

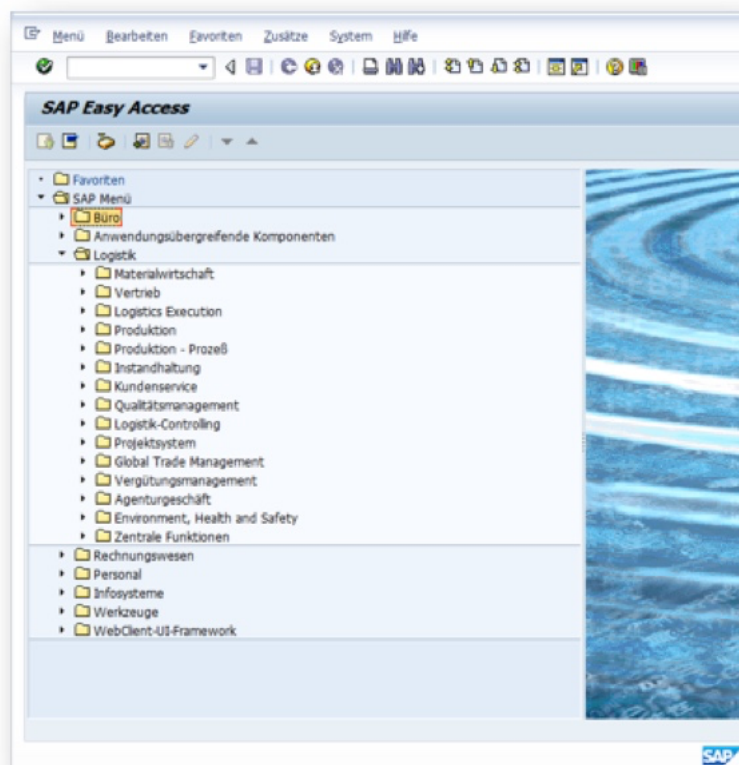


## An ERP system and its functions

ERP (Enterprise Resource Planning) systems have been developed to control the efficient use of company resources (labour, resources and materials). Within a company, a variety of business processes and functions must be handled by individual departments. These include, for example, procurement and sales processes, production processes and personnel processes. In the past, different software solutions (isolated applications) existed for these processes in the respective departments. ERP systems combine the different stand-alone solutions as components (formerly called modules), all business processes can be processed with one ERP system.

All of a company's data is thus mapped and interconnected in an ERP system with a common database. The ERP system is the universal source of information and a uniform working tool for all company departments and all employees. Once an employee has entered data, an employee in another department can immediately access this data without delay (in real time) and use it further. And the recorded data on all business processes of the company are also immediately available to the management for analyses and decisions. Double data entry, the resulting different data statuses of different departments and the high error potential due to multiple entries are eliminated. A seamless interaction of all employees can be implemented.

Another advantage of ERP systems is the integration and linking of data. If processes are processed in one department, activities related to this process are carried out in parallel and automatically and data statuses are updated. No other employee is needed in the other department to



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solve the task.

These functionalities save time and manpower and lead to an increase in efficiency and productivity of companies. A third advantage is the adaptability of ERP systems to almost any company and its business processes through so-called customising (customer-specific adaptation) and, if necessary, additional programming. All these advantages have led to ERP systems being used in 92 % of all companies today.

Despite all the advantages, the use of ERP is often not very well accepted by company employees. Many find it difficult to deal with an ERP system because of its complexity and a complicated or opaque user interface.



Equally often, training courses that focus on input and do not take into account business backgrounds cause great discomfort among later system users. The integration of the systems is also often not explained to the employees. This makes it difficult for them to understand data whose origin they do not know. Further problems arise from a lack of use of all functionalities of the system.



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