Seat No.: _____ Enrolment No._____

GUJARAT TECHNOLOGICAL UNIVERSITY

MBA – SEMESTER 3 • EXAMINATION – SUMMER 2017

Subject Code: 2830403 **Date: 12/05/2017**

Subject Name: Business Process Reengineering

Time: 02.30 PM TO 05.30 PM **Total Marks: 70**

Instructions:

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

Q.1 (a) Answer the following multiple choice questions: 06

1. What is at the heart of any ERP system?
   A. Information B. Database
   C. Customers D. Employees
2. Measuring individual biographic characteristics is known as _____.
   A. Geometrics B. Psychometric
   C. Biometrics D. Bodymetrics
3. What is the main difficulty in reengineering in general?
   A. Identifying the core business process B. Technology limitations
   C. Redefining the company's objectives D. Convincing people
4. What does a reengineered company tend to give its workers?
   A. More power to make decisions and higher responsibility B. The sack
   C. Increased job security D. Increased pay and benefits
5. The _____ is defined as a set of activities performed across the organization creating as output of value to the customer.
   A. Development process B. Business process
   C. Quality process D. Customer focus
6. A system is called _____ when the inputs, process and the outputs are known with certainty.
   A. Probabilistic B. Open
   C. Deterministic D. Close

Q.1 (b) Define following terms briefly: **04**

1. E-business
2. Project
3. SCM
4. TQM

Q.1 (c) Discuss four myths that are related to BPR. **04**

Q.2	**(a)**	What do you mean by "BPR"? Discuss different phases of Business Process Reengineering briefly.	**07**
	(b)	Write down short note on: Breakthrough Reengineering Model	**07**
		OR	
	(b)	Explain the terms: Total Productive Maintenance (TPM) and Kaizen.	**07**
Q.3	**(a)**	What are the various steps involved in selecting the right ERP package?	**07**
	(b)	Enlist the reasons for BPR project failure and success.	**07**
		OR	
Q.3	**(a)**	What is Electronic Data Interchange (EDI)? Explain EDI with suitable example.	**07**
	(b)	Explain the steps in "Lean Manufacturing" implementation in brief.	**07**
Q.4	**(a)**	Describe the Management of Change in Business Process Reengineering.	**07**
	(b)	Discuss & elucidate the Just-in-Time (JIT) production.	**07**
		OR	
Q.4	**(a)**	Explain what are the drawbacks of the traditional information systems?	**07**
	(b)	Explain ISO standards and TQM in detail.	**07**
Q.5		Discuss the case study with answers of following questions.	**14**

American Inks and Coatings (AIC)

AIC is the fastest growing ink company in the country today. AIC, headquartered in Sheridan, Arkansas, was started and designed to be the low cost producer of the highest quality, most consistent ink and coatings product available for the packaging industry.

Due to bandwidth requirements and heritage infrastructure, American Inks and Coatings (AIC) had been operating with the assistance of an IT department based nearly 1,200 miles from their home office. Utilizing three customized software systems, they routinely ran into communication breakdowns between the systems. This prevented inventory transactions from being processed, or as they were known internally, suspended batches.

The remotely located IT project manager spent most of his time fixing these suspended batches that resulted in AIC waiting for the IT project manager to research, fix, and release each suspended batch before issuing invoices, shipping sales orders, and updating accounting.

This process was particularly complicated because AIC used five servers to process inventory transactions and sometimes experienced up to 60 suspended batches in a week. "Had our IT project manager ever been hospitalized for even a week, our entire computer process would have stopped," Raeke says. "Without him there to release suspended batches, we would have been back to notepads, pencils, and calculators."

After five years spent struggling and paying to establish and maintain communication between disparate software systems, American Inks and Coatings started searching for a better way to manage its business processes. Among the company's most viable options was purchasing a fully integrated ERP solution.

Questions:

1. According to you how ERP can be beneficial to AIC? Discuss.
2. Discuss which modules AIC need to purchase in ERP? And also explain challenges of an ERP.

OR

Q.5 Discuss the case study with answers of following questions. **14**

Order Fulfillment Process

Order fulfillment is a common process found in practically every company in the USA. The process begins when a customer places an order, ends when the goods are delivered, and includes everything in between.

Typically, the order fulfillment process involves a dozen steps performed by different people in different departments. First, someone in customer service receives the order, logs it in, and checks it for completeness and accuracy. Then the order goes to finance, where someone else runs a credit check on customer. Next, someone in sales operation determines the price to charge. Then, the order travel to inventory control, where someone checks to see if the goods are on hand. If not, the order gets routed to production planning, which issues a back order.

Eventually, a warehouse operation develops a shipment schedule. Traffic determines the shipping methods such as rail, truck, air, or water, and picks the route and carrier. Product handling picked the products from the warehouse, verifies the accuracy of the order, assembles the pickings, and loads them. Finally, traffic releases the goods to the carrier, which takes responsibility for delivering them to the customer.

Common complaints that most companies received are: first, once an order enters the process, no one can tell the customer where the order is & when it will arrive. Second, errors are investable with so many people having to handle and act separately on the same order. Thirdly, even if every person involved in it did his or her job perfectly and in exactly the time allotted, the process would still be slow & error-prone. Finally, the process can't be made flexible enough to deal with special requests or to respond to inquiries.

Questions:

1. What are the root causes of the problems?
2. If you are a manger, how you can resolve all such problems? Discuss in detail.

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