

The Influence of Enterprise Resource Planning (ERP) systems on Apparel Factories

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Abstract

Enterprise Resource Planning (ERP) system provides comprehensive benefits and facilities to the entire organization. ERP system helps the enterprise to exchange and transfer data and information across all departments inside and outside the organization. Exchanging data and information between the departments assists in many aspects that aims to achieve different objectives and success. Cloud computing is the model of computing that occurs over the internet and provides extensibility, reliability, accurate data, availability and low cost of computer reassurance. Implementing and operating ERP system over the cloud offers great advantages and benefits, despite its many difficulties and challenges. This analytical study analyses how the key defines the attributes of enterprise systems environment integration, process optimization, and best practices that affecting performance. Instead of an ERP system enabled business environment, deficiencies in implementation and weak process of improvement before the implementation of ERP that restrict the process speed. A case study of a large and successful ERP implementation is presented and discussed in terms of key factors. By conducting a case study for 8 factories using the ERP system, and follow up how the system is applied, what the benefits are of applying the system, and what problems of the institution are faced during implementation by using questionnaire form that had been filled from the users and senior management department. There are several other Objectives of conducting this research as knowing the ability of the system to absorb the business strategy of the company, whether positive or negative, knowing the rate of the problems in applying these programs in Egyptian clothing factories, and knowing the influence of the organization size and its allocation level on the other factors. Increasing the total productivity of the company is considered one of the most important benefits that resulted from the application of the ERP system in companies and factories specialized in the garment industry. One of the motives behind the implementation of the enterprise resource planning system was "cost savings". The main technical problems faced by these companies are "integration with other applications" and "data migration". The results confirmed that all garment manufacturers focused their attention on the application of the system in their "financial statements" and then followed in terms of application intensity "sales and marketing". The critical success factors of the ERP implementation were: "Redesigning business processes to fit the software", "Clearly indicate the scope of the project", "Training and refinement skills" and "Management recognize the need for change".

Key words: Enterprise Resource Planning, ERP, Garment industry, Apparel factories