

E-business

E-business system - III

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• ERP in e-business





- An ERP (Enterprise Resource Planning) system includes core software components, often called modules, that focus on essential business areas, such as:*
 - finance and accounting;
 - human resources;
 - production management;
 - materials management;
 - customer relationship management (CRM);
 - supply chain management.
- Organizations choose which core modules to use based on which are most important to their particular business.*





- ERP systems rely on a centralized relational database, which collects business information and stores them in tables.*
- Having the data stored centrally allows end users, such as from finance, sales and other departments, to quickly access the desired information for analysis.*
- Instead of employees in different departments managing their own spreadsheets and reports, ERP systems allow for reporting to be generated from a single, centralized system.*
- Information updated in one ERP module, such as CRM, HR and finance, is sent to a central, shared database.*
- The appropriate information in the central database is then shared with the other modules.*

*https://searcherp.techtarget.com/definition/ERP-enterprise-resource-planning

*http://www.erppandit.com/erp-architecture.html

ERP architecture

- ERP applications are most commonly deployed in a distributed and often widely dispersed manner.*
- While the servers may be centralized, the clients are usually spread to multiple locations throughout the enterprise.*
- Database component
 - the central repository for all of the data that is transferred to and from the clients;
- Clients
 - here raw data gets inputted, requests for information are submitted, and the data satisfying these requests is presented;
- Application component
 - \succ acts as the intermediary between the client and the database.





- ERP offers a plethora of benefits, most of which come from information sharing and standardization.*
- Because ERP components can share data more easily than disparate systems, they can make cross-departmental business processes easier to manage on a daily basis.*
- They can also enable better insights from data, especially with the newer technologies that many ERP systems are including, such as powerful analytics, machine learning and industrial IoT capabilities.*



- In addition, ERP software:*
 - boosts efficiencies by automating data collection;
 - enables business growth by managing increasingly complex business processes;
 - helps lower risk by enabling better compliance;
 - ➢ fosters collaboration using data sharing and integrated information;
 - provides better business intelligence and customer service capabilities; and
 - improves supply chain management.

ERP – components – Human resource



- ERP HR module streamlines the management of human resources and human capitals.*
- HR modules routinely maintain a complete employee database including:*
 - contact information;
 - ➢ salary details;
 - ➤ attendance;
 - performance evaluation;
 - ➢ promotion of all employees.
- Advanced HR module is integrated with knowledge management systems to optimally utilize the expertise of all employees.*

ERP – components – Human resource

- Submodules of ERP HR module:*
 - Organizational Management;
 - E-Recruitment;
 - Time Management;
 - Personal Administration;
 - Payroll;
 - Reporting.



*https://www.erp-information.com/erp-hr-module.html





*https://solutiondots.com/blog/top-12-erp-human-resource-management-software-2016/

ERP – components – Business Intelligence

- The BI component of ERP collects data and performs analysis that can provide actionable insights about business processes.*
- The best BI ERP components deliver insights in reports.
- A good reporting feature is very important in BI and enables you to make sense of the data being analyzed.*
- Some 1



*https://sel

**https://www.seniorerp.ro/en/a-business-intelligence-solution-helps-you-discover-the-added-value-of-an-erp/



ERP – components – supply chain management

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- Effective demand forecasting and lean inventory*
 - An ERP solution in SCM improves the accuracy of demand forecasting and ensures that the cost of inventory is minimized in case of largebatch production process.
 - A lean inventory is essential to address just-in-time production method to reduce the cost of production and keep supply chain flexible.
- Reduce production bottlenecks*
 - ERP for supply chain significantly reduces the bottlenecks between internal processes and external suppliers.
 - Modern solution helps in handling proper procurement and supply of the goods, services and other resources that are needed across the supply chain.

ERP – components – supply chain management



- Transparency through the business
 - The consolidated view of the supply chain enables the business executive make more informed and balanced decisions with ERP for supply chain.



*https://www.deskera.com/erp-for-supply-chain-management/ **http://cmuscm.blogspot.com/2014/02/implementing-erp-for-supply-chain.html

ERP – components – inventory management system_{st}



- A component of supply chain management, inventory management supervises the flow of goods from manufacturers to warehouses and from these facilities to point of sale.*
- A key function of inventory management is to keep a detailed record of each new or returned product as it enters or leaves a warehouse or point of sale.*
- ERP inventory management, short for enterprise resource planning inventory management, refers to an integrated approach to business planning and operations.**
- With an ERP inventory management system, businesses can manage all their finances, logistics, operations, and inventory in one place.**

*https://www.tradegecko.com/inventory-management/what-is-erp-inventory-management **https://searcherp.techtarget.com/definition/inventory-management

ERP – components – inventory management system_{su}

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- Typical features of an ERP inventory management system
 - Stock tracking and management;
 - Sales and purchase order management;
 - Multi-channel order fulfillment;
 - Warehouse management and stock transfers;
 - B2B eCommerce functionality;
 - Payment gateway functionality;
 - Integrations with eCommerce, accounting, shipping and other operational tools;
 - Intelligence reports and analytics.



* https://www.shopify.com/enterprise/ecommerce-logistics-at-scale

** https://elogic.co/blog/how-to-implement-a-magento-erp-solution-for-ecommerce-without-spending-too-much-money-based-on-a-case-study/

ERP in e-business and e-commerce

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- <u>https://www.managementstudyguide.com/erp-and-</u> ecommerce.htm
- <u>https://www.aphixsoftware.com/blog/ecommerce-erp-integration.html</u>
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- <u>https://www.erpsoftwareblog.com/2017/08/4-reasons-e-</u> <u>commerce-erp-made/</u>
- <u>https://www.dckap.com/blog/ecommerce-erp-integration-a-</u> <u>quick-guide/</u>





Thank you for your attention! Any questions?