

What is ERP? What is ERP software?

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You have heard of ERP software for businesses, but you do not understand exactly what ERP is? What is ERP software? What is effective ERP software for businesses? . If you want to learn about ERP software, please refer to the following article.



The following article will share with you the concepts of ERP and ERP software, benefits of using ERP software, basic functions and classification of ERP software in Vietnam, please follow along.

What is ERP? What is ERP software?

ERP stands for the English phrase **Enterprise Resource Planning**, which means "enterprise resource planning".

ERP software creates an automated workflow of a company that allows the establishment of a complex company system with different office chains with full functions such as accounting, sales, inventory, human resources, force, planning, production.



ERP software is multi-module software that integrates all the common functions of an organization into a single system.

Instead of having to use accounting software, HR software - salary, production management software . independently of each other, ERP software combines all the different software together and between functions. That would be connected.

Some famous ERP software brands are: OpenERP, OpenBravo, WebERP, ERP5 .

Basic functions of an ERP software

An ERP software must represent all the business processes of an enterprise, integrate seamlessly, the basic functions that an enterprise resource planning software (ERP) includes:

1. Planning, estimation
1. Sales and customer management
1. Manufacturing
1. Quality control
1. Control of raw materials, warehouses and fixed assets
1. Procurement and supplier control

1. Accounting financial

1. Human Resource Management

1. Research and development

Classification of ERP software in Vietnam

1. Classification by investment costs

1. Low-cost ERP software: are ERP software in the form of websites, written by companies on demand, designed according to the needs of businesses, but high risk, easy to incur additional costs. and not highly secure.

1. Mid-range ERP software: the software is designed and perfected by large domestic deploying units. These software have the ability to meet the business needs quite high, but suppliers usually build only a few modules such as financial accounting, sales, purchasing, inventory . instead of building. All functions of the ERP system.

1. High-cost ERP software: these are foreign ERP software, have high process and reputation, build most modules and are mainly for large enterprises, although it is not necessarily suitable for Vietnamese businesses.



2. Classified by brand of supplier

1. ERP software of domestic suppliers

These software are designed to suit Vietnamese businesses, the financial processing procedures on the software are easy and comply with current Vietnamese accounting standards, as well as quickly updated. the change of circulars, decisions, . of the accounting regime in the country.

1. ERP software of foreign suppliers

The foreign ERP software has a long experience, successfully applied in many businesses around the world, the software is built on high technology platform and standard management process. But for ERP projects, in addition to the cost of building copyright, software deployment costs, businesses also spend a lot of time and effort to build and deploy ERP.

Benefits of using ERP software

When businesses choose to use ERP software, they will get many benefits that ERP software brings.

1. Increase labor productivity.

1. Enterprises have greater control over inventory, liabilities, expenses, revenue, profits . and have the ability to optimize resources such as materials, labor, and machines. construction hook . just enough for business production.

1. The information of the enterprise is centralized, complete, timely and able to be shared for all subjects that need to use such information as customers, partners, shareholders.

1. ERP reorganizes the business operations according to professional processes, in line with international standards, so it improves the quality of parts, saves costs, increases profits, increases competitiveness. and brand development of the business. At the same time, ERP also helps businesses better access to international standards.



Although there are many benefits when businesses use ERP software, ERP software application is not simple, businesses need to meet many conditions to be able to successfully apply ERP such as:

1. Awareness and determination of business leaders.
1. Need to determine the right objectives, scope and steps of implementation.
1. Choose the right solution.
1. Choose the right deployment partner.
1. Coordinate well with the implementation partners during the project implementation.
1. Willingness to change the unreasonable processes existing in the business.

1. .

Above TipsMake.com shared with you the concepts of ERP system, and ERP software. Hopefully, here you will better understand ERP software to decide whether to use the ERP software system or not. Good luck!

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