

Benefit and challenges of enterprise system essay sample



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More and more organizations are seeking to integrate the core functions of their business with technological advances. Enterprise systems facilitate this integration process through a single software architecture that links all aspects of business to function as one unit. Organizations continue to reap the benefits of enterprise systems, but they also encounter challenges.

Operational Benefits

Organizations implement enterprise systems with the purpose of synchronizing the functions of different departments. An integrated system reduces the time used in processing documents, such as payrolls and other external documents. Information visibility and transparency within an organization is a benefit that facilitates the different operations carried out by the various departments.

Managerial Benefits

Managers find it less hectic to oversee operations and to ensure that key business objectives are achieved through enterprise systems. Because they are able to access information from a centralized server, managers find that the decision-making process becomes more informed and yields better results.

Costs

Enterprise systems, such as Customer Relations Management and Enterprise Resource Planning, incur exorbitant costs. Purchasing the software architecture, implementing it, and training staff are some of the overheads incurred, in terms of both money and time. Enterprise systems do not always yield anticipated benefits, thus creating a risk of double losses. The maturity

period required to see the benefits of these systems may be as lengthy as three years.

Storage Challenges

Generally, enterprise systems have a lifespan of 10 to 20 years, after which point they can be upgraded. Although this might seem like a long time, data within organizations accumulates exponentially and may prove too difficult to manage and store using a single software system. Data overflow and a subsequent slowdown in one department will certainly have a ripple effect in other functions of an organization.