

ERP Value and Global Financial Crisis

金融危机与ERP价值

The Global Economy slowdown and financial crisis that hit USA since last year October has become the real happening across world. Even anyone who was looking for China somehow miraculously to save the world economy is going to be terribly discouraged by the latest signs of economic slowdown in the Middle Kingdom. The CLSA China Manufacturers Purchasing Managers Index (PMI) showed that factory activity contracted sharply during October, with the index falling to its lowest level since the surveys began in June 2004.

The growing signs of slowdown (BusinessWeek.com, 10/29/08) are manifold. In Guangdong province, traditionally the center of China's light industry, nearly half the toy manufacturers have gone out of business. Some have moved to cheaper locations inland, but others have disappeared altogether, often leaving workers with several weeks of unpaid wages. On Oct. 16, Hong Kong-owned Smart Union Toy left 6,000 workers in the southern city of DongGuan in the lurch after it closed without warning. The government may now have to compensate workers from Smart Union, which produced toys for Mattel (MAT) and Walt Disney (DIS), for unpaid wages.

The story above might created more uncomfortable feeling across those local and foreign investing company in China, however, any savvy Enterprise owner naturally will consider this downturn as part of the Enterprise life cycle. Even some of the business owner will feel familiar since they have gone through the difficulty in year 1997 financial crisis that hit most country in Asia Pacific.

No one know for sure when will the difficult situation will end but the Enterprise owner knows that they must take drastic action to ensure their business must maintain in check balance, to maintain even minor profit margin and ensure that their existing customer still happy to do business with them. The Enterprise continues business and survival has become a daunting task for any managers and Enterprise owners.

Cost cutting, lean manufacturing, scale down and so forth will be the solutions or actions to be considered by most Enterprise owner mind. However, in most cases the challenges and pressure to Reduce Costs outweigh all other business drivers for most enterprise. Enterprise owner has to find ways to cut cost, this become difficult for those that still using conventional management method where the effort to even generate a precise management reports still a manual process of searching through multiple data format and data sources.

Based on Aberdeen Group report 2008, ERP is viewed as necessary infrastructure, it is also a strategic weapon in streamlining and automating business processes while providing visibility to those processes throughout the whole enterprise.

We, Kingdee have been ERP solutions provider for past 15 years; can offer ERP solutions that not only fit into China business environment but also International Enterprise worldwide. We have been proven to be the lowest TCO (Total Cost of Ownership) provider and we strive to continue to do so to help Enterprise to overcome these difficult periods.

No matter what are the ERP solutions selected, the focus nowadays for any Enterprise owner is to realize the ROI (Return of Investment) as soon as possible. Kingdee can provide ERP Express Path to any users by looking at those function or modules that significantly improve any business operation in term of cost management, real time reporting (financial and operation), material control, sales tracking and control that directly impact any company cash flow and margin. The Express Path is designed to help any Enterprise to setup their ERP solutions based on preset key modules that in cost control and management, standardized project implementation, system settings and data template. The objective is to allow any medium size Enterprise to have ERP up and running in just 1-3 months period so that the ROI can be realized immediately. The Express Path approach can greatly enhance typical Enterprise business management and control especially for those Enterprise that has no ERP system running in their facilities. In later stage, the K/3 users can opt to install others modules to manage their specific needs to further fine tune their business processes.

Below is an Express Path that can be used for installing Kingdee K/3 ERP solutions based on selected modules:



The project implementation will base on Proven • Kingdee Way• methodology to ensure the fulfillment is managed according to the expectation of each customer. For those who are interested to know more details on Express Path approach, please email your inquiry to foreign_account@kingdee.com

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Kingdee ERP

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