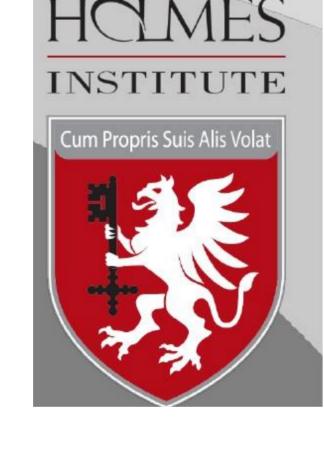
Tutor Week 2 – Enterprise Systems

- 1. Summary of Lecture 1
- 2. Tutorial Week 2



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1. Summary of Lecture 1

The lecture content spans across three PDFs, focusing on the importance and implementation of Enterprise Resource Planning (ERP) systems within the context of business integration. The main topics covered include the tangible benefits of ERP systems, the evolution and components of ERP, and the practical aspects of business process integration through ERP systems. It highlights how ERP systems help in reducing inventory costs, personnel reductions, improving productivity, IT cost reduction, cash management, and enhancing procurement and order management processes. These systems play a crucial role in achieving the top CEO business priorities, such as increasing enterprise growth, reducing costs, and delivering operational results. Furthermore, the lecture delves into the lifecycle of ERP implementations, the challenges faced during these implementations, including decision-making, people, technical, business, and organizational risks, and why studying ERP systems is crucial for modern businesses.

1. Summary of Lecture 1

A practical example of these topics in Australia can be seen with Telstra, Australia's largest telecommunications and technology company. To maintain its leadership position and address the top CEO priorities, Telstra embarked on a digital transformation journey by implementing an ERP system. This system integrated various business processes from sales, warehousing, procurement, to accounting onto a single platform. By doing so, Telstra was able to significantly improve its operational efficiency, reduce costs, and enhance customer service. For instance, the ERP system enabled real-time tracking of customer orders, streamlined inventory management, and automated the billing process. This not only helped Telstra in reducing the time taken to deliver services but also ensured accurate billing and improved cash flow management. Such integration was crucial for Telstra to respond swiftly to market demands, launch new services quickly, and maintain its competitive edge in the telecommunications market in Australia.

(491) What is SAP? Why do we need ERP? Beginner Tutorial - YouTube

SAP, which stands for Systems, Applications, and Products in Data Processing, is a global leader in enterprise resource planning (ERP) software. Founded in 1972 in Germany, SAP has developed a suite of software solutions that help organizations manage business operations and customer relations effectively. SAP's ERP system integrates all the essential functions of a business into one complete system to streamline processes and information across the organization, making it more efficient and effective in managing its operations.

Why Do We Need ERP?

ERP systems are crucial for businesses for several reasons:

- 1. Integration of Business Processes: ERP systems integrate diverse business processes (like sales, procurement, human resources, and finance) into a single, unified system. This integration helps in breaking down silos within an organization, facilitating smooth and seamless information flow across different departments.
- 2. Improved Efficiency: By automating routine tasks and standardizing business processes, ERP systems reduce manual labor and eliminate the chances of errors. This leads to improved efficiency and productivity.
- **3. Real-time Information:** ERP systems provide real-time information, giving managers and decision-makers access to accurate and up-to-date data. This capability is crucial for effective decision-making and strategic planning.

- **4. Scalability:** As businesses grow, their operations become more complex. ERP systems are scalable, meaning they can be expanded to accommodate new business processes, departments, or product lines without disrupting existing operations.
- **5. Regulatory Compliance:** ERP systems can help ensure that businesses comply with industry standards and regulations by providing tools to monitor and control operations.
- 6. Improved Customer Service: With better access to customer information and a more streamlined process from order to delivery, businesses can provide better service to their customers, enhancing satisfaction and loyalty.

Understanding ERP

At its core, an ERP system is like the central nervous system of a business, integrating various functions into one complete system to streamline processes and information across the organization. Here's a simplified explanation of how ERP works and why it's so beneficial:

- Imagine a Business as a Human Body: Where different departments (like sales, HR, and finance) are different organs. Just as organs work together to keep a body functioning, ERP helps different departments of a business work together smoothly.
- **Data as the Bloodstream:** Just as blood carries oxygen and nutrients to different parts of the body, data flows through an ERP system to different parts of the business, providing the necessary information to function efficiently.
- **ERP as the Brain:** Just as the brain controls and integrates the functions of different organs in the body, an ERP system integrates different business processes, ensuring they work in harmony and efficiently.

- **Starting with ERP:** For beginners, it's essential to understand that implementing an ERP system is a significant investment in time and resources. It involves:
 - **Defining Business Processes:** Before implementing an ERP, businesses need to clearly define their processes and understand their needs.
 - **Choosing the Right ERP:** There are many ERP systems available (including SAP), and selecting one that fits the business size, industry, and specific needs is crucial.
 - Implementation: Implementing an ERP system involves configuring the software to match the business's processes, training employees to use the system, and migrating data to the new system.
 - **Go-live and Beyond:** Once the ERP system is up and running, businesses will need to continually maintain and update the system to meet changing business needs.

 In conclusion, ERP systems like SAP are essential tools for businesses to integrate processes, improve efficiency, and make informed decisions. Understanding and implementing an ERP system can be a transformative step for organizations, enabling them to scale operations and enhance competitiveness in their respective industries.

• There are several notable examples of SAP implementations in Australia across various industries, demonstrating how businesses leverage SAP's ERP solutions to enhance their operations, streamline processes, and improve efficiency. Here are a couple of practical examples:

1. Coca-Cola Amatil (CCA)

Coca-Cola Amatil, one of the largest bottlers and distributors of non-alcoholic and alcoholic ready-to-drink beverages in the Asia-Pacific region, implemented SAP to modernize its operations. The company used SAP's ERP system to integrate and streamline its supply chain, production, and distribution processes. By doing so, CCA was able to improve its operational efficiency, enhance visibility across its supply chain, and better manage inventory, leading to significant cost savings and improved customer service. The implementation of SAP helped CCA in achieving a unified view of its operations across multiple countries and in managing its complex supply chain more effectively.

2. New South Wales Department of Health

The New South Wales (NSW) Department of Health, which is responsible for managing the public health system in NSW, Australia, utilized SAP ERP to improve its human resources and payroll systems. The SAP solution was chosen to standardize and streamline HR processes across the health service, which includes a large number of employees across various locations. This implementation allowed for better management of employee information, payroll processing, and compliance with government regulations. The move to SAP enabled the NSW Department of Health to improve its operational efficiency, reduce manual processes, and provide more timely and accurate information to support decision-making.

Benefits of SAP Implementation in Australian Context

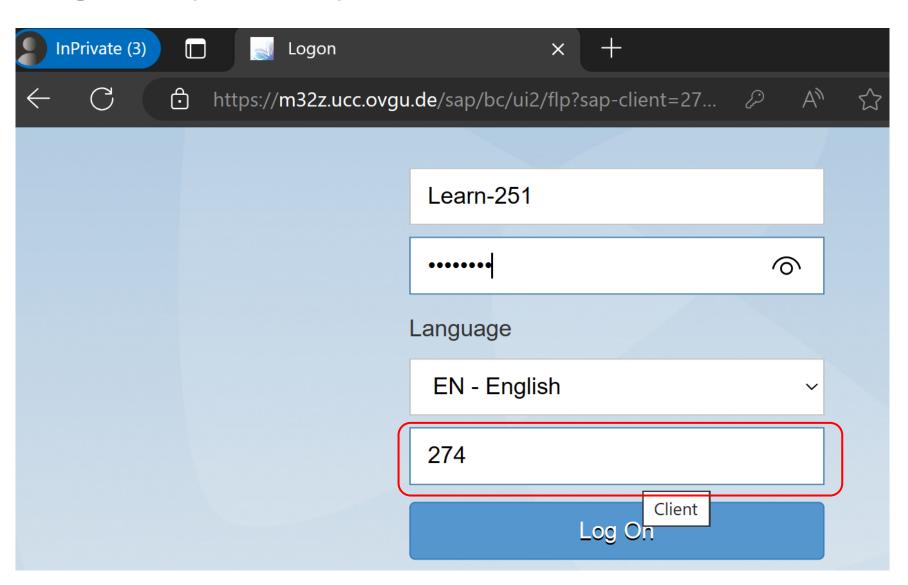
These examples highlight several key benefits of implementing SAP ERP systems, including:

- Enhanced Efficiency and Productivity: By integrating various business processes into a single system, companies can reduce redundancies and automate many manual tasks, leading to improved operational efficiency.
- Improved Data Accuracy and Decision-Making: SAP ERP provides real-time data and analytics, helping businesses make informed decisions based on accurate and up-to-date information.
- Streamlined Processes: SAP helps in streamlining operations, from supply chain management to HR and payroll, making it easier for businesses to manage their day-to-day activities.
- Scalability: SAP's solutions are scalable, enabling businesses to grow and adapt their ERP systems as their needs change over time.

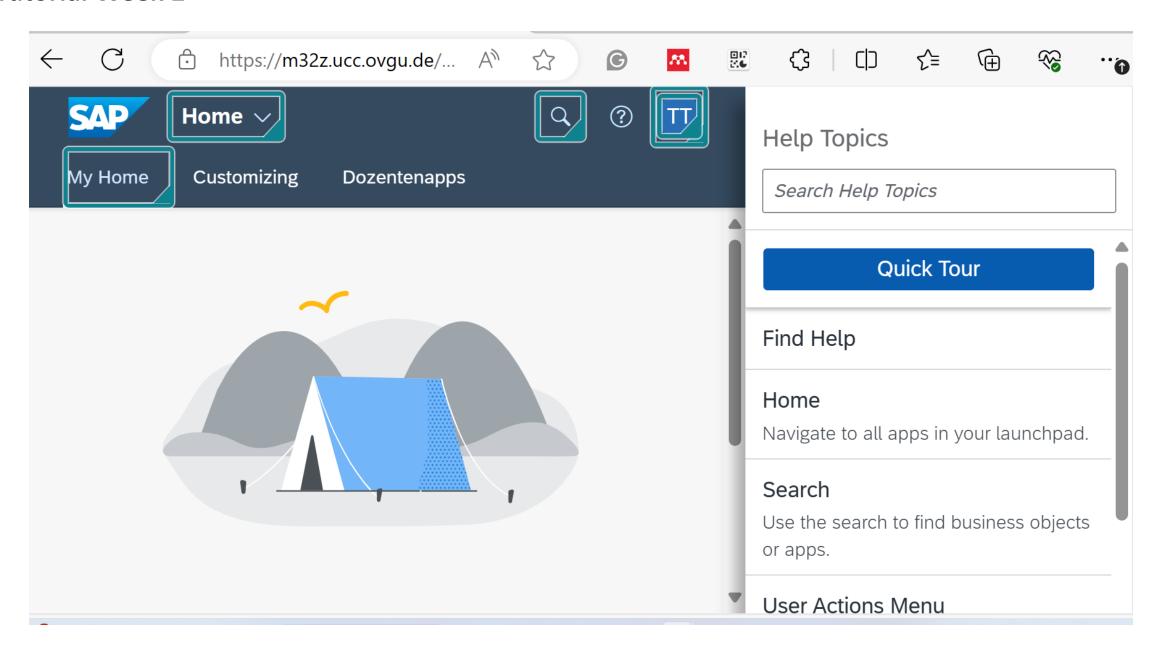
These practical examples from Australia demonstrate the versatility and effectiveness of SAP's ERP solutions in helping organizations across different sectors to achieve their operational goals and address specific challenges.

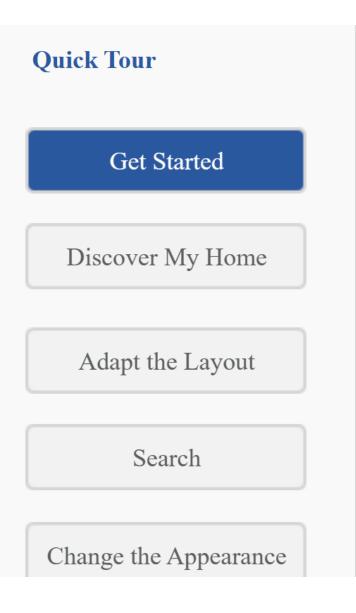
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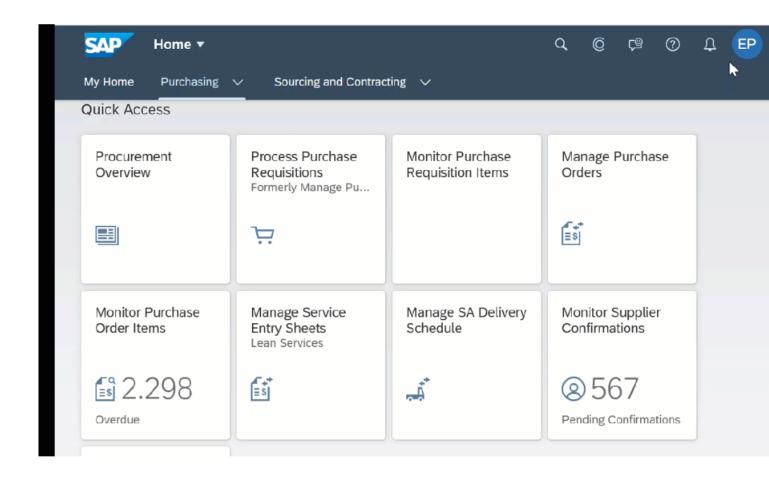


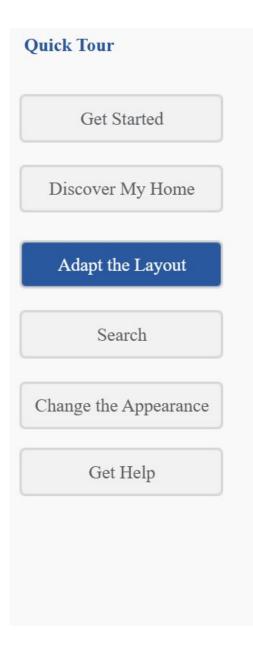
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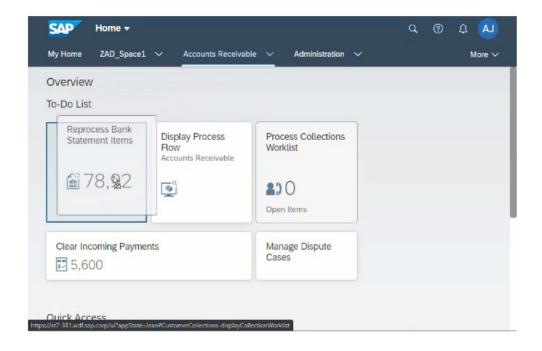


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