Enterprise Resource Planning (ERP)

ARTESIS PLANTIJN HOGESCHOOL ANTWERPEN

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Course – ERP

Agenda:

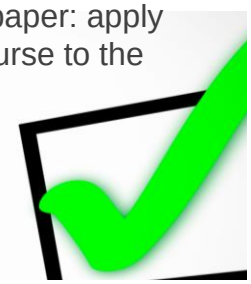
- Part I: EIS – Introduction to the concept and different types
- Part II: Go into detail on ERP
  - What is ERP?
  - Common/Generic Processes
  - Integration
  - Project approach
  - Impact on enterprises
- Part III: Introduction to CRM

ERP – Planning & evaluation

Evaluation:

- Paper to read:
  - Paper IT Doesn't Matter by Nicholas G.Carr, as published in Harvard Business Review

- Written examinations:
  - Questions based on theory (slides, which will be made available on Blackboard+ own notes)
  - Question regarding your insights on the paper: apply theory and insights gained during this course to the statements made by Nicholas G.Carr



ERP – Planning & evaluation

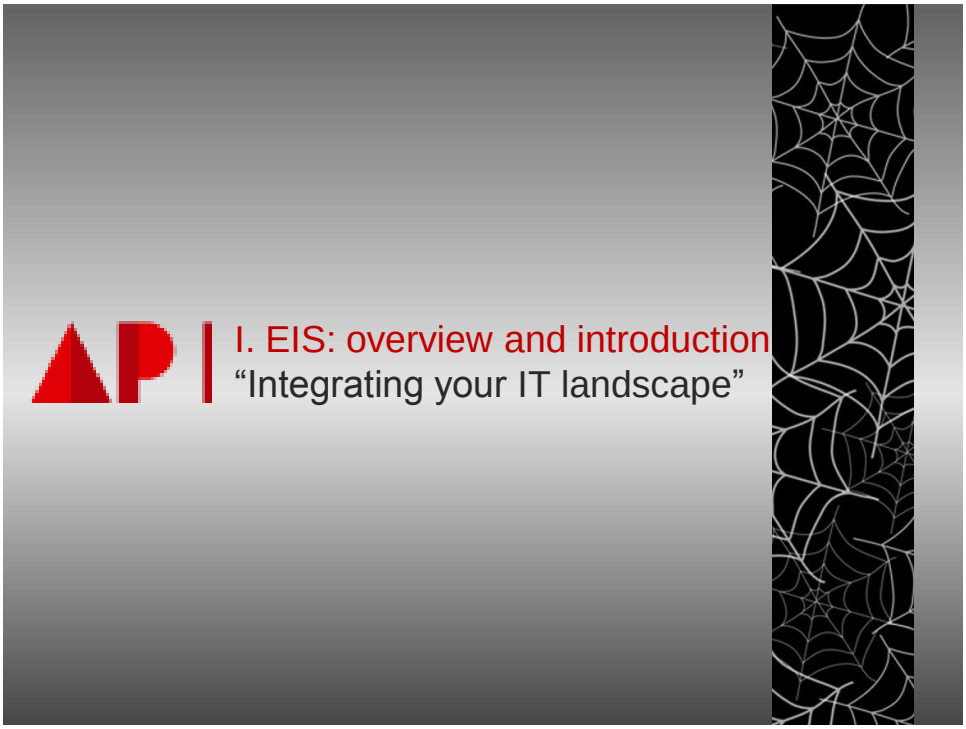
Planning:

- Theory lessons:
  - Friday, 8.45 – 10.45 (TI) and 11:00 – 13:00 (LM)
  - Classroom 324 (TI) and 327 (LM)
- Time to read the paper (TBD)
  - 1 contactmoment will not be used for class, but can be used for reading the paper. Exact date to be anounced.

Part I:

Enterprise Information Systems – An introduction

Integration, standards, best practices



Enterprise information Systems

EIS: Enterprise Information Systems

Software – options
Custom Development
Packaged software, like EIS

EIS variants:
CRM
ERP
SCM
SRM
…

Enterprise information Systems

Benefits?
Specialization
Continuous improvement
Best Practices of “Industry Leaders”
Often early adopters
Stable platform

Disadvantages?
Standard solution
Rigid to change
Custom development within frame
Expensive (or isn’t it?)

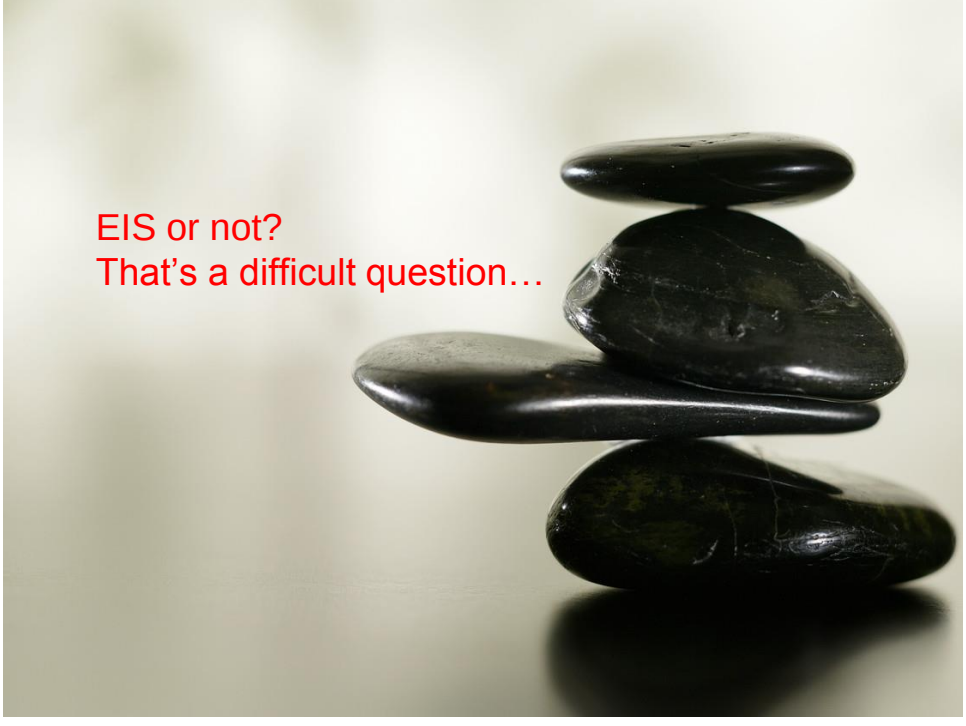
EIS = Expensive?

YES

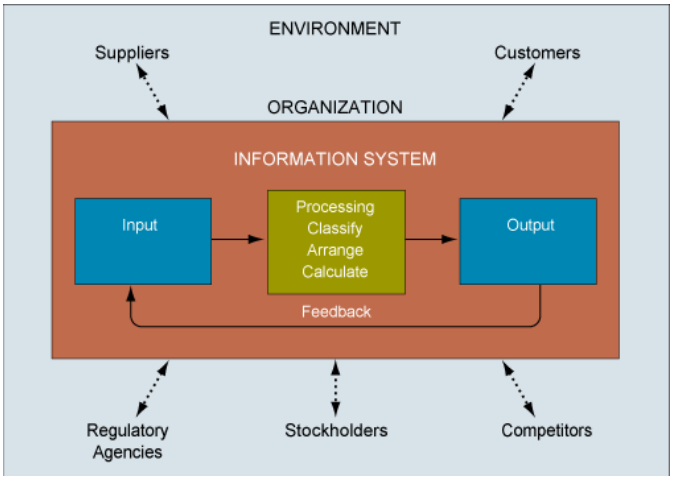
Prices are high
Prices are often per user
Too many features you don't use
Integration with other software often difficult

NO

Proven Product
Often Best Of Breed
Stable
Same functionality with Custom Dev. = often more expensive



EIS in the organization



What Enterprise Information Systems exist?

ERP
MRP
MRP II
CRM
SCM
SRM
BI
ECM
MDM
PLM

MRP: the first steps towards integration

MRP → MRP II → ERP

WHAT? Material Requirements Planning
WHY? To make a correct estimate of needed resources in a production process.

*1970/1980
*Keep track of raw materials & semi-finished products

MRP²

MRP → MRP II → ERP

WHAT? Manufacturing Resource Planning
WHY? MRP was not sufficient. Additional info needed:

*PLANNING (e.g. MPS, CRP)
*(Product) COSTING
*PRODUCT DESIGN/PLM (e.g. BOM, routing…)

ERP

MRP → MRP II → ERP

WHAT? Enterprise Resource Planning
WHY? Integrated system that goes further than the production department.

*Sales & Distribution
*HRM/HCM
*Finance & Controlling
*Purchasing

ERP

MRP → MRP II → ERP

INTEGRATION
Between departments, plants, subsidiaries
With customers, vendors…
One SW Platform, one SW supplier, 'one' technology

Definition:
An ERP system is a software system that is used to collect & process information across all areas (both internal and external) of the organization, in order to optimize the organization and its processes.

ERP

MRP → MRP II → ERP

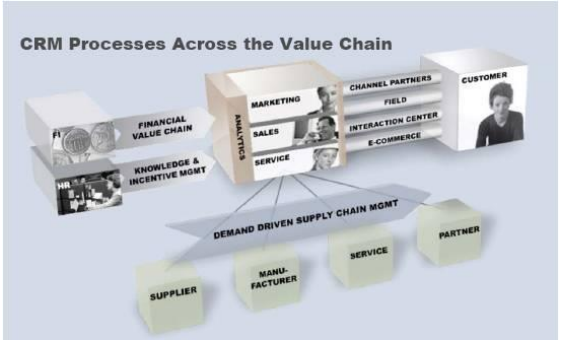
HOWEVER…
*Focus of ERP is internal/the own organization
*Expansion is possible (and frequent)
- CRM
- SRM
- …

Vendors:

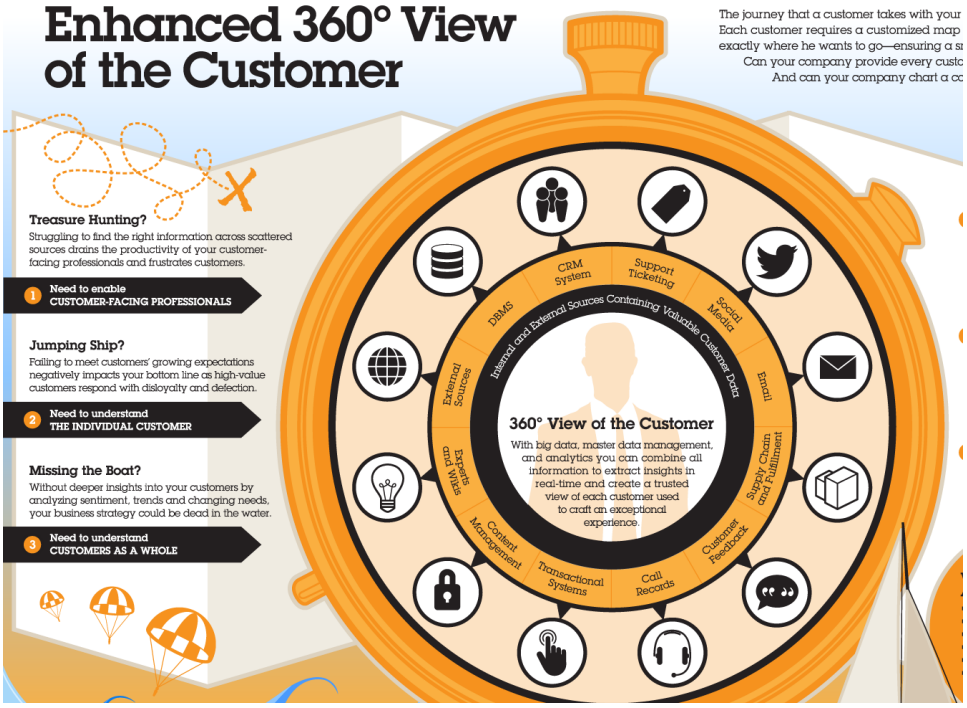
CRM

WHAT? Customer Relationship Management
WHY? Offering optimal service towards customers and allowing customer self service options

"It is 6-7 times more expensive to gain a new customer than retain an existing customer." (Harvard Business Review)




360° View of Customer
Sales
Cross-selling
Profitability
Share of wallet
Propensity to buy
Service
Customer satisfaction
Relationship length
Channel preference
Privacy
Marketing
Customer acquisition
Customer retention
Segmentation
Market share
Credit
Grant or increase credit
Portfolio risk management
Fraud detection
Collections
Compliance
Fraud detection
Privacy preferences
Anti-money laundering


Enhanced 360° View of the Customer
The journey that a customer takes with your
Each customer requires a customized map
exactly where he wants to go—ensuring a s
Can your company provide every custo
And can your company chart a co
Treasure Hunting?
Struggling to find the right information across scattered sources drains the productivity of your customer-facing professionals and frustrates customers.
1 Need to enable CUSTOMER-FACING PROFESSIONALS
Jumping Ship?
Failing to meet customers' growing expectations negatively impacts your bottom line as high-value customers respond with disloyalty and defection.
2 Need to understand THE INDIVIDUAL CUSTOMER
Missing the Boat?
Without deeper insights into your customers by analyzing sentiment, trends and changing needs, your business strategy could be dead in the water.
3 Need to understand CUSTOMERS AS A WHOLE
360° View of the Customer
With big data, master data management, and analytics you can combine all information to extract insights in real-time and create a trusted view of each customer used to craft an exceptional experience.
Internal and External Sources Containing Valuable Customer Data
CRM System
Support Ticketing
Social Media
Email
Supply Chain and Fulfillment
Customer Feedback
Call Records
Transactional Systems
Content Management
Experts and Wikis
External Sources
DBMS