

174

[Business](#), [Marketing](#)



Benefits of ERP Systems Introduction Proceedings of the International Conference on Systems Control, Signal Processing and Informatics ascertain that Enterprise Resource Planning (ERP) systems are super complex multimodal software application, which is concerned with harmonizing all departmental activities in an organization to ensure perfection and efficiency (Tambovcevs & Tambovceva, 2013). Literally, it integrates enterprise and management functions. Oracle is among the best companies associated with production, installation, and management of ERP systems.

Microsoft and Oracle are among world's best companies associated with the manufacture of ERP systems. Globalization and merging of business entities has forced most companies to incorporate such systems in their business unit for efficiency. The benefits of an ERP system are discussed below.

#### Competitive advantage

Business entities that embrace ERP systems attain a competitive advantage through improved business performance (Hitt et al., 2002). This is because it integrates supply chain management, production planning and management, human resource management with other core business functions. Already, this allows the company to realize a multidimensional improvement. ERP systems enable firms to reduce lead times, improve financial management, and proper coordination of information. Oracle ERP systems are strategic in nature. This means that they concentrate on improving company sales, improved customer service, and reduced lead time.

#### Cost reduction

Business regulations deter most companies from realizing their set goals due

to costs associated with compliance and administration. Therefore, through the use of ERP systems, firms can avoid such costs, and in return improve processes, which can enable them, meet customer demand. Strategically, firms using ERP attain cost leadership, because they have synchronized economies of scale in operations.

#### Empowerment

ERP systems make every department accountable to all activities in their jurisdiction, and thus make them utilize proactive problem solving techniques as compared to reactive ones. Such employee involvement in business operations ensures satisfaction among customers, shareholders, management, and employees themselves.

#### Scalable

An Oracle ERP system is scalable because it is very easy to modify and upgrading its functionality is achievable. This means that companies using such systems can manage and coordinate activities among all their existing departments for improved efficiency.

#### Effective reporting

ERP improves reporting capabilities in operational work. Therefore, it is easy for multiple departments to access information instantly, and when change is required. Therefore, organizations can get feedback. In addition, it provides user departments with quality data unlike the manual record keeping data.

#### Conclusion

Business entities can achieve intangible and tangible benefits when they effectively integrate ERP systems in their daily activities. With the high globalization wave, the only protective gear is by using ERP systems, which

have the capability to handle and analyze complex and detailed business information. Oracle ERP systems are designed to help organizations to achieve their set objectives because they provide companies with ideal information to comply with international marketplace regulations and adapt to any uncertainties.

#### References

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