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## PRESS RELEASE

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# Most ERP inadequate for global, complex business, IFS study says

**A study released today by [IFS](#), the global enterprise applications company, reveals that the overwhelming majority of manufacturers are running multiple manufacturing modes from multiple locations, and that their enterprise resource planning (ERP) software is not well equipped to handle it.**

Only 34 percent of respondents said their companies run only one ERP software package. The results went on to identify weaknesses in respondents' ERP software - preventing them from running their complex businesses on a single instance of ERP software. Specifically, respondents rated their ERP poorly in areas directly affecting multi-location, international organizations and in manufacturing modes and business models associated with heavy industry and service management.

- Only 33 percent of respondents rated their ERP's handling of equipment maintenance and enterprise asset management better than neutral. This will present a barrier to global ERP for companies with large and expensive assets like offshore oil rigs, process manufacturing plants or power generation and transmission facilities.
- Only 28 percent of respondents rated better than neutral their ERP's handling of design, fabricate, install - a common mode of manufacturing in the industrial equipment sector.
- Only 37 percent of respondents rated their ERP as better than neutral for field service management. This means the ability to manage the customer lifecycle is compromised for these companies servicing customers or equipment at remote sites.
- The study documented other weaknesses that will be problematic for companies operating from multiple locations, either domestically or internationally. Only 35 percent of respondents rated their ERP's ability to quickly create new companies and entities in the system higher than neutral. Operations in various states or nations often require separate subsidiaries or legal entities be created in an ERP solution. About 45% rated higher than neutral their ERP software's ability to handle multiple languages, multiple tax and regulatory schema or intra-company transactions.

The study is based on an August, 2013 survey of more than 200 executives at mid to large industrial companies.

"As our study illustrates, most any ERP software product can do a fine job with make-to-stock manufacturing, but might not adequately address the needs of an executive engaged in asset lifecycle management or engineer to order manufacturing," IFS Americas President and CEO Cindy Jaudon said. "Our goal at IFS is to offer software that closes these functional gaps for companies working with multiple manufacturing modes, across multiple locations and divisions and across multiple countries of operation. That is why we are rated by Technology Evaluation Centers as dominant in ERP for multiple mode manufacturing and engineer to order manufacturing. It is also why we are the market leader according to ARC Advisory Group in demanding markets like aerospace and defense and oil and gas. We think this study report will be an important educational resource for any complex industrial company considering an enterprise software selection as it will provide some visibility into the gaps their peers see in software they have implemented."

The report is available for complementary download at <http://download.ifsworld.com/studies>.

**About IFS**

IFS is a public company (XSTO: IFS) founded in 1983 that [develops](#), supplies, and [implements IFS Applications™](#), a component-based extended ERP suite. IFS focuses on [industries](#) where management of any of the following four core processes is strategic: [service](#) & [asset](#), [manufacturing](#), [supply chain](#), and [projects](#). The company has 2,100 [customers](#) and is present in approximately 60 countries with 2,800 employees in total. More information on IFS is available at [www.IFSWORLD.com](http://www.IFSWORLD.com).

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