



Snapshot

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The Sage Group Brings World Class ERP to the Growing Mid-Market

By Joyce Tompsett Becknell

Mid-market customers are looking for robust back office solutions to run their businesses. Unfortunately, their choices up to now have not been ideal. With the UK-based Sage Group's Line 500 product, mid-market customers now have the opportunity to run their businesses on a scalable and robust platform at a price that won't sink the ship.

The Mid-Market Back Office Voyage

IT managers building back office applications in mid-market companies are a bit like Odysseus navigating the Strait of Messina. On one side sits the Scylla of point products, not integrated but inexpensive and easy to install. Managers start with one or two products, such as a database to track information, adding on more applications and servers as the company grows. Eventually the IT staff is faced with a six-headed monster that eats up time and resources in administration as it becomes more difficult to maintain and control a coherent, efficient solution. On the other side lurks the danger of purchasing a large, fully integrated enterprise solution. Like Charybdis, this monster absorbs all available resources and often proves too complex or requires too much business re-engineering to provide quick deployment or return on investment. IT managers and their companies are sucked into the vortex of cost and complexity over too long a time. There really isn't anything inherently wrong with any of the available applications, but when companies attempt to implement inappropriate solutions, the result can be just as harmful as implementing a flawed application. IT managers are frequently required to pick from the lesser of a couple of evils in order to meet their needs.

Sage Helps Customers Navigate Application Path

In order to address this problem, Sage Group now offers the Line 500 product, a business management system for finance, distribution, manufacturing, and services; designed specifically for mid-sized and larger firms. Line 500 comes with over fifty modules and is available in five languages, promising flexibility for expanding organizations. It is designed for rapid implementation and quick return on investment, two important factors for most mid-market companies. In fact, Sage argues that their product can be installed in one-third the time and at one-third the cost of an enterprise application like SAP. Despite the ease of implementation of a point product, Line 500 does not require sacrifices for customization, configuration, and integration. Additionally, the product is Web-enabled for remote access so that enterprises looking to extend beyond the traditional desktop (for example) to wireless devices can do so. The product is positioned as a solid ERP program with enterprise capabilities but at an affordable price and complexity for mid-market customers.

Building on a Solid Foundation

An ERP package needs to be built on a solid infrastructure. That structure should provide a point of consolidation so that it can interface with other applications within the enterprise. By choosing IBM's DB2 as its database, Sage has guaranteed that data can be integrated in a standard fashion. Building the solution on an open source infrastructure guarantees additional adherence to standards, providing additional investment protection and the ability to customize the system for individual corporate needs. The system should be extensible so that options such as wireless access are possible, and management should be available to provide for capabilities such as a single sign-on for users.

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Customers need a system that is scalable, reliable, and secure. At the same time, because mid-market IT departments are generally smaller than those of their large-enterprise counterparts, the system should provide manageability features, load management capabilities, and ease of use and installation for the system itself. And naturally the platform should also be standards-based. Sage has developed relationships with the systems vendors to provide the optimal platforms to support these needs regardless of the environment size.

Making a Sage ERP Decision

European customers comprise most of Sage's current customer base. The profile of the average Line 500 customer is a mid-market enterprise, generally with 100 or more employees, with an excess of 25 concurrent users. They also generally have an annual turnover between 30 and 40 million euros. While customers generally fit this range, Sage also has customers that scale into the large enterprise class who are using the product across more than 100 locations for affordable distributed ERP.

Sage believes that with Line 500 mid-market enterprises now have the option of world-class ERP without world-class complexity and cost. Customers wishing to avoid the Strait of Messina syndrome but are still seeking a fully integrated ERP package that runs on a platform that promises scalability, availability, and manageability at an affordable price point should take a look at the Sage offering.