



ERP - An Introduction

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Opening

- What is ERP?
- Discuss ERP
- Advantages and Disadvantages of ERP
- Conclude



What is ERP?

In one sentence, ERP is a combination of business management practice and technology, where Information Technology integrates with your company's core business processes to enable the achievement of specific business objectives.





Key Components

- Business Management Practices
- Information Technology
- Specific Business Objectives



Qualifying an ERP System

- Flexibility
- Modular and Open
- Comprehensive
- Best Business Practices
- Worldwide Focus



ERP Building Blocks

■ Financials

- AR/ AP
- GL
- Fixed Assets
- Billing (Contract/ Service)

■ Manufacturing

- Shop Floor
- Configurator
- Resource and Capacity Planning
- Material Planning
- Work Orders
- Quality Management

■ Distribution/ Logistics

- Inventory Management
- Warehouse Management
- Sales Order Management
- Procurement
- Transportation

■ Human Resources

- Benefits
- Payroll
- Recruitment
- Labor Rules
- Employee Self Service





Industry Focus

- Traditional
(Manufacturing)
 - Aerospace & Defense
 - Automotive
 - Chemical
 - Pharmaceutical
 - Consumer Goods
 - Oil & Gas

- New Additions
 - Banking & Insurance
 - Healthcare
 - Public Administration
 - Education
 - Retail
 - Utilities
 - Telecommunications





ERP Benefits

- Improved Work Process
- Increase access to available data for Decision Making
- Timely and Accurate information
- Increased Customer Response Time
- Quick response to changing Business Operations and Market Conditions, resulting in Improved Competitive Advantages
- Reduced Paper
- Single Address Book (Customers, Vendors, Employees)





ERP Disadvantages

- Takes time to implement
- Expensive
 - Training
 - Integration
 - Data Analysis and Conversion
 - Outside Consulting
 - ROI over extended time, due to post ERP depression
- Security issues



ERP Metrics

■ Inventory

- Increased Inventory Turnover
- Reduced Obsolete Inventory
- Cycle Count Accuracy

■ Distribution

- More Favorable Material Price Variances
- Better Order-fulfillment Rate
- Reduced Returns Due to Inaccurate Orders



ERP Metrics (continued...)

■ IT

- Decreased IS Overhead
- Centralized Information for Decisions
- System Availability (Uptime)

■ Customer Satisfaction

- Loyalty
- Decrease Delivery Cycle
- Brand Recognition

Some General Terms / Acronyms

■ MRP

■ MPS

■ CRP

■ CRM

■ B2B

■ RDBMS

■ Best Practices

■ RFP

■ ROI

■ BPR

Big ERP Names

■ Tier 1 (64% of total ERP market revenue)

- SAP
- Oracle
- J.D. Edwards OneWorld
- PeopleSoft
- Baan

■ Tier 2

- Lilly
- Great Plains
- IFS
- EMIS
- Lawson



ERP's are big!

■ J.D. Edwards

OneWorld has:

- 2,300 Applications
- 2,600 Tables
- 3,800 Reports
- 5,800 C++ programs
- 11,000 Data Dictionary Items

■ PeopleSoft has:

- 3,000 Applications
- 3,200 Tables
- 4,000 Reports





Close

- J.D. Edwards OneWorld (Demo Jr.)
- Questions!