

ENTERPRISE RESOURCE PLANNING

(For students admitted in 2014 & 2015 only)

Time: 3 hours

Max. Marks: 60

All questions carry equal marks

SECTION – A

Answer the following: (05 X 10 = 50 Marks)

1 Explain the ERP system architecture and brief how the various functions of an enterprise can be integrated in an ERP solution.

OR

2 Enumerate various steps in business process reengineering (BPR) during the ERP implementation.

3 Describe the architecture of data warehouse with suitable diagram.

OR

4 Discuss the rules of OLAP with its advantages and limitations.

5 Examine the role of production and operations planning module in detail.

OR

6 Analyze the major subsystems of sales and distribution module with suitable example.

7 Describe the ERP implementation life cycle with illustrations.

OR

8 Analyze the critical success and failure factors of ERP implementation in Indian organizations.

9 Brief the role of SAP R3 applications in the current business scenario.

OR

10 Summarize the components and categories of people soft enterprise applications.

SECTION – B

(Compulsory Question)

01 X 10 = 10 Marks

11 **Case study:**

The Hershey company was established in 1894. Chocolate business started by Mr. Milton S. Hershey in 1876, one of the leading chocolate manufacturers in North America. Hershey's sales are roughly 80% chocolate and 20% non-chocolate. Hershey's competitors include Mars, Nestle, Russell Stover, palmer and Nabisco. During late 1996, the management of Hershey gave its approval to a project named enterprise 21. For this Hershey selected SAPs R/3 ERP software, Manugistics SCM software and Siebel's CRM software and IBM global service so as to manage integration among these three systems. Hershey decided to go with big bang approach instead of phased approach. The recommended implementation time for the project was 4 yrs and Hershey demanded for 2.5 yrs, because of impending Y2K problem. Overall project cost was US \$10 Million.

Problems pertaining to order fulfillment, processing and shipping started to arise; Hershey would not be able to meet its committed date of delivery. Product inventory started to pile up and by the end of September 2000; the inventories were 25% more than the inventories during the previous year. Several of Hershey's distributors who had ordered the products could not supply them to the retailers in time, and hence lost their credibility in the market. After Hershey's announcement in the market about problems due to malfunctioning of the newly installed computer systems, Hershey's stock price plunged by 8% on a single day. In its 1999 annual report, Hershey's failure to implement the ERP software on time costed the company US \$150 million in sales. Profits for the third quarter 1999 dropped by 19% and sales declined by 12%.

Questions:

- (a) What is the actual problem in Hershey's ERP implementation plan?
- (b) As an ERP consultant, develop a management approach to overcome the issues in Hershey's.
- (c) Point out the critical failure factors of Hershey's ERP implementation and the ways to overcome it.
