

Which is better for my company, Best of Breed or ERP?

As you decide whether a Best of Breed (BoB) or an ERP Warehouse Management System (WMS) is better for your business, four key evaluation criteria should be explored:

1. Integration
2. Functionality
3. Flexibility
4. Total Cost of Ownership

Best of Breed

Most of the work is already done.

Pick three units.

✓ Rainbow pallet configured.

Best of Breed	
Software	— \$
Integration	— \$
Hardware	— \$
Customization	— 0
Maintenance/Support	— \$
Implementation	— \$

Integration

Many BoB providers offer pre-built interfaces, certified by the major ERP vendors. Integration to external systems – such as material handling equipment, RF technology, and parcel manifesting systems – also benefit from pre-built interfaces.

Functionality

Consider the needs of your business and users. If your business needs pallet/case/each pick capability, has high transaction volumes, requires complex cartonization, or has advanced date/lot/serialization requirements, a BoB solution is more likely to have the functionality needed to grow your business.

Flexibility

Customer requirements can change. Acquisitions and mergers can impact your business. BoB solutions often provide greater flexibility to manage changes in your organization.

Total Cost of Ownership

BoB implementations are industry-specific, with little to no customization, providing greater value and reducing longer-term costs of maintenance and support. This ensures a lower cost of ownership.

ERP

This will be more work than I thought.

PICK PALLET

Next time we should outsource.

OVERTIME

ERP	
Software	— 0
Integration	— \$\$
Hardware	— \$
Customization	— \$\$
Maintenance/Support	— \$\$
Implementation	— \$\$

Consider the number of integration points you will require. An ERP-based WMS must interface with the back office system, just like a BoB solution. There are many other systems within the distribution network the WMS must also connect to. ERP providers rarely offer pre-built integration to these external systems.

Complex functionality may not be required for your business. If you need pallet in/pallet out capabilities, basic lot control, simple labor tracking, or don't need cartonization, an ERP WMS solution may work for your business. However, be aware that customization to add functionality can be a costly and time-consuming endeavor.

Often, an ERP WMS is not as flexible when it comes to managing customer, partner, or business changes. As a result, many companies using an ERP WMS choose to outsource complicated tasks such as store-ready pallets.

Yes, the software may not carry a cost, but the customization, maintenance, support, and implementation can be very expensive. One reason for the high cost is most of the work must be done by third-parties over an extended period of time.

