytics for better allocation and utilization
- Maximizes accountability to ensure proper stewardship of every asset

Products

Sunflower Assets, the company's flagship product, transforms lifecycle asset management into the cornerstone of your enterprise's financial system. Make better decisions with a panoramic view of each asset throughout its lifecycle, including information that resides in other enterprise systems. Know exactly what you have, where it is and what you can do with it with Sunflower Assets.

By providing a holistic view of each asset throughout its lifecycle, Sunflower Assets enables better control of existing assets, provides required reporting for regulatory compliance purposes, and eliminates issues around penalties and loss of future business.

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Asset Management Resources (AMR)

AMR is pleased to bring you this article by Robert Kaehler from Sunflower Systems on the data visibility challenges of Fixed Assets within the enterprise today. Managing and optimizing asset utilization across disparate systems and cross-functional organizational boundaries in companies seeking competitive advantage and agility are worthwhile objectives. Combining the technological advantages of this holistic approach with the data validation benefits that a Fixed Asset Inventory and Reconciliation service provides closes the gap between decision support and data visibility.

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