

## *A.I.S. Class 28: Outline*

- Great Plains Dynamics
- Learning Objectives for Chapter 14
- Enterprise Resource Planning Systems
- SAP
- Course Objectives
- Conclusion

# *Great Plains Dynamics*

## ■ Demonstration

## *Learning Objectives for Chapter 14*

- After studying this chapter you should be able to:
  - ◆ identify information needs within and across functional areas of an enterprise
  - ◆ explain how business processes other than sales and purchases would be modeled in an enterprise wide scenario
  - ◆ develop an extended entity relationship diagram for enterprise wide business processes
  - ◆ convert an extended entity relationship diagram of enterprise wide business processes to tables for implementation in a relational database system

## *Learning Objectives for Chapter 14*

- ◆ understand how an enterprise wide model can be implemented in Microsoft Access
- ◆ identify the integration points between functional areas in an enterprise wide model
- ◆ explain the benefits of cross-functional integration in an enterprise-wide system
- ◆ discuss the advantages of an enterprise-wide accounting information system relative to manual and automated "bookkeeping" oriented software packages

## *Learning Objectives for Chapter 14*

- ◆ describe in some detail the features of a high-end enterprise resource planning system, specifically SAP R/3
- ◆ understand the client-server architecture of SAP R/3 and the features of the major modules within the R/3 system
- ◆ discuss the advantages of ERP systems relative to manual and "computerized bookkeeping" systems

# *Enterprise Resource Planning Systems*

- Cross-functional integration
- Cutting across ‘stove pipes’ or ‘silos’
- Integration points
  - \* Inventory
  - \* Cash
- Recall “decoupling”
- Note links also with Julia Smith David’s “Three Events . . .” paper

# *Enterprise Resource Planning Systems*

- Duality relationships
  - \* In an economic exchange, one resource is increased while another is decreased
- Each resource must have events that increase it and events that decrease it
  - \* Often these are not in the same cycle
  - \* This will be clearer in an integrated approach
- Bottom-up v. Top-down integration

# *Enterprise Resource Planning Systems*

- *Beware of errors in the integrated diagram (Beyond purchases and sales) and the associated tables*
- Enterprise Resource Planning Systems
  - \* Baan
  - \* Oracle
  - \* PeopleSoft
  - \* SAP
  - \* J.D. Edwards

# *Enterprise Resource Planning Systems*

## ■ SAP

- \* Systems, Applications, and Products
- \* Founded in Germany in 1972
- \* R/3 released 1992
- \* Programmed in ABAP/4
  - ◆ Advanced Business Application Programming language
- \* Revenues > \$5 billion
- \* c. 40% market share

# *Enterprise Resource Planning Systems*

## ■ SAP

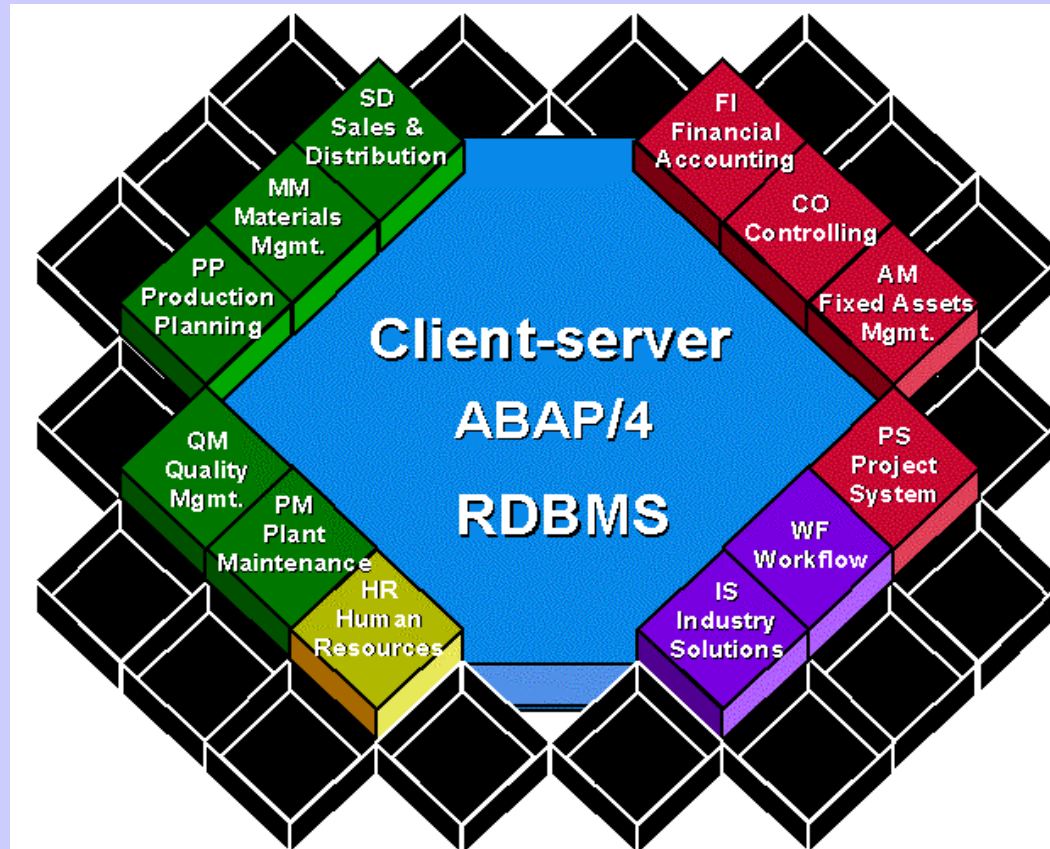
### \* Three core functional areas

- ◆ financial
- ◆ logistics
- ◆ human resources

### \* Three layer approach

- ◆ Presentation layer (SAPGUI)
- ◆ Application layer
- ◆ Database layer

# *Enterprise Resource Planning Systems*



# *Enterprise Resource Planning Systems*

## ■ Advantages

- \* No data redundancy
- \* On-line data validation
- \* Cross-functional integration
- \* Ability to perform cross-functional queries
- \* Ability to generate real-time reports
- \* Ability to “drill down” to view details of summary reports

# *Enterprise Resource Planning Systems*

## ■ Potential Obstacles/Drawbacks

- \* High cost of software, consultants, employee time and training
- \* Significant changes in corporate culture and business processes
- \* Complex and extended undertaking
- \* Extensive reliance on the ERP software vendor

*SAP*

## ■ Hands-on Demonstration

# *Course Objectives*

- At the conclusion of this course, students should have gained:
  - ◆ an enhanced understanding of organizations and business processes
  - ◆ an awareness of the role of information and accounting systems in business management
  - ◆ an understanding of traditional accounting information systems and criticisms of them
  - ◆ an understanding of event driven accounting information systems

# *Course Objectives*

- ◆ familiarity with the development, documentation, control and audit of accounting information systems
- ◆ familiarity with the use of database management software in developing modern accounting information systems
- ◆ experience of working in groups
- ◆ an opportunity to practice presentation skills
- ◆ exposure to a widely-used accounting software package.

## *Group Evaluations*

Please turn these in to  
me as you leave

## *Conclusion*

Happy Holidays!