

# A Review on Early Implementation Advantages of an Enterprises Resource Planning [erp] System in Indian Startup Ecosystem.

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**Abstract:** Indian startup ecosystem is considered as fastest growing ecosystems in the world. The success of start-up companies depends upon various factors, which includes optimum utilization of available resources. Managing customer projects efficiently and effectively by achieving project goal is the real challenge in an indian startup ecosystem.in such an environment, enterprises resource management system solution will ease the project manager to act proactively to fine tune the project plan as per the requirement. Hence a changed plan should be in place in real time and made available for all project stakeholders. Apart from this, for delivering the product or services to new customers within the agreed time frame calls for real-time solutions to position the start-up enterprises in the globally competitive marketplace. Thus enterprises resource management system implementation is considered to be the most strategic top management decision to be considered and the success of futuristic startup projects in india will definitely need an integrated software support to meet various customer challenges to emerge as a global player in the chosen area of business domain. Overall, this review paper is an attempt to survey existing literature to understand the importance of the enterprises resource planning solutions in resolving issues related to projects executed under startup ecosystem.

**Keywords:** Indian startup ecosystem, enterprise resource planning & project management concept.

## I. INTRODUCTION

In the global business environment, the survival of new companies depends on their success in managing projects efficiently and effectively, especially in startup ecosystems where everything is new. Innovative start-up companies constantly focus on how to automate activities that are routine in nature for achieving project goal through the optimum use of resources. Enterprise resource planning software helps startup companies to align their business activities to automate transactions in each of the function and to control the entire operations in real-time basis at one place.

### 1.1 Startup Scenario in India

A startup is an entity registered firm with an annual turnover not exceeding 25 crores in any of the financial years and up to seven years from the date of incorporation.[1]Government of India has extended support to startup entities with various schemes and released startup kits, which enable start-up companies to accelerate their activities both technically and financially by availing the benefits of these schemes.

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The government of India supports startup companies by providing seed funding at attractively low-interest rates with flexible repayment options either through equity conversion or through debt repayment. Apart from government funding, multiple private financing through angel funds is also available to startup companies. Matured multinational companies extend their support to startup Indian companies through accelerated programmes.

### 1.2 Enterprises Resource Planning (ERP)

Enterprise resource planning (ERP) is an integrated suite of business applications, which can automate, and support a range of administrative and operational business processes across multiple industries, including a line of business, customer facing, administrative and the asset management aspects of an enterprise [2]. Enterprise resource planning (ERP) systems [3] are considered the price of entry in today's business environment [4], and the number of small and medium-sized enterprises (SME) retiring legacy systems [5] in favour of ERP systems is increasing exponentially.

### 1.3 Project Management(PM) Concept

Project management concept is emerged as most effective tools for ease of managing many business tasks & adopted by many global companies. The significance and growth can be better understood by below exhibit:



Source--(1) <<http://www.pmi.org/Learning/pulse/talent-management.aspx>>

**Figure1:Project Management Concept**

## **II. THE SIGNIFICANCE OF ENTERPRISES RESOURCE PLANNING (ERP) SYSTEM**

ERP implementation will enable firms' competitive advantage by integrating the various function into one system wherein each function will have seamless information sharing with the other function.

Enterprise resource planning (ERP) systems are innovative tools[6] by which companies align their processes of business, seamless interaction through information sharing across the global businesses and conduct business via a digital platform. Doing business today is more complex and managing the whole operation throughout the business network requires optimum operational efficiency to accomplish business goals. Thus Enterprise resource planning (ERP) solutions will enable companies to align their processes of business and seamless interaction through information sharing across the global businesses.

## **III. FEATURES OF AN ENTERPRISE RESOURCE PLANNING (ERP) SYSTEMS**

Mobile ERP functionality, interoperability, document and report generation are the new features of modern ERP features. These features enable sales engineers to generate sales orders right from the customer's place immediately upon receipt of customer purchase order. If stock available through inventory check, warehouse technicians can perform material pick list (kit) against work order already generated based on the sales order. By using ERP functionality, shipping and billing can be completed by sales personnel before leaving customer place. All real-time transaction processing can be achieved using secured platforms without any fear of mall functioning as ERP modules are tested for the worst scenarios of business functions ensuring smooth transaction processing. These features of an ERP not only bring customer satisfaction but constantly motivates the team to perform better each day irrespective of the size of the business. Interoperability refers to connectivity with other systems and to communicate via EDI, XML, Web Services and various Internet Protocols. These extended features will ensure fast connection across the globe by quickly linking customer purchase order to sales order and instantly load your demand order into their planning system. Extended modules of ERP such as Customer Relationship Management (CRM) tools can be linked to a common database of customers and suppliers and these tools can either remain as an integrated point solution or as a part of the ERP system itself. Documents and report generation capability of an ERP enables to print sales order, work order, quality, and test reports, certificate of conformance with a digital signature of quality assurance manager will automatically be printed on the certificate.

ERP sales modules are built with quick turn quoting capability, wherein quotation to the customer can be prepared by entering the parameters quickly to get automatically generated quotation emailed to target customer instantly. These features of an ERP system will save enormous time while compared to quotes being prepared through manual or legacy system. Thus ERP accelerates the quoting process and the boosts sales and

marketing capability of companies. A Marketing ERP module can centralize the entire marketing team's efforts and ensures automation of marketing activities using multiple analytical tools. These tools keep analyzing advertisements, which are leading to sales, the best performing media streams and effective marketing campaigns capable of reaching the right audience.

Overall, ERP implementation will enable the firm's competitive advantage by integrating the various function into one system wherein each function will have seamless information sharing with the other function. Typical ERP system consists of integrated modules addressing the requirements of each of the business function and the modules are secured, structured and accessible to the user at all times. The standard ERP system consists of modules integrating finance, accounting, human resource management, production planning, scheduling, distribution, warehouse with linked modules of analytics and reporting.

## **IV. IMPACT OF ERP SYSTEM ON THE STARTUP ECOSYSTEM**

Early implementation of an enterprises resource planning system has a significant impact on a startup projects enabling companies for aligning the resources of all functions towards project goal by accomplishing the tasks on time and by meeting the end customer requirements. In the manufacturing sector launch of new product throws such challenges for which ERP software tools can be effectively used. Hence, early implementation of ERP systems will enable startup companies to better showcase their capabilities to grab global customers into their business. All kinds of people involved with the project, use the ERP system to update their progress on assigned tasks. Employees, contractors, and sometimes-even clients can use the ERP system to share documents, sign off on plans, and so forth.

## **V. CONCLUSIONS**

Enterprise resource planning (ERP) as the name implies planning and control of activities performed by human resources, usage of machine and material resources planning along with budgetary controls. Thus enterprises resource planning system implementation is considered to be the most strategic top management decision to be considered and the success of futuristic startup projects in India will definitely need an integrated software support to meet various customer challenges to emerge as a global player in the chosen area of business domain.

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