

FIT3138 Real Time Enterprise Systems Semester 2, 2022 Assignment One: Exploring ERP Critical Success Factors and Functionality

Due Date: Monday 5th September 2022

11:55pm

Value: 20% of final Assessment

Mode of submission: Online on Moodle

Type of Assignment: Individual Assignment

Assignment Aim and Objectives:

This assignment is made up of two parts and aims to encourage students to explore and discuss:

- The Critical Success Factors (CSF's) in implementing an ERP system
- The different functionalities of the real-time enterprise systems.

The following objectives are sought:

- To discuss the factors that are critical to the success of an ERP implementation.
- To gain hands-on experience on a production planning initiative using SAP ERP and to appreciate how the enterprise systems could be used to enhance efficiency in supply chain management.

Unit Learning Outcome: 1, 2, 3 and 4

Part 1: Critical Success Factors in ERP Implementation

The difficulty of integrating information across a distributed company has brought down many ERP projects, such as drugstore chain FoxMeyer's SAP ERP system in the late '90s and Tri-Valley Growers' 1997 choice of Oracle's ill-fated ERP package for the consumer packaged-goods industry. Neither company ever got its systems working properly and that contributed to both eventually shutting their doors.

In 2000, Nike produced too many of the wrong shoes and not enough of the right shoes due to a mismatch between what their demand planning process was telling them to produce and what their customers were telling them they wanted. The production planning department generated an incorrect demand forecast within their departmental information system for the shoe group. Compounding this error, the manufacturing, procurement and sales departments



never checked to see if the forecast matched what their customers were requesting in the sales department. Instead, these departments simply took the demand forecast generated by the planning system and typed it into the manufacturing system, thereby generating the procurement requirements. The information system in the sales department was never double-checked to determine what the actual customer order levels were.

Even though Nike had highly advanced information systems in its forecasting, manufacturing, sales, and procurement departments, the lack of visibility across the entire process, coupled with manual integration across the departmental systems, cost Nike more than \$100 million that quarter. In addition, their share price went down 20% the day after they publicly announced the mistake.

Source:

Magal, Simha. Essentials of Business Processes and Information Systems. Wiley. Compiled from: Nike company reports; "Supply Chain Debacle," Internet Week, March 5, 2001

However, unlike FoxMeyer and Tri-Valley Growers, Nike was able to recover from its supply chain disaster. The following is a link to an article on CIO Magazine entitled "Nike Rebounds: How (and Why) Nike Recovered from Its Supply Chain Disaster," CIO Magazine, June 15, 2004:

http://www.cio.com/article/2439601/supply-chain-management/nike-rebounds--how--and-why--nike-recovered-from-its-supply-chain-disaster.html

Nike's supply chain debacle and their subsequent victory has provided us with valuable lessons that we can learn. Based on Nike's experience as reported in the articles, as well as your own independent research, write an essay of about 1000 (+/- 10%) words, properly referenced, identifying and discussing five factors critical to the success of an ERP implementation.



Part 2: ERP process integration and functionality

In this part of the assignment, you are required to perform a manufacturing process cycle using the Global Bike Inc. (G.B.I.) data set, which has exclusively been created for SAP UA global curricula. In this case study, you will create consumption values for a finished product to plan and process a complete manufacturing cycle.

In order to process a complete manufacturing process, you will take on different roles within the GBI company, e.g., production supervisor, shop floor worker and plant manager. Overall, you will be working in the Materials Management (MM) and the Production Planning and Execution (PP) departments.

As you conduct the hands-on exercises, you are required to record the document numbers and provide screenshots on the data sheet provided. After completing the practical exercises, reflect on the different functionalities afforded by the SAP_PP module and discuss how the enterprise systems could be used to enhance efficiency in supply chain management. Your reflective essay should be about 300 words.

Delivery structure and assessment criteria:

- 1. Download the "PP_Using GBI_Data_Sheet.doc" and rename it as <u>AAAA-9999999 Part 1.docx</u>, where 'AAAA' is your last name and '9999999' is your Student ID.
- Work through the Production Planning and Execution case study, taking screenshots where indicated.
- 3. Submit your file <u>AAAA-9999999 Part 1.docx (or .pdf)</u>, which should include a record of all the document numbers being generated and your reflective essay.
- 4. The marking criteria appended on the last page of this document will give you an indication of how your work will be assessed.

Submission instructions:

1. Your submission should include the following files:

- AAAA-9999999 Part 1.docx (or .pdf)
- AAAA-9999999 Part 2.docx (or .pdf)
- 2. Upload both files on the FIT3138 Moodle site under the "FIT3138 Assignment 1" submission link by Monday 5th September 2022 11:55pm.

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FIT3138 Real-Time Enterprise Systems Assignment 1 Marking Criteria

Criteria:		Total:
Part 1		10
	Critical Success Factors in ERP implementation A well written and well researched essay which clearly identifies and discusses five factors critical to the success of an ERP implementation.	
Part 2		10
a)	Hands-on PP process culminating to an accurate record of all the document numbers being generated and include requested screenshots (refer to datasheet provided)	7
b)	A reflective essay on the different functionalities afforded by the SAP_PP module and discuss how the enterprise systems could be used to enhance efficiency in supply chain management.	3