

VPM's
DR VN BRIMS, Thane
Programme: MMS (2018-20) (Operations)
Third Semester Examination October 2019

Subject	Business Process Re-engineering & Benchmarking		
Roll No.		Marks	60 Marks
Total No. of Questions	7	Duration	3 Hours
Total No. of printed pages	3	Date	24.10.2019

	<p>Instructions:-</p> <ul style="list-style-type: none"> • Q. No 1 is compulsory. • Attempt Any Four from the Remaining Six Questions. • Figures to the right indicate marks in full. 	Marks
Q. 1	<p>Case/Case-let Study (500-800 words)</p> <p style="text-align: center;">Introduction Rockford Consultants</p> <p>Rockford Consultant is a global productivity consultancy company. The case below tells about their project that they did for one of their clients, a wholesaler of domestic and imported wines and liquors in the business of supplying to restaurants, liquor stores, taverns, and hotels.</p> <p>The Company's Annual sales exceed \$170 million. The company was incurring delivery variances in the form of shortages and overages. The consultants were asked to study the warehouse operation, and recommend measures to take to decrease the error rates. The objectives of the effort were to:</p> <ol style="list-style-type: none"> (1) Review the warehouse processes and procedures, (2) Review operations for inconsistencies to policies and procedures, and (3) Develop solutions. <p>They reviewed and rationalized warehouse operations. During this review, the concentration of time was spent in understanding how the warehouse operation worked, and what was causing the overages and shortages on deliveries. Their findings revealed that the main causes of delivery variances were a string of events that included:</p> <ul style="list-style-type: none"> • Not having a full complement of inventory at primary picking locations • Picking errors • Total reliance on human judgment for picking accuracy by pickers/console operators • A 5 hour delay in posting purchasing receipts to the ERP system. • One-half of the night shift workforce had less than 6 months experience • Low inventory balance accuracies, estimated at 53%, that increased picking errors • Lack of sustainability with formal policies, procedures, job instructions and job descriptions <p>Based on their findings, they recommended the following:</p> <ol style="list-style-type: none"> 1) Replenish all inventories at picking locations at the end of every night shift. 2) Use continual off-line replenishment of picking location stock throughout the night. 3) Implement "inventory-by-location" at receiving, warehouse and shipping operations 4) Move transactional processing and posting receipts, issues, and inventory balance updates from the office to the functional locations at receiving, warehouse, and shipping. 5) Implement bar coding applications within receiving, warehouse, and shipping. 	20

	<p>6) Begin cycle counting during downtime to increase balance accuracy to 98%</p> <p>7) Develop written operating policies, procedures, job instructions, and job descriptions for warehouse operations to stabilize operations, provide sustainability, and to be used to train workers.</p> <p>8) Convert the job of the person in the office posting transactions to a full time inventory auditor</p> <p>9) Use a separate audit team during monthly physical inventories checking 10% of counts, and requiring a recount when physical count discrepancies are found</p> <p>10) Program the current system to automatically produce shipping/delivery invoices</p> <p>11) Program the current system to include manual transactions such as pick-up and reship memos, and to sort them with picking lists.</p> <p>The results from the implementation of our recommendations were: Productivity improvements of 20-30% in warehouse receiving, picking, and shipping operations .Annual operational savings due to increases in productivity \$250,000- \$300,000.</p> <p>Questions: Answer following questions</p> <ol style="list-style-type: none"> 1. Based on your understanding of warehousing operations, draw a flow chart of the warehousing operations as studied by the consultants. 2. Critically comment whether the work done by the consultants was a BPR exercise or a Process Improvement exercise. 	
Q. 2	Answer Any two from the following.	5x2 = 10
	Before undertaking any serious effort at BPR or Benchmarking, you need to make a business case. Make a brief business case in any two of the following.	
	a. A tour operator wanting to go global	
	b. A fast food restaurant wanting to expand its footprint	
	c. A auto service center wanting a distributorship of a large automobile company	
Q. 3	Answer Any two from the following.	5x2= 10
	The Eminence Institute of Management has a large library of Books, Scholarly Magazines and other resources. The Library is headed by a Senior and experienced librarian and is assisted by a staff who work on issuing books and other resources. to members. The Librarian has been charged with modernizing the library to take advantage of new technologies now available with the world class business schools. The objective is to increase the usage of the library resources	
	a. What would be your plan to present to the Librarian to implement?	
	b. What methods would you follow for a BPR exercise?	
	c. What would be the processes metrics that you will suggest to achieve the desired improvements?	
Q. 4	Answer Any two from the following.	5x2 = 10
	What do the terms" As is" and To be" signify in process redesign? How would they apply s in the following areas?	
	a. Customer order processing to prevent wrong deliveries in a warehouse operation	
	b. Supplier bill processes to implement correct payments for a Chemical Manufacturer	
	c. Customer support services so as to ensure satisfaction for a DTH installation	
Q. 5	Answer Any two from the following.	5x2 = 10
	Provide reasons for choosing the benchmarking type in the following cases	
	a. A new type of sports cycle	
	b. A mobile health check service	

	c.	An improved food delivery service	
Q. 6		Answer Any two from the following.	5x2 = 10
		It is said that BPR is intimately related with ERP implementation. Explain the relationship between BPR and ERP. In the following cases	
	a.	Sale and delivery of two wheelers	
	b.	Stage management for an event management company	
	c.	Payments to utilities through Internet Banking	
Q.7		Answer Any two from the following.	5x2 = 10
		Suggest the appropriate backend IT system, what errors are likely to happen in the following redesigned cases.	
	a.	A hand held device is used by a delivery boy to confirm correct delivery of consignment	
	b.	A laser bar code reader is used to make bills in a departmental store	
	c.	A CCTV camera is used to identify thieves in a jewelry shop	