

# Best-of-Breed vs. ERP for Field Service



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As field service has evolved from a cost center to a critical revenue source and competitive differentiator, large organizations have directed more resources to their field service management (FSM) and automation efforts. In many of these companies, the IT department has an outsized influence on the purchase and implementation of these enterprise-level software systems. As such, IT leaders often direct the company to purchase FSM solutions from their existing ERP vendors – these software behemoths like SAP, Oracle, etc., typically offer a field service module or add-on solution. And the same is also true of CRM vendors as they see a growing market for service management software.

From the IT department's perspective, these solutions offer a low-cost option that should theoretically be much easier to integrate with the existing infrastructure than a best-of-breed FSM solution from a third-party vendor.

But is that true? In many instances the answer is no. And more importantly, these ERP add-ons lack the market-leading functionality that is increasingly required to keep service organizations competitive.



# The Changing Face of Service



Modern field service organizations (FSOs) have unique requirements that are not well-addressed by software vendors primarily focused on accounting, manufacturing, sales or human resources activities. Best-of-breed FSM vendors fully understand the nuances of the service industry and are better equipped to meet the functional needs of FSOs and help them meet their revenue goals.

Customer service is becoming an increasingly important competitive differentiator. According to Aberdeen Group's most recent *State of Service 2019* report, improving customer satisfaction is a top priority among the majority (53 percent) of service executives.

Delivering that experience has gotten a lot more complicated. Service organizations increasingly have to incorporate a mix of traditional functions like work order management and dispatch/routing optimization with new solutions that include remote monitoring, Internet of Things (IoT) connectivity, on-site quoting, sales and payment, and inventory management. In addition, there has also been an increase in the use of business analytics and predictive service features driven by artificial intelligence (AI) technology. FSOs also have to provide customer-facing capabilities (self-service, self-scheduling, technician tracking, and even remote video monitoring) that are quickly becoming part of their clients' baseline expectations for service.

# The Myth of ERP Integration



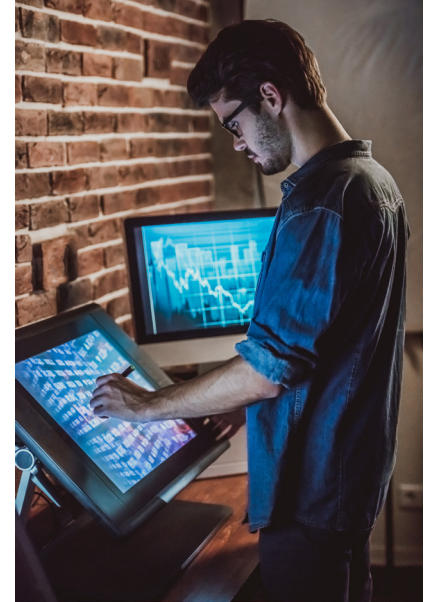
When FSOs evaluate software, the two primary arguments in favor of deploying an ERP module or add-on are that 1) the solution will be easier to integrate with their overall IT infrastructure, and 2) the module costs less than a separate, purpose-built software solution – in fact, in some cases the add-on module to the ERP solution may be given as a “freebie” during the initial installation.

However, that approach reflects short-term thinking and a basic misunderstanding of just how “integrated” those add-on modules are.

While ERP or CRM vendors often tout their field service modules as fully integrated, the truth is many of them are not. In many cases, these companies have added field service functionality into their products by acquiring smaller vendors. The field service software market has been consolidating for several years, and large ERP vendors have purchased existing FSM software and rebranded those solutions. The work involved in fully integrating all of these disparate products can take years, and even when completed, the resulting products are often less than the sum of their parts.

That’s because field service is often an afterthought for software vendors that are primarily focused on mainstream ERP functionality or sales-centric or call center-based CRM solutions. The cobbled-together nature of these acquisition-based suites also affects service and support. Level-one help desk staff are often unfamiliar with the add-on modules, so support winds up being siloed and less effective.

FSOs should perform thorough due diligence on these types of products so they can see firsthand how well they are integrated, and speak to existing end users about potential deployment or support challenges.



While ERP-based field service tools can effectively handle basic operations like work order management, they are usually several steps behind the evolution of best-of-breed tools. Basic FSM solutions are often mired in an outdated focus on cost reduction. Until recently, field service software was primarily an efficiency enhancing tool – FSM functionality focused on improving efficiency and productivity-related KPIs like the number of work orders closed per day or optimizing dispatch and routing. They were designed for organizations that wanted to service more customers accurately and quickly without hiring new technicians.

The market has transformed, however, into one that is focused on generating revenues, increasing profits, and creating optimized customer experiences that help increase loyalty, create competitive differentiation, and enable the creation of innovative new service offerings and products.



# Best-of-Breed Advantages



ERP-based solutions can support FSM, but a robust best-of-breed solution can do it better. Still, IT departments and C-suite executives may insist on a stack-shop approach because of their existing relationship with a vendor, biases toward familiar brands, or fear of the fallout associated with a botched software deployment.

FSOs and IT leaders should not be influenced by this old-fashioned mindset. Software integration is much easier than it was in the past, especially given the prevalence of cloud platforms, and field service vendors have a long history of connecting to back-end business solutions.

It is necessary for FSOs to forge and nurture relationships with the vendors that will deliver the best technology for each function and the best tools for the job. Companies should not standardize all their technology systems with one vendor that may only be able to provide mediocre functionality for ancillary solutions outside of their ERP or CRM expertise. Best-of-breed solutions deliver real value and, over the long haul, a lower total cost of ownership (TCO).

How do these solutions deliver? The benefits and advantages come in a variety of forms:

**Advanced Features and Functions:** Best-of-breed providers are more in tune with the current and emerging needs of FSOs and have more quickly adopted advanced features. These solutions are more likely to include functionality such as allowing technicians to identify additional opportunities on-site, create quotes and work orders on the fly, and accept customer signatures and payments using their mobile devices. Advanced solutions also include features ranging from field-initiated inventory management and transfers, real-time scheduling and routing changes, SLA compliance alerts and escalations, IoT support, and integration with wearable computing and real-time video solutions.

**Knowledgeable Support:** FSM specialists can provide better level-one support for these solutions because staff know the product. When there are problems, that level of expertise can resolve issues faster and reduce costly downtime.

**Ease of Integration:** For ERP vendors, incorporating multiple products (work order management, fleet management, dispatch, etc.) into an existing software system is complex and time-consuming. Establishing reliable communications connections between a robust FSM solution and existing back-end infrastructure is much easier. Best-of-breed vendors have been doing this work for decades and have created standardized connectors for major ERP, CRM, finance and other business software packages. In some cases, these solutions can be used by nontechnical staff to build simple workflows and outbound integrations using visual-based tools.

In this respect, cloud technology has been a game changer. It's much easier to implement a best-of-breed solution without a large up-front cost or complicated installation process, and the TCO of these systems can be much lower over time because updates are seamless and automatic and there isn't any on-site server hardware to maintain.

**Competitive Edge:** Finally, the field service modules of these larger ERP or CRM solutions are not generally the core focus of the software company that is selling them. Improvements and updates are few and far between because FSM isn't a core revenue generator for those companies. Technology development for those tools lags behind solutions that are built by companies that constantly have their eyes on the needs of service organizations.

Increasingly, market leaders in the field service space are turning toward fully featured, specialized service solutions to deliver the customer experience their clients expect. The limited functionality of ERP-based tools can put the FSOs who rely on them at a competitive disadvantage.





## Conclusion

Concerns about integration capabilities or cost should not prevent FSOs from selecting the right tool for the job – and for service organizations, that is best-of-breed FSM software. While it is easy to be lured in by free or deeply discounted bolt-on ERP or CRM modules, that up-front savings could come at the cost of improved performance and competitive advantage. Since these solutions were not designed by service management experts, they are not suited to how service organizations operate and often require expensive and complicated customizations.

Ultimately, the selection of an FSM solution should be a strategic one. The field service solution should support the organization's business objectives; given the choice, field service leaders will favor a best-of-breed solution that provides the functionality they need to do their jobs better today and the capabilities they need to provide a compelling customer experience in the future. Companies that follow a forward-looking, customer-oriented strategy that can better position them to compete will adopt a best-of-breed approach.



## About Astea International

Astea International is a global leader in field service and mobile workforce management, including all the cornerstones of full-service life cycle management: customer management, service management, asset management, forward and reverse logistics management, and mobile workforce management and optimization. Astea's technology helps the world's best service-driven companies generate higher profits while properly balancing customer satisfaction and service levels through proactive communication that creates a seamless, consistent, and highly personalized experience at every customer relationship touch point. Astea's solutions unify processes, people, parts, and information to focus the entire organization on the creation of sustainable value in highly competitive, global markets.

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