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Effectiveness of ERP in Spanys Technology Solution at Pondichery

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Abstract - Best practices are incorporated into most ERP vendor's software packages. When implementing an ERP system, organizations can choose between customizing the software or modifying their business processes to the "best practice" function delivered in the "out-of-the-box" version of the software. EAS — Enterprise Application Suite is a new name for formerly developed ERP systems which include (almost) all segments of business, using ordinary Internet browsers as thin clients. Prior to ERP, software was developed to fit the processes of an individual business. Due to the complexities of most ERP systems and the negative consequences of a failed ERP implementation, most vendors have included "Best Practices" into their software. These "Best Practices" are what the Vendor deems as the most efficient way to carry out a particular business process in an Integrated Enterprise-Wide system. ERPs are often incorrectly called back office systems indicating that customers and the general public are not directly involved. This is contrasted with front office systems like customer relationship management (CRM) systems that deal directly with the customers, or the e-Business systems such as e-Commerce, e-Government, e-Telecom, and e-Finance, or supplier relationship management (SRM) systems.

Index terms: ERP, Internet, software, supplier relationship management

INTRODUCTION

Enterprise resource planning is a term originally derived from manufacturing resource planning (MRP II) that followed material requirements planning (MRP). MRP evolved into ERP when "routings" became a major part of the software architecture and a company's capacity planning activity also became a part of the standard software activity.

ERP systems typically handle the manufacturing, logistics, and distribution, inventory, shipping, invoicing, and accounting for a company. ERP software can aid in the control of many business activities, including sales, marketing, delivery, billing, production, inventory management, quality management and human resource management.

ERP systems saw a large boost in sales in the 1990s as companies faced the Y2K problem in their legacy systems. Many companies took this opportunity to replace their legacy information systems with ERP systems. This rapid growth in sales was followed by a slump in 1999, at which time most companies had already implemented their Y2K solution.

ERPs are cross-functional and enterprise wide. All functional departments that are involved in operations or production are integrated in one system. In addition to manufacturing, Warehousing, logistics, and information technology, this would include accounting, human resources, marketing and strategic management.

ERP II, a term coined in the early 2010's, is often used to describe what would be the next generation of ERP software. This new generation of software is web-based, and allowed both internal employees, and external resources such as suppliers and customers real-time access to the data stored within the system. ERP II is also
different in that the software can be made to fit the business, instead of the business being made to fit the ERP software. As of 2013, many ERP solution providers have incorporated these features into their current offerings.

SCOPE

The ERP package components to be included for configuration or for enhancement. It may be a sub module like SAP CO PCA or module collection People Soft Order to cash or a feature like three way invoice matching. ERP Projects often have a phased implementation approach. It is vital to define has business units and geographies where the solution is to be rolled out. Comprise the hardware systems software and communications scope for the development test training production and other environments. The Opportunity to undergo a data modelling exercise is limited in an ERP implementation.

OBJECTIVES

- To analyse how ERP application increases the quality of services, shortens delivery times and enhances the performance rate offered by companies.
- To examine how proper implementation of ERP package according to business needs is benefited with lots of advantages like Inventory control, better human capital management, customer relationship management and order tracking.
- To analyse how error controlling is another core objective behind ERP implementation in an organization. It helps in better planning and coordination of business resources so as to achieve maximum profit.
- To analyse how and what kind of software package and techniques are used for enhancing the operational efficiency of business resources in Spansys Technology Solution.

NEEDS

- Without an ERP system company team is flying blind. They make decisions based on guesswork and rules of thumb because they don’t have the data they need
- Customers like accurate delivery dates, and ERP can help you provide them with improved inventory and shop floor visibility
- Better scheduling and accurate records ensure that your schedules focus on priorities, leading to shorter lead times
- ERP Systems automatically process transactions and generate audit trails and financial reports that can simplify period end closings. Faster closes mean you know the health of your business

REVIEW OF LITERATURE

Shang and Seddon 2002 ERP systems and ERP Systems adoption is a set of packaged application software modules, which an integrated architecture, which can be used by organizations as their primary engine for integrating data, processes and information technology, in real time, across internal and external value chains.

It impounds deep knowledge of business practices that vendors have accumulated from implementations in a wide range of client organizations that can exert considerable influence on the design of processes within new client organizations.
ERP systems enable organizations to share common information and activities across the entire organization, automate and integrate the critical parts of business processes, and access information in a real-time environment.

Glover et al. 1999; Davenport 1998; Pan et al. 2001- Since ERP systems can facilitate the productivity and efficiency of firms, the majority of organizations implement ERP systems to increase organizational competitiveness.

ERP systems touch on many aspects of a company’s internal and external operations and provide organizations with an overall view of the business through multidimensional information Gefen and Ragowsky 2005; markus and Tanis 2000. Consequently, Successful deployment and use of ERP systems are critical to organizational performance and survival Markus and Tanis 2000.

COMPANY PROFILE

SPANSYS Technology Solutions

Spansys Technology Solutions is leading software Development Company in India providing Offshore Software Development Services & solutions such as outsourcing software development, Web Development, Product Development, Web Designing, Offshore Application development, CRM Customization, .Net Development, Multimedia and Design Solutions and ERP Applications.

Spansys Technology Solutions is a leading customized software development solutions provider in India. Established in the year 2010, SPANSYS provides technological solutions to many organizations, enterprises and help them into maximize the business and it also has different services.

Spansys Services are also aware of the social responsibility and contribute in the form generating employment opportunities to the society, wherever they exist in. They try to stick to their corporate values to make a meaningful contribution to our business partners, shareholders, clients and our staff.

RESEARCH METHODOLOGY

Sampling design

Simple Random Sampling:

A simple random sample gives each member of the populations and equal chance of being chosen. One way of achieving a sampling random sample is to number each element in the sampling frame (e.g. Give everyone the electoral register number) and then use random number to select the required sample.

Population:

Total number of employee in organization is 98.

Sampling plan:

Out of 98 employees in this study was carried out taking into the account of 75 employees.

Tools for Analysis:

The data draws from the various sources were subjected to statistical treatment using the SPSS software.

- Chi square test
- Correlation
DATA ANALYSIS AND INTERPRETATION
Chi-Square Test

Increases the quality of Services And Company’s deals Vs designing the project in realistic approach before planning project.

Table showing Increases the quality of Services And Company’s deals Vs designing the project in realistic approach before planning project.

<table>
<thead>
<tr>
<th>Factor</th>
<th>Increases the Company Services</th>
<th>Enhances the quality of Services</th>
<th>Decreases the Company Services</th>
<th>Doesn’t rise up anything</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No need to analyse</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Has to be analyse</td>
<td>14</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>20</td>
</tr>
<tr>
<td>Basic Format</td>
<td>19</td>
<td>13</td>
<td>0</td>
<td>0</td>
<td>32</td>
</tr>
<tr>
<td>Already Made one</td>
<td>16</td>
<td>7</td>
<td>0</td>
<td>0</td>
<td>23</td>
</tr>
<tr>
<td>Total</td>
<td>49</td>
<td>26</td>
<td>0</td>
<td>0</td>
<td>75</td>
</tr>
</tbody>
</table>

Level of significance = 0.05

Calculated value = 0.87

Tabulated value = 16.919

Hence, the Null hypothesis [H0] is accepted.

Inference:

Since the calculated value is lesser than the tabulated value, H0 is accepted; there is no significant difference between Increases the quality of Services And Company’s deals Vs designing the project in realistic approach before planning project.

FINDINGS

1. 100% respondents are strongly said and agreed that ERP helps to hold and increases the customer base.

2. Both retailer and owners of the concern people satisfied because 100% of all people accept and agreed the truth.

3. All of respondents in an organization accept ERP Enhances the performance of the customer rate and also save their time.

4. Around 65% believe ERP Increases the quality of concern services and company’s deals. And other remaining 35% respondents only Enhances the quality of services.

5. Store inventory level, customer demand data and supply lead time to customer will need to serve better got a major percentage at around 85% and other 15% chosen delivery and shipping location.

6. 51% of respondents are agree ERP packages are needs to be selected depending on the business needs and 43% of respondents are believe ERP has a basic package that needs to selected and remaining 5% and 1% of people prefer no need to select packages and all the package are same.
7. From the table it was found that the 99% respondents the organization owner or who works they have to be choosing their own and remaining 1% of people select same package concern needs.

8. 44% of respondents people hope the ERP project design has basic format, and 31% says predefined package remains 16%, 9% says has to be analysis and no need to analysis.

9. 36% of respondents say ERP makes confusion and second majority of 35% ERP gives the good and well managed utilization and remaining 29% it does not allow to change users what they want.

10. 36% ERP allow to operational process but not on investment, 35% it is satisfied to be work nothing than more, 28% ERP enhances company process and makes more returns on investment and remaining 1% has no return on investment.

11. 35% respondents agree that the ERP may be requirements basic company and 33% make a big move remaining 32% ERP now a day it has to be basic requirements of company.

12. 36% respondents are strongly agreed ERP makes organization to make more profit, 33% of respondents suggest may be ERP allow organization make profit, 27% that depends on how they developed ERP program, remains 4% says No ERP does not.

13. 43% of respondents says ERP fits only Large scale industry field, 29% of industry people says it fits only small scale industry, 27% of respondents believe it fits all kind of industry and remains 1% says no industry needs this ERP.

14. The measurement illustrate company needs to select right package to ensure the ERP’s good performance nearly 29% accept, 26% says ERP ensure only good quality, 24% of respondents only good security and remaining 21% agreed ERP need perform all by choosing a right package to vendor.

15. 52% of workers know the ERP Software needs to research on specific field. 48% of respondent overview is enough.

16. Around 35% of respondents ERP system falls under supply chain decision support, 32% of peoples says fall under supply chain transaction execution, 21% of respondent feels falls under collaboration and coordination and remaining 12% believe performance measurement and reporting.

17. 35% respondent supply chain restructuring, and 3% of people decision support for supply chain.

18. 45% of respondents IT in supply chain transaction execution with different optimization techniques, second majority of people say 32% respondent co operation and collaboration with supplier via the internet.

19. Maximum People agreed that decision support concerned with co operation and collaboration with supplier via the internet around 43% and minimum people around 24% support collecting storage of vast data through automated means.

20. 39% of respondent says IT supply chain reporting in concerned with measurement of the supply chain performance, the second majority of people 33% of respondent evaluates SCM related using different optimization techniques.

21. Significant value is 0.87 which is lesser than table value, So Null hypothesis is accepted, there is no significant difference between Increases the quality of Services And Company’s deals Vs designing the project in realistic approach before planning project.

22. Significant value is 9.27 which are lesser than table value, So Null hypothesis is accepted, there is no significant difference between ERP applied all types of Industries Vs advised ERP should research on specified fields.
SUGGESTIONS

- Organisation owner should choose the package with the knowledge and analysis of the worker who what exactly needs to work properly.
- An organisation should choose the ERP application correct and effectively as well as from a trusted vendor.
- The package should be basic model which is helpful to the employee to work easy and understand the things easily by selection the ERP application packages.
- An organisation should provide the skilful training for the worker to reduce confusion against ERP application packages in effective manner.

CONCLUSION

There is a limiting factor, and this brings us full circle. Small suppliers do need to integrate with their larger suppliers ERP System, but their internal process and requirements will often be very different.

Many will buy the ERP application that most suits their internal use and seek to integrate it with whatever applications are used by organisations they trade with.

ERP databases has strengths and weaknesses relative to ERP systems order managements functions, the critical need is for greater levels of integration and flexibility in data mechanisms to support increasingly customized production environment.

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