



CLOUD INTEGRATION FEARS? THAT'S SO 1999

BY JAKE ADGER



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The leading cloud solutions can integrate with just about any other system, including ERP.

We're about 15 years into cloud computing now, and one thing that's become clear is that even with the proliferation of cloud solutions, on-premise software is not going away anytime soon. That means cloud solutions have to integrate with on-premise systems, especially with ERP. This has been the case since Salesforce.com burst on the scene in 1999, and over the years, cloud providers have become integration ninjas. Today's cloud solutions can easily integrate with just about any on-premise or cloud solution.

However, many people continue to believe that integrating with cloud solutions is risky, expensive and unreliable. This is simply not the case. These fears are largely founded on past non-cloud integration traumas, either experienced first hand or heard about second hand. A quick search for integration failures in enterprise software turns up a litany of past failures and lessons learned, such as PC World's 10 Biggest ERP Software Failures. Past experiences integrating non-cloud solutions have little or no relevance to today's leading cloud providers.

**"PAST EXPERIENCES INTEGRATING NON-CLOUD SOLUTIONS
HAVE LITTLE OR NO RELEVANCE TO TODAY'S LEADING CLOUD
PROVIDERS."**

Some vendors help perpetuate these fears by suggesting to customers that if they stray outside a single vendor's solutions portfolio, integration could be dicey. Also not true. The reality is that cloud vendors solved integration a long time ago, or the cloud would not enjoy the widespread adoption it does today. Here's why you don't need to worry about cloud integration when you are buying from a leading cloud vendor.

Risk is Shared - No integration, no revenue

Cloud providers had to create their subscription services in an environment dominated by on-premises ERP. Their software has to work properly for customers to be successful and renew their subscriptions. Business transactions such as sales, hires, and purchases have to be recorded in the ERP to ensure that the company's books are kept accurately. Integration between cloud solutions and ERP is therefore critical to company success.

Fortunately, the task of integration is fundamentally easier for true cloud vendors because their solutions aren't customized during implementation. Implementation through configuration rather than customization is a benefit of true cloud over non-cloud vendors (more about true cloud later). In the non-cloud world, integrations were built as one-offs. Heavily customized on-premise systems were integrated with other very complicated, heavily customized on-premise systems. The software itself was changed through customization on both sides during the implementation and the systems ended up not talking to each other.

This was before the subscription models of the cloud, and in those days there was a lot more complexity and a lot less accountability. Non-cloud vendors were typically paid up-front. When problems arose, as they often did, the people integrating and implementing the software could point fingers at the vendor, and the vendor could point right back at them, but everybody still got paid.

The Software-as-a-Service subscription model changed all that. Getting the integration right was critical, or there would be no recurring revenue for the vendor. Integration became a fundamental part of the business strategy. It was table stakes for cloud computing. If you couldn't figure out how to integrate your software to just about anything your customer might have, your company wasn't going anywhere.

Expenses are lower with "cookie cutter" integrations

In the world of non-cloud systems that are customized during implementation, every integration also has to be customized. In a nutshell, integration is about taking the data from two systems and mapping them into a common format, so a purchase order for example, always looks the same when it is going across the wire from one system to the other. When you're mapping two customized systems to each other, it requires a different data map every time.

With cloud software, the customer can configure the software, but they cannot customize the code, so when you're trying to map it to another system one side at least is known. The cloud system doesn't change during implementation. The integration looks the same from the vendor side every time they do it, and as a consequence vendors get very good at doing those deployments. They're cookie-cutter, and that really simplifies the process and saves a lot of time.

It also saves money. Cloud vendors can create integration assets and technologies that are reusable across many projects. Because their data model is under their control, these kinds of investments are scalable. If they have to make a certain investment to integrate with SAP or Oracle ERP, they can do that knowing it's going to be applicable to a lot of future customers. They don't have to incur the cost of reinventing the wheel every time.

Reliable – even in the face of change

Another fear that persists is that integration is fragile, and that once you've set it up you can't change anything or it will break. That can be the case if things are not architected well, but the APIs (Application Programming Interfaces) used for integration allow for change without fear of breaking the integration. These technologies were not invented yesterday; they are reliable and developers have been working with them for many years.

The proof is that cloud companies put out multiple new releases every year. Customers adopt them and their businesses keep right on running. There are some very big cloud companies now, with tens of thousands of customers and you don't ever hear of business grinding to a halt because Salesforce, Workday, SuccessFactors, or NetSuite made some changes. If that happened, you'd surely hear about it because every single customer would be affected since the integration on the vendor side is the same across the board.

Integration is still crucial to the success of any enterprise software deployment, but with the cloud there's nothing to fear. I think of integration as being like the transmission in a car – it makes sure all the parts sync up and move together. The car has to have a transmission or you don't go anywhere. But the transmission isn't what you worry about when you're buying a car. The car is going to have a transmission, and one might be slightly different from another, but if you're buying from a reputable manufacturer that has been in business for a long time, it's going to work and the car is going to run. It's a non-issue. If you're buying a restoration or kit car someone put together in their garage, then maybe it's something to investigate further.

The same is true of cloud software. Integration in the cloud is easier, cheaper and more reliable than previous integration models and comes standard with any established cloud solution. If you're buying from a reputable cloud company that has been in business for a few years and has a few hundred integrations to show for it, there's no reason to worry. It's all been figured out.