

Ollscoil na hÉireann, Gaillimh

THE NATIONAL UNIVERSITY OF IRELAND, GALWAY

SUMMER EXAMINATIONS 2005

MASTER OF ACCOUNTING

Management Information Systems (MS509)

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Time Allowed : Three Hours

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

Question 1.

JF Hillebrand Group AG (Hillebrand) is Germany's largest freight forwarding company. In common with many firms in the transport and logistics space Hillebrand faces a difficult competitive environment. Consolidation in the market place, pressure on margins and increasing customer demands have given rise to the need for improved strategic decision support and better insights into cost causation and profitability.

Hillebrand has made a substantial investment in IT to date and like other firms in the sector is increasingly reliant on e-enabled business processes (both inbound and outbound). In addition to multiple instances of its General Ledger solution from a leading best of breed finance systems provider it also has specialist e-procurement and CRM software in place. The firm is struggling to gain an insight into its cost drivers and it needs greater understanding of its performance drivers. The transactional data needed to provide the necessary insights into customer and market profitability currently resides in several different systems. The increasing role of e-business applications will give rise to more detailed transactional information and it is important that Hillebrand puts in place mechanisms to integrate this with its existing financial systems. Managers find themselves with multiple versions of the "truth" and large amounts of time are spent reconciling and scrubbing the underlying source data.

The current approaches to reporting and data analysis is characterized by poor quality and inconsistent data from across the different sources, as well as the lack of drill down capability. As a result finance staff and other providers of decision support are spending a large amount of time manually extracting data from different source systems in order to provide a complete picture of the firm's performance. The CFO of Hillebrand has retained you to advise the firm on improving its strategic decision support capability. Specifically she has asked you to prepare a short memorandum on the following issues:

Question 1 continues on next page..

Question 1 cont'd.

A more appropriate architecture or approach to delivering strategic decision support.

12 Marks

Advice on the type of decision support applications the firm should consider implementing.

8 Marks

The potential role of data marts and data warehousing in improving the firms DSS capability

5 Marks

Question 2

Watmore Dairy is the dairy product division of Food Company located in the south east. The company purchases bulk milk on the open market and produces a range of dairy spreads, yoghurts and cheeses. Watmore went live with a new ERP system in late 2003. Since then the firm has made only minor revisions to the system. The firms finance department has decided to revisit to original business case for the ERP system to see if further benefits can be realised. In particular the firm is disappointed that the original business case for the ERP implementation has not been met. You have been asked to write a short report for the executive committee on the question of benefits realisation in ERP settings. In particular you have been asked to provide the following:

The issues which should be examined to allow management to assess objectively the relative success or failure of the ERP implementation to date.

10 Marks

A review of the additional functionality which the firm should explore implementing in order to increase the return from its initial ERP investment (this might include e-business applications, CRM, SEM/CPM etc)

8 Marks

A review of the reasons why ERP implementations fail to deliver the promised benefits

7 Marks

Question 3

You have recently joined the operations of a TRI Limited a large Printer manufacturer. The US parent company which has recently acquired TRI is concerned at the limited scope and quality of information from the firms Manufacturing Information System. One of your first tasks as operations manager will be to select an appropriate manufacturing information system for the firms European operations.

The MD of the European Divisions has asked you to take responsibility for liaising with suppliers and to make recommendations on the most suitable Manufacturing Information System. As a first step in selecting a system you have been asked to prepare a short briefing for production managers on the proposed project. This briefing should address:

Question 3 continues on next page..

Question 3 cont'd.

A detailed discussion of the manufacturing functions which the system will be expected to support

12 Marks

The challenges which will have to be overcome in implementing the proposed system.

8 Marks

Advice on the integration of the proposed system with the firm's other information reporting systems in the areas of accounting and marketing

5 Marks

Question 4

Geant S.A. operates a chain of over 150 retail DIY and home improvement stores in Ireland and the UK. In recent years the company has grown rapidly by acquiring smaller regional firms and integrating these into its chain of outlets. Many of the smaller regional outlets acquired had made significant investments in IT/IS prior to acquisition. These investments consisted primarily of point of sale and stock control systems.

As a starting point in its attempts to improve information reporting systems Geant is keen to introduce a new customer loyalty card scheme in conjunction with new point of sale (POS) technology and a fully integrated customer relationship management system (CRM). As part of the project approval process you have been asked to make a short presentation to senior management and regional managers on the nature and role of CRM solutions. You are required to prepare a short briefing note addressing the following issues:

The benefits which CRM can bring to the organisation

10 Marks

The types of reports and analysis which the Geant might expect to get from the system

10 Marks

Other relevant issues

5 Marks

Question 5

Sanmina recently merged with SCI to form one of the world's largest global contract electronics manufacturing firms. As part of the merger the firm is committed to standardising accounting processes across its sites world wide. With this in mind the CFO is planning to establish three regional finance shared service centres in Scotland, Malaysia, and Mexico to provide accounting services to operating sites in those regions. As part of the implementation team you have been asked to prepare a briefing for country financial controllers on the likely impact of the shared service implementation. Specifically you have been asked to brief the European financial controllers on the following issues:

Question 5 continues on next page..

Question 5 cont'd.

The nature of shared services centres and the reason why firms choose to implement them
10 Marks

The type of functionality which the support accounting information systems needs to provide to support the activities of the shared service centre
10 Marks

Other relevant issues
5 Marks

Question 6

Write a briefing note for senior management on two of the following topics:

Business process Outsourcing

The role of prototyping in systems development

The role of IT in providing competitive advantage for firms operating in traditional sectors such as retailing.

25 Marks