IT Readiness: Are You Positioned for Long-Term Success?

**Sassan S. Hejazi,
Director-in-Charge,
Technology Solutions**

www.kmco.com

Kreischer Miller

PEOPLE | IDEAS | SOLUTIONS

On the Call

IT Readiness
Are you positioned for long-term success?

Kreischer Miller

PEOPLE | IDEAS | SOLUTIONS

Managerial Priorities

- Pandemic has accelerated IT enabled digital transformation efforts:
  - Need for agility, work from anywhere at anytime as applicable.
  - Need for flexibility, adjust to a multi channel, multi modal method of product and service delivery.
  - Flushing out inefficiencies, eliminate silos through increased process integration efforts.
  - Improved decision making by better leveraging data assets.
  - Increased customer and supplier intimacy, portal and self serve features.
  - Realization that many of changes made will have a longer term effect, new normal, shifts in habits.
  - Improved risk management in an increasingly distributed and collaborative environment.

Kreischer Miller

PEOPLE | IDEAS | SOLUTIONS

Technological Drivers

- Cloud Computing Strategies
- Updated Financial/ERP Applications
- Robotic Process Automation
- Analytics/Management Dashboards
- Cyber/Information Security Considerations
- IT Resources/Capabilities

Kreischer
Miller

PEOPLE | IDEAS | SOLUTIONS
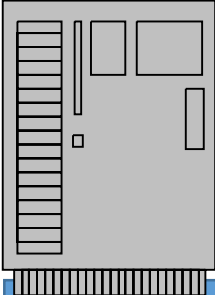
What is Cloud Computing?

Making computing resources available as a utility service

Just like the National Electricity Grid
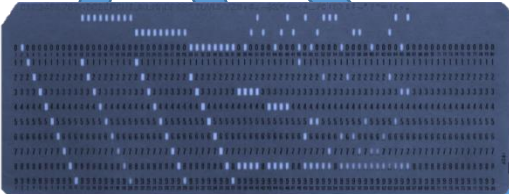
Not All Clouds Are Right for You

So What's Changed?

The 60s

Time....

The future

I don't know how it works, I just get the answers I need

6

On-Premise Computing

- Requires hardware, space, energy
- Requires managing applications/updates
- Software Licensing costs
- Difficult to scale
  - Too much or too little capacity
- High upfront capital costs
- You have control & responsibility

Kreischer Miller

PEOPLE | IDEAS | SOLUTIONS

IT Agility

- How quickly can you:
  - Scale up/down the infrastructure and applications?
  - Upgrade to the latest applications?
  - Respond to a merger and acquisitions with new requirements for business process and IT capacity?
  - Respond to changes in your business model?

Kreischer Miller

PEOPLE | IDEAS | SOLUTIONS

Cloud Characteristics

- Shared, multi-tenant environment.

- Pools of computing resources.

- Resources can be requested as required.

- Available via the Internet

  – Private clouds can be available via private WAN

- Pay as you go.

- Improved security posture.

Kreischer
Miller

PEOPLE | IDEAS | SOLUTIONS

Many Players in the Game

- To name a few
  - SaaS: Microsoft, Salesforce, Oracle, Cisco, Google Apps
  - PaaS: Microsoft, Force.com, Google App Engine
  - IaaS: Amazon, IBM, VMware
- Expect change, the cloud is just beginning…

Kreischer
Miller

PEOPLE | IDEAS | SOLUTIONS

Updated Financial/ERP Systems

- ERP and financial systems form the backbone of an organization's digital nervous system.

- All processes within an organization needs to be reflected in some shape or form within the ERP/financial system to enable capture of all activities and their impact on organizations performance.

- ERP systems and capabilities have evolved:
  - Core Operations to Finance additions
  - Customer and Supply Management
  - Analytics and BI evolution
  - HRIS and Social XRP enablement

- Outdated and poorly integrated/enabled systems pose a significant obstacle towards digital transformation!

Kreischer
Miller

PEOPLE | IDEAS | SOLUTIONS

ERP Solution Approaches

All-in-one
- Using one primary software solution to handle various facets of the company.

Best of Breed
- Using several software applications and providers to satisfy the needs.

Hybrid
- Using a minimum number of applications to reduce the number of applications used in support of business needs.

Kreischer Miller

PEOPLE | IDEAS | SOLUTIONS

Middle Market Key Players

- SAP ERP, Business By Design, Business One
- Oracle
  - EBS, NetSuite, Several offerings (PeopleSoft, JDE, etc.)
- Microsoft Dynamics
  - Dynamics GP, Dynamics AX, NAV & SL, Dynamics 365
- Sage
  - ERP 50,100, 200, 300 and 500, Intacct
- Financial Force, Salesforce Eco System
- EPICOR, Workday, INFOR …
- Vertical Market Applications
  - Non-Profits, AEC, Mfg, Distribution, Etc.

Kreischer
Miller

PEOPLE | IDEAS | SOLUTIONS

Updated Financial/ERP Promise

- Process integration/efficiency (direct or API)
- Break down the silos, provide visibility
- Real-time information updates and alerts
- Access any where/time/device
- Less paper, more workflow
- Increased self service capabilities
- Software as a service, ease of IT management

Kreischer
Miller

PEOPLE | IDEAS | SOLUTIONS

Robotic Process Automation

- Many organizations have developed a patchwork of applications, with data being entered in multiple places and requests travelling via various tools ranging from manual reports and forms to emails and spreadsheets from one system to another in different ways.

- Robotic Process Automation, or as commonly referred to as RPA, democratizes automation through integration of all applications using a unified set of tools to eliminate non-value added activities while at the same time increase overall process efficiency, quality and scalability levels.

- RPA enable managers to achieve "hyper automation", by having the ability to quickly identify business process improvement opportunities and use available tools to achieve high ROIs in a rapid and quantifiable fashion.

Kreischer Miller

PEOPLE | IDEAS | SOLUTIONS

Sampling of Market Leaders

RPA Examples

- Accounting & Finance – Payables and receivables processes. Automated reconciliation and financial close activities.

- Operations – Customer and vendor management, inventory automation, cycle counts, order fulfillment, quality tracking, job/project setups, project budget monitoring.

- Sales & Marketing – Campaign and outreach email management, brochure and content sharing processes, CRM automation.

- H/R – Employee forms, onboarding and termination processes, benefits management support processes.

- Executive Management – Business analysis, monitoring and reporting. Risk management and regulatory compliance support.

Kreischer
Miller

PEOPLE | IDEAS | SOLUTIONS

Analytics/Management Dashboards

- Dashboards are enablement tools of business performance management in today's modern organizations.

- Dashboards have become popular due to recent advances in cloud and open interface technologies.

- Dashboards are used to report on KPIs in an effective manner in order enable management to keep everyone focused on achieving tangible results.

- Dashboards, when implemented properly, improve communication and accountability throughout the organization.

Kreischer
Miller

PEOPLE | IDEAS | SOLUTIONS

Management Dashboards
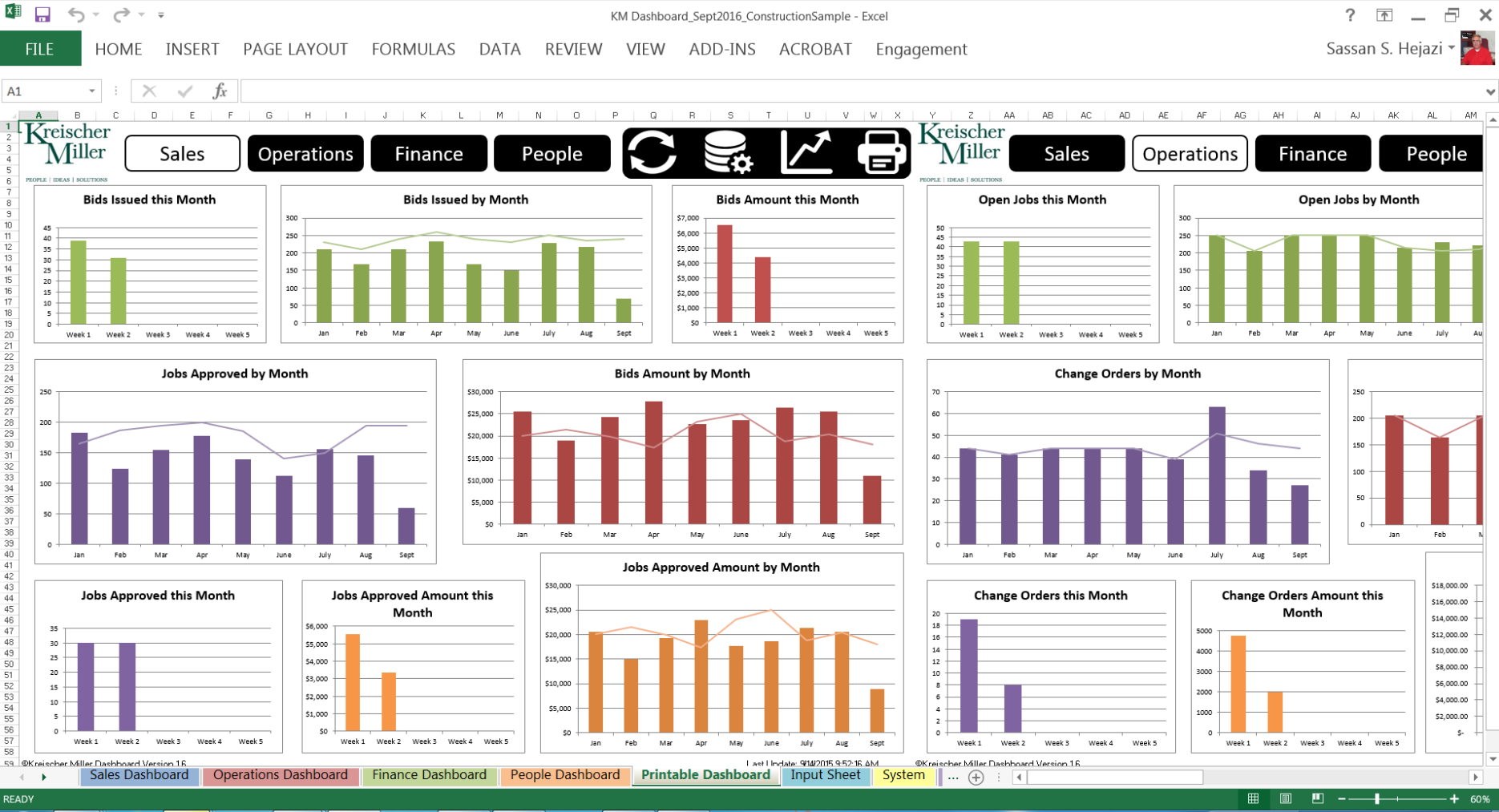
Dashboard Visuals
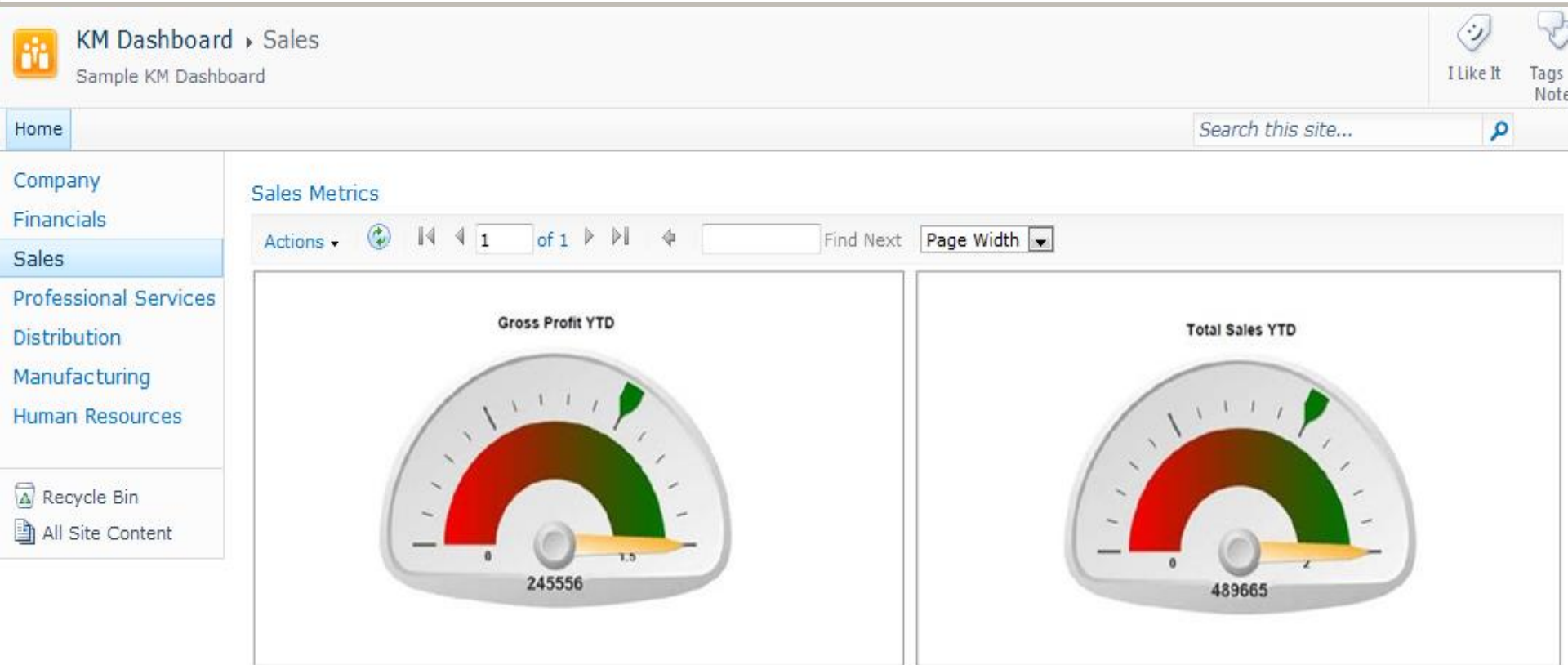
Use of 'gauges' to provide quick visual representation of firm performance

Kreischer Miller

PEOPLE | IDEAS | SOLUTIONS

Dashboard Examples

- Opportunity tracking & management

- Sales performance & leaderboard

- Order fulfillment management

- Inventory & supply chain management

- Operational/outcome monitoring

- Project tracking & costing

- Workforce planning & utilization

- Product & customer segmentation analysis

- Financial metrics & forecasting

Kreischer Miller

PEOPLE | IDEAS | SOLUTIONS

Cyber Security Considerations

The protection of information and information systems from unauthorized access, use, disclosure, disruption, modification, or destruction in order to provide **confidentiality, integrity, and availability.**
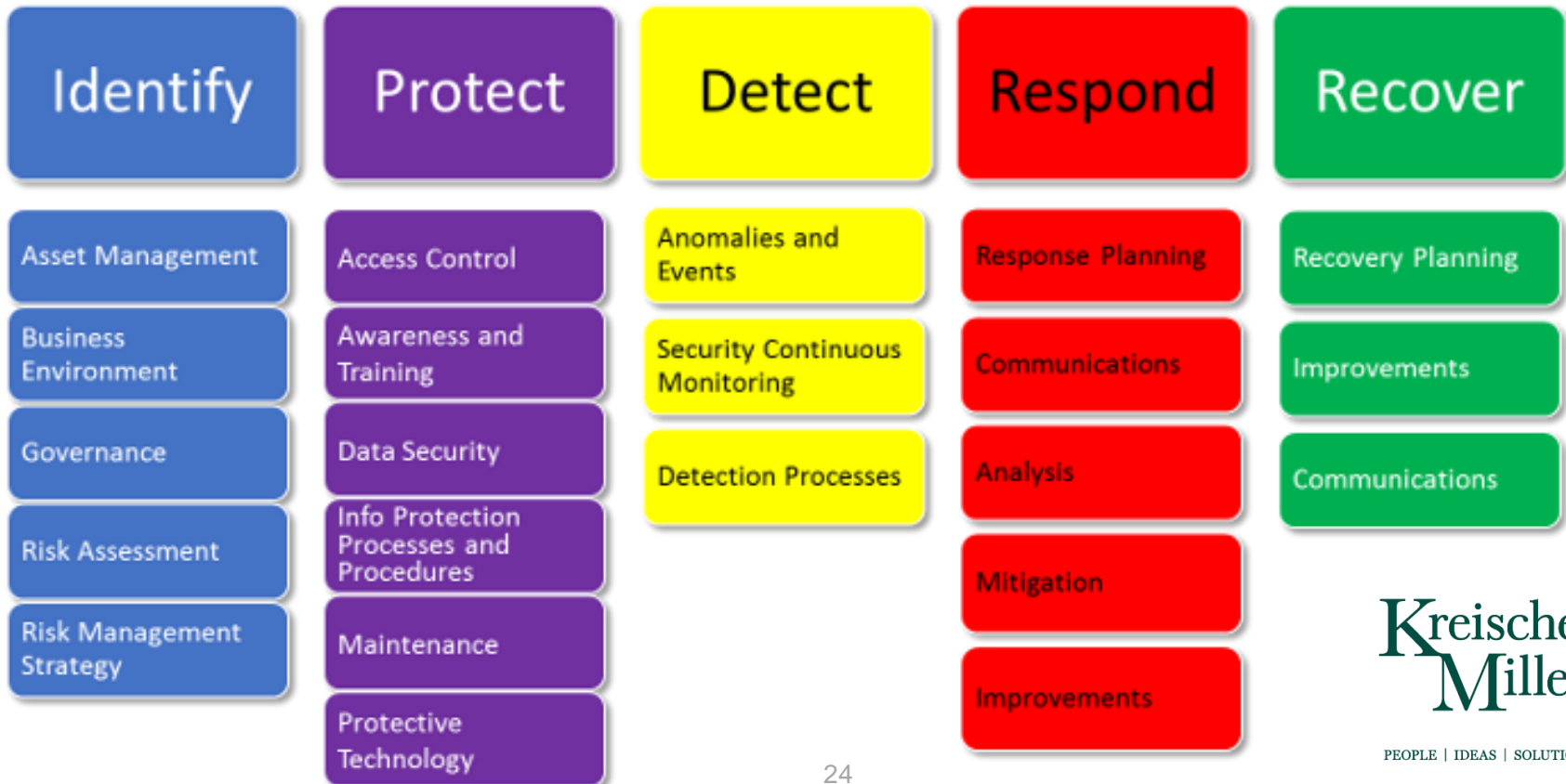
Middle Market & Information Security

- Increased frequency of attacks
- Limited internal resources
- Increased regulatory pressures
- Confusion among management regarding priorities, assuming IT is addressing it all!
- Lots of noise/offering in the IT vendor community
- Too many solutions resulting in less than desired results!
- Need for a unified methodology and approach

Kreischer Miller

PEOPLE | IDEAS | SOLUTIONS

Leveraging Frameworks

NIST Cyber Security Framework

| Identify	Protect	Detect	Respond	Recover
Asset Management	Access Control	Anomalies and Events	Response Planning	Recovery Planning
Business Environment	Awareness and Training	Security Continuous Monitoring	Communications	Improvements
Governance	Data Security	Detection Processes	Analysis	Communications
Risk Assessment	Info Protection Processes and Procedures		Mitigation	
Risk Management Strategy	Maintenance		Improvements	
	Protective Technology			

Kreischer Miller

PEOPLE | IDEAS | SOLUTIONS

24

CIS Controls Overview

- Combines efforts to create a tangible, easy to follow process based on NIST
- Realistically, a set of 20 control groups for businesses to adopt
- Listed & presented in the recommended implementation order
  - **Basic (Controls 1–6):** Key controls which should be implemented in every organization for essential cyber defense readiness.
  - **Foundational (Controls 7–16):** The next step up from basic—these technical best practices provide clear security benefits and are a smart move for any organization to implement.
  - **Organizational (Controls 17–20):** These controls are different in character from 1–16; while they have many technical elements, CIS Controls 17–20 are more focused on people and processes involved in cyber security.
- Three groups allow for parallel implementation
- This list may not always be 20

Kreischer
Miller

PEOPLE | IDEAS | SOLUTIONS

Cyber Security Program Triad
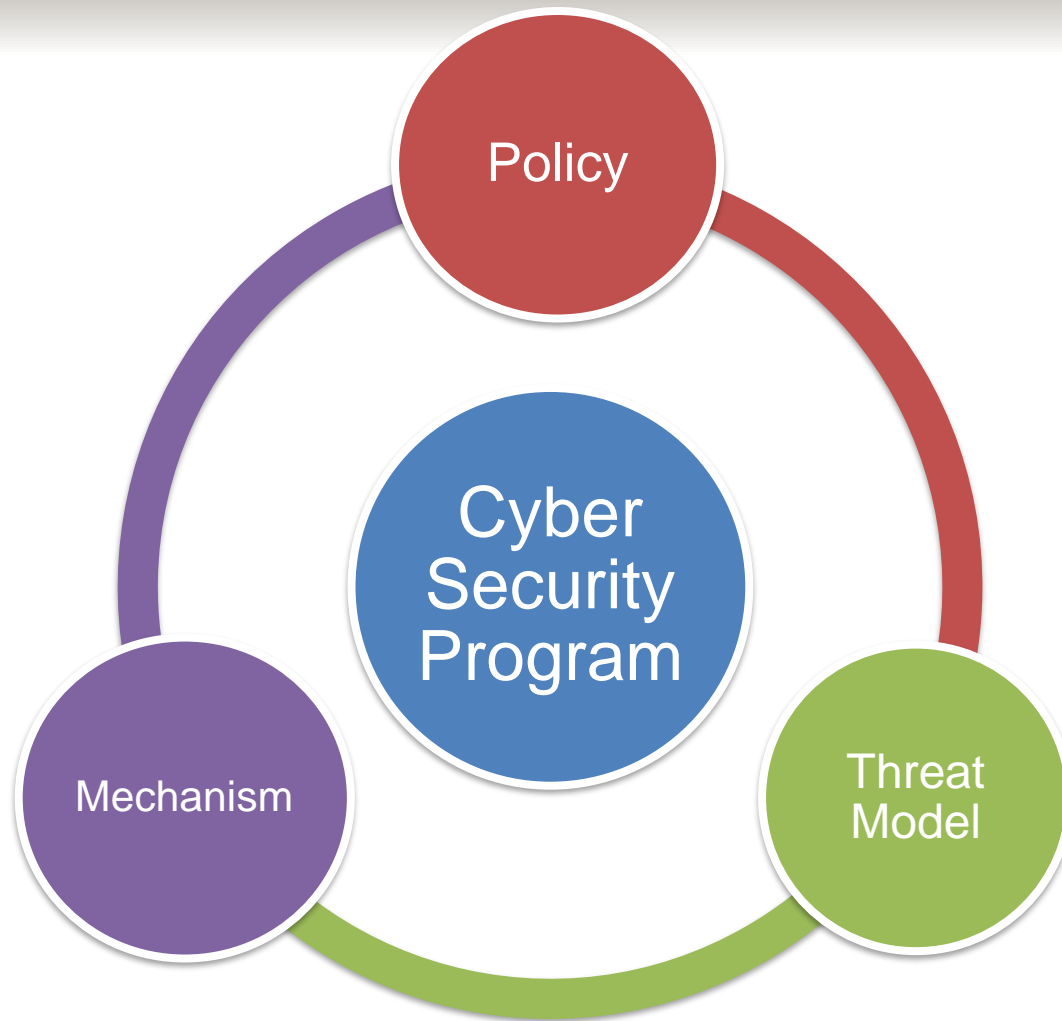
IT Resources & Capabilities

- Middle market organizations leverage a combination of internal and external resources in support of their IT needs:
  - IT Coordinator Role
  - IT Management Role
    - Solo IT Department
    - Small IT Department
  - Managed Service Provider(s) Role
    - vCIO services
  - Specialized Resources Roles
  - General Management Roles
  - IT Governance/Oversight Mechanisms

Kreischer
Miller

PEOPLE | IDEAS | SOLUTIONS

Management Diagnostic

- Are our systems and capabilities in alignment with today's requirements?
  - Customers
  - Suppliers
  - Employees
  - Competitive & Regulatory Realities
- Are our systems and capabilities enabling us to achieve our strategic objectives?
- Do we have the right mix/caliber of internal and external IT resources and champions to assist us in the journey?
- Are we taking cyber and information security risk factors into consideration at each step of this journey?

Kreischer Miller

PEOPLE | IDEAS | SOLUTIONS

Thank You for Attending!

Sassan S. Hejazi
Director-in-Charge, Technology Solutions
shejazi@kmco.com
215.734.0803

Kreischer
Miller

PEOPLE | IDEAS | SOLUTIONS