

Module 1 - Introduction to ERP

Information System (IS)

An information system (IS) is a collection of components that work together to provide information to help in the operation and management of an organisation.

SAP

SAP (Systems, Applications, and Products) ERP was the first software that delivers real-time ERP integration.

Enterprise Resource Planning (ERP)

Acts as a company wide computing environment

Includes a database that is shared by all functional areas

Can deliver consistent data across all business functions in real time.

ERP eliminates redundant efforts and duplicated data; can generate savings in operations expense.

It also helps to produce goods and services more quickly

A company that doesn't implement ERP might be forced out of business by a company that does have ERP.

Cost savings and increased revenue occur over many years.

Strengths and Weaknesses of ERPs

Strengths	Weaknesses
Covers many business functions	Expensive and very complex
Strong workflow capabilities	Demands highly trained staff
Currently implemented in many large firms	Lengthy implementation time

Strengths and Weaknesses of ERPs (cont)

Supports the concept of data entered once at its source	Creates internal conflict in organisations
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Module 2 – Business Functions, Processes and ERP

ERP

A collection of software systems that help to manage business processes for an entire organisation.

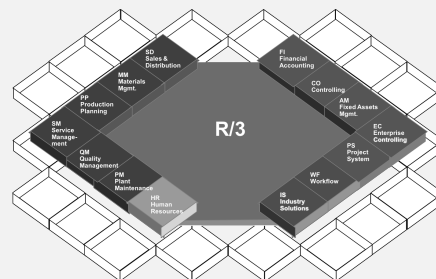
Designed to integrate all information processing support for an entire organisation.

Business Processes

Collection of activities that take one or more kinds of input and creates an output that is of value to the customer.

Viewing a business through business processes helps managers to look at their organisation from a customer's perspective.

SAP R/3 System



SAP is software. The way in which software elements and the relationship between them are structured is called software architecture. Architecture is how the software system is designed/ structured. Software system is composed of 3 layers; presentation layer, application layer & data base layer.

Functional Areas of Operation

Functional area of operation	Marketing and Sales	Supply Chain Management	Accounting and Finance	Human Resources
Business functions	Marketing of a product	Purchasing goods and raw materials	Financial accounting of payments from customers and to suppliers	Recruiting and hiring
	Taking sales orders	Receiving goods and raw materials	Cost allocation and control	Training
	Customer support	Transportation and logistics	Planning and budgeting	Payroll
	Customer relationship management	Scheduling production runs	Cash-flow management	Benefits
	Sales forecasting	Manufacturing goods		Government compliance
	Advertising	Plant maintenance		

Functional Areas & Business Processes

Marketing & Sales

Supply Chain Management (SCM)

Accounting & Finance

Human Resources

Differences between Function & Process

Function	Process
Focus on "What"	Focus on "How"
Vertical	Horizontal
Static	Dynamic
Task-centered	Customer-oriented
Individual/Specialist	Team/Generalist

Module 3 - Business Process Reengineering & ERP