ACUMATICA HITS A TRIFECTA
NEW RELEASE - NEW MANUFACTURING EDITION - NEW INTEGRATIONS

Acumatica hits a trifecta in its race to extend its solution footprint and provide more innovation with specialized functionality. Leveraging its open platform and growing network of partners, it has scored with three major product-related announcements:

- Acumatica 2017 R2 Release
- Acumatica Manufacturing Edition
- More integrations with partners

As the pace of innovation accelerates in the world of enterprise applications, Acumatica is settling into a semi-annual release cycle of its own, while also collaborating with partners. Featured in its 2017 roadmap, were partners:

- **JAAS Systems**, co-developers of the newly released Acumatica Manufacturing Edition
- Adobe, authors of **Adobe Sign**, Acumatica’s newest option for electronic signatures
- **Smartsheet**, a popular project management tool used for visual resource scheduling, now integrated with Acumatica’s newly enhanced Project Accounting.

How do these announcements add up to a first, second and third place finish in the race to innovation? Read on to learn more.

PACE OF INNOVATION

Acumatica has been experimenting with the timing of release cycles for the past several years, searching for the best pace and approach for its customers. Indeed the pace of innovation in the enterprise application market has been steadily increasing, spurred largely by the overall push to the cloud.

**Figure 1: Change in Pace of Innovation?**

![Graph showing change in pace of innovation]

Source: 2017 Mint Jutras Enterprise Solution Study
We asked survey respondents to our 2017 Enterprise Solution Study how the pace of innovation had changed since they had implemented their current ERP solution (Figure 1). Thirty-nine percent (39%) reported the pace of innovation had increased since their initial installation. But have those running these systems been able to benefit from this increased pace? Here’s where deployment options and the cloud seem to really matter.

Traditionally, upgrades have been costly in terms of time, effort and possible disruption of your business. In on-premise environments, it has always been quite common for companies to skip releases, perhaps catching up periodically, or getting woefully behind in release cycles. The willingness of customers to go through the upgrade process was always a gating factor for solution providers. Why expend the effort to package up a release every few months if customers only upgraded every few years? But the pace of innovation has indeed increased, especially for SaaS solutions. Figure 2 demonstrates the higher frequency of delivered innovation in software as a service (SaaS) environments.

Figure 2: Frequency of Upgrades

![Graph showing frequency of upgrades](source.png)

Acumatica’s solution was engineered as a multi-tenant SaaS solution, although the company offers a variety of deployment options. Before proceeding, it is perhaps worth noting here the difference between cloud and SaaS. While the two terms are often used interchangeably, there are some important differences.

**Cloud** refers to access to computing, software, storage of data over a network (generally the Internet.) You may purchase a license for the software and install it on your own computers or those owned and managed by another company, but your access is through the Internet and therefore through the “cloud,” whether private or public.

**SaaS** is exactly what is implied by what the acronym stands for: Software as a Service. Software is delivered only as a service. It is not delivered on a CD or other media to be loaded on your own (or

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**Multi-tenant versus Single-tenant SaaS**

**Multi-tenant SaaS:** Multiple companies use the same instance of hosted software; configuration settings, company and role-based access personalize business processes and protect data security.

**Single-tenant (or Multi-instance) SaaS:** Each company is given its own instance of the (hosted) software, but may share common services, such as an integration platform, and security.
Acumatica’s choices include a public cloud option (SaaS), and a private cloud option, more akin to a hosted environment. While its customers can also license and deploy the software on premise, Acumatica has been gently pushing them towards the subscription-based models (i.e. away from on-premise) for some time now. Today 85% of new customers go in this direction.

One of the reasons for this push is the company’s desire to deliver more innovation and make it more easily consumed. It has settled on publishing two releases a year, although it also offers an optional “continuous release cycle” with bi-weekly updates, but only to those running in the public cloud.

However, it is one thing to deliver innovation more frequently, but quite another to consume it. If we average the frequency of delivery across all our survey respondents, we find upgrades being delivered just about every 6 months, which aligns with Acumatica’s cadence today. The average was more frequent than we anticipated, but we should point out our sample had an unusually high percentage (43%) of companies deployed as SaaS. More innovation delivered through more frequent updates is one of the benefits of a SaaS solution.

We also asked our participants how often they upgraded and found they consumed those upgrades about once every 13 months. But if we contrast SaaS deployments to those licensed, we found upgrades consumed far more frequently (Figure 3) when delivered through SaaS.

**Figure 3: How frequently are these upgrades delivered and “consumed?”**

So while Acumatica is still somewhat constrained by its on-pemise licenses, it makes up for it in updating its public cloud customers with very frequent (bi-weekly) “continuous” updates.
ACUMATICA 2017 R2 RELEASE

Acumatica 2017 R2 release was developed around three pillars: “Insights,” “Productivity,” and “Technology.”

INSIGHTS

This release introduces a new user interface. Please visit Acumatica’s website for an example of the look and feel. For existing customers, it still looks familiar, but with new navigation options that let users customize what they see and offer greater control over personalized dashboards. And even a business user, without a great deal of (any?) technical skills, can create role-defined views from preconfigured templates.

In this context we use the word “customize” loosely. While a better verb might be configure or tailor, we use the term “customization” because that is exactly how most end users think of it. In the past, customization always meant mucking around in source code, which built barriers to moving forward with updates and upgrades. That was because in the past all the logic was “programmed” into that source code. This made business applications like ERP rigid and inflexible. Sure, there were always some configuration options, but those options were constrained by the logic embedded in the source code.

But good platforms today, including Acumatica’s xRP open platform, have changed all that, and changed it dramatically. We asked our 2017 Enterprise Solution Study participants what level of customization they believe they need. Respondents were allowed to select as many as needed from a lengthy list (Figure 4).

Figure 4: What level of customization do you believe you need?

<table>
<thead>
<tr>
<th>Customization</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Add custom reports to menus, portals, etc.</td>
<td>58%</td>
</tr>
<tr>
<td>Construct personalized dashboards with drill down capabilities</td>
<td>55%</td>
</tr>
<tr>
<td>Create ad hoc reports and queries quickly, on the fly, on demand</td>
<td>52%</td>
</tr>
<tr>
<td>Add user-defined data fields</td>
<td>51%</td>
</tr>
<tr>
<td>Construct personalized portals combining functions needed for individual roles</td>
<td>47%</td>
</tr>
<tr>
<td>Add or change data models or structure of data</td>
<td>37%</td>
</tr>
<tr>
<td>Tailor pre-defined work flows and/or construct your own</td>
<td>37%</td>
</tr>
<tr>
<td>Personalize transaction screens for look and feel</td>
<td>35%</td>
</tr>
<tr>
<td>Apply custom logic to or change processes included in existing functionality</td>
<td>31%</td>
</tr>
<tr>
<td>Develop entirely new features/functions not likely to be included in commercial sw</td>
<td>19%</td>
</tr>
</tbody>
</table>

Source: Mint Jutras 2017 Enterprise Solution Study

“Customization” Many modern, technology-enabled ERP solutions today deliver a high level of personalization and configuration without customization as defined in the classic sense of invasive code changes.
Figure 4 is sorted by the popularity of these different types of customization, but all of these easily fall into one or more of the following categories:

- Look and feel of the user interface
- Reporting and inquiry
- User-defined data fields and structures
- Logic, features, functions, including workflow

The new user interface in Acumatica 2017 R2 addresses the first category and its custom online reporting addresses the second. And by the way, the open platform is quite useful in addressing the last two, but at this point it is more likely a partner will deliver against these needs. However, Acumatica continues to invest heavily in its developer community, and that might include developers that are employees of their customers.

**PRODUCTIVITY**

Acumatica 2017 R2 release includes enhancements to almost every product module, including Customer Management, Financial Management, Distribution Management, Project Accounting, and Field Service. Again, look for more details from Acumatica, but the real impact to productivity comes from the deeper vertical functionality. Several new features might not appear to be earth shattering or sexy, but when lacking, are a bear to handle and can cause some serious productivity leakage.

A perfect example of this type of feature is the new unit of measure pricing available. Think about it. For discrete goods, there is always a price for each. But how unusual is it to have case lot pricing or price per palette? Not very. Having a price per unit of measure (case or palette) makes it dead simple. Without it, you either always override the price or go through all sorts of machinations to make the price come out right.

This is just one example. New project budgeting options in Project Accounting are similar, along with enhanced project billing with proforma invoices and project-specific invoice formats.

**TECHNOLOGY**

Acumatica is very much a “technology company.” Even though it sells exclusively through channel partners, it never loses sight of what actual end-user customers need and want. However, because of the technical focus within the company, when the folks at Acumatica talk about the platform and the technology, they can easily lose the business user. At the mention of contract-based APIs, REST Endpoints, Open API 2.0 and Swagger.io, the business user’s eyes have a tendency to glaze over. So what should this all mean to them? Here are a few reasons why they should care.

The work Acumatica has done with APIs (application programming interfaces) makes it easier to integrate to other applications. The objective of many companies - particularly small to medium size businesses (SMBs), which make
up the lion’s share of the Acumatica customer base - is to eliminate a lot of disparate systems in favor of a complete, end-to-end solution. But the reality is that virtually nobody today runs only one enterprise application. So integrations are a way of life. And in fact there is a high probability even those who have moved to the cloud might be in multiple clouds (Salesforce, Azure, Amazon Web Services, Google...).

Incorporating REST Endpoints for example into Acumatica’s solution provides partners and clients access to functionality offered as a service. For example, the ability to search (think Yahoo! or Google) might be a service offered. Indeed the new user interface has added expanded search capabilities. Partners that might want to offer similar search capabilities do not have to replicate the effort (or the code); they simply call the search “service.” Using REST Endpoints, you need far less code to make the connection. And the more Endpoints you have the more services are available. This is what Acumatica has been working on and the Open API 2.0 aspect adds a level of “standards” in working across multiple clouds.

A couple other technical capabilities worth noting in R2: The exposure of a Mobile GPS framework and the concept of push notifications. With the location services of a global positioning service (GPS), you can record the exact location of your service technicians, at the time they started and completed each appointment and route. The technicians can click the “View On Map” button for each location to open the Google Map link with the exact address.

When you think of alerts and notifications, oftentimes you think only of being alerted when an activity occurs. That type of alert has always been a “push” kind of notification. A part comes in, the warehouse or production facility is notified. But what about when things don’t happen? What if the part doesn’t come in on time? There is no activity to trigger an alert. External applications that worked with data in previous versions of Acumatica ERP needed to continually poll for the data to find out whether there were any changes. This could slow down the performance of the external application. In Acumatica ERP 2017 R2, external applications can track data changes by processing push notifications sent by Acumatica ERP.

**ACUMATICA MANUFACTURING EDITION**

The examples above happen to be scenarios that are quite typical in a manufacturing environment. And yet, the core Acumatica solution was not really a good fit for manufacturing – not without the addition of the JAMS manufacturing solution offered by partner JAAS Systems.

With extensive expertise in the manufacturing sector, JAAS Systems has developed JAMS over the course of several years, but previously offered it as a partner solution. Now Acumatica Manufacturing Edition is the latest fully

Of course the new Manufacturing Edition has the basics like bills of material (BOMs), material requirements planning (MRP) and production management. Those are table stakes to participate in this sector. It also supports bar code data collection and integrates with Savant ADC, Fusion Core, Scanco and Ozlink. And it is also integrated with Savant WMS and Fusion Advanced warehouse management systems (WMS). Optional modules provide a bit more differentiation, including advanced estimating, a product configurator and advanced planning and scheduling, which includes finite capacity scheduling.

Acumatica targets those specific manufacturing subsectors listed in the sidebar to the right. This should keep them very busy over the next few years adding “last mile” functionality. While all manufacturers share some common requirements, they also require specialized functionality.

PARTNER INTEGRATIONS

Acumatica also added two more partner integrations to those most recently announced (January 2017): those with Docusign, Magento and InfinityHR. Last March in What Acumatica Customers Want...and Get, we posed the question: What company wouldn’t benefit from Docusign’s electronic signature technology? The answer is clearly: None. However, while Docusign is a clear leader in providing this functionality, it isn’t the only kid on the block. Adobe’s Adobe Sign is another market leader. By simply adding Adobe Sign as an alternative option (via a drop down list), Acumatica has covered most of the bases in terms of electronic signatures.

And finally, Acumatica announced its integration with Smartsheet, a popular project management tool used for visual resource scheduling. Like Acumatica, it is a fully cloud and mobile solution. Any new project you set up in Acumatica Project Accounting can automatically set up a new project in Smartsheet and populate it with the tasks and dates. As you make changes in the field, updates will be sent back to Acumatica Project Accounting.

This is just another good example of the ease with which Acumatica’s solution plays well with others, in order to extend the solution for specialized functionality.

CONCLUSION AND RECOMMENDATIONS

The conclusions we drew in March in What Acumatica Customers Want...and Get remain valid today:

Many companies, particularly SMBs, struggle with a hodge podge of disparate and disconnected solutions. They take valuable time away from running and
growing their businesses to deal with these systems and yet get little in return. In short, they need to replace those existing systems and more and more companies today of all sizes seek a complete, end-to-end solution. They need a good fit, a lot of functionality, and the ability to tailor and customize to differentiate their businesses.

If you find yourself in this position, searching for that solution that will grow and change with you, we offer the following recommendations:

• Look for a solution that meets the lion’s share of your functional needs today. Fit and functionality and completeness of solution are of primary importance. Without that last mile of functionality you are likely to experience a leakage of productivity that is costly and can be damaging to your business.

• If there are features and functions missing, before you reinvent the wheel, look first to see if a complementary solution exists. Then look to see if integration is available and if so, is it seamless. A clumsy, arms-length interface is sometimes worse than none. Are the two vendors even on speaking terms? Are they partners? And is the ERP solution “open” to complementary solutions.

• Look for a strong partner community. That is a testament to the solution providers’ relationship building capabilities in addition to a testament to its development platform.

• Consider a SaaS deployment. A private cloud brings you much of the benefits (e.g. lower costs, including the cost of obsolescence, reduce effort of upgrade, access anytime, from anywhere), but a public cloud can bring you additional innovation, faster – maybe even continuously.

• And finally… look for openness, collaboration, and innovation to accelerate both your implementation as well as your business.

Acumatica continues to build its business around these abilities. It might be a good place to start.

About the author: Cindy Jutras is a widely recognized expert in analyzing the impact of enterprise applications on business performance. Utilizing over 40 years of corporate experience and specific expertise in manufacturing, supply chain, customer service and business performance management, Cindy has spent the past 11+ years benchmarking the performance of software solutions in the context of the business benefits of technology. In 2011 Cindy founded Mint Jutras LLC (www.mintjutras.com), specializing in analyzing and communicating the business value enterprise applications bring to the enterprise.