Integration Strategy for Cloud Applications

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The rapid growth of cloud applications for business has given us an astounding array of choices, and the number of solutions in every technology niche keeps on growing.

For example, twenty years ago, we had few choices in learning management systems. Today, hundreds are vying for our attention. The same is true in finance, marketing, human resources, and every other business function.

In our human capital management specialization area, we have dozens of choices for any industry niche.

Why so many vendors?

1. HCM is a huge market, expected to reach over $17 billion by 2019.[1] Venture capitalists are pouring money into new technology ventures.
2. The way people work is changing, and the pace of change is accelerating. Vendors are scrambling to stay ahead of trends.
3. No one can do everything. In spite of their claims, no single vendor can satisfy every need. No matter how hard they work on expanding and consolidating their portfolios, innovators introduce new ideas and better ways of doing things.

Buyers have more choices than ever before. As we acquire new capabilities, we need to find a way to integrate them into our existing infrastructures.

Integration methods improved along with software. Cloud application providers depend on easy integration, and many developed integration platforms. While the growth of integration support made managing connections easy, it introduced multiple levels of complexity. We have tamed one beast and created another. The emphasis for IT organizations has changed from overcoming technical challenges in integration to managing an ever-growing number of data connections.

Integration Proliferation

Integration has become so easy and commonplace that any ordinary business user can connect HCM platforms to other business systems, external partners, suppliers, and social networks. The Info-Tech Research Group, a provider of IT research and strategy, consulting, points out why this can become a problem for your organization: without strategy and governance, you can lose control one end users start adding "BYOI (bring-your-own-integration) capabilities to the office."

We can see why this could be a problem. The result will lead to overlaps in technology, increased costs, and a plethora of undisciplined point-to-point

connections. Even more important, the knowledge of how the connections work will disappear over time.

Recommendations

We want to share our thoughts on how you can get control of integration process in your organization. While the standards will depend on your unique requirements, we can offer a few guidelines that may prove useful in developing your governance procedures.

- Our first recommendation is to implement organization-wide integration strategy and governance -- aligning integrations with business strategy and creating formal standards governing how the company creates integrations. They should be a component of your digitization strategy.
- The same cross-functional body that governs your IT strategy should also manage integration strategy.
- Use the fewest number of integration platforms possible. The path we recommend is to build integrations on your system of record for each business function. Another approach might be the use of integration middleware. Balance the cost of middleware against the cost and effort of managing the integration platforms your vendors provide.
- Standardize your protocols, security, and methods. Most vendor integrations can handle all commonly used tools, and update them as new technology comes along. If you choose any set of universal standards such as SOAP, REST, or JSON, you will not have problems connecting.
- Create reusable cross-platform components. Document them well, and maintain a well-documented, searchable library. Treat the knowledge as though a new person would need to start from scratch.

We hope this helps you create a disciplined approach to integrations. If you have overcome integration issues, share them with our readers using the comments form below.

References:

1. Maddela, Ramchander. "Human Capital Management (HCM) Market Worth $17.49 Billion by 2019." PR Newswire. Pulse. March 5, 2015.