Enterprise Resource Planning (ERP)

Innovation Management - DBM

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Enterprise Resource Planning (ERP)

- ERP software is a large suite of integrated applications that manage everyday business processes and automate back-office functions.
- It’s designed to centralize and optimize operations with its connectivity while reducing manual labor.

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Enterprise Resource Planning (ERP)

- An system to tie in customers and suppliers
  1. Allows automation and integration of many business processes
  2. Shares common data bases and business practices
  3. Produces information in real time

- Coordinates business from supplier evaluation to customer invoicing

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Enterprise Resource Planning (ERP)

Primary benefits:

- Saves Costs
- Better Planning
- Improves Productivity
- Boosts Department Collaborations
- Enhances Customer Service

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Enterprise Resource Planning (ERP)

- ERP modules include
  - Basic MRP
  - Finance
  - Human resources
  - Supply chain management (SCM)
  - Customer relationship management (CRM)
  - Sustainability

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Enterprise Resource Planning (ERP)

- ERP systems have the potential to
  - Reduce transaction costs
  - Increase the speed and accuracy of information
- Facilitates a strategic emphasis on JIT systems and supply chain integration
- Can be expensive and time-consuming to install

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Figure 14.10

ERP Modules

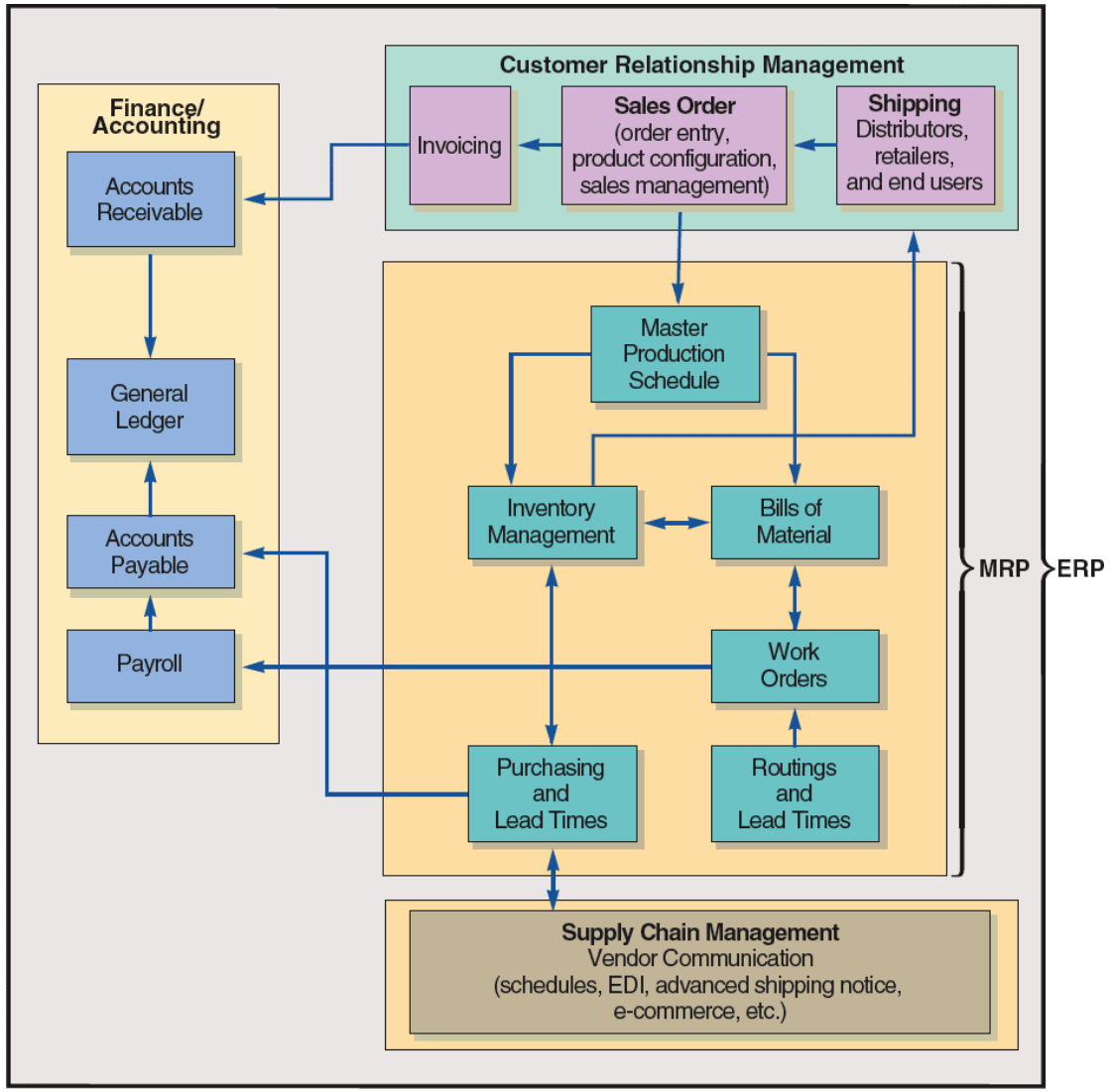

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Figure 14.10

ERP Modules

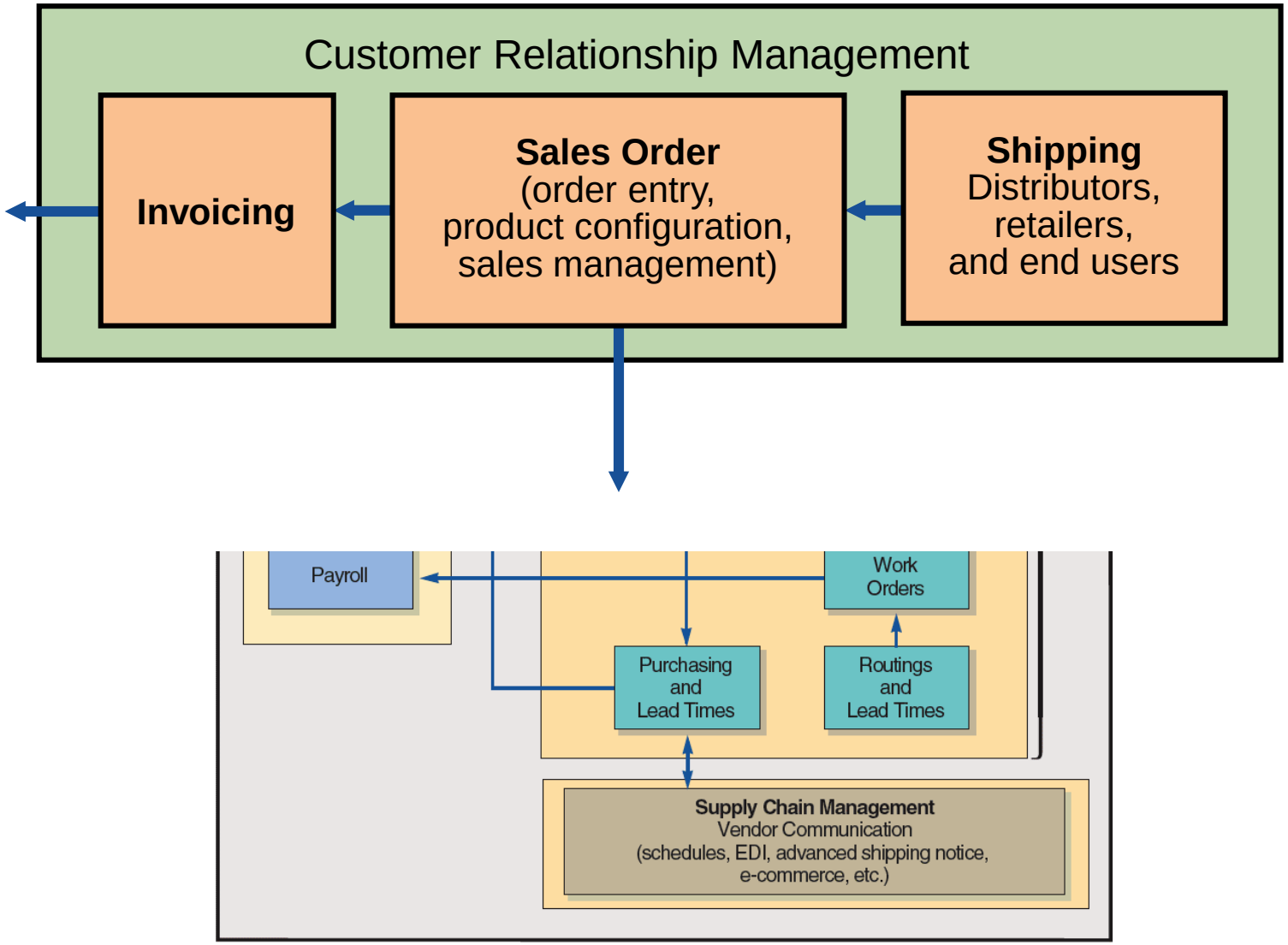

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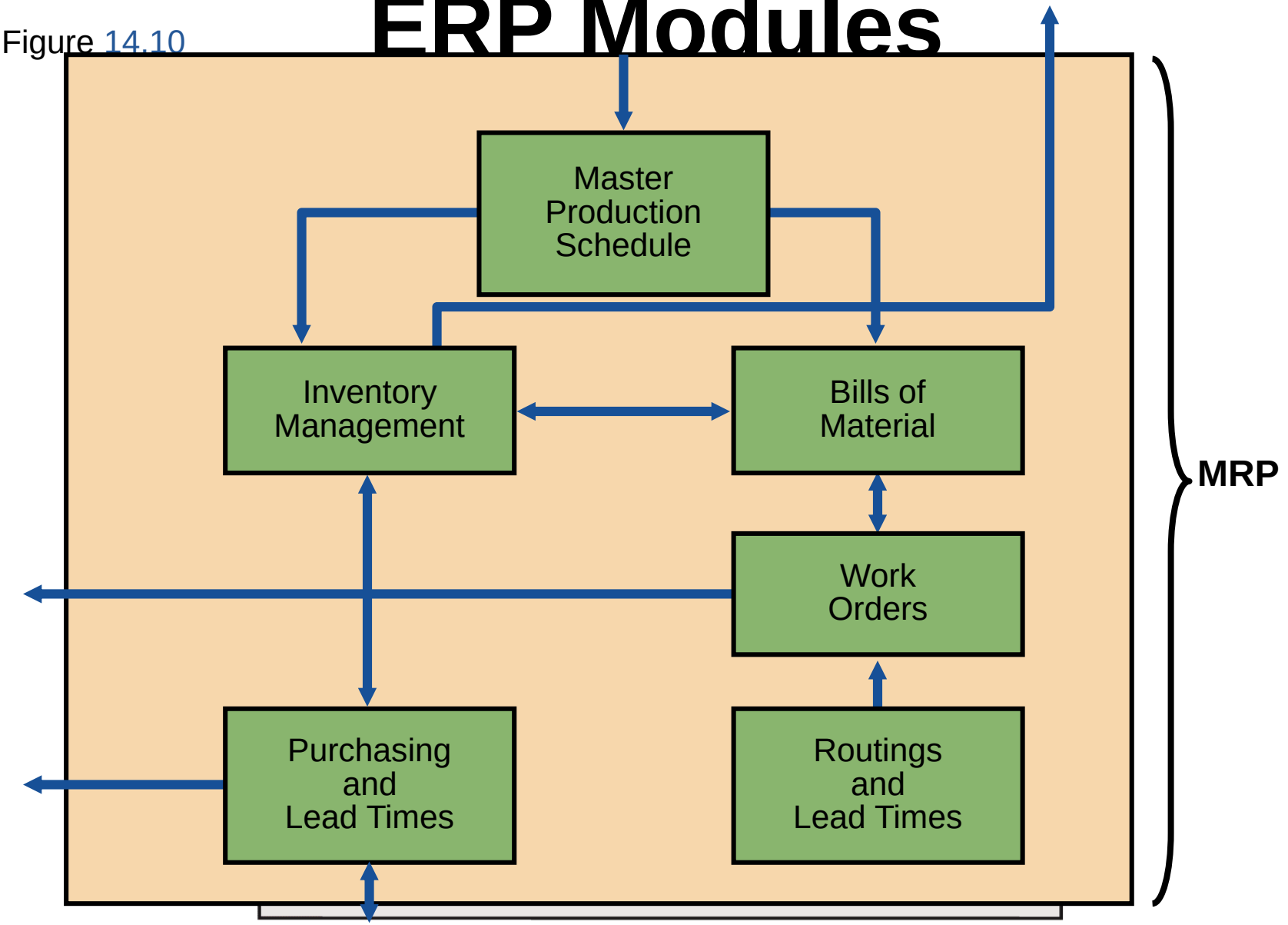
Figure 14.10

ERP Modules



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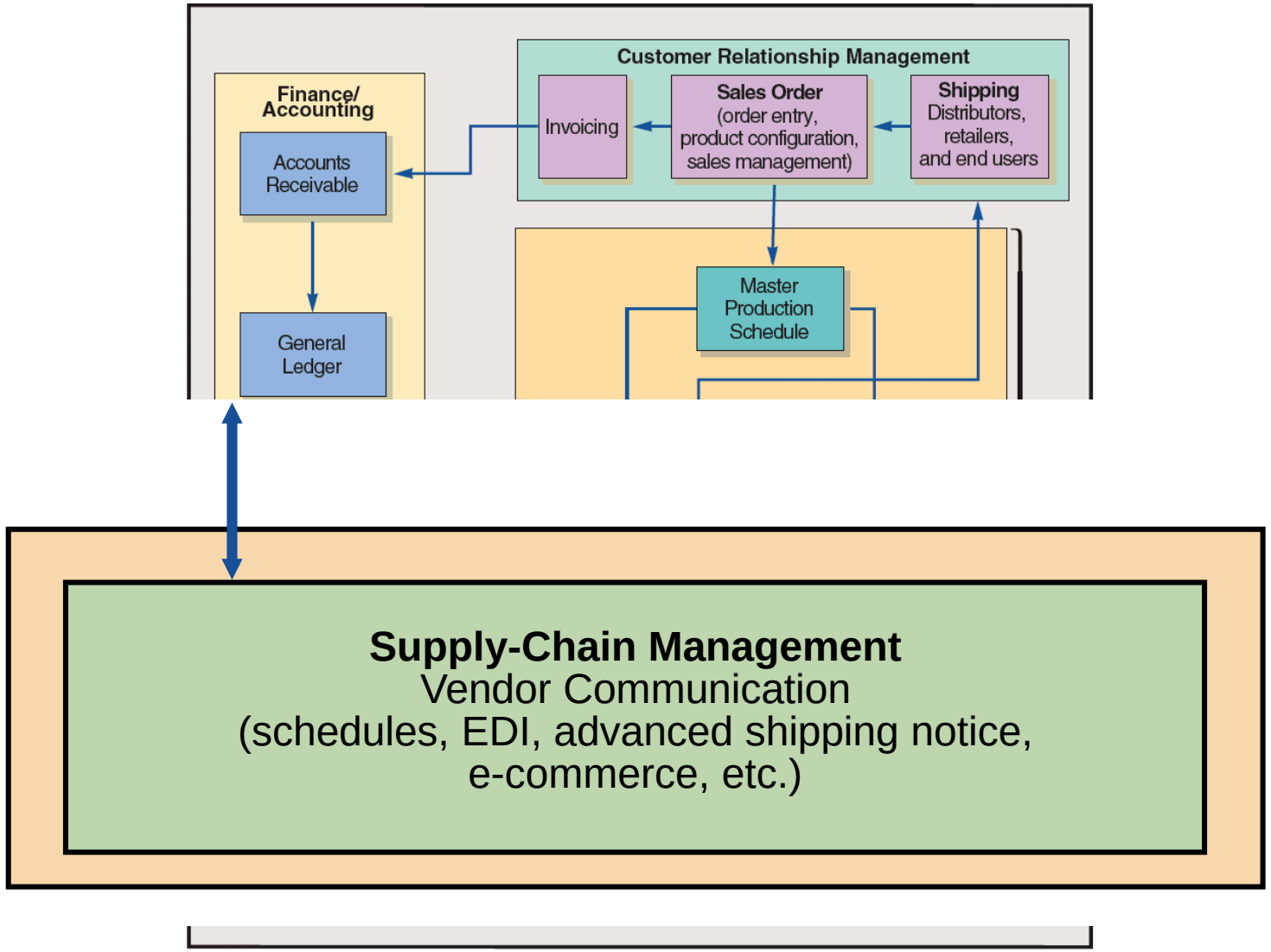
ERP Modules



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ERP Modules

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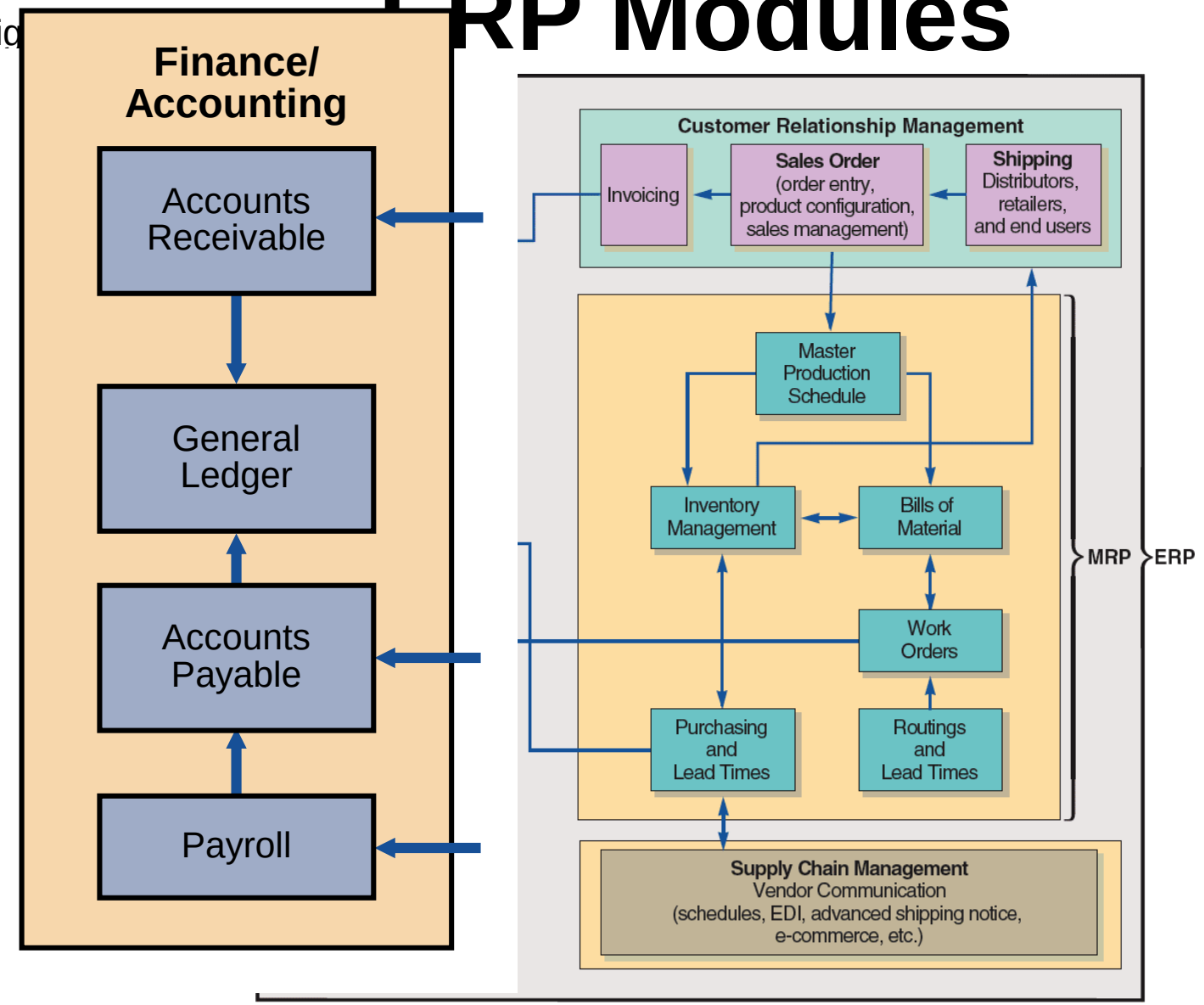

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SAP's ERP Modules

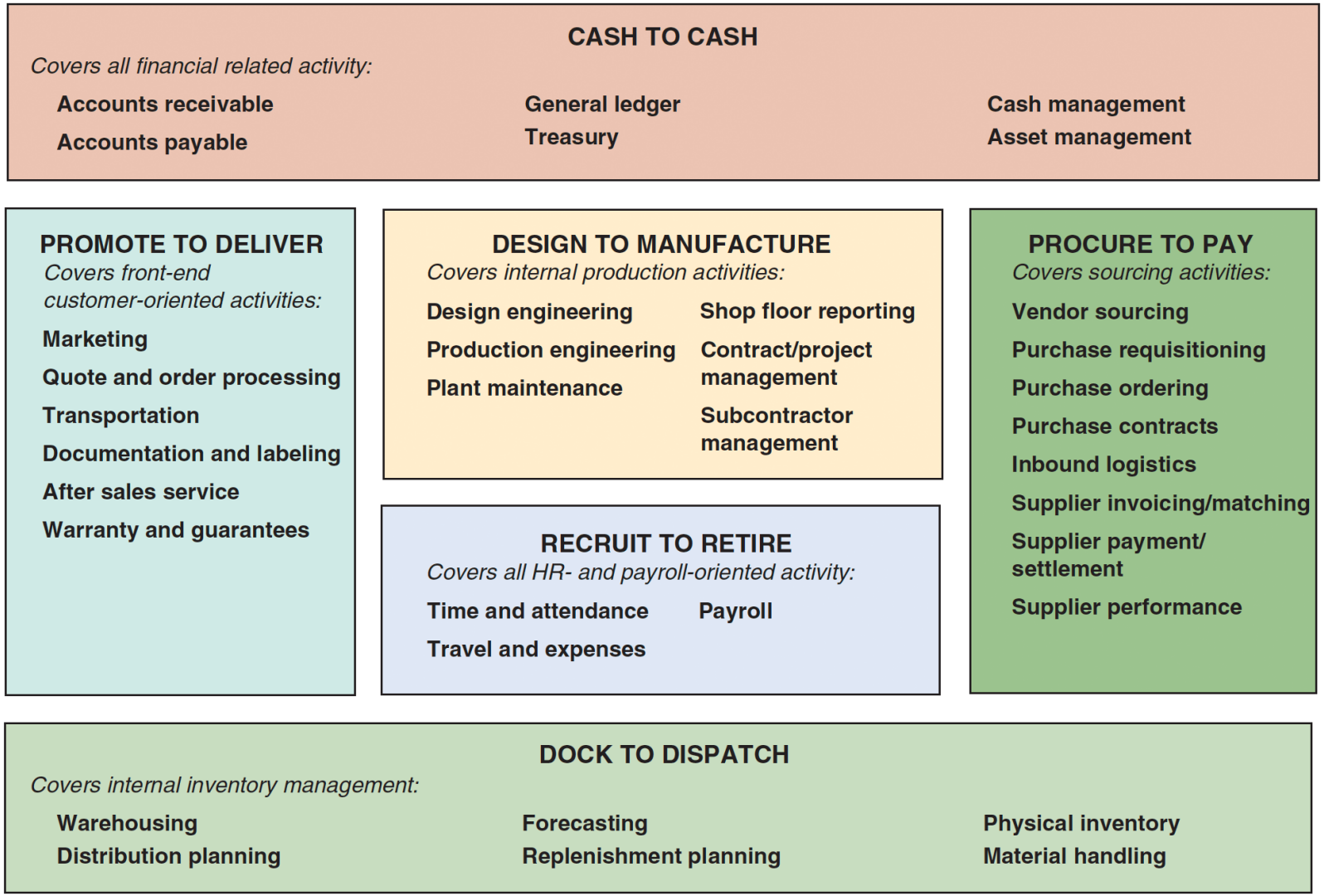

Figure 14.11

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ERP in the Service Sector

- ERP systems have been developed for health care, government, retail stores, hotels, and financial services
- Also called **efficient consumer response** (ECR) systems
- Objective is to tie sales to buying, inventory, logistics, and production

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