

## EDP to ERP: A paradigm shift

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The advent of ERP was a landmark from many aspects. Apart from providing enterprise-wide integrated business applications platform for enterprises, some of which we will talk about during the course, it brought some fundamental changes in business, consulting firms and institutions.

In pre-ERP era, computerisation in organizations meant, among other things, setting up an EDP (Electronic Data Processing) department headed by an EDP manager. This department essentially constituted of hardware, network and few application software engineers (techies) and was often seen as a “support” department rather than a mainstream department.

With the advent of ERP, organisations soon realized computerization is not about setting up hardware, networks and few isolated software but it is more a strategic initiative leading to large scale organizational transformation. Hence, organizations were no longer looking for just “techies” to manage this initiative but people with a business perspective who can provide the right strategic direction to the organisation’s computerization initiative.

ERP suddenly catapulted the EDP manager and his/her team from an obscure corner of the administrative block of the enterprises right to the “CxO floor”. **Today’s CIO (Chief Information Officer) is virtually a creation of the ERP era.**

The other major paradigm shift happened in the consulting firms. The erstwhile consulting firms in the pre-ERP era were primarily focused on finance centric consulting assignments like mergers and acquisitions, restructuring, tax consulting, etc. The growth of ERP almost coincided with the advent of the concept of BPR (Business Process Re-engineering) propounded by Michael Hammer. Most consulting firms spearheaded by the erstwhile Big 6 found a tremendous business opportunity in tapping this BPR-cum-ERP fever which was catching up with organizations. But the challenge was that in order to deliver these assignments, the Big 6 needed a new genre of professionals. They cannot be IT programmers; they cannot be the traditional accountants. They need to be a “jack of all trades” – professionals who understand industry, business processes as well as are IT savvy. **Thus the new genre of consultants in ERP space whom today we call “functional consultants” was born.**

The education institutes were albeit late in catching up. When this new genre of “functional consultants” was needed, none of the education institutes were prepared for this demand. There was no ERP course offered in any of the institutes. Hence the consulting firms had to do with students from B-schools, engineering colleges or from industry and train them up in ERP.

Of late many b-schools have started introducing ERP in their course curriculum. There are many other schools and institutes which have come up (accredited by ERP vendors or otherwise).

However, the key gap in most of these course curriculum lies in the lack of emphasis on teaching business process and industry knowledge. Rather the students are asked to mug up the transactions in an ERP system. Mugging up transactions of an ERP system helps very little either the students or the organizations (ERP consulting firms, companies implementing ERPs, etc).

Focus on business process and industry specialization is what is needed in such training curriculum. This will surely churn out more qualified ERP professionals.