

A Host of Reasons for Lawson Total Care

By Barry Wilderman, Vice President Business Strategy, Lawson

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We commend you on your selection of Lawson software for your business needs. Some customers rely on our ERP software for specific industries, including Healthcare, Fashion, Food and Beverage, Wholesale Distribution, Public Services, Retail, and Manufacturing. Others have taken a more niche approach and deploy our software for its capability in Finance, Human Resources, Procurement, or Enterprise Asset Management. In any event, we are delighted that you are working with us to improve your overall strategic positioning.

This brings us to the point of this white paper. We recognize the value you are achieving from Lawson products with respect to product differentiation, customer service and operational efficiency. But, you must ask yourself: Just like your office location (which you might own or rent), is there anything strategic about owning and managing your own IT hardware? Many companies run Lawson software on their in-house systems, but increasingly customers are asking why bother? This white paper will help explore the value of running your Lawson system on a hosted environment.

You Could Certainly Run Lawson In-house

Many companies do. But, many companies choose to lease office space, rather than own it. And, many people choose to rent rather than own. Why? There are certainly less headaches. If you rent and something goes wrong, someone (by contractual agreement) will come to fix it. So, why not operate on someone else's asset, and be assured that there are competent technical people around to make repairs. And, owning implies overhead. This means not just the physical equipment, but also the people responsible for maintaining and enhancing the equipment. And, the management of that staff takes the time of senior executives.

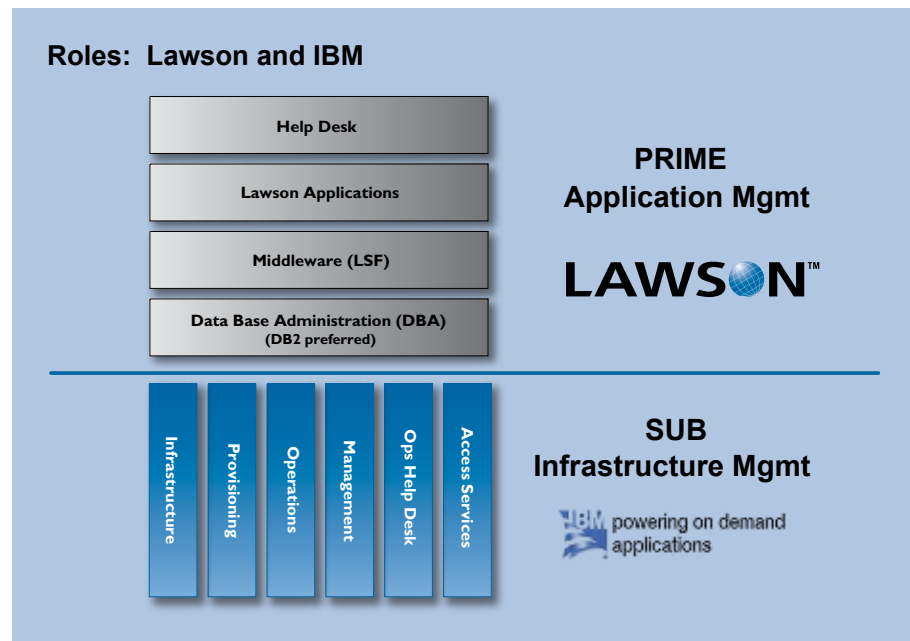
Over the long haul, owning may, on paper, appear cheaper than renting. But, by how much? And, do you want to spend your time managing a commodity function or mapping the future of the enterprise? In any event, it is worth doing the homework and answering some fundamental questions:

- Is IT hardware strategic?
- How much of management's time does it take?
- How worried am I about the true value of my IT infrastructure?
- Might there be a better way to manage applications?

Suppose that you are convinced (or even curious) about the possibilities for hosting. A wise (or frustrated man) once said: "If it is not strategic, outsource it."

So, please read on.

Lawson as the Host, IBM as the Subcontractor



Is this a good combination? We actually think it is a great combination. Why?

IBM does a superb job at managing data centers and equipping them with the right equipment. Here is the IBM data center we are using:

IBM Americas Data Center

- SAS 70 Type II certified
- Located in Omaha, Nebraska
- Redundant power sources, dual power fees, generator and battery backup systems
- Redundant direct access to Internet backbone providers
- Water suppression technology for leak detection and flooding
- Multi-zoned dry-pipe sprinkler systems for fire protection
- Environmental monitoring for airflow, temp and humidity consistency
- Designed to withstand 200+ MPH winds

Since IBM can amortize its costs over many hosted customers, it can and does provide a level of redundancy that would be difficult for our customers to architect themselves. While no system is perfect, we guarantee 99.7% up-time.

In addition, IBM is a Lawson strategic partner and many of our customers use numerous IBM products: DB2, WebSphere Application Server ND, WebSphere middleware, etc. In fact, Lawson System Foundation, our technology base, leverages and embeds various IBM components. This increases our ability to manage your system, and diagnose problems quickly.

But, the above notwithstanding, this is really about managing your system. There are many competent hosting hardware solutions available, but the decision about hosting involves working with a company who understands your application, and how it applies uniquely to you. So, let's dig deeper:

Lawson Application Management Services

Let's consider the set of services that once may have been "routinely" performed in-house, and can now be performed via a hosted solution:

Managing the Application Landscape

Functional Management

We will work with you to assess your requirements, and implement a set of Lawson modules on the hosted system. Our methodology can ensure that the correct business processes are implemented.

Configuration Management

As we tailor the application to meet your requirements, there will be a need to set configuration switches to tune the environment. Configurations, made through database tables, alter the behavior of the application to suit your needs. We can maintain a directory of configuration switches, so that we can quickly manage upgrades and new modules.

Customization Management

If you require customizations to the system, we will help build them in an organized manner and document all customizations, to enable future change.

Scope Management

As your requirements change, we will work with you to integrate your new requirements into your current system. This can include the addition of new Lawson modules to your landscape.

Patch Management

As Lawson offers interim bug fixes and enhancements to its software, we can manage the changes to your system landscape.

Upgrade Management

As Lawson releases new upgrades, we will apply these upgrades to your landscape.

Managing the User Community

User Management

We will help identify the community of users, and their respective roles as heads-down users (primarily entering transactions), decision support users (building, analyzing reports/queries) and self-service users. Understanding the user base will help us work with you to serve the users efficiently.

Security Management

We will remain consistent with your security approach (LDAP, Single-sign-on, etc.) and help you create rights and privileges for each user.

Help Desk

We will manage the help desk for Lawson applications, take trouble tickets and incident reports from each user, assign priorities and ensure that the issues are resolved quickly.

Business Usage Management

The interaction with core business users (transaction usage, analytical usage) is the responsibility of the customer. However, based on the landscape installed, we will help you create the right levels of documentation and training. Moreover, we will help set up best practices to allow you to manage the user community well.

Managing the Infrastructure

Hardware Management

We will provide the required processors, application servers, web servers, storage, and networking.

Redundancy Management

Based on service level agreements we establish with you, we will maintain additional hardware that can be swapped in as appropriate.

Backup/Recovery Management

We can backup your system on a regular basis, and provide recovery services as required.

Performance Management

We will continuously monitor all hardware devices to ensure they are working in an efficient manner.

Process Management

We will constantly monitor your key business processes (e.g., order to cash), track the time taken for each step in the process, and tune the system as required.

Data Warehouse Management

We understand the critical nature of being able to deliver timely reports to management, and we will tune the Data Warehouse environment. For efficiency purposes, we may recommend a separate set of storage and servers for your data warehouse.

Which Vendor is it Anyway?

Consider the number of vendors that “show up” around an ERP implementation even as straightforward as Lawson applications:

- **ERP vendor:** Lawson
- **Consulting vendor:** Might be Lawson and/or a third party. This is a pretty crucial role, as the consulting vendor helps define the configuration and the customizations. But, who maintains this documentation long-term?
- **Hardware vendor:** Database, application servers
- **Network vendor:** Often Cisco
- **Security vendor**
- **Backup/recovery vendor**
- **System Monitoring vendor**

Suppose, one day, instead of processing 500 orders per hour, the system starts processing 5 orders per hour. Is it a software problem, server problem or perhaps a network problem? Surely this is your problem, but do you want to spend hours or days dialing for dollars to find a solution? Consider what you get with Lawson Total Care Platinum.

Lawson is your ERP vendor.

Lawson is your consulting vendor. We maintain a record of your configurations and customizations, and have these readily available for problem resolution.

As patches are required, Lawson will apply them to your system, and ensure the system is working properly once patches are applied. Moreover, as these patches are applied to multiple hosted systems, we will have the best experience on the effectiveness of each patch applied.

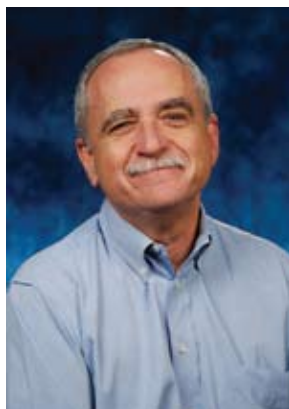
Lawson will constantly monitor all aspects of your system to ensure both uptime and throughput.

Lawson (and its partner IBM) will manage all aspects of facilities management, backup and recovery services, security monitoring, server management and monitoring, storage administration, network management and operating system administration.

If something breaks, Lawson will fix it. And, more importantly perhaps, if you need to add something to the system to enhance your competitive position, there is no faster way to add it, than with a hosted solution

Bottom Line: As a modern company, speed to market is essential, and lean organizations are outsourcing commodity functions. As a modern company, customer service is critical, and there is a real price to pay for any serious down-time. For these and numerous other reasons, we welcome your call on Lawson Total Care Platinum, and other hosting solutions.

About the Author



As an industry analyst, Barry Wilderman's groundbreaking research in 2003 into the total cost of ownership (TCO) of enterprise resource planning (ERP) software established him as the authority on the topic.

Today, Barry is vice president of business strategy at Lawson. In this position, Barry oversees initiatives that showcase the value and business benefit of Lawson software. Read Barry's industry insights on his Lawson blog. Visit www.lawson.com/wcw.nsf/pub/blogs.

Before joining Lawson in December 2006, Barry served as vice president of NPD Group, where he managed the activities of a group of industry analysts specializing in consumer electronics and IT hardware and software. Previously, he was senior vice president at META Group, where he was an analyst in the enterprise resource planning software space.

**Headquarters:****USA**

380 St. Peter Street
St. Paul, MN 55102-1302
Tel +1 651 767 7000
info@lawson.com

Regional Offices:**Americas**

Brazil, Chile, Canada,
Mexico, Honduras,
United States, Venezuela

United States

Tel +1 651 767 7000
infous@lawson.com

Asia

China, Hong Kong,
India, Indonesia, Japan,
Korea, Malaysia,
Philippines, Singapore,
Taiwan, Thailand, Vietnam

Singapore

Tel +65 6788 8769
Fax +65 6788 8757
infoasia@lawson.com

Australia & Oceania

Australia, New Zealand

Australia

Tel +61 2 8437 5600
Fax +61 2 8437 5699
infoanz@lawson.com

Northern Europe

Denmark, Estonia, Finland,
Norway, Sweden

Sweden

Tel +46 8 5552 5000
Fax +46 8 5552 5999
infonordic@lawson.com

Northwestern Europe

Belgium, The Netherlands,
Ireland, South Africa,
United Kingdom

United Kingdom

Tel +44 1344 360273
Fax +44 1344 868351
infonw@lawson.com

Central Europe

Austria, Czech Republic,
Germany, Hungary,
Poland, Slovakia,
Switzerland

Germany

Tel +49 2103 89060
Fax +49 2103 8906 199
infoce@lawson.com

Southern Europe

France, Israel, Italy,
Portugal, Spain

France

Tel +33 1 34 20 80 00
Fax +33 1 40 39 25 07
infoso@lawson.com

www.lawson.com

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