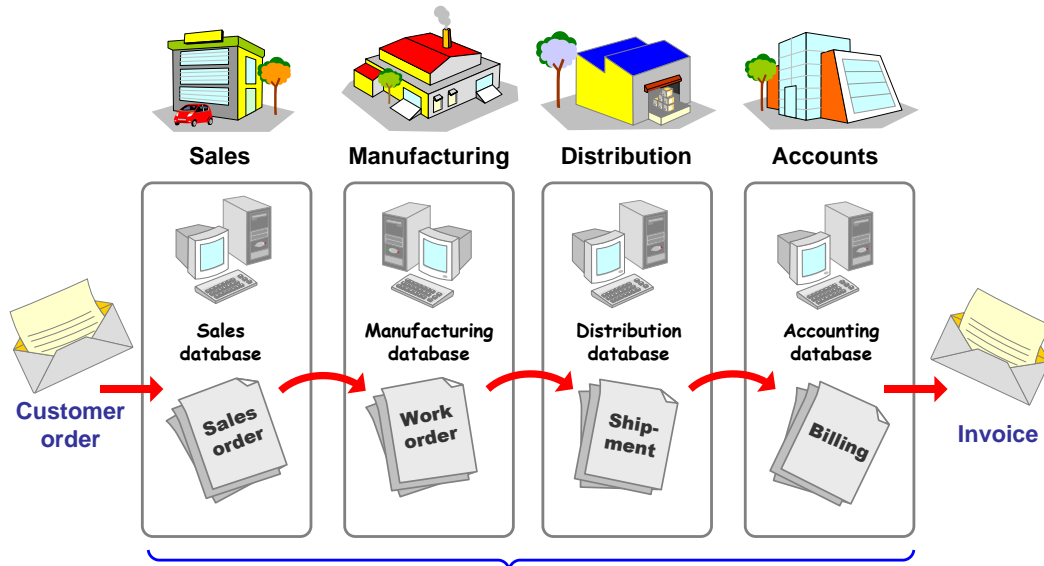


# 196 - Enterprise Resource Planning (ERP)

ERP applications are integrated business application software used for managing manufacturing, distribution, financial and other functions of an enterprise. ERP applications integrate all data and processes of an enterprise into a unified system. Multiple components of software and hardware are used in ERP systems to achieve this integration. ERP employs a process driven approach to management, unlike the traditional approach of functioning in rigid functional compartments or silos.

## Before ERP....



Rigid compartmentalization of functions, data duplication and redundancy, errors in computing, lack of data integrity, little or no information sharing, functional priorities override organizational priorities. This approach resulted in organizational inefficiency.

## The need for an ERP application

Newer market demands forced the development and implementation of integrated application software that meet these demands. Legacy systems had serious limitations in responding to these newer market demands.

