



Enterprise Resource Planning – Solution of your Business (Corporate Finance Aspects)

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Abstract

Enterprise Resource Planning is an integration of different modules functions, duties and responsibility, theories, formulas, calculations, techniques, concepts, methods and making a single computerized system for the Corporate Finance. In this article, it mentioned about ERP and Related Technologies, Implementation of ERP Systems, Functional Modules, Life Cycle of ERP and Implementation Factors.

Keywords: ERP of Corporate Finance; SAP of Corporate Finance; ERP – Corporate Finance Concepts and Techniques and Corporate Finance Technology.

Introduction

Enterprise Resource Planning is an integration of different modules functions, duties and responsibility, theories, formulas, calculations, techniques, concepts, methods and making a single computerized system for the Corporate Finance. The history of ERP are Material Requirement Planning, Material Requirement Planning II, Enterprise Resource Planning, Enterprise Resource Planning II and Plus. Different version has different features which solve the problems of the business. Corporate finance involves risk and return, bonds and its valuations, stocks and its calculations, cost of capital, corporate valuation, capital budgeting, cash flow estimation, capital structure decision, initial public offerings, investment banking, financial restructuring, leasing financing, hybrid financing and derivatives.

ERP and Related Technologies

- Executive Information System
- Decision Support System
- Management Information System
- Business Process Re-Engineering
- Data warehousing
- Data Mining
- Online Analytical Processing
- Online Transaction Processing
- Supply Chain Management.

Implementation of ERP Systems

If readymade ERP software is not fit into the requirement, the Corporate Financial Management Department can build the software using any one of the programming languages or combined of the different business programming languages.

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Some of the integrated business solution vendors

- **SAP (System, Applications, & Products in DataProcessing)**
- **Oracle Applications**
- **Microsoft Business Solutions**
- **The Sage Group**
- **SSA Global Technologies**

Functional Modules

According to the nature of the business the ERP modules will vary in terms of different departmental functions, duties and responsibility etc. ERP software is made up of many different software modules. ERP can be said my ERP for mobile, Automotive, Banking, Chemicals, Consumer Products, Defense & Security, Engineering, Const., Healthcare, High Tech, Higher Education, Industrial Machinery, Insurance, Life Sciences, Logistics Service Prod., Media, Mill Products, Mining, Oil & Gas, Pharmaceuticals, Public Sector, Railways, Retail, Telecommunications, Utilities and Wholesale Distribution, etc. business.

Life Cycle of ERP

Every ERP implementation process goes though a series of steps. The steps are identity, differentiate, implement, utilize, improve & optimize, enhance and extend, upgrade and retire.

Implementation Factors

- The most important factor in the success of an ERP implementation is to have strong corporate financial management cases. In this case, there should be related to business management and its Steering Committee did not buy a very powerful even think about an ERP system does not make sense.
- Change management and expectations of corporate financial management is the most critical factor(second only to the need for a strong business case).
- The most important factor for successes to have a strong case for the financial management of the company for implementation of ERP. This case should have a very strong buy in committee business and the relevant management direction without it, there is no point in even thinking about ERP. •Change management and expectations of the financial management of the company is the most critical(and then only to the need for a strong business case) factor.
- Any ERP system will result insignificant changes in the team to cope with these changes.
- ERP implementation should be seen as a corporate finance initiatives, rather than IT plans. ERP is more process definition and optimization technology is only an enabler.
- Having strong and senior project manager from the Corporate Finance side, with and dedicate, strong and full time internal core team compromising of the best people from various modules. This internal core team also act as the agents of change in the organization.
- Most ERP project delay has been observed, due to lack of internal preparation time for the project. Get the core team trained on product before project starts. Also aligning technical team to get ready with the data extraction plans and resources.
- If it's a complex implementation, always go for professional help by partnering with a reputed consulting/system integrating company. Though this may cost little more but in long run this is one way to ensure that you have successful implementation.
- Have a very sound corporate financial project plan. The project plan is to make health checks of the project and keep it one of the best tools in the channel. Do not over lap at any stage of the project ,even though it may seem to reduce the amount of time, but it will lead to confusion like, redundancy and error correction additional tasks and complicate efforts to overlap.
- Team communication – Always discuss project progress and plan on the tasks in advance with the team. Every one in team is important and should be given understanding of this role in the whole shows.
- Obtain business process owners, sponsors and subject matter experts(SME)from the beginning to participate-in view of their total process ownership.

- Education and training incorporate finance is a non-going to do. No amount of training is enough. Organization for some timeframe incorrect budget amount and timing for their end-user training.
- Remember to budget for enough time and resource for training.
- ERP solutions have evolved a lot the past 15 years, making it the right incentives can help organizations realize the benefits of key corporate finance.
- These gains and benefits come at a cost and hence it is important for organizations to do a cost benefit analysis before deciding for an ERP.
- In addition, ERP implementation can be very tedious and challenging, it requires for a comprehensive plan, and people to implement it.

Conclusion

Looking at these scenario of the ERP Corporate Finance and its technology, This will succeed any kind of corporate finance module. We can connect the software through internet. So clicking anywhere in the world can do the business. The software also can make very user and ecofriendly. Service oriented architecture will help to design a software according to the requirement of the business. It increases the customer's satisfaction, market share, profit, cost, productivity and quality.

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