



Chapter VI

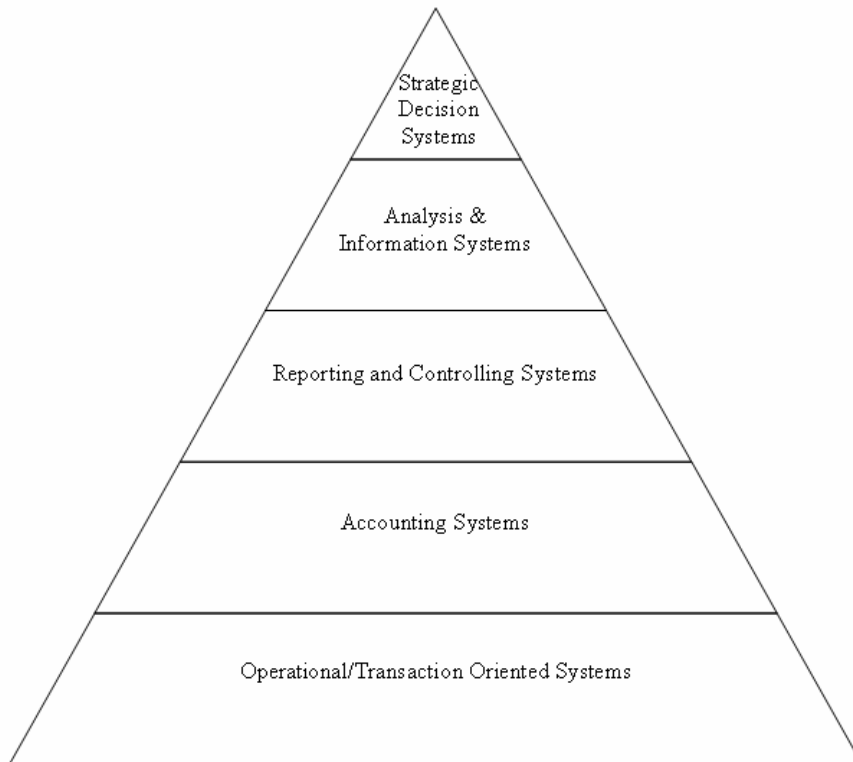
Enterprise Systems : The SAP Suite

Systems in an Organisation

To support processes well, we need to have information systems and integrated information system support processes even better. There are a variety of systems that go towards supporting processes in an organisation (Scheer, 1998). Figure 6.1 illustrates some of these systems.

At the lowest level, we have quantity-oriented operating systems in areas such as production, engineering, purchasing, sales, marketing and personnel management. At the second level, we have value-oriented accounting systems to support inventory accounting, fixed assets accounting, accounts payable, accounts receivable and personnel accounting. At the third level of abstraction, we have reporting and controlling systems such as investment controlling, purchasing controlling, personnel controlling, production controlling, sales and marketing controlling. At the fourth level, we have the analysis and information

Figure 6.1. Systems in an organisation (Adapted from Scheer, 1998, p.5)



systems such as the production, investment, purchasing, personnel, and sales and marketing information systems. And at the very top of the pyramid, we have strategic long-term planning and decision support systems.

Integrated Information Systems

In the past in most organisations, these horizontal as well as vertical systems have been isolated in the design and deployment, leading to islands of information. Such islands of information pose many problems, and to overcome these problems, organisations started designing MRP systems in the 1960s that had the master production schedule, the materials requirement planning, the capacity requirement planning, and the ability to execute capacity plans and

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