

Analysis & Commentary

INFOR Maintenance for BPCS / ERP LX



Introduction to commentary

Over the years we've talked with many BPCS users about the subject of SSA's OGS support and INFOR's maintenance. Our net take-away is that the user community falls roughly into five groups with respect to this subject, as defined below.

Group 1

Members in this group obtained a relatively inexpensive long-term deal on OGS as part of their last license agreement.

There are still a very few companies that have a year or two left on such a bargain-level deal. Users in this group don't have management of the maintenance price increase subject on their things-to-do list yet.

Group 2

Members in this group recently moved to version 8.3/ERP LX or are convinced that an upgrade to v8.3 is a good idea in the short term.

The majority of these users have few doubts about staying on maintenance, despite the cost.

The v8.3 code is RPG generated from AS/SET and AS/SET action diagrams are no longer available. RPG generated from AS/SET can be hard to work with for a variety of reasons.

Group 3

Members of this group currently have a maintenance agreement with INFOR with an unexpired term. This would include users who recently migrated to version 8.3 or have made the decision to migrate in the short term.

We've heard a variety of reasons from customers for purchasing maintenance from INFOR; here's a sample of the most frequently mentioned items:

- a. They want to migrate to version 8.3 before considering changing anything related to INFOR support.
- b. It was a way to address a fear of being cut off from access to BMRs. Typically, this fear was unquantified.
- c. They had short-term plans to move to a different iSeries and had doubts about how they would obtain a new key (more on the key subject later).
- d. It was a way to keep BPCS-related options open without investing the time to fully analyze the manifold uncertainties and alternatives.
- e. For some users, it felt like the safest decision because "it had always been done that way before."

Group 4

A maintenance renewal decision is currently blinking on the radar screen for members of this group.

On the pro side for renewing, these companies most frequently cite three points: "fear-of-being-cut-off-from-access-to-BMRs," "we'll need a new key if we change boxes," and "we'll need newly compiled security programs for V6R1 of the operating system."

On the con side, these users rarely remember any emergencies they had to call INFOR about during the last year. When they divide the proposed maintenance invoice from INFOR by the number of mission-critical calls per year, the per-call mathematical result produces a really uncomfortable sticker shock phenomenon.

Group 4 shops that are thinking about a box upgrade frequently evaluate the option of investing enough money in hardware to ensure that the new box they acquire has more than sufficient capacity for expansion over an X year horizon ... and that this as-needed expansion can be executed without changing the CPU serial number. Essentially, they elect to invest money into the box up-front instead of pouring money into INFOR's pocket every year. Then they decide in advance that after X years they want to make a from-scratch strategic evaluation of what ERP system will best suit their needs into the back end of the new decade. Companies in this group don't see much of an ROI derived from paying INFOR maintenance fees between now and year X.

We know of some users who have paid substantially less for a new key than the first quote they got from INFOR. Not infrequently, that lower price arrives as the result of some legal discussions. The "charge-for-a-new-key" concept has annoyed not a few companies because this concept was not defined in their software license agreement.

Many SSA license agreements included some sort of "perpetual right to use the software in peace and quiet" promise. Obviously, the need to occasionally upgrade IBM equipment is not breaking news so it seems unfair that the license agreement did not mention a charge for a key to enable the standard industry practice of moving to more modern equipment every now and then.

This sense of unfairness has been the root of discontent for enterprises annoyed over the years by SSA's and then INFOR's new-key charge policies.

By the way, it is possible for a savvy BPCS technical expert to make the software CPU-independent; however, Unbeaten Path has concluded that disabling the BPCS CPU key function is not an ethical way to address the perceived unfairness.

This point of view was confirmed when we looked for a Biblical reference that could provide guidance on the ethics of this subject. Give one of the senior Unbeaten Path people a call if you would like to learn more about our thinking and research on this issue. Net results: scriptural reasoning and legal reasoning don't arrive in the same place.

Here's one last observation. Accounting professors would probably view the value of a new key to be part of the asset capitalization of the new iSeries rather than as an expense item that must hit the IS cost center in a single budget year. That philosophy makes the cost of a new key (spread over the management books life of the new box) look less painful at the bottom of the current year P+L.



Group 5

The final decision to terminate INFOR maintenance has been made by members of this group.

Companies in this group feel that v4.05CD or v6.x or v8.x operations have been stable for enough time and that the risk of discovering fresh software bugs is low and manageable. Furthermore, group 5 members typically have little or no appetite to change much about the software for the foreseeable future.

We think more ERP LX users will arrive in Group 5 in the next year or two.

Some companies in group 5 have done the following per-BMR-cost math. We've heard of calculations that divide the INFOR maintenance quote by the number of new BMRs they are likely to need in the next year. The per-BMR-cost calculated this way tends to be enormous and the conclusion is that it's more economical to fix any new bug **without** INFOR's help.

Just before their maintenance contract expired, some companies in this group considered it prudent to download all available BMRs into storage, just in case one of those saved BMRs might help at a future time. These enterprise have also made the wise move of getting the re-compiled security objects from INFOR that will be needed when they upgrade to V6R1 of the operating system.

Group 5 is comprised of two sub-groups (5a and 5b):

Sub-group 5a

Members of this sub-group have arranged for some form of help-line support from a supplier. The rationale typically includes one or more of the following points of view:

- ▷ "Arranging for third-party technical backup is part of our IS department headcount reduction strategy."
- ▷ "INFOR isn't interested in answering questions about something we've customized anyway."
- ▷ "The help-line support is a just-in-case insurance policy for our company."
- ▷ "The supplier quote was surprisingly affordable/reasonable."

Even some of the large, multiple-site BPCS users ... which have deep, highly-talented technical staffs ...are members of this sub-group 5a. These companies want the flexibility to assign the occasional BPCS headache to a supplier instead of interrupting progress on internally-managed strategic projects.

Surprisingly, both the frequency of help-line support calls from this sub-group 5a and the hours of service to resolve each call are quite low. A typical user solicits support once every 45 – 60 days. On average, each problem is resolved with only 3 - 4 hours of billable time. Not infrequently, resolution requires less than 45 minutes.



Group 5, continued ...

Sub-group 5b

Members of this sub-group have decided to survive on their own. For the most part, that has proved to be a workable strategy.

Smaller companies in this group tend to have one internal person that has sufficient technical credentials to solve most bugs and issues. Many also keep the business card of a local contractor who has helped them in the past on some technical BPCS project. This technical support strategy often works for quite a while, but there are exceptions:

- ▷ Companies get into tight spots when their internal person and/or the local contractor don't have the BPCS/ERP LX technical depth to handle the problem. There is not always enough time to exhaustively test a series of "take-an-educated-guess" alternative solutions.
- ▷ Some bugs are just about opaque or buried in enormous programs and the support individual does not have access to the debugging functionality of Unbeaten Path's very clever **Stitch-in-Time** software.
- ▷ Some headaches appear at an inconvenient time, like when the technical resource(s) leave the company, go on vacation, are busy at another client, or whatever.

It doesn't happen very often, but a few "**can-you-start-helping-us-right-now?**" type calls do arrive at Unbeaten Path.

Unfortunately, it's hard to deliver help immediately if Unbeaten Path's first contact with a BPCS/ERP LX user arrives in the form of a "need-help-right-now" call. Some documents have to be executed and then, of course, the process of establishing remote communications isn't always a five minute project.

Concluding comments

If your company resides in Group 4 or Group 5, there is merit to evaluating the attributes of this software support insurance policy: **NoExcuses™ HelpLine** from Unbeaten Path International. We can provide effective world-wide support on a **24/7** basis for **365 days a year**.

NoExcuses is one of Unbeaten Path's **up a notch™** professional service offerings.

Questions ?

It would be a privilege to answer any questions. Podemos hablar sobre ese tema en Español si tu quieres. Here's Unbeaten Path International's contact information:

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