Unit4 Experience for You (X4U) 2020

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Service Performance Insight, LLC

Research Note

SPI Research Capital
People · Process

ERPx Marks the Spot

EUROPE'S LEADING MID-MARKET ENTERPRISE PROFESSIONAL SERVICES SOFTWARE PROVIDER ANNOUNCES ITS NEW COMPREHENSIVE SOLUTION TO DRIVE PERFORMANCE AND PROFIT IN A TIME OF GLOBAL UNCERTAINTY AND CHANGE

INTRODUCTION

Unit4 held its first annual virtual conference, *Unit4 Experience for You (X4U)*. With the pandemic looming, the 40-year-old solution provider held a very informative forum, focused on trends impacting the professional services marketplace as well as announced its latest solution, **Unit4 ERPx**.

Unit4 beat participant expectations with over 2,000 people attending virtually. While virtual conferences offer many benefits, such as being able to see every session, there is still nothing like the interaction people find when attending a conference in person. Unit4 did an excellent job of running the conference to maximize learning opportunities. Hopefully, next year, they will go back to people attending in person.

Unit4 CEO Mike Ettling emphasized the company builds ERP for people-based businesses, not manufacturing. It is all about supporting the "people experience," enabling people to perform at their

highest level. The solution provider touts its industry-specific focus that runs through all of their products, which they term the **Unit4 People Experience Suite**. Their solutions cover financial processes, HR processes, and analytics. The goal with Unit4 is to implement solutions out-of-the-box with best practice configurations and integration.

Other Unit4 executives discussed the trends that have accelerated change (digital transformation, remote work, cloud solutions, business change, etc.) and how Unit4 has prepared. They discussed the organization's three (pillars) areas of focus on the development of solutions, including:

1. **Industry functionality** – industry specific functionality, localization, unifying multiple processes, delivered by people, for midmarket companies
2. **User experience and automation** – made for all users, minimal navigation, 10 seconds (easy to understand, consistency), smart automations with no interaction
3. **Modern cloud platform** – Public cloud (Microsoft Azure), micro services – granular, quicker to create, faster to deploy, extensions and integrations – bridges the gap between ERP and other solutions (procurement, specialized apps, etc.). Extensions will not impact core ERP.
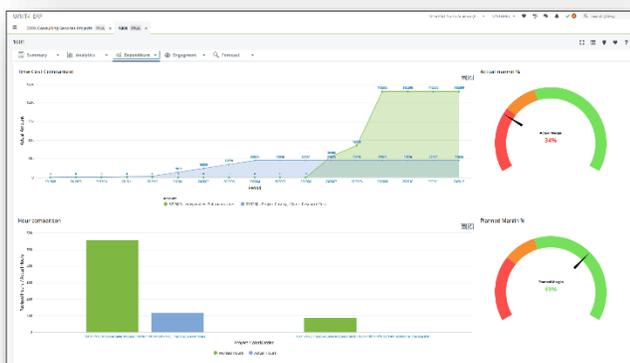
Speakers at the conference highlighted the needs for professional services organizations (PSOs) to use improved analytics and reporting. As the PS workforce becomes more distributed, it is imperative PSO's have the information infrastructure necessary to successfully plan, sell, staff, deliver and collect for projects. Now, many of the Key Performance Indicators (KPIs) these organizations collect on a weekly or monthly basis must be done in real time.

SESSIONS PACKED WITH PLENTY OF EDUCATION FOR PROJECT-BASED BUSINESSES

Unit4 invested heavily in education for conference participants. Considering the state of the global economy and challenges faced by organizations in every industry, their approach to education makes sense. There is no denying the fact that people in the professional services market will have to change how they do work in many ways. The technologies required to successfully educate, collaborate, and complete work will become even more important than ever. Most employees in these markets now work from remote locations, specifically home. The question is, "how can they be productive, given their work environments?"

Having a strong information infrastructure with the tools necessary to collaborate and collect and
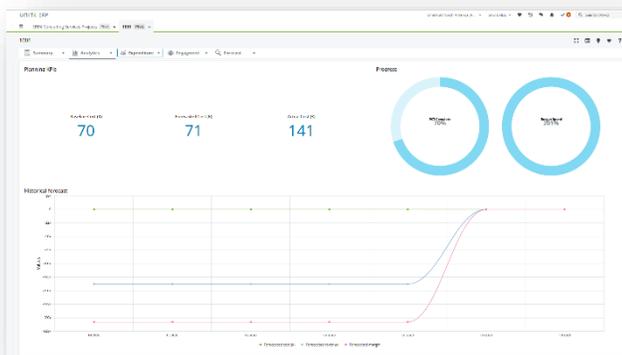
disseminate information will be critical to success. In professional services this trend has been going on for some time, but the pandemic of the past year has elevated it significantly. Now, PS leaders must have more tools up front to plan work, as opposed to how things were done in the past. Unit4 worked in this conference to emphasize their solutions are built to tackle such challenges, and provided a host of applications that highlighted how to approach the new way of work.

PSOS ARE IN TRANSFORMATIONAL MODE

2020 is like no year we have ever seen. In 2019, the global economy was growing – then came COVID. And in the United States geopolitics, as it does every four years, has taken center stage in terms of the future direction of the large US economy, which does impact most other countries. As a result, PSOs have had to react to the changing global environment. The good news is that most employees in PSOs are used to working remotely, whether it be on a client's site, on an airplane, or even at home. However, the big change for consultants is the client interaction experience. They must work harder to not only sell services without meeting in-person, but to deliver services as part of a team remotely and independently, without in-person meetings with clients. The tools they need to succeed will become even increasingly important as this trend continues. Business models have begun to change as well as business processes. The information infrastructure has become increasingly important, but must also be able to manage and react to how PSO's conduct business. PS agility has become in even more important than ever.

IT'S ALL ABOUT ERPx

Unit4 came out swinging at the conference with **Unit4 ERPx**, a fully integrated Enterprise Resource Planning (ERP) solution with Financial Management,

Human Capital Management (HCM) and Financial Planning and Analysis (FP&A), built on a unified architecture. Coupled with integrated front-office applications Client Relationship Management (CRM) and Professional Services Automation (PSA), and all built on Microsoft's Azure platform, provides PSOs with the solution to manage all aspects of their business – from planning through sales, staffing, delivery and collections. This announcement is significant, as a majority of the other ERP suppliers have yet to fulfill the promise of a comprehensive, fully integrated solution. ERPx is built on a unified architecture means information input in one area is

automatically accessible in another. This structure avoids duplication of entry, integration, and other issues that could impact data integrity.

Unit4 CEO Mike Ettling stated "*Unit4 ERPx is laser-focused on people-centric organizations, specifically professional services, non-profits, education and public sector. It is our fundamental belief that ERP of the future cannot be one-size-fits-all monolith, industry-agnostic and hard to change. To improve the productivity, velocity and resilience of modern-day organizations, ERP needs to be the operational heartbeat of your organization and "Right for Your Business" right out-of-the-box.*"

Some of the aspects of ERPx discussed by Unit4 executives included:

▲ Purpose-built for people-centric industries such as professional services, education and state and local government

▲ Focused on mid-market organizations

▲ Localized for multiple countries around the globe

▲ Flexible to meet unique and changing needs

▲ Built on a modern cloud platform

▲ "Right for your Business" next-generation capabilities, user experience and cloud platform removing the complexity of the past

▲ Right for all types of users: powerful for pros, lightweight for everyone, automated whenever possible

▲ 10 second UIs: 10 second interactions, natural language, Slack / Teams / Outlook, on the fly self-composing apps

▲ Smart automation services: using Machine Learning (ML) to automate common tasks

▲ Easy accessibility across multiple devices

CLOUD

Unit4 has been committed cloud-based computing for several years now. Of course, so have other leading vendors, but Unit4 is putting its money where its mouth is and developing capabilities on top of ERPx that will allow partners to more efficiently add other integrations and extensions, as well as their own applications. They have created microservices, which allow for faster changes to the core solution and synchronization of external and internal applications. Unit4 is taking advantage of many of the latest trends in cloud-based computing, such as artificial intelligence (AI), natural language (NL), machine learning (ML) and more, to provide users with the tools to more efficiently and effective run their business.

CONCLUSIONS

The Unit4 X4U conference was enlightening in many ways. The vendor did a good job of not only discussing the trends impacting people-based organizations, but showed a variety of ways in which they are building solutions to address these challenges and changes.

There is no doubt ERPx is a game changer for Unit4. Its construction on the Microsoft Azure platform enables other partners to build solutions more easily to be integrated with ERPx, and with its integrated architecture out-of-the-box, it will grow in popularity for midmarket PSOs that look for a single solution to run their business.

Each year the market moves closer to integrated solutions. Best-of-breed applications still exist, and will do so for many years. But many PSOs, especially in the mid-market, look to one integrated solution, with support from the vendor. Unit4 is well positioned for the changing marketplace, and ERPx provides those organizations with a solid information infrastructure.

SPI Research considers Unit4 to be a midmarket leader in enterprise applications for the professional services market. While better known in Europe, the vendor is rapidly gaining market share in the North American market. And as ERPx gains in momentum, there is little doubt Unit4 will become increasingly popular.

Service Performance Insight (SPI Research) is a global research, consulting and training organization dedicated to helping professional service organizations (PSOs) make quantum improvements in productivity and profit. In 2007, SPI developed the PS Maturity Model™ as a strategic planning and management framework. It is now the industry-leading performance improvement tool used by over 35,000 service and project-oriented organizations to chart their course to service excellence.

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