WHY SHOULD YOU IMPLEMENT ADEMPIERE IN YOUR COMPANY?

Author: Alexander Tsang (Posterita)

1. Traditional IT systems

Traditional IT systems are mostly built around an accounting package and different software to cater for the apparently unrelated departments' needs. But how often do these different underlying disparate systems lead to isolated pockets of data within the organisation? The answer, unfortunately, is too often. Information is usually held in the large amount of data that the organisations already have. This could be data ranging from supply chain level to customer facing arena e.g. sales data, stock information, customer data, market information to name a few. Within this explosion of data are the answers that the management needs to define its strategy and to manage properly the business. Examples of issues encountered in the traditional IT systems are:

- Only a **compartmental view** of the activities of the business are available. More time is spent on matching the different departments' information than on analysing and deciding.

- **Information gap** (due to the lack of communication between some departments) is only filled by derived information or expensive and ineffective bridges.

- **Duplicates of data** are everywhere, and one ends up comparing and cross-checking them, finding errors, inconsistent data and spending his valuable time trying to know from which department the error comes.

- **Difficulties to evolve as the business changes**.

Naturally, all this result in many inefficiencies, lost of revenues as well as higher cost of management that could be eliminated through a ADempiere implementation. Let us see how and why!

2. ADempiere Solution

- ADempiere is an **open source ERP** and **CRM** software that provides a seamless **360-degree view** of your company, its customers and vendors. ADempiere puts the **power of timely and consistent communications** within reach of small to medium-sized businesses by offering superior ERP software that is **affordable**, **adaptable**, and **scalable**, ensuring that companies always have exactly the solution they need.

- ADempiere is a software that provides integrated **Enterprise Resource Planning (ERP), Customer Relations Management (CRM), Supply Chain Management (SCM), and On-line Analysis Processing (OLAP).**

- ADempiere is the **strategic tool** aiming to help companies **gain a competitive edge** within the growing economy.

- As opposed to traditional ERP software, ADempiere is design around **business processes and transactions** rather than on the traditional accounting and departmental views architecture.

2.1. Key Features

I. Complete ERP

- An ERP (**Enterprise Resource Planning**) is an information system that integrates all related applications for the entire enterprise. It **integrates all departments and functions** across the company onto a single computer system that can serve all the different departments' particular needs. This system thus ensures **consistency and validity of data**. This centralised architecture also makes sure that all **interfaces, look and feel, are consistent.**
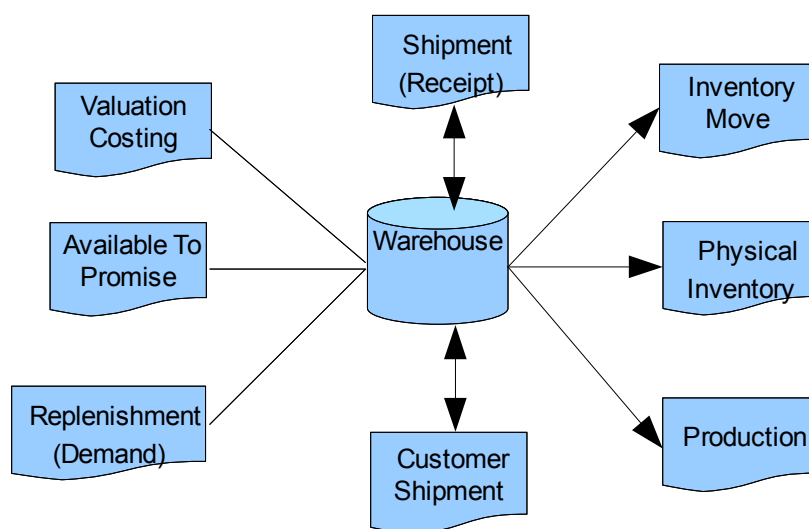

- **Business processes** rather than traditional departments drive ADempiere's design. In today's world, people often **cover entire business processes or even multiple related processes rather than work with a single department in mind.**

- For example, supply chain management module will only make sense when information is simultaneously

retrieved and consolidated across many different departments and business processes such as accounts payables, purchase order, sales order, inventory management and CRM.

II. Supply Chain Management

• Supply Chain Management covers **all material management activities** including inventory receipts, shipments, perishables moves and counts within a client and its organisations and to suppliers and customers.

• With its Warehouse model, ADempiere can tackle **any type of products.** This is possible thanks to a well thought matrix of product attributes set. Indeed, different units of measures, product categories, multiple price list, brands, tax category, revenue recognition as well as many other fields are supported so that any product can be configured. As shown in the next figure, **ADempiere generates and manages all the required type of documents needed to track all the details related to material movements** (dates, time, quantity, warehouse transfer, shipment, replenishment level, reserved stock and so on). Linked to that is an **intelligent valuation process** that can display your stock valuation according to different costing methods standard costing, average costing and actual costing (Last PO, FIFO, LIFO). This implies that the management can at any time access real, actual stock figures in quantity as well as in value!

III. Customer Relations Management

• **CRM** on the other side is a **business strategy** built around the concept of being **customer-centric**. The main goals are to **optimise revenue through improved customer satisfaction** via improved interactions at each customer touch point.

• It is not an independent module, but the logical view of all customer and prospect related activities. ADempiere CRM solution builds value for your business by opening up vital communicating channels and

creating a common client-focused knowledge base to better serve your clients.

- ADempiere allows you to obtain a **complete view of customers**. Any information you might want to know about your customers are available and can be checked by your staff.

- Moreover, ADempiere with its audit trail facility can help you to evaluate the effect of a promotion campaign as you will be able to check sales over any period of time you may choose.

IV. Performance Analysis

- ADempiere Performance Analysis tool covers the costing and accounting dimensions of the application and is **transactional based**. It allows you to **collect**, **analyse**, and **centrally manage operational data** from a **wide variety of angles**. As it combines the details of all transactions, it is easy to retrieve and analyse **reports according to the level of details you need** (per product, product category, by customer, by customer group, etc...). This feature will allow the management to **focus on business processes** such as **planning and forecasting.**

2.2. A strategic tool which will evolve with you!

- ADempiere will always be the strategic tool that will evolve as your business needs change. Indeed, with its multi-feature architecture, it will cater for any of your needs. Examples of these multis are:

  - ➢ **Multi-organisation** (different organisational entities can **share data** or make sure that private data is not accessible by other entities.)
  - ➢ **Multi-products/services (from any type of products** such as gas or bread, **items, services or even resources** like hotel rooms or health care, and according to the nature of the business, ADempiere will manage any type of products/services/resources/ items)

  - ➢ **Multi-Currency** (ability to make any **transaction in other than your accounting currency)**

  - ➢ **Multi-Accounting and Multi-Costing** (can maintain in parallel different accounting schemas as well as costing methods)

  - ➢ **Multi-Language** (interface screens and reports in many languages)
  - ➢ **Multi-Tax** (ADempiere tax matrix can handle any tax system)

2.3. About ADempiere

- ADempiere is one sourceforge.net one of the most active project with a thriving and active community.