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A coming together of ECM and ERP

EASY's Howard Frear thinks the next step in ECM's evolution may come from where it all started

While we know there are many things wrong with this world, we can at least be sure that technology is heading in the right direction – making businesses ever-more efficient, better co-ordinated and better at servicing their customers.

However, there are still some parts of the average organisation that, despite having Document Management (DM) or Enterprise Content Management (ECM) solutions in place for years still haven't joined them up to their core finance or ERP (Enterprise Resource Planning) systems. The evidence for this comes from the market research at AIIM, who have discovered that no less than 61% of organisations it polled are in that position.

What's peculiar about this picture is that it's in Finance that DM usually starts to be adopted, which is the same place the organisation's finance engine and ERP sits. But somehow, CFOs and their teams aren't making the mental connection, let alone the software and process connection, between the scanning of invoices they now do – and the insight and advantages they'd reap by feeding the same data into their accounts and core business processes.

What's the basis for this puzzling disconnect? It's a kind of last mile for DM – a mile about helping managers finally recognise that the information in all their systems is a real asset, and as valuable as the goods or services going out the factory gate every day.

Let's raise the DM bar for our customers

Is it a matter of wood and trees, perhaps? After all, CFOs and Purchase Managers have spent so much of the past few years battening down the hatches and hanging on for economic survival. That was necessary in the tough years after 2008 but they have developed tunnel vision as a result: the theme is only ever on saving cash and getting leaner.

Getting rid of paper suits that agenda, as it's a way to speed up admin and save costs in physical storage. But the bigger picture is getting lost here – the picture of a joined up, integrated whole. After all, what does all that paper, now in electronic form, represent? Information – and financial information what is more.

Information is power and it needs to be exploited. And, you're not going to do that just by enabling the digitisation of an incoming invoice. CFOs need to take the next step and see that while payment is key, it's really just an enabler and a way to open up ERP and workflow around cash into one seamless, unified whole.

That joined up process and workflow also needs to spread out and capture all the emails across the company, then all the many touch-points between your staff and your customers and partners, encompassing not just POs and bills but contracts, project management, marketing outreach, new IP development – all the value-add activities in your company, effectively.

A great basis to build on

To be clear, it's my conviction that Finance and the CFO need to spend time thinking about the bigger picture. IT needs to help with the discussion around how easy it would be to join the organisation's information flows up better.

An added factor as to why that bigger picture conversation should happen now is that the recession of 2008 came to an end last year. It's recovery time, finally. The focus no longer has to be on slashing cost and preserving the business. Organisations, enterprises, SMEs, are expanding, investing and more people than ever before are in work. As a result, a good CFO needs to be open to a dialogue about using digital to expand, not just save their pennies.

We started our journey in Finance. Let's go back there, and use that basis as the jumping-off point for the next fantastic phase of e-business.

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