

Seat No.: _____

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA – SEMESTER 4 – EXAMINATION – SUMMER 2019**Subject Code: 3549282****Date: 03/05/2019****Subject Name: Enterprise Resource Planning (ERP)****Time: 10:30 A.M. to 1:30 P.M.****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

- Q.1** Explain the following terms with suitable examples: **14**
- (a) Enterprise
 - (b) BOM
 - (c) OLTP
 - (d) Data mining
 - (e) MTS
 - (f) Parallel Transition Strategy
 - (g) Closed – loop MRP
- Q.2** (a) Explain with the help of a neat sketch what an enterprise means. Also explain the difference between the current and traditional approaches regarding enterprises. **07**
- (b) “Thinking in terms of business process helps managers to look at their organizations from a customer’s perspective”. Explain with an example. **07**
- OR**
- (b) ERP II is the next step in extended ERP. Solution includes traditional material planning, distribution strengthen by capabilities like Customer relationship management Human relationship management, document management and work flow management. **07**
- Explain the best practices of ERP II.
- Q.3** (a) Explain the concept of OLAP and How does it works? **07**
- (b) ERP package come in all size and shapes with all the frills/bells/whistles. Requirements must reflect factors that consider indispensable for successful running of business according to company’s practice. Provide examples of the ERP selection criteria. **07**
- OR**
- Q.3** (a) What is BPR? What are the Benefits of BPR? **07**
- (b) Vendors are the people who have developed the ERP package. They know the tool best. If you were to select the vendor how you would prepare the contract defining the roles & responsibilities of Vendor? **07**
- Q.4** (a) Explain the Indian ERP Market, its dynamics, Major Player and growth trends. **07**
- (b) Integrating different Functional Modules of ERP Systems improve the performance of Organization. Discuss. How and Why Supply and CRM applications are integrated with ERP Systems? **07**
- OR**
- Q.4** (a) List out ERP transition strategies and explain any three in detail. **07**
- (b) ERP software promise great benefits. But what are the costs involved? In most cases ERP implementation cost will exceed the budget. In most cases manager fail to account for areas in their budget resulting in over run. These are hidden cost. Explain the hidden cost of ERP implementation. **07**

The Company: Lacrimedics, Washington, USA.

Founded in 1984, medical device manufacturer Lacrimedics is a provider of Lacrimal Occlusion Therapies to physicians, hospitals and distributors around the world. Lacrimal Occlusion is a treatment for dry eye syndrome and related ocular surface diseases.

The Problem/ Situation

When Lacrimedics decided to replace their accounting and manufacturing systems, they wanted an integrated enterprise resource planning (ERP) solution that would support the growth and address a number of operational problems. After 15 years in business, inventory was growing faster than revenue, on-time delivery was slipping and general lack of information was negatively impacting financial and operational performance. Very little IT resources were available.

The Solution and Implementation

Lacrimedics looked at several ERP systems targeted to small and mid – sized manufacturers and systems from the industry giants SAP, Baan and J.D. Edwards. The systems were judged based on overall functionality, ease of use, scalability and underlying technology and **Intuitive ERP** was chosen. The goals of the implementation were:

- Integrate and standardize business processes.
- Increase customer responsiveness.
- Deliver greater access of information to employees
- Improve scheduling and inventory control
- Streamline accounting

The Benefits

The main benefits of the ERP implementation were as follows:

- The ERP system was implemented in 45 days
- Return on investment of over 200%
- Reduced total inventory from 90 days on – hand to 15 days on – hand
- Improved on – time supplier delivery from 30% to over 80%
- On – time delivery improved from 75% to 99%
- Faster month – end closing
- Reduced overdue accounts from 12% to 2%
- 10% revenue growth year – to – year

- (a) What were the main challenges that prompted Lacrimedics to go in for an ERP System? **07**
- (b) What were the objectives laid down by Lacrimedics behind ERP implementation? Above these which are the other objectives of ERP Implementation? **07**

OR

- Q.5** (a) Explain how Lacrimedics created and used integrated system to improve their operational efficiency. Was it successful? **07**
- (b) Comment on Pre – evaluation screening stage adopted by Lacrimedics. **07**
