Vinson infra engineering case study

Vinson Infra Engineering: ERP on Premise or on Cloud by Wee Jiao Company Background Vinson Infra Engineering Pat. Ltd is one of Indian's leading service provider companies engaged in providing products and services in electrification and civil engineering projects. Sunnis Stats is the founder and the managing director of Vinson was born in Madhya Pradesh in India.

He was interested in becoming an entrepreneur since childhood, then pursued a degree in electrical engineering.

In order to save money he worked part time in a storage plant, then built up Vinson as a small start p enterprise, then grew into a small and medium sized SMS enterprise with 60 employees. Because of his model work, The National Education and Human Resource Development Organization give him the Restrain Doug Rattan Award. Issues " hen did for a civil electrification project, Stats found that data relate to input cost Nas not readily available and some of the costs included in calculations were outdated by a full year.

Because Vinson was using the traditional methods of processing the information for its daily activities, this led to information overload and made information management difficult. This issues became more and more visible as Vinson is expanding in size business as well as in employees.

A lack of data Integrity, redundancy and incompleteness led to unprofitably and inconsistency of the decision making. There are the mentioned challenges which has aroused in Vinson: 1. Information overload made information management very difficult. 2.

Maintained data in MS-Excel on local computers and searched manually which requires tremendous effort.

3. Lack of of data integrity, redundancy and Incompleteness. 4. Data cannot be retrieved without data backup. 5. Some employees strongly opposed to the ERP system.

6. ERP system put stress on Vinyl's IT budget. (ERP system is very expensive and need a budget of around 2%-3% of Vinyl's annual revenue) Q: What are the advantages and disadvantages associated with each option? ERP on Cloud Cloud ERP is an ERP software that is hosted on a platform on the Internet.

There are five advantages of Cloud ERP. 1.

No initial investment. Because there is no infrastructure is needed for ERP, Vinson Just need to pay contractual cost and the first installment. 2. No ERP team. NO separate ERP team is required in this system, and top managers could focus on their work. 3.

Standard and tried features. Because he features is standard and has been recruited for several times, the errors in Cloud ERP system would be less. 4. Low business disruption. Because the Cloud ERP can be used at any time, this will cut the loss of business hours.

5.

Accessibility. The system can be used at any place. However, there are three major disadvantages of ERP on Cloud. 1. Data security and privacy.

The major concern of Cloud PER system is keep the data secure and private. Rhea company has to build trust and receive assurances from the vendor. 2. Costly on the long term. The installments cost is very high. Over the long term, the Premise ERP system is pro t table 3.

Technical difficulties and connectivity challenges. It any issues arose about the speed and connectivity of the Internet, ERP on cloud would not work properly.

ERP on Premise is an ERP software in-house maintained in a physical office rather than over the Internet. There are three advantages of Premise ERP system. 1 . Data security.

With the Cloud ERP system, the company's data would be store on the ' enders database, it is risky. On the contrary, Premise ERP system allows companies store their data by themselves. It is much safer than ERP on premise. 2. No Internet connection required. ERP premise system works on the company's intranet.

Therefore, the internet speed and connectivity will not affect the running of the ERP system. . Customization. The system of Premise ERP can be customized by vendor to meet the company's real needs. Meanwhile, there are three disadvantages on Premise ERP system. 1 .

Lillian investments are high. The payment of purchasing a Premise ERP system is high, especially, for a company like Vinson who is a small and medium sized SMS enterprise with 60 employees. 2. Employees has to be trained. Rhea users of new system need to be trained.

This cost time and money. 3. Maintenance cost. Vinson need to pay the entire maintenance cost. It is very expensive.

What are the people issues underlying the ERP implementation; how should Stats tackle them? The people issues underlying the ERP implementation are doubts on ERP success and difficulties on training employees.

Because some companies implement ERP system with zero results even a decrease in efficiency, the project manager insinuated his doubt about ERP system. Another issue is training employees to learn use and become comfortable need much more time and funds. Stats should provide evidences to prove that ERP system is profitable and easy to learn and use. And this new system will significantly charge the company situation.