IFS Solution Vision Statement

IFS Product Management and Development
March 2019
Our vision for the Intelligent and Autonomous Enterprise is about helping our customers evolve and transform their businesses, putting them in a position to challenge expectations and grow with exciting new offerings, radically more efficient processes, and completely new ways of thinking.

This vision is founded on a pragmatic and focused adoption of new technologies, applied to the real industry contexts of what our customers actually do, and the value they can bring to their everyday business. This isn’t an abstract vision for the sake of technology. It’s a vision that will see us continuously update our customers’ solutions, so they always get rapid, applied benefit from enabling technologies, whether that’s through process automation founded on machine learning, AI-powered field service, or decision-making based on advanced business simulation.

Why now? Our customers, their industries and technologies have reached an inflexion point. Pivotal capabilities have been developing at great speed in recent years but have been constrained in isolation and silos. This means it’s been a real challenge for businesses to truly combine them into workable, integrated solutions and value creation investments.

We believe that now is the time to look to companies like IFS that understand your industry and your business inside out, as well as these emerging technologies. We relish the role and responsibility of understanding how you can benefit in the most effective and immediate way from new technologies, platforms and approaches. This is our promise and commitment to you, and a major part of the passion we have for enabling you to do business like no other.

Framing this as a “Vision Statement” might imply that this is a set of long-range, aspirational or even unachievable ideas. That’s not the case. This document introduces a specific, planned and operationally-committed path to a joint future between IFS and our customers that sets out the shape of strategic evolution of our offerings across Enterprise Resource Planning (ERP), Enterprise Asset Management (EAM) and Service.

This isn’t about technology in isolation, although it does lay out the strategic foundations we plan to put in place and build out for our offerings between now and 2021. Fundamentally it’s about how we’re on a journey that will bring applied, specific and real-world value and benefits to our customers from new and emerging technologies. We’ve already started this journey, laying important foundations that will have a major impact on the kind of problems we can help solve, and the depth of capabilities we can offer for the industries we serve. And we’re set to build on those foundations with some of the most aggressive investments we’ve made around our offering in our 36 years as a business.
We've come a long way with our customers since we set up camp—literally on our first customer’s doorstep, to be closer to them—in 1983.

That journey has taken in the move to graphical interfaces, the birth of the World Wide Web, the mobile and smartphone revolution, the emergence of cloud, and more recently the Internet of Things, artificial intelligence and robotics, to name just a few. We have also seen our software grow from a maintenance system to full ERP and market-leading enterprise asset management, and in more recent years to cover a wide spectrum of highly recognized service and field service capabilities. We have both built and acquired best-in-industry capabilities and technologies.

Today, IFS is a global software business with 10,000 customers and a presence in over 50 countries. We're growing rapidly— in fact, in 2018 we outpaced the market by a factor of more than three.

We serve customers in our focus industries with best of breed solutions, as well as wall-to-wall implementations across ERP, EAM and Service Management, including financials, human capital management (HCM), CRM and other horizontal solutions. And we make sure these horizontal solutions have the right characteristics to work well in our focused industries - whether that’s our HCM solution’s robust capabilities for skills and certificates handling, crucial to the regulated industries we serve, or our Finance solution that facilitates comprehensive project cost control, an essential capability in construction, utilities and other industries.

Our reputation has consistently been backed up by the independently-recognized excellence of the products and solutions we offer. We’re named as a “Visionary” for IFS Applications, in the Enterprise Asset Management market². We’ve been named a “Leader” for three years in a row for our Field Service Management offering³. And in the Aerospace and Defense market, we’ve been ranked as the market leader for 10 years in a row for the EAM solutions we offer⁴.

The decisions we’ve made to get here have been shaped by one thing; we have always been a business that hasn’t produced technology for its own sake, but instead works closely with customers around their specific challenges and opportunities - from envisioning what we should develop, to being part of our “early adopter” programs and working closely with us on first implementations.

Today is a pivotal moment for our business and the value and capabilities we offer to our customers. Our future is in providing intelligent and autonomous solutions that are pragmatic and easy to adopt and derive benefits from. We will do this by building new innovations into our software and evolving our architecture, so all our customers can benefit, not just those who can afford to purchase and integrate disparate applications and technologies. This means we take a practical and pragmatic approach to incorporating new technology to create value for our customers.
Our customers and their businesses often share something in common. They’re what we call “challengers”. They could be high tech manufacturers challenging the established order by selling lifetime product availability, service and support, rather than just relying on product sales. Service organizations that are challenging established field workflows with IoT-connected processes and intelligent, optimized field engineer scheduling. Challengers can be local or regional businesses looking to rapidly scale globally, or start-ups challenging established leaders with new approaches. Challengers can also be market leaders driven by a mindset to always challenge themselves to do better and disrupt their own status quo expectations and ways of working - knowing that out there someone is always looking to disrupt them. These challengers have a common characteristic: being a challenger is a mindset, and today, adopting a challenger mindset is critical to achieving goals and surviving long-term as a business.

We are a growing, passionate business with a clear view of the kind of customers we love to work with, their problems and how we can help solve them, and the work we want to do to add real value for them. But we don’t want to settle for what we’ve achieved, and we believe that together with our customers, we are set for much more. At IFS, we want to partner with the challengers of the world and empower them with industry-specific, intelligent and autonomous solutions and the expertise they need to thrive and realize competitive advantage now, and in the future.
Our aim is to change the playing field for Enterprise Resource Planning, Service Management and Enterprise Asset Management. This ambition is founded on harnessing a core set of enabling technologies that will unlock transformation and disruption for our customers, from artificial intelligence and robotic process automation to the application of analytics and simulation. We will do this in a pragmatic and focused way, leveraging a new architectural layer in the IFS Architectural Model, which we refer to as “Application Services”, guided above all by a mission to make it simple and easy to benefit from a set of new, intelligent and autonomous capabilities, value propositions, solution offerings, and more.

In combination, these enabling Application Services are the catalyst for delivering a whole new set of value for our customers’ businesses and industries – opportunities that today are largely yet to be realized. Here are just some of the ways that combinations of these enabling technologies can open up entirely new paths for transforming some of the most fundamental, common processes and everyday business challenges facing our customers.
Augmented or Mixed Realities hold massive potential for improving the quality, speed and cost effectiveness of service and maintenance delivered in distributed or remote locations.

Focused scenarios include remotely assisting customers performing their own service and allowing senior technicians to remotely oversee complex service operations like those found in Aerospace and Defense and Energy and Utilities businesses. Rather than subjecting customers to separate AR tools and platforms, we see AR embedded within service applications and tools used in the field.

Many business processes are highly repetitive, and ripe for increased automation, whether through physical robots or robotic automation within the business application itself. In addition to robotized automation of repetitive tasks, machine learning, and AI models allow automation of decisions and process steps that previously required human intervention. Examples could be classifications (Is this high risk or not? Likely to be authorized or not?) or choosing the appropriate action (What to do with those MRP action messages? What to do with this delay?).

The result of AI-fueled automation is not just freeing up people to focus on other tasks, but also the ability to respond instantly and handle spikes in work volume without being dependent on specific individuals—something that could unlock new levels of customer service or be a prerequisite for new business models.

Going beyond data collection from machines, sensors and devices, IIoT and AI can be combined as a foundation for delivering predictive maintenance and predictive service across complex, distributed machines and assets.

Pulling this data into a structured failure management routine - where the results based on readings, measurements, and alarms are accumulated and constantly re-evaluated using IIoT and AI - will reduce the time it takes to identify and correctly diagnose equipment casualties. The same data can be used to stretch the periodicity of preventive maintenance interruptions, leading toward a truly predictive maintenance system.

This will result in dramatically increased uptime, and a far more effective and nuanced way of actively planning maintenance of critical equipment and infrastructure than simple calendar- or usage-based maintenance regimes.

IFS already enables businesses to build "digital twins" of their operations with the ability to time-slide between past and future states to support strategic decision making — enabling businesses to conduct Scenario Planning and “What If” analysis (for example: what would the impact on reordering be, if we get a 25% increase in orders?)
To enable this, we are ramping up investments to evolve the IFS architectural model that we build our applications on to increase the overall pace of innovation at which our entire ecosystem functions - whether that’s the velocity of our own product development, the speed at which our internal and partner consulting teams work with to implement our solutions, or the work you can do yourself as a customer.

A new application services layer is where we will integrate and manage AR, AI, IoT, Analytics, Optimization, Simulation and other technologies needed to achieve digital transformation, so they can be quickly leveraged to apply intelligent and autonomous solutions in the context of specific industries and processes. While some of these services are brand new, others are existing services that are being remodeled to be used more broadly across our solutions. Five key foundations will anchor these solutions for intelligent and autonomous business and ensure they are of the right nature and exhibit the characteristics needed for you to successfully implement and use them in your business.

The IFS Architectural Model will continue to evolve with an emphasis on enabling innovation and breakthroughs in what users do and benefit from.
To transform your business and deliver high quality products and services every day, you need people to intuitively understand and appreciate the tools they use to do their jobs. For software this in large part depends on a User Experience (UX) that’s engaging and helps people get their work done efficiently.

Applying consumer-first design thinking, we’ve developed a common user interface that harnesses the innate skills that every person has. We also deliver the right experience for the right purpose, whether that’s a state-of-the-art browser-based UX for general purpose and B2B processes, seamlessly integrated add-ins to everyday software like Microsoft Office, or native offline-capable apps where they are needed. Our pace of innovation is high and includes new UX styles such as chat bots, conversational, in-vehicle, 3D and VR, to name a few.

Evergreen - always having up-to-date software - means access to the latest innovations, but also higher quality and security. This however needs to be balanced against the efforts of change management. Our goal is that you can run our software evergreen - as SaaS in the cloud as well as on-premise - with near zero effort.

Our layered application architecture (LAA), declarative development, open APIs are all driving towards this, as will upcoming investments in application life-cycle management.

Cloud is today an established model for how to source and use mission-critical ERP, EAM and Service applications. It is also an effective way to get hold of the power and scale needed for AI, analytics, and more.

While we see many of our customers sourcing solutions as SaaS services from us via our cloud, we also know that in regulated industries there are needs for other clouds, whether private, government-approved or even on-premise. Respecting this, we pursue ways of running effectively and at scale in the public cloud, whilst retaining a level of portability across clouds and on-premise.

Acting as the foundation within our customer environments for the rapid innovation of next generation capabilities, a new open-standards API layer will enable us to both connect to the core and to connect out with much greater flexibility and speed.

We will support universal integration to other applications, platforms, services and databases with a single, common user interface. This includes enabling selective and smart partnerships to happen with far lower friction and with much greater speed. And all this needs to happen within a secure framework that supports integration and access to a whole world of connected devices, platforms and solutions.

With devices, machines, applications and networks all connected to each other, security thinking and implementations need to be universally applied. This goes beyond securing individual applications against hackers, to looking at software development and supply chains. Software people must understand that security vulnerabilities can have real world life-and-death consequences – and conversely, device manufacturers need to understand that making a “thing” connected means it becomes subjected to a whole world of threats from anywhere on the globe.

All players must work together and in collaboration to find ways to understand and manage the security aspects of fragmented application landscapes and data sets moving around global networks.

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In many ways this journey started years ago as we built out and deployed many of the crucial underpinnings and enablers that our vision is built on.

This means that IFS customers are already on the journey with us to where we are headed.

Four years ago, we introduced a Layered Application Architecture (LAA), putting in place a key foundation for evergreen software - a prerequisite for us and customers to easily adopt innovation and updates. Coupled with LAA came the introduction of declarative development in parts of our architecture and an increased pace at which we move. Our next step will be to enable all our customers to benefit from these key initiatives.

Over the last two years we have envisioned an entirely new state-of-the-art HTML5-based user experience that spans solutions and device types, including mobile. This new experience is already built into several of our solutions and we’ll continue to adopt this new user experience for all our customers and their devices.

A key underpinning and enabler for this new HTML5-based user experience is a completely new API layer, based on open standards (Restful oData based APIs) - a foundation for universal integration between platforms, applications and other technologies. For example, we are seeing this in our latest update of CRM capabilities where Microsoft Outlook serves as the user front end for several tasks.

With complete API enablement and the new user experience comes the opportunity for rapid and declarative development and an extensibility model, providing a big leap forward in productivity and support of our growing eco-system of partners in ways we have not seen before.

Intelligence and automation are already embedded in our offerings. The AI engine in our Service offering is solving complex scheduling optimization challenges, at scale, every day, for market-leading service organizations. Combined with our IoT capabilities, it’s also enabling predictive, connected maintenance for customers.

And the speed at which we are able to deploy, upgrade and support our customer base is being dramatically increased with major investments across our Cloud and Global Support operations.

We are now concentrating and accelerating our investments to power your intelligent and autonomous enterprise on a scale we haven’t seen before. As an example, we have accelerated the adoption of our new HTML5-based experience, the new API model and the declarative development and extensibility model for IFS Applications 10, resulting in completion 12 months ahead of original schedule. Our next major wave of innovation is slated for the first half of 2020 where we’ll see the adoption of these exciting innovations also reach customers using other products from IFS.

This is not a forced transition to a new environment, or a brand new product to learn or deploy. It’s about giving you more agility, greater options and more freedom to move on new opportunities at a pace that’s right for you, when you’re ready. Supporting this, the architecture from IFS will be constantly evolving, to best serve the needs for every one of our customers, now and into the future.
Our commitment to market-leading solutions with stand-out customer value remains as ever. We will continue to lead the market in ERP, EAM and Service Management with differentiated functionality, value, performance and usability for our focused industries - with high pace and productivity around adding new functionality to our solutions. We will do this whilst simultaneously supporting the rapid development of intelligent and autonomous solutions applied to our customers’ industry challenges.

We have a firm commitment to bringing these intelligent and autonomous solutions to all of our customers in sensible and pragmatic ways. There is of course always effort involved in adopting and reaping the benefits of new technologies. But IFS is committed to make it as seamless and easy as possible for every single one of our customers.

We have a proven track record of building for change, adopting new and changed technology, and combining the best capabilities from multiple applications. Rest assured, we will be together on this journey, and in April 2019 we will publish our long-term statement of direction and a 12-month roadmap for all our offerings that will show the details of how we’ll execute on this exciting vision for the future.

LET US KNOW WHAT YOU THINK

This is just the start. We put this document together to share our vision for the future capabilities and business value that we want to deliver to our customers, and to introduce our strategy for the product and technology foundations we’re building that will allow us to achieve this. The program that will take us into this future is a significant multi-year undertaking by IFS and our product teams. We hope that this document and related content will inspire you, provoke questions, prompt suggestions and act as a starting point for conversations and discussions as we move ahead. We want this to be an open and collaborative process - the more we can share and the more insight we all have, the better we can shape our future together.

Notes

1. According to ERP market forecast: Gartner Forecast Analysis: Enterprise Application Software, Worldwide, 2Q18 | Update ID: G00367105

2. Gartner 2018 Magic Quadrant for Enterprise Asset Management Software, Kristian Steenstrup, Nicole Foust, October 2018


4. ARC Advisory Group 2018
IFS develops and delivers enterprise software for customers around the world who manufacture and distribute goods, maintain assets, and manage service-focused operations. The industry expertise of our people and solutions, together with commitment to our customers, has made us a recognized leader and the most recommended supplier in our sector. Our team of 3,500 employees supports more than 10,000 customers world-wide from a network of local offices and through our growing ecosystem of partners.

#forthechallengers
IFSworld.com

WHERE WE ARE

AMERICAS
+1 888 437 4968

ASIA PACIFIC
+65 63 33 33 00

EUROPE EAST
+48 22 577 45 00

EUROPE CENTRAL
+49 9131 77 340

UK & IRELAND
+44 1494 428 900

FRANCE, BENELUX AND IBERICA
+33 3 89 50 72 72

MIDDLE EAST AND AFRICA
+971 4390 0888

NORDICS
+46 13 460 4000