FACT

Maximise Business Productivity and Profits with ERP

A productive employee benefits the organisation each time he contributes to work. But there is a lot of groundwork required along with adequate resources to make an employee productive at work. An organisation however big or small is divided into several departments depending on their functions – Administration, Sales, Marketing, HR, Accounts, Finance, Logistics, etc. For optimum functioning of the organisation as a single unit, different departments should work in tandem with the exchange of information on a real-time basis. With the introduction of Enterprise Resource Planning (ERP), business processes become easier enabling the integration of various functions within the organisation and availability of data on a real-time basis helping in quick decision making.

According to Panorama Consulting's 2013 ERP Report, 60% of organizations fail to realize at least half of the business benefits they expect, while nearly 50% reported that they did not realize improved productivity with their new system.

The reason for this is that companies fail to realise the importance of an effective strategy or plan and have no success metrics in mind to quantify actual data. This proves to be a dent on productivity and derails a company's success. ERP systems can augment smooth workflow and speed up inventory management, manage market fluctuations and supply chain issues. It is the best way to reduce costs and gain a strong competitive advantage in the dynamic market space.

What is the Best Reason to Implement an ERP System ?

To better serve customers (37%, 111 Votes)

To better integrate systems across multiple locations (31%, 95 Votes)

To replace an old ERP or legacy system (10%, 31 Votes)

To make employee jobs easier (9%, 28 Votes)

To ensure reporting / regulatory compliance (6%, 19 Votes)

Because other companies have ERP (4%, 11 Votes)

To reduce working capital (3%, 8 Votes)

Source: Panorama Consulting

ERP implementation improves the productivity of employees and management alike. It allows them to focus on strategy and managerial tasks while it manages back-end processes such as human resources, access control, supply chain/inventory management, financial/cash management, project management, and product lifecycle management. Increased productivity reduces costs; improves system performance and processes, fault tolerance, and reliability; and eliminates wasting of time.

In fact, almost 90% of CEOs in the UK say digital technology is vital to improving productivity, and two-thirds of execs say they're either "confident" or "very confident" in maximising productivity in this way.

When a business starts off the ground with limited data and a small workforce, it's possible to manage data using spreadsheets and manual labour is enough to keep things organised. However, once the company and its employees start expanding, the amount of data and work process also gets complicated. It gets difficult to keep everything in order and efficiency becomes difficult to achieve. Implementing ERP and streamlining the whole process facilitates communication between various departments, smoothens cross-departmental information and automates many simpler tasks.

As any company or mid-sized organisation continues to grow in size, the level and scale of business processes increase manifold. Implementing an integrated ERP system helps companies in automating complex and repetitive tasks, thereby saving critical time and cutting down on manual labour. A steady flow of real-time and up to date information helps organisations in completing the processing and delivery of goods or services on time.

One of the biggest aspects of using an ERP solution is that it helps reducing costs substantially thereby boosting profitability. The time saved through mechanising of the process can be reinvested for more essential purposes, and employee engagement can be improved through a more collaborative workplace. The improved coordination actually helps in improving overall efficiency of the business for which the ERP solution is being implemented. Some of the key benefits of this system include lower operating costs, better inventory management & better preparation for contingencies, reduced production costs and reduced marketing costs as well.
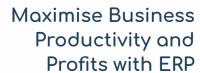
Enterprise Resource Planning is not a sophisticated program that can be run only by programmers. From junior employees to most senior management, everyone has a role to play as end users. They are the people who input data- for eg. in the sales department, the sales clerk inputs customer data such as name, email id, age, address, mobile number, and purchase details to create a sales order and subsequently the invoice. ERP software solution can also help organisations in optimising the use of their resources. It can help in drastically cutting down material wastages, inventory shortages, delivery pilferages, and help in greatly improving productivity, Customer service, Quality Control, and client's delivery, etc. Thus helping in improving the overall productivity.

A better-planned system aids the management in viewing key data and numbers on a real-time basis and take instant strategic decisions. While some organisations depend on spreadsheets to store and manage data, they never realise how detrimental it is to a business. It takes the organisation back instead of spiralling it forward. The lack of audit trail, assimilating data from multiple sheets and constant updation takes a lot of time and creates unnecessary confusion. The number of human errors goes unchecked which at times act as a final nail to the coffin. Multiple businesses across the globe have reported losses due to spreadsheet errors.

The company, Eastman Kodak was forced to restate financial results for two quarters by $2 million and $13 million, respectively, due to an erroneous spreadsheet error that calculated the severance and special pension-related termination benefits accrued by just one employee. This came at a time when the company was losing $100+ million every quarter. When announcing the restatement a company spokesperson stated, "There were too many zeros added to the employee's accrued severance."

Source: Oracle

A comprehensive ERP system not only benefits traditional businesses but startups as well. The implementation of ERP at the very onset of launching a business has many long term benefits. The employees are adept with the system resulting in improved productivity from the very beginning. It makes processes organised, easier and also puts them on the correct track to success.

ERP systems are comprehensive vehicles that gather, edit, update and manage business information comprehensively. In today's dynamic business environment the key for success lies in customer satisfaction, and by understanding customer needs, providing quality goods and services in the shortest time possible. Hence making ERP a vital need of an organisation which accelerates productivity and becoming globally competitive.

Working with the ethos of "Zero Manual Work, Spreadsheet Free Life", FACT champions the use of its software FACT ERP.NG to increase sales and efficiency of your organisation. FACT realises the risks spreadsheets pose to your organisation and comes with a solution that does not leave any room for error and data that is easy to collaborate and file. For over three decades, FACT Software has helped companies to become more efficient, effective and well equipped to cater to their business needs.

FACT Software has been relentlessly working towards providing companies with a comprehensive solution that makes them scalable, increases productivity and ROI. Keeping the changing demands of businesses in mind, FACT ERP.NG comes with regular updates meant to keep you ahead of the curve. FACT ERP.NG helps reduce duplication, processes transactions in real-time and update reports instantaneously helping management to respond quickly and confidently in a rapidly changing business environment. FACT ERP.NG is a comprehensive solution with integrated modules for Financial Accounting, Warehousing and Inventory Management, Manufacturing, Fixed Assets Management and Report Writing module capable of generating over 2,000 MIS reports.

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