

**JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA**

**PGDM / PGDM (M) / PGDM (SM)**

**FIFTH TRIMESTER (Batch 2016-18)**

**Re- END TERM EXAMINATIONS, JANUARY 2018**

Course Name	<b>Enterprise Resource Planning</b>	Course Code	<b>IM 501</b>
Max. Time	<b>Two Hours</b>	Max. Marks	<b>40</b>

**INSTRUCTIONS: All questions are compulsory:**

1. Racer Engineering Inc. is one of the manufacturers in Automotive Assembly Tooling for stamping, hemming and assemblies for automobile closures. The company has over 400 employees and turnover of Rs.250 crores for the year 2016-17. The company is using home grown computerised systems without integration amongst the various operations. The company is following the traditional costing strategies which is not competitive. They also have higher inventory costs. The management is contemplating to use latest techniques and processes to transform the various processes related to manufacturing activities

As a consultant you need to advise the Racer Management with respect to the following:

- 1.1 Which Commercial ERP product will you deploy? State the reasons for the same... **(5 Marks)**
- 1.2 How will you facilitate Racers to implement "Just in Time Inventory "? ... **(5Marks)**

2. B. Ripla is the fourth largest distributor of pharmaceuticals to both druggists and hospitals in India. In 1992, they started implementing the Vanilla version of Oracle EBiz software. Their daily production's outgrow was supposed to be handled by Unisys Mainframe. The organization wanted to shift from the old Mainframe system to the new client server based Oracle Ebiz system. The problem started to appear right at the outset of the implementation process. Their timeline was quite unrealistic under the given circumstances since they lacked even skilled man power to handle fast track implementation. Further more they had regarded Oracle EBiz software. as a supplier of accounting and manufacturing software only. They went for a separate Warehouse Management system which has not been successfully integrated with ERP system. The transition from old warehouses did not go smoothly. Equipment outrages resulted in the shipping of numerous half-finished orders. In 1999 they incurred huge losses due to their inability to meet the order fulfilment and sought for a friendly take-over by a suitable partner.

- 2.1 Identify any five key factors which led to this ERP implementation failure. **(5 Marks)**
- 2.2 Had you been the consultant, what type of risk mitigation measures you would have carried out? **(5 marks)**

3.0 The CEO of Royal Motors International, through an extensive evaluation process, has decided that his company requires an integrated software system. Having examined a number of possible solutions, he has determined that SAP's R/3 system best suits the company's needs and growth, and has bought licenses for the FI, CO, SD, and MM modules. They practice conventional costing systems. Your firm has been contracted to lead the installation project that includes some business process re-engineering.

Your team, assigned to assist Royal Motors International in the implementation of this business system, is to build a working prototype of the system and present it to the executive committee. Considering the attached information gathered from the client, your talented consulting team should design and configure the organizational structure and applicable master records to support the business. All appropriate posting documents and resulting accounting documents for each business transactions should be prototyped and tested. Document and justify any significant recommendations.

3.0 In your first presentation, you need to identify the most important element of enterprise structure for SAP configuration for the following requirements: **(10 Marks)**

- 3.1 For handling segmentation accounting for internal purposes.
- 3.2 For handling adjustment entries for the posting as per auditor's observation
- 3.3 For getting sales reports by product wise
- 3.4 For getting material reports by warehouses
- 3.5 For getting material reports by procuring office units

4.0 In your presentation, the following are also to be included.

- 4.1 The sequence of tasks to implement "Activity Based Costing" **(5 Marks)**
- 4.2 The key requirements related to Critical success factors of BPR implementation

**(5 Marks)**

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