

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**M.B.A.- SEMESTER – IV EXAMINATION – OCTOBER 2012**

**Subject code: 2840008****Date: 29-10-2012****Subject Name: Technology and Business (T & B)****Time: 2:30 pm – 5:30 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) What is digital economy? Explain major IT characteristics in the digital economy? **07**  
(b) Explain in detail, the interrelationships of Efficiency and Effectiveness IT Metrics. **07**
- Q.2** (a) Explain major components of business intelligence. Also explain managerial issues involved with BI/BA. **07**  
(b) Provide an example of a content management system along with its business purpose. Evaluate the advantages of using a workflow management system. **07**
- OR**
- (b) Draw suitable diagram to explain business intelligence process. Discuss the strategic benefits of business analytics. **07**
- Q.3** (a) List and describes the four drivers of supply chain management. **07**  
(b) Describe the three CRM technologies used by marketing department. **07**
- OR**
- Q.3** (a) Explain supplier relationship management, partner relationship management and employee relationship management as a current trend in customer relationship management. **07**  
(b) Explain the benefits and risks associated with enterprise resource planning system. Also assess the future of ERP systems. **07**
- Q.4** (a) Describe interim information security plan. **07**  
(b) Summaries the different monitoring technologies and explain the importance of an employee monitoring policy. **07**
- OR**
- Q.4** (a) Explain how, IT security is a combination of people, process and technology. Draw internal control model to justify the statement. **07**  
**Q.4** (b) Identify the differences between an ethical computer use policy and an acceptable use policy. **07**
- Q.5** (a) Explain the business benefits and challenges of outsourcing. **07**  
(b) Describe the six major categories of hardware and provide an example of each. **07**
- OR**
- Q.5** (a) Identify the technologies that will have the greatest impact on future business. **07**  
(b) Case on Integrating EC and ERP at Cybex: **07**  
Cybex international (cybexintl.com) a global maker of fitness machines, was unable to meet the demand for its popular fitness machines, which increased dramatically in the late 1990s. To maintain its market share, the company had to work with rush orders from its nearly 1,000 suppliers. The cost of responding to rush orders was extremely high. This problem was a result of a poor demand forecast for the machine's components. The demand forecast was produced using

three different legacy systems that Cybex had inherited from merger partners. After examining existing vendors' supply chain software, Cybex decided to install an ERP system (from PeopleSoft Inc) for its supply chain planning and manufacturing applications. In conjunction with the software installation, the company analyzed and redesigned some of its business process. It also reduced the number of suppliers from 1,000 to 550.

In the new system, customers' orders are accepted at the corporate Web site. Each order is electronically forwarded to one of the company's two specialized manufacturing plants. The ERP uses its planning module to calculate which parts are needed for each model. Then, the ERP's product configurator constructs, in just a few seconds, a component list and a bill of materials needed for each order.

The ERP system helps with other processes as well. For example, Cybex can e-mail to a vendor a detailed purchase order with engineering change clearly outlined. These changes are visible to everyone; if one engineer is not at work, his or her knowledge remains in the system and is easy to find. Furthermore, dealers now know that they will get deliveries in less than two weeks. They can also track the status of each order.

The system also helps Cybex to better manage its 550 suppliers. For e.g., the planning engine looks at price variations across product lines, detecting opportunities to negotiate price reductions by showing suppliers that their competitors offers the same products at lower prices. Also, by giving suppliers projected long-and short term production schedules, Cybex helps ensure that all parts and materials are available when needed. This also reduces the inventory level at Cybex. Furthermore, suppliers that cannot meet the required dates are replaced after quarterly reviews.

Despite intense industry price-cutting in 2002, Cybex remained profitable, mainly due to its improved supply chain. Some of the most impressive results were the following:

Cybex cut its bill-of-material count from thousands to hundreds; reduced the number of vendor from 1,000 to 550; cut paperwork by two-thirds; and reduced build-to-order time from four to two weeks.

Q.1 What are the relationships between the EC applications and ERP ?

Q.2 What are the critical success factors for implementation?

\*\*\*\*\*