

Innovation is Open:

- ISO Certified and Beyond –
- Using ERP Strategically for Your Business



Innovative Products

- ▶ What are a few products from history that are considered innovative?



Innovative Products

- ▶ What do they have in common?



Innovative Companies

- ▶ What enables companies to be innovative?
- ▶ What are the barriers?
- ▶ How do we go from idea to product?
- ▶ How do we go from product to growing market share?



Innovation and Small Companies

▶ Advantages:

- ▶ lack of monolithic barriers both physical and institution
- ▶ nimble

▶ Disadvantages:

- ▶ infrastructure
- ▶ capital
- ▶ sales and marketing



How Small Companies Compete

▶ Price? / Cost? / Volume? No

Then how?

- ▶ Product, Form, Place, Time, Support
- ▶ Responsiveness
- ▶ Customer driven
- ▶ Innovation



Quality

▶ What is quality?



Quality

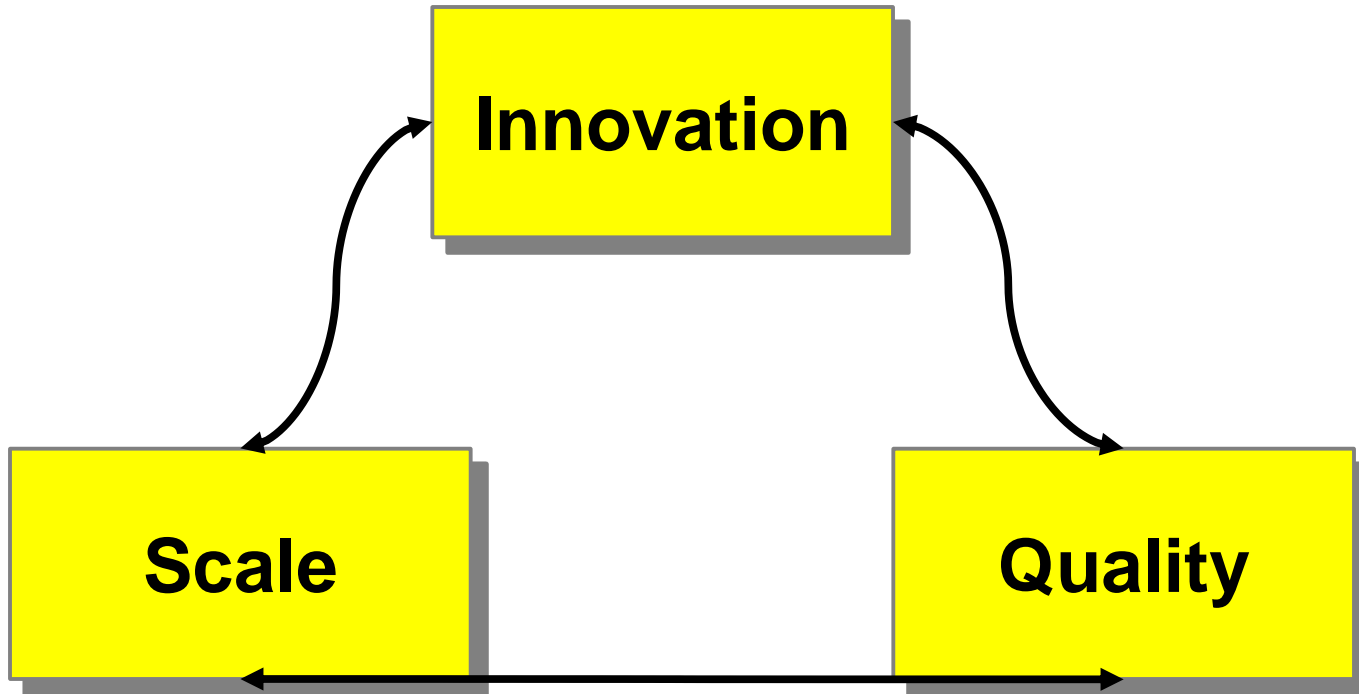
- ▶ What are objective measures of quality?
- ▶ What are subjective measures of quality?
- ▶ How do we get this into our products?
 - ▶ Design
 - ▶ Execution
 - ▶ Consistency
 - ▶ Uniformity

Quality: ISO

- ▶ One approach: ISO
- ▶ Standardization

“A standard is a document that provides requirements, specifications, guidelines or characteristics that can be used consistently to ensure that materials, products, processes and services are fit for their purpose.”

Wow: How Do We Do This?



Wow: How Do We Do This?

- ▶ Innovation, Quality and Scale sound mutually exclusive
 - ▶ Innovation requires flexibility, adaptability, and opportunism
 - ▶ Quality requires consistency, specificity, repeatability
 - ▶ Scale requires economies that go with size

How do we pull this off?



What is ERP

- ▶ Common platform for business planning and execution
- ▶ Single technical infrastructure



What ERP Does

- ▶ Enables collaboration across the organization
- ▶ Empowers people with access to timely information
- ▶ Provides a path from:
 - ▶ plan → execution → support
- ▶ Is a corporate knowledgebase



Why Firms Struggle With ERP

- ▶ Culture shift
 - ▶ From “wild west” where anything goes to structure
- ▶ Requires (and rewards) discipline
- ▶ Implementations reveal sins of the past that must be addressed before proceeding



Why Firms Thrive on ERP

- ▶ Embrace it as a path to scale
- ▶ Leverage it as a means to consistency
- ▶ Recognize it as way to achieve speed
- ▶ Use it as a means to integrate functions
- ▶ View it as a way to compete with bigger firms

▶ Enables $P \rightarrow D \rightarrow C \rightarrow A$



Richart: xTuple and ISO

- ▶ Small growing firm in the oil patch
- ▶ Opportunist innovator: customer driven
- ▶ Recent ISO certification
- ▶ Decision to get certified driven by largest customer
- ▶ Practical keep it simple approach
- ▶ Leverage xTuple as much as possible



Richart: xTuple and ISO

- ▶ xTuple provides the process framework
- ▶ ISO documents the process
- ▶ xTuple “is the control”



ERP and Innovation

- ▶ Innovation
 - ▶ Turning a new idea into a product
- ▶ ERP
 - ▶ Structure for taking an idea from conception to a product and supporting it in the field

ERP and ISO

▶ ISO

- ▶ Documents: policies, procedures, roles and responsibilities

▶ ERP

- ▶ Codifies: policies, procedures, roles and responsibilities
- ▶ Is a repository for ISO controlled business records

ERP and Quality

▶ Quality

- ▶ Objective and subjective product attributes that lead to customer satisfaction

▶ ERP

- ▶ Platform that enables sales and marketing manage a pipeline of prospect that are a match for subjective product attributes
- ▶ Platform for delivering products that consistently satisfy objective attributes
- ▶ Platform that enables service to deliver exceptional after sale support



ERP and Scale

- ▶ Scale
 - ▶ Ability to satisfy growing customer demand
- ▶ ERP
 - ▶ Coordinate resources on a single platform to maximize output over time



ERP and Innovation

“Enabling consistent execution, quality, and scale so that one day a room full of people will think of your product when asked to think about innovation”



ERP and Strategy

- ▶ ERP is inherently tactical ... day-to-day
- ▶ But, the best strategy is an academic exercise without the ability to execute it
- ▶ So, running a business on a solid ERP platform (ahem, xTuple of course) positions the company to execute its strategy

“ERP is a strategic tool for competitive advantage”



xTuple and Open

- ▶ Open source application
- ▶ Transparent company
- ▶ Foster a development and user community around an open business platform

Foster innovation

