



# Integration Capabilities of UpsideContract Extend the Value of a Company's ERP Investment

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***UpsideContract easily and effectively integrates with an organization's existing ERP solution ensuring that transactions are compliant with contract terms and allowing for management and monitoring of supplier compliance.***

## Overview

Leading organizations have invested significant time and money on enterprise resource planning (ERP) software implementations since the 1990s seeking supply chain improvements. Originally a phenomenon for large companies with deep pockets, now small to medium sized organizations are also implementing similar systems. The promise of ERP solutions (e.g., Oracle, PeopleSoft, SAP, etc.) is providing assistance for businesses in managing processes involving purchasing, supplier relations, sales, customer relations, human resources, performance measurement and management, etc. Many organizations claim they are now beginning to achieve real benefits from their ERP investments while others are still going through the process of implementation.

The majority of, if not all, Fortune 1000 companies have some type of ERP system in place already; however, most of these organizations have faced various challenges in integrating both their legacy information systems and new enterprise applications with their ERP systems. It is of primary importance that an organization's ERP solution – and the data that resides within the system – does not exist and operate independently of other applications, but can effortlessly communicate with all applications that provide valuable data for any business process. This is particularly true for organizations that plan on supplementing their ERP system with a contract lifecycle management solution. Companies can effectively extend the value of their ERP investment by integrating it with a contract management application broadening the functionality, benefit, and return on investment in both systems.

## When ERP Links with Contract Management

ERP solutions (and other financial systems), when implemented properly, deliver an effective means of capturing transactional data, pricing information and important vendor records, however, organizations are still unable to evaluate transactions in their ERP systems against their contracts. As a result, companies can and will miss out on valuable discounts and rebates which directly impacts an organization's bottom line. Additionally, businesses that either do not have a contract management system in place, or that have not tied their ERP system to their current contract management solution, are open to harsh penalties if their suppliers miss explicit milestones or fail to meet service level agreements. It is ERP's inability to drive supplier compliance that has led many organizations to include contract management as one of their key enterprise applications and integrate these solutions to their existing ERP investment.

UpsideContract seamlessly integrates with ERP systems allowing companies to monitor supplier compliance and ensure that transactions are compliant with stated contract terms. As a result, companies are guaranteed that they will receive the rebates and discounts as

### UpsideContract and ERP solutions together drive supplier compliance

Progressive organizations have derived tremendous value and competitive advantage from implementing and integrating their ERP systems with contract management solutions.

UpsideContract provides:

#### Seamless Integration with ERP Systems

UpsideContract provides tight integration with ERP (and other company backend systems) using industry best practices via API's, industry approved middleware or web services. A full system integration analysis is conducted to determine which method of integration is best suited for each client's requirements.

#### Improved Supplier Management

Terms and conditions in finalized contracts are automatically transferred to a company's ERP system ensuring that contractual commitments are adhered to or any missed milestones are brought to the attention of the appropriate individuals for further action.

#### Complete Contract Visibility

UpsideContract brings a company's contracts to the forefront of the business. Combined with ERP, this provides increased savings opportunities, added negotiation leverage, and safety from cost, risk, and liability due to non-compliance.

per the negotiated terms and that vendor invoices are accurate based on the original agreement. Through integration, companies can also ensure vendor compliance in regards to meeting expected quality and delivery times outlined in their agreements. Once a contract is finalized, terms and conditions within the contract can be easily delivered into a company's ERP system or any other financial system, thereby ensuring that transactions involving contracted suppliers strictly conform to contract terms.

### ***How is the Data Transferred?***

UpsideContract's enterprise grade architecture and XML-based integration framework is designed to integrate seamlessly with major ERP systems. UpsideContract has user configurable business rules and workflow, fields (including User Defined Fields), screen field / label naming, and other features that allow for product configuration by the customer to assist in the integration process between the different applications. The data typically transferred includes vendor records, invoices, payment requests, etc.

To successfully accomplish the integration process, Upside Software® uses API's, industry approved middleware or web services (all of which permit disparate software applications and computers to communicate with one another). After a thorough systems integration review, Upside Software and their customers determine the best approach for integration with ERP systems and any other company systems.

#### *Web Services*

Because organizations typically run various software packages and sometimes independent operating systems, web services use a standard XML messaging system to provide a means for different computer systems with different software applications to communicate with one another and perform transactions over a network (e.g., the Internet) regardless of what software or operating system the company is using. UpsideContract's XML-based integration framework makes the data easily readable by ERP systems (and any other software) allowing for reliable, automated integration and interaction between the disparate systems.

#### *Middleware*

Upside Software also uses industry approved middleware to develop real time interfaces to connect UpsideContract with other applications – including ERP, financial, and legacy systems – in order to pass data between them. Middleware is independent software applications that connect two otherwise separate systems allowing data to automatically transfer from one to the other, not simply an import or export feature within one of the applications.

#### *API (Application Programming Interface)*

Upside Software can also implement API's right in the UpsideContract application to provide a link to a company's ERP system or any other system. API's are implemented by writing function calls in UpsideContract, which provide the connection to the required subroutine for execution.

### ***Conclusion***

ERP systems can help organizations develop stronger supplier relationships by aggregating volumes of vendor data. However, these ERP systems fall short on being able to manage supplier compliance with contracted terms and conditions. UpsideContract facilitates supplier compliance by transferring important contract data into ERP or financial systems and notifying the appropriate individuals when milestones are met or when non-compliant actions occur. Progressive organizations have recognized this gap in functionality and have integrated contract management solutions like UpsideContract to extend the value of their ERP system.

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