



INDIAN INSTITUTE OF MATERIALS MANAGEMENT
Post Graduate Diploma in Materials Management– 2years
Paper 22(Enrollment code: CPM)

Dec 2022

Business Process Re-Engineering & ERP

Date: 21.12.2022
Time: 2.00 pm to 5.00 pm

Max. Marks 70
Duration 3 hours

Instructions

1. Part A is compulsory. Each sub question carries one mark.
2. In Part B answer any 3 questions . Each question carries 10 marks
3. Part C is a case study with sub questions and it is compulsory.

Total marks-20
Total marks-30
Total marks-20

PART A

(20 marks)

Q. 1. Fill in the blanks.

[5 marks]

- a) BPR is more efficient and less _____ .
- b) Reduced complexity is a goal of _____.
- c) _____ & Champy define BPR as a fundamental rethinking.
- d) Devenport and Short positioned _____ at the heart of BPR.
- e) The process approach is a _____ strategy.

Q. 2. State True or False

[5 marks]

- a) ERP is front office software.
- b) User Interface Component follows GUI approach.
- c) SSA Global is an ERP vendor.
- d) Net market is an independently owned market place.
- e) In sales and distribution products and services are sold to customers.

Q. 3. Match the following:

[5 marks]

	Column A		Column B
A	Need for re-engineering	1	BPR method
B	Process analysis and design	2	Changes in market place
C	Use case and object modeling	3	Implementation dip
D	Fullan	4	Gallier's model
E	Information systems assessment	5	Reverse engineering

Q.4. Expand the following:

[5 marks]

- a) PADM b) APQC c) SIS d) QFD e) MRP

PART B

(30 marks)

(Answer any three. Each question carries 10 marks)

Q.5.a) Discuss the life cycle of BPR.

[5 marks]

b) Describe the object oriented BPR.

[5 marks]

Q.6.a) What is a process? Enlist process essentials.

[5 marks]

b) What the primary value chain activities?

[5 marks]

- Q.7.a) Describe Wetherbe's architectural model. [5 marks]
- b) Explain McKinsey's 7S analysis. [5 marks]
- Q.8.a) What is strategic analysis? Why is it required? [5 marks]
- b) Explain proxy tier and distributed logic tier. [5 marks]
- Q.9. Write Short Notes **any two** [2 x 5 = 10 marks]
- | | |
|-----------------------------|--------------------|
| A) Jacobson BPR methodology | B) 6-R methodology |
| C) Value chain. | D) BPR Retooling |

PART C **(20 marks)**

Q.10 Case Study (compulsory)

In 1974, Zara was founded in Spain. It is a popular business group of a holding company named Inditex Corporation. It has its headquarters in Arteixo, Galicia. Forbes has ranked Zara the 46th most valuable brand in 2018. The agents of this company are searching for new trends in fashion at clubs and social gatherings and send design sketches to the designer when they found something amazing. It captures the interests of women of age between 24 to 35 years. Since the company manufactures unique fashion products, therefore, they generate a sense of urgency in the behaviours of the customers. Thus, it need not carry lots of excess inventory. It has 12 inventory turns per year. The company modifies the old stock in two weeks. They also put forth the new designed product for 4 to 6 weeks in their stores. Placement of orders at Zara stores is done twice a week, and hence drives factory scheduling. The forecasts made by the company seem to be accurate since they are based on the short-term focused order cycles. The price of its clothing items are based on the market demand. The short lead times for delivery when integrated with short production runs enable Zara to offer unique fashion items. The company also ensures that the particular product may not be marketed again once it is put on sale. It usually sold 85% of its products at full price. In 2017, Forbes estimated the sales of Zara which was \$18.98 billion. It uses a flexible business model through which it offers people to own a Zara store or be a franchisee or co-owned the store with a number of partners.

Let us now discuss the operations of Zara's supply chains.

Zara buys large quantities of a few types of fabric and does the processes of garment designing, cutting and dyeing in-house. This helps the fabric manufacturers to make quick deliveries of fabric in bulk to the Zara's distribution centre, the Cube. The suppliers of this company located in Italy, Spain, Portugal and Greece. They made the supply available within five days of order being placed. Trucks are used as a mode of inbound logistics from the suppliers.

The Cube is approximately 5 million square feet and it is highly automated with underground monorail links. This helps in linking 11 factories within a radius of 10 mile of the Cube. Monorails help in moving the cut fabric to the factories for dyeing and assembly for clothing items. It also helps to move the finished goods back to the cube for shipment. When the unique products are shipped, they arrive at Zara stores directly through off delivery trucks. When they reached the stores they put on hangers with tags and prices. This helps the store managers to order and receive the products.

Questions:

- 1, Why is the role of business process reengineering relevant in the organization?
2. How would you suggest implementation of BPR to Zara?
