

\* **Tasks, problems and  
real South African project**



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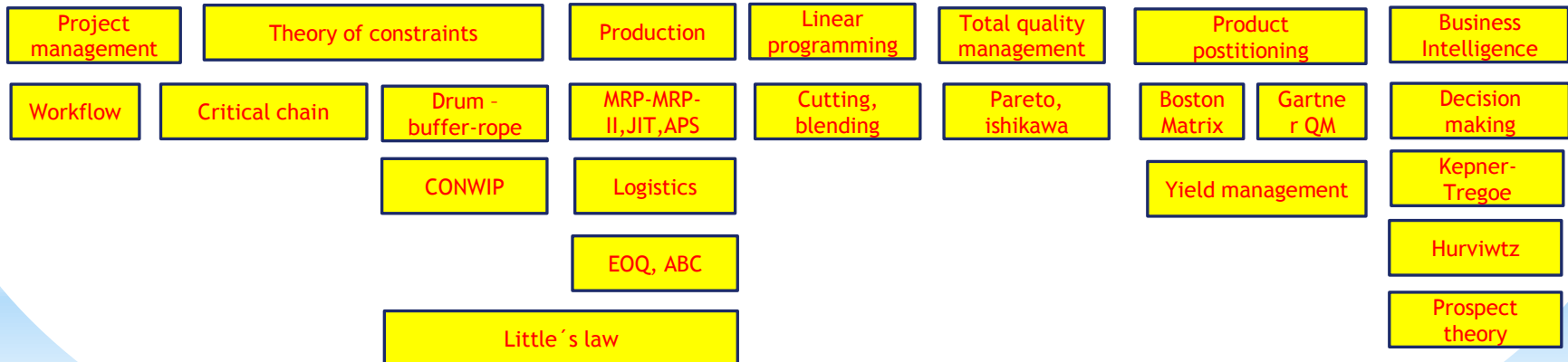
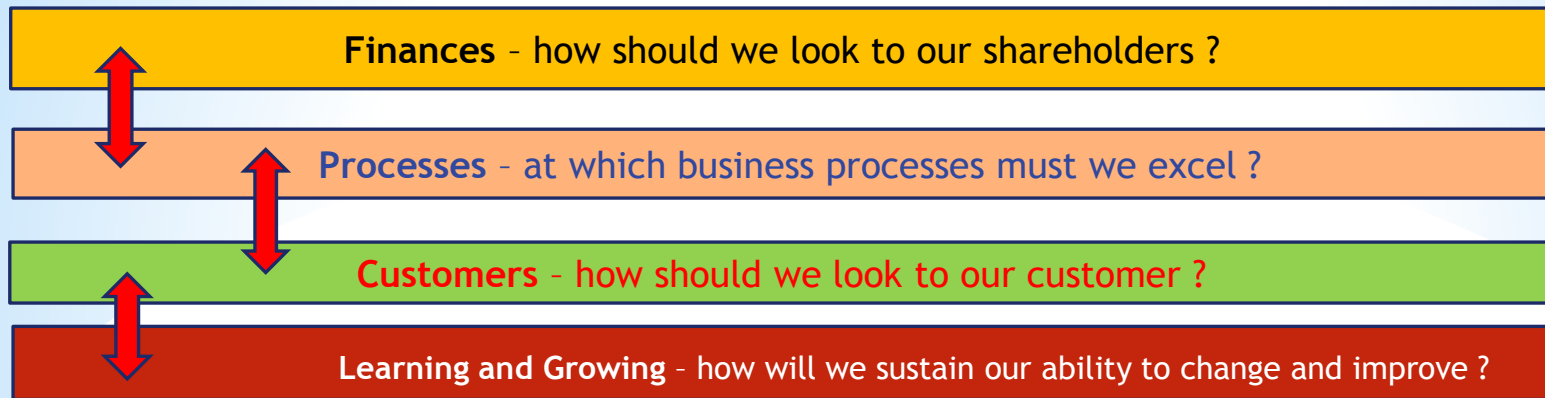


# \* **Methods** (not sorted so far - was already presented in OM Introduction show)

- \* **Theory of Constraints**
- \* Critical Chain (DBR)
- \* Ishikawa Fishbone Diagram (Total Quality Management)
- \* Pareto Analysis , ABC, EOQ, Six Sigma and Ishikawa
- \* OLAP (On-Line Analytic Processing)
- \* Kepner –Tregoe methodology
- \* MaxMax and MaxMin (Hurwitz)
- \* SWOT, BOSTON and Gartner Magic matrices
- \* **ERP Statistics and Reporting**
- \* Little’s law
- \* Yield Management
- \* **Forward Exchange Contracts**
- \* Balanced Scorecard
- \* Production algorithms (MRP,MRP-II, JIT,APS)
- \* **Warehouse Management advanced methods –see slide 20**
- \* And many, many more.....

Methods marked  
by **red colour**  
were used

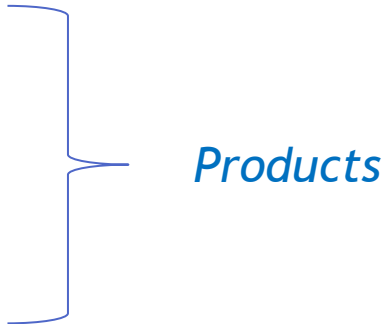
BS and OM - slide from Balanced Scorecard show (will be presented again in BS context)







# Basic business specification

- \* 100 000 Tones per Year
  - \* *Carbonless papers*
  - \* *Cast coated papers and Board*
  - \* *Coated papers*
  - \* *House brands*
  - \* *Office papers*
  - \* 5000 locations in HQ and 40 000 M2 warehousing space
  - \* 50000 customers
  - \* 90 vehicles
  - \* FEC trading (Forward Exchange Contracts)
  - \* Hundreds of employees
  - \* Heterogeneous IT system with **every day synchronization** of data in HQ and subsidiaries
  - \* High volume-low margin type of business
- 
- Products*

# Basic requirement

- \* One database only (MS SQL) for HQ and 3 subsidiaries
- \* Modern IT technology ensuring :
  - \* Fast access to data providing on-line information any time
  - \* Easy upgrades
  - \* Mobile technologies (BAR code readers, Scan guns,..)
  - \* Quick response to business partner requirements
  - \* Multidimensional analytic tool->reporting to support decision making process
  - \* Efficient warehousing (inbound and outbound operations)
  - \* On-line reporting (warehouse status, accounting, cost control,.....)

# \* Isolated Data Islands

Accounting  
Island



Marketing  
& Sales  
Islands



Island of  
Deliveries

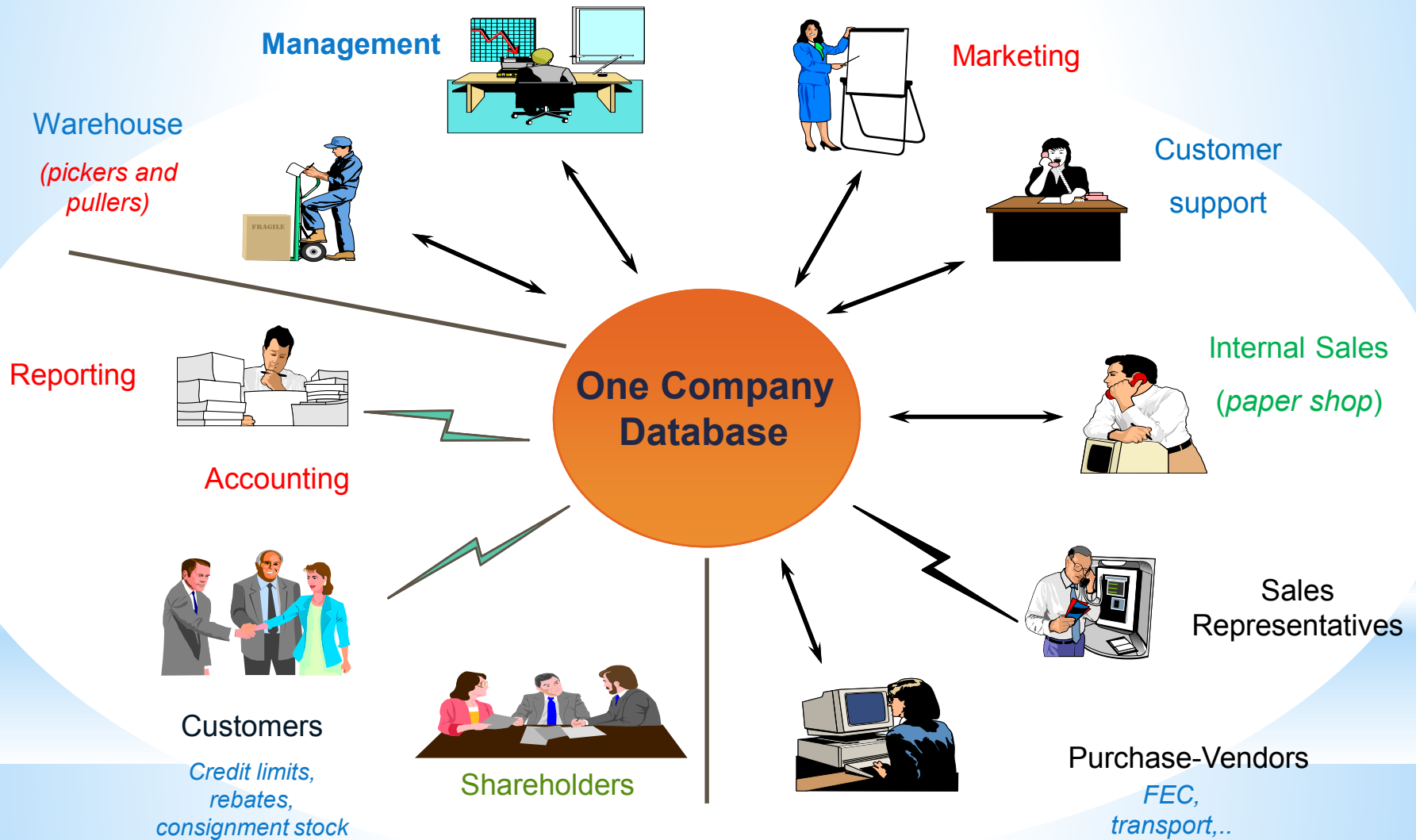


Quality  
Management  
Island

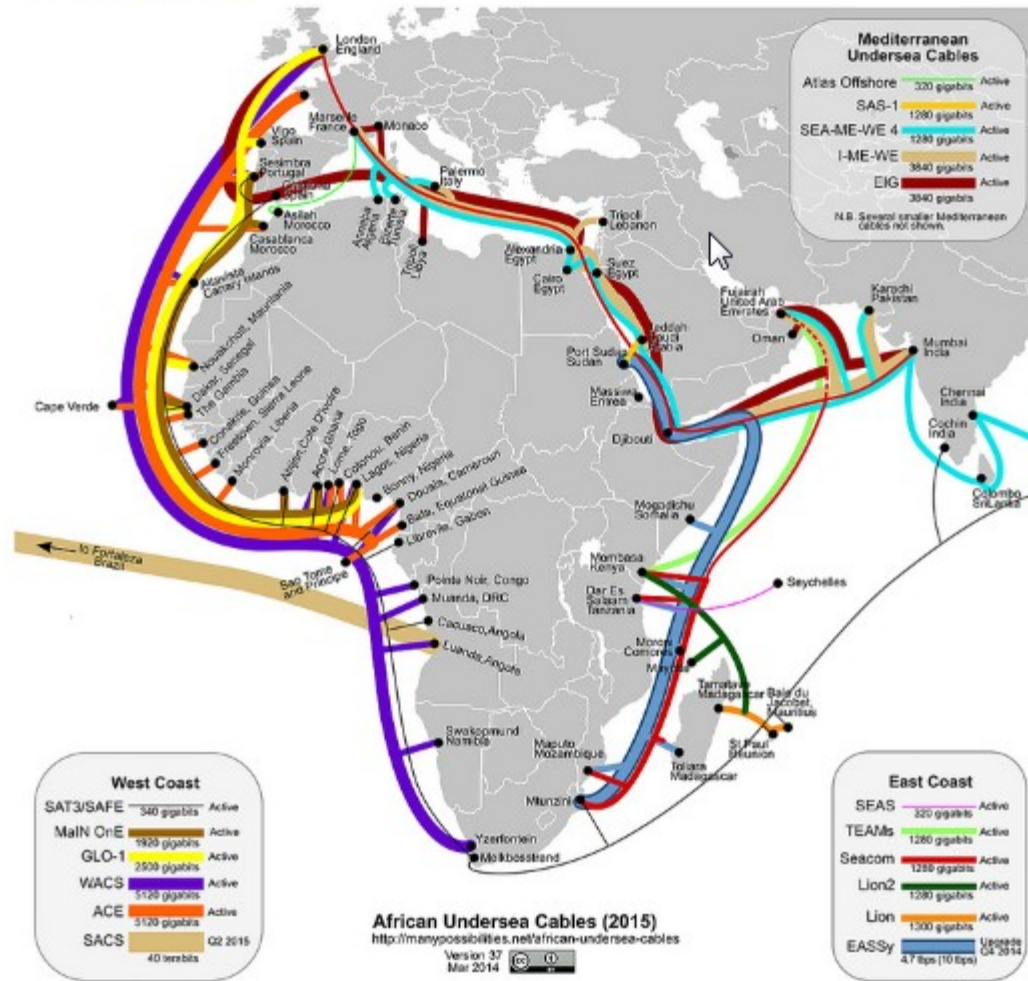




# One Solution ● One Database ● All Microsoft



# Communications limits (band width, stable connection...)

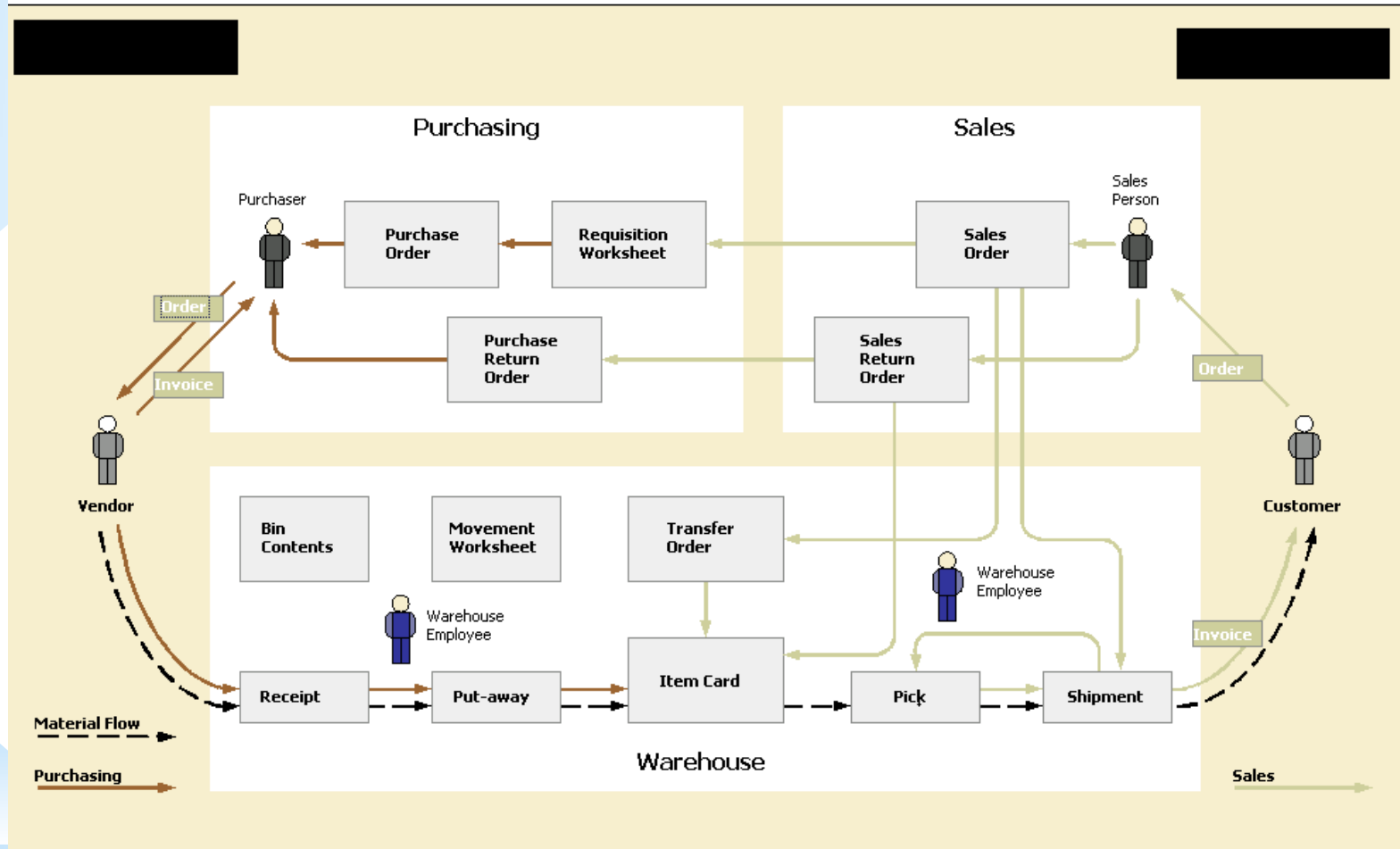


# Efficient warehousing

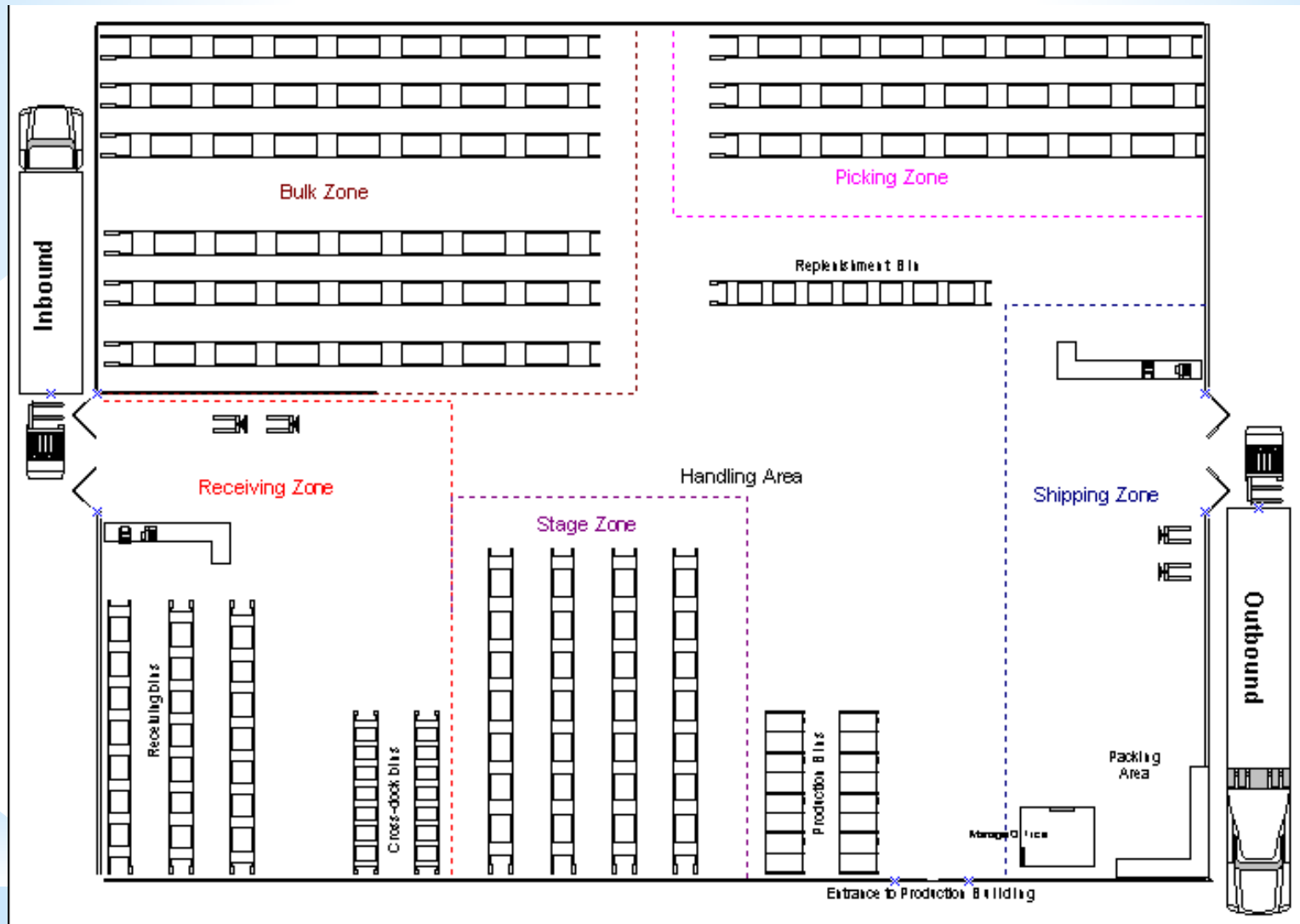
-(only a few examples)

- \* Receipt bins (area where lorries are unloaded)
- \* Put-away to bins (racks) based on zones definition
- \* Capacities of the bins (racks) - (weight, size)
- \* Cross docking (from inbound are directly to outbound area)
- \* Transfer between location (HQ and subsidiaries)
- \* Picking slips (from rack to shipment area)
- \* Shipments area (bins, cages)
- \* Transport planning
- \* Credit limits and overdue payment check
- \* Invoices, Credit memos,....
- \* Claim management

# \*Warehousing



# \* Warehousing




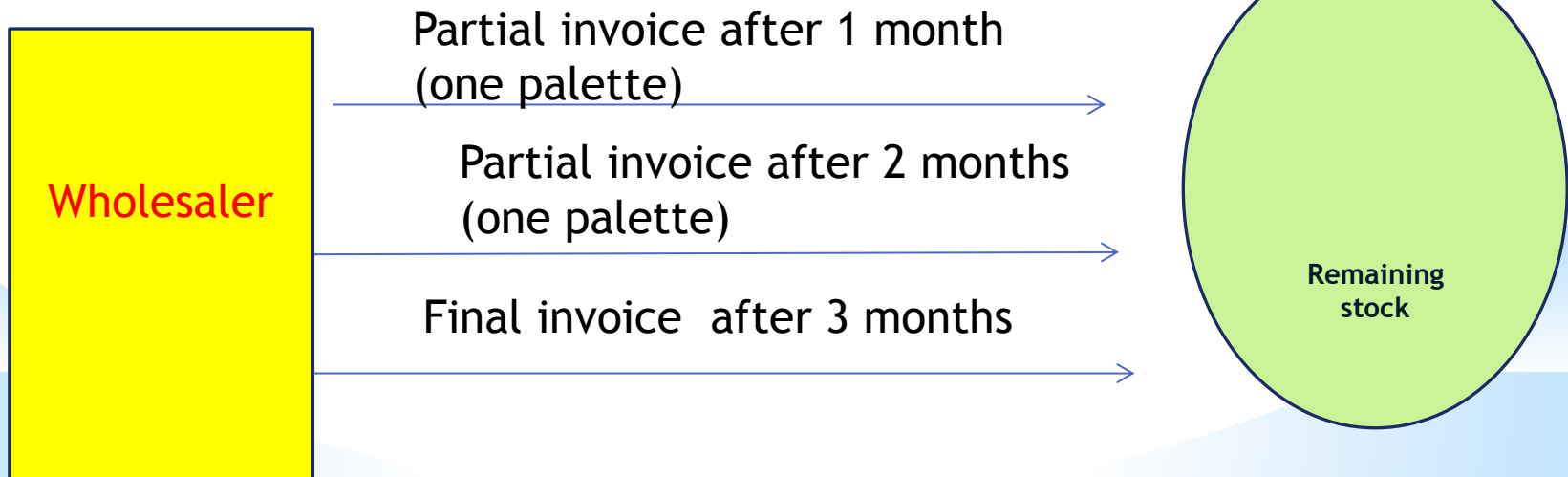
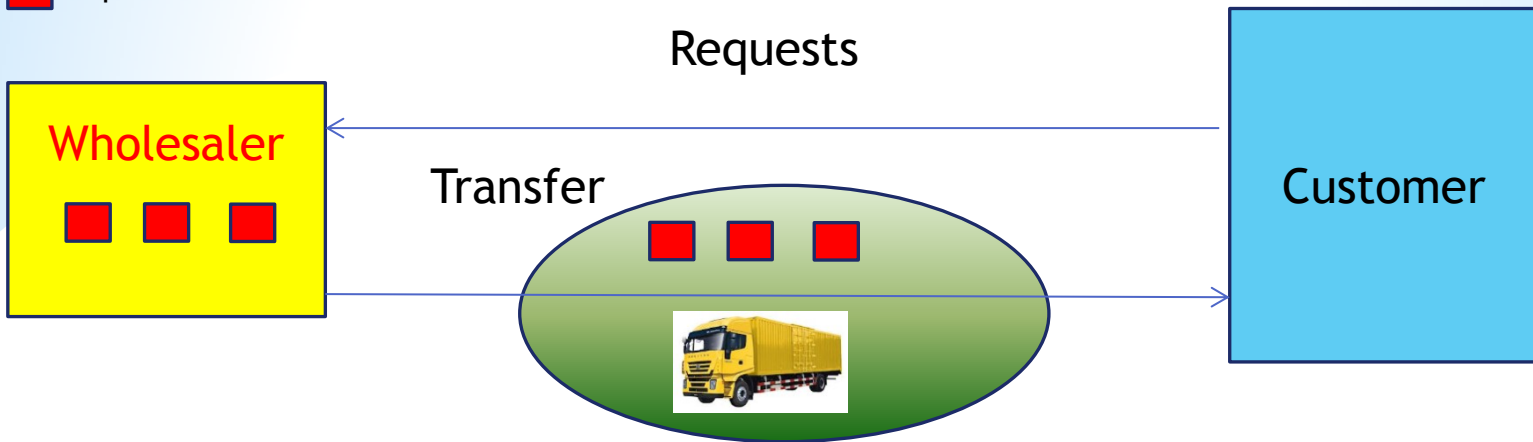


# \*Project management

- \* Budget <-> Quote and contract
- \* Planning of resources and task control
- \* Planning tools - see following slides
- \* Reporting (time-capacity usage, costs,...)
- \* Change management
- \* Project Risks
- \* Consignment stock
- \* CPM, PERT, CCPM - will be mentioned later

# \* Consignment stock (benefits)

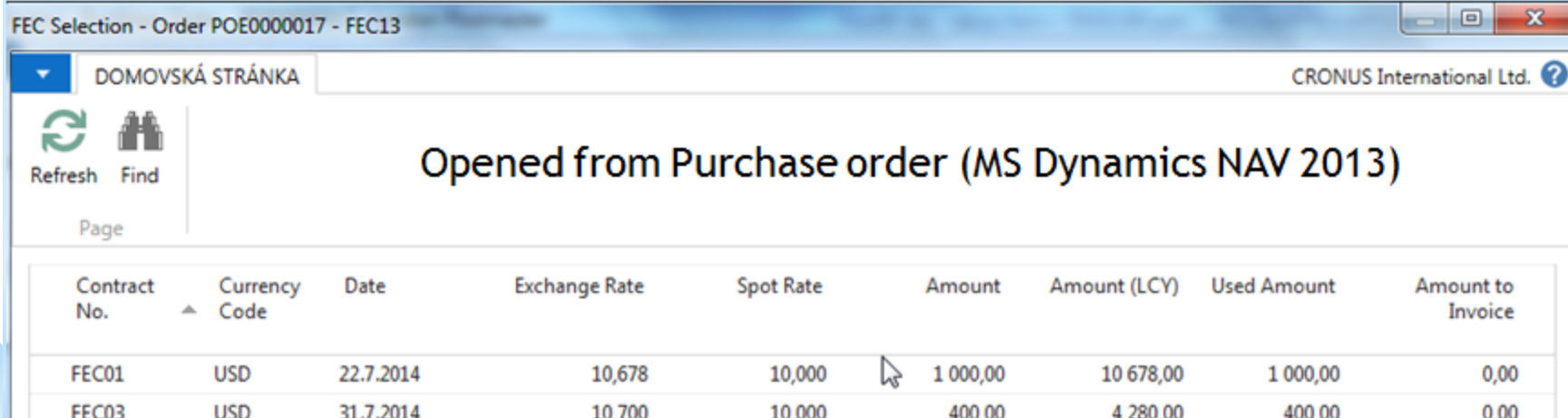
 = palette





# \* Forward Exchange Contract (home study only)

A special type of foreign currency transaction. Forward contracts are agreements between two parties to exchange two designated currencies at a specific time in the future. These contracts always take place on a date after the date that the **spot** contract settles, and are used to protect the buyer from fluctuations in currency prices.



The screenshot shows a software window titled "FEC Selection - Order POE0000017 - FEC13". The interface includes a navigation bar with "DOMOVSKÁ STRÁNKA" and "CRONUS International Ltd." The main content area displays the text "Opened from Purchase order (MS Dynamics NAV 2013)". Below this is a table with the following data:

Contract No.	Currency Code	Date	Exchange Rate	Spot Rate	Amount	Amount (LCY)	Used Amount	Amount to Invoice
FEC01	USD	22.7.2014	10,678	10,000	1 000,00	10 678,00	1 000,00	0,00
FEC03	USD	31.7.2014	10,700	10,000	400,00	4 280,00	400,00	0,00

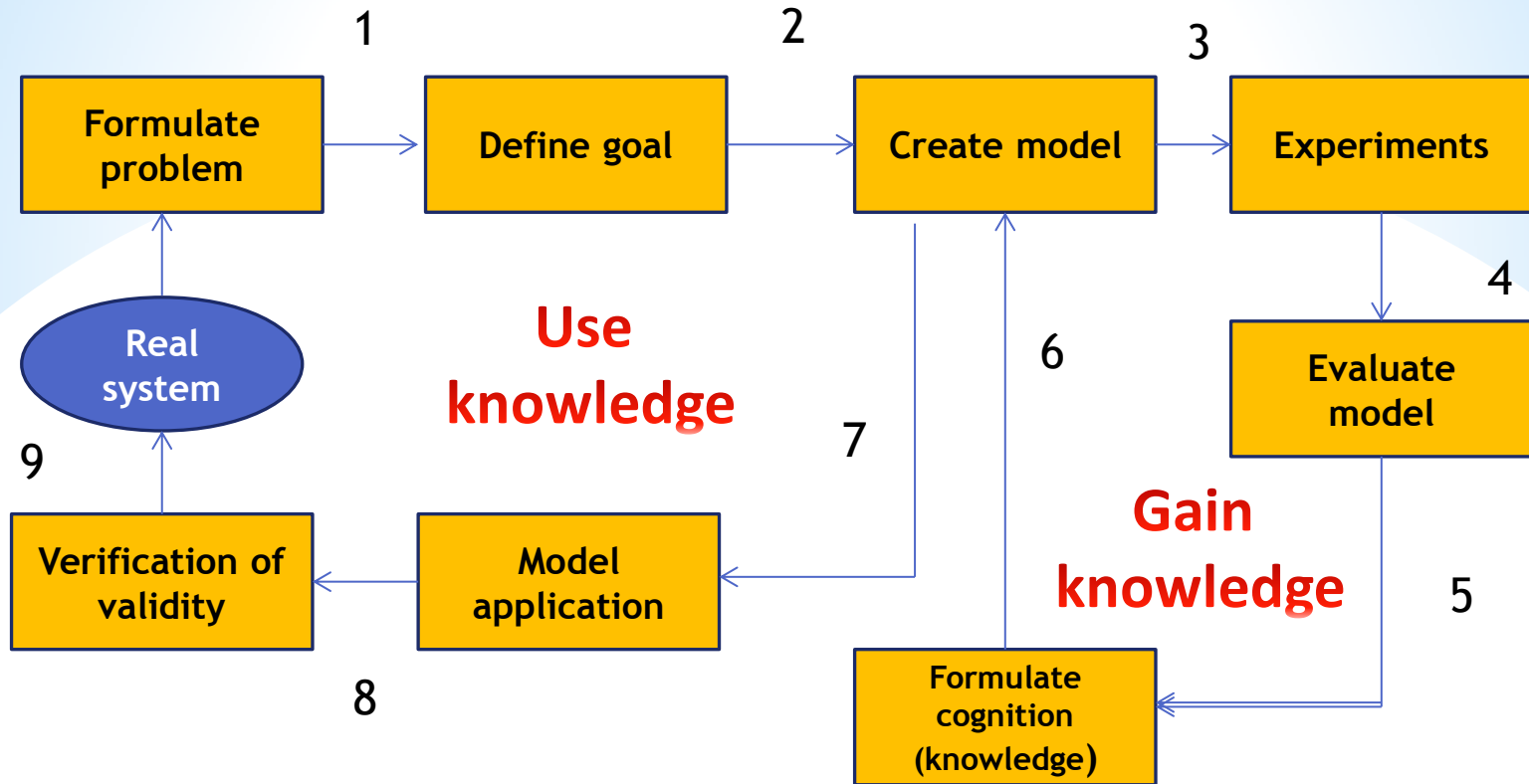
# \*Staff training

- \*Study materials
- \*Key users - roles, processes
- \*Training :planning
- \*Examination
- \*Change management

# \*Project Management I.

- \* Budget (financial and resource capacities)
- \* Data transfers (old system -> new system)
- \* Setup of the ERP system (MS Dynamics NAV)
- \* Tests
- \* Evaluation of customized solution
- \* Change management
- \* Sharp start
- \* Closing project -evaluation

# Steps in the model based problems solving process



# \* Implementation

- \* Data transfer
- \* Setup of the system
- \* Role Tailored Clients- profiles, Approvals
- \* Tests
- \* Evaluation
- \* Change management
- \* Sharp start (Namibia and SA)
- \* Closing project
- \* Next stages

**THIS IS**

**THE END**