

Ollscoil na hÉireann, Gaillimh

NATIONAL UNIVERSITY OF IRELAND, GALWAY

SEMESTER II EXAMINATIONS 2002

B. COMM. DEGREE

Management Decision Systems II (MS306)

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Time Allowed : Two and a Half Hours

Candidates are required to answer three questions. All questions carry equal marks.

Question 1

As part of a major restructuring arising from its separation from its parent accountancy firm a large consultancy organisation is in the process of re-assessing its approach to delivering services to clients. The firm specialises in providing advice to large multinational organisations, particularly in the areas of IS strategy and E-business application integration. The firm has rationalised its world wide network of 300 offices and nearly 8,000 staff to a situation where it now employs approximately 6,000 staff in 200 locations. As a result of the rationalisation the firm is keen to use knowledge management technologies such as Intranets to leverage the expertise of staff in different locations. In particular the firm feels that it can offer clients a better service by creating virtual problem solving teams based in different locations using the Internet.

As part of its strategy for implementing a knowledge management infrastructure it has retained you to advise the firm. In particular it has asked you to host a briefing for senior consultants in the firm outlining the potential contribution, which Intranet technologies can make. In particular you have been asked to comment on the following issues:

- The fundamental features of an Intranet (10 Marks)
- The benefits and the risks associated with Intranets and (13 Marks)
- The types of applications, which are suited to the Intranet environment. (10 Marks)

Question 2

Manon Limited was founded in 1924 and was for many years the leading producer of high quality hand made crystal. During the 1980's the company expanded rapidly and extended its range of products. In the past five years however the company has come under increased pressure from low cost overseas competition and as a result the company has been experiencing financial difficulties. In January 1997 a group of investors took a majority stake in the troubled company and appointed a new managing director.

Since its formation Manon has employed a large number of master craftsmen at its two plants. As part of a new cost reduction strategy the new owners intend introducing new manufacturing technology. This technology will take designs produced on CAD workstations and using Computer Numerical Control Machines will produce a new range of lower cost stemware and giftware aimed at the export market.

In an attempt to improve the link between the firms strategy and its performance measurement systems the Operations Director of Manon has instructed his Finance Staff to examine the possibility of introducing a balanced scorecard (BSC) approach to monthly and weekly reporting. As head of business analysis within the finance function you have been asked by the CFO to oversee the proposed BSC. As part of the project launch you are required to prepare a detailed work plan for the proposed project and guidelines on how the project should be carried out.

Required:

- Describe in detail the tasks that should be undertaken in the order to implement the proposed BSC
(15 Marks)
- Design a two-page sample monthly scorecard for the firm showing examples of the types of measures that the firm could use
(10 Marks)
- What are the risks or potential problems that might arise with the proposed BSC Project?
(8 Marks)

Question 3

Arthur Limited is one of Europe's largest brewing companies. It operates a large number of brewing and fermentation plants at locations throughout Europe. In the past five years the company has invested over £110 million in new ERP systems. In early 2001 Arthur Limited was acquired by a large global drinks firm and as part of the post merger integration the finance staff in Arthur have been asked to undertake a review of their finance reporting and analysis systems. The objective of this review is to examine how best to integrate reporting within the two organisations. The Chief financial officer of DGO the acquiring firm has proposed implementing new strategic enterprise management (SEM) software from one of the large ERP vendors as part of the solution to the integration problem.

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Under the SEM proposal a group wide data warehouse would be used to provide consistent data to a range of analytical applications such as ABC/M balanced scorecard and other performance monitoring approaches. This is the first time that the finance director of Arthur has heard of SEM and he has asked you to prepare a briefing for him on the area. In particular your briefing is to address the following areas:

- The nature and purpose of strategic enterprise management systems
(15 Marks)
- How these systems differ from traditional executive information systems
(10 Marks)
- Other relevant issues
(8 Marks)

Question 4

Telco Limited is a large multinational company involved in developing combined data and voice solutions for the telecommunications industry. Telcos software is used by many of the leading telephone service providers in Europe. In recent years Telco has grown rapidly through acquisitions and now employs over 8,000 staff worldwide. In 1997 Telco established a European development centre in Ireland and this now employs 300 staff. In addition Telco has recently acquired a number of smaller firms in the industry in the UK and France. With the rapid expansion in staff numbers Telco has experienced difficulties in relation to tracking and controlling costs and revenues. In particular the Chief Operations Officer(COO) at the firms US headquarters is concerned that the firm is losing customers to competitors because of its failure to control overheads. With the rapid growth and acquisitions of recent years the firm has found that costs have grown significantly in the different divisions. The firm has rolled out a standardised ERP system across its operating sites but still relies on mainly spreadsheet based reporting to keep the executive committee informed of monthly performance. The COO has proposed that the firm implement what she is calling an executive information system (EIS) to provide tracking and control information to senior executives in Europe and the US.

As part of an assessment of the proposal for the EIS she has asked you prepare a short memorandum for other senior executives setting out the following:

- The nature of EIS
(8 Marks)
- The opportunities for tracking and control which EIS will offer
(10 Marks)
- EIS's relationship to other innovations in information systems
(10 Marks)
- Other relevant issues
(5 Marks)

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Question 5

Write notes on two of the following:

- Business Process Redesign
- Critical success factors in deploying knowledge management systems in organisations
- The nature of groupware applications

(33 Marks)