VAI 2022 PREDICTIONS: TRENDS IN CLOUD-BASED ERP

Industry executives and experts share their predictions for 2022. Read them in this 14th annual VMblog.com series exclusive.

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2021 certainly had its share of challenges, following the onset of the 2020 global pandemic. From the ongoing supply chain crisis, the shift from remote to hybrid work for many businesses, continued cybersecurity attacks, labor, and inventory shortages, and more, 2021 required organizations to work even harder to succeed and to make some difficult decisions.

However, because of having to pivot everything we know about business and work, 2021 pushed organizations to accelerate innovation and advance in completely new ways - with many companies implementing or upgrading enterprise resource planning (ERP) software to unlock critical insights that could not be achieved with their existing software.

As organizations enter 2022, what can business leaders expect? The following predictions offer insights into the future ERP marketplace:

For many, remote/Hybrid work is here to stay, meaning some organizations will need a holistic approach to security in the cloud.
With remote and hybrid work a reality for many organizations, cloud providers in 2022 will continue to face one of the biggest challenges to date: the rapid transformation of the digital sector. While organizations have quickly realized that a shift to the cloud is critical for remote and hybrid work, the methods for which companies can transition to cloud aren't one size fits all. Looking ahead to 2022, the cloud market is going to need to become even more robust, with ERP providers stepping up their security games. This includes taking holistic approaches to security and data

storage by offering real-time security monitoring and analytics tools, helping businesses take full advantage of a cloud-based ERP solution. When considering that remote and hybrid work is here to stay, this strategy will continue to become even more important as we head further into 2022.

ERP systems and AI will drive success in the warehouse as supply chain fluctuations continue to threaten inventory levels.
Amid ongoing supply chain issues and labor shortages expected to last into 2022, more organizations have realized that flexibility is key when it comes to the supply chain. To unlock better insights and improve inventory management, start with an ERP system that leverages AI and predictive analytics as part of an ERP solution. By implementing an ERP solution with this automation

to mitigate and predict demand spikes, distributors and retailers can better ensure that inventory levels stay consistent throughout the year. An ERP solution that offers mobile applications are also giving supply chain managers full observability of the warehouse, allowing them to quickly patch fixes if something goes wrong.

In combination with ERP, and WMS robotic automation is also quickly becoming one of the best solutions to combat the current labor and inventory shortages. Automation tools are replacing time-consuming tasks such as sorting at a faster pace with zero error and are ensuring that shipments and deliveries get out the door on-time. At the same time, these AI tools are giving employees the time back to complete other necessary tasks. The implementation of robotics and automation in the warehouse are allowing warehouse suppliers to allocate funds to new employees with increased skills and talent. The reality is that

companies who invest in this type of fulfillment technology now will see greater gains in the long run.

Upskilling will be a requirement for manufacturers looking to succeed.

The ongoing labor shortage resulting from COVID-19 has created challenges for industry leaders looking to advance their businesses. With retailers struggling to meet demand and disruptions across all industries with the shortage among truck drivers and high turnover warehouse workers, manufacturers will continue to see a strained supply chain in 2022. To fill the gaps left by the inventory and talent shortage and ensure companies are still able to advance in a technical and talent sense, it'll be crucial to focus on technology implementation and upskilling.

Companies are finding they can streamline operations and meet quotas with the help of automated warehouses and

trucks. On top of these new technologies, companies are also emphasizing a focus on training existing employees and upskilling new workers across the supply chain to efficiently utilize various solutions. By setting a new focus on upskilling and how technology can streamline distribution and manufacturing in 2022 will help companies bypass the ongoing shortages.

Overall, in 2022 we can expect an increase in digital transformation and for businesses to adopt new and advanced technologies to align with ongoing challenges. We can expect to see a dramatic increase in the number of businesses leveraging these advanced technologies within ERP to get ahead of the game in the coming year. Going into 2022, we'll see businesses placing more of an emphasis on tools such as cloud security, predictive analytics, and AI and focusing on upskilling and training to ensure maximum business success next year.