

# Pros and cons of manufacturing resource planning ii systems

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Manufacturing Resource Planning II (MRP II) is a system of efficient and effective development of all the assets of a manufacturing company. It addresses monetary planning, operational planning and has a model facility to answer " what-if" questions and additional room of closed-loop MRP (Goddard, 1993).

MRP II is an incorporated information system used by businesses which have evolved from Materials Requirement Planning (MRP) system by including additional data, such as financial, marketing, purchasing and employee needs. The system integrates, centralizes and processes information for effective decision making in scheduling, designing, inventory management and cost control in the business (Goddard, 1993).

MRP II is a computer-based scheme that generates detailed production schedules using real-time data to harmonize the influx of constituent resources. It is commonly used by itself, but also with the Enterprise Resource Planning (ERP) system. The MRP II system does have pros and cons which are elaborated subsequently (Goddard, 1993).

The Manufacturing Resource Planning II promotes improved consistency in on-time customer delivery and enhances inventory reductions of one-fourth to one-third. Also, there is an elevated inventory turnover decline in purchasing costs because of fewer expedited shipments. Lastly, it minimizes of workforce overtime (Goddard, 1993).

As unanticipated changes occur, the planning process ought to be recalculated from the start, which can cause wastefulness if feedback about drawbacks is not supplied on a well-timed, regular basis (Goddard, 1993).