

Hierarchy and ERP’s

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When leading any project or business that includes multiple people, being organized is paramount to success, or is it? There are pros and cons to everything, but can having a standard hierarchy in a business really be detrimental? Believe it or not, there really is. Even though a standard hierarchy is most likely one of the basic ways to structure a group, there are positives and negatives to that. For instance, while there is a very clear chain of command, it’s also very rigid and averse to change (Dontigney, 2019). Having such a rigid system means that the system would be much slower to respond to important changes in the market or in its environment. Additionally, communication from the bottom to the top is greatly slowed. This is seen often from large-scale chain restaurants where people want things to change, but those words don’t reach the top for quite a while. Whereas in a company without such rigid chains of communication, a lower level employee can speak directly to those in charge of departments or of the company if they’ve got the time. Some of those cons do come from the pros though. Such as with communication, that can demand large amounts of time from important people that could be better used elsewhere. The standard hierarchy brings a filter for that communication with those beneath the top to determine if that conversation should be brought up the chain or not. This leads to higher efficiency in total for the company. The hierarchy also brings with it a very clear course of progression through the company. You just want to go up that hierarchy tree to whichever level you desire and can rest there when you’re satisfied. Keeping everything structured can be difficult at first, but using software called an Enterprise Resource Planning (ERP) program can streamline the organizational process. ERP systems help companies manage day-to-day tasks from accounting, to project management. These systems usually come in the form of a suite of software, giving different programs for different uses. Such as Quickbooks having Quickbooks Time for employee Timesheets and ConnectWise having Manage for Project management. The main issue that is evident with ERP systems, is that using an ERP typically means incorporating that system into just about every corner of your business. This brings about a single point of failure that would be devastating if that point ever did fail. If all the projects being managed suddenly didn’t have their in progress sections, the next to do sections, and just vanished, that would cause chaos within the company. The best way to mitigate that possibility, is to rely on the ERP’s as little as possible, while still utilizing their functionality when it’s best. If that system has a way to backup information as well, that would be best to be able to view the information without the system if it were to break.

Still not entirely sure of what exactly is being asked for this, it wasn’t in the presentations posted and I wasn’t there for the chats, so I’ll just use Oracle ERP-cloud as the ERP and put what part of the ERP you would use for each facet listed and describe the facets in the next statement. All this information come’s from Oracle’s site in the references

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| CAD Interface | Oracle CADLink; This system links the CAD tools the engineers use to Oracle’s system, allowing better integration to the ERP System |
| Projects and Contracts | Oracle Project Management; This system is to organize and manage the ongoing projects and contractual obligations the company has at the time. |
| Quotations and Estimates | Oracle Procurement; This system is how the company can easily quote clients, collect payments, and estimate the costs of projects. |
| Capacity Planning | Oracle Project Management and Enterprise Performance Management; You can use these two hubs in tandem, to discern how many resources are being used at any given time with Project Management, then tie that with performance metrics to see if it would be feasible to take on more projects and how much the company can do. |
| Shop Floor Controlling | Oracle Project Management and Warehouse Management; These systems keep track of the work going on in the workshop floor. |
| Statistical Process Controls | Oracle Enterprise Performance Management; This system is to keep track of performance metrics and automatically generate reports and alerts based on client needs. |
| PLC Machine Integration | Oracle Warehouse Management; This system can integrate with a PLC on the workshop floor to automate workshop machines along with the rest of the ERP system. |
| Labor and Time Tracking | Oracle Financial Hub; This system keeps track of internal finances and employee pay/time. |

References

Dontigney, E. (2019, April 29). *The advantages of functional organization structure*. Bizfluent. Retrieved October 2, 2021, from https://bizfluent.com/list-6544799-advantages-functional-organization-structure.html.

*How can you equip your workforce with a modern ERP and make them more productive?* Oracle. (n.d.). Retrieved October 3, 2021, from https://www.oracle.com/erp/.