



**UNIVERSITI TUN HUSSEIN ONN MALAYSIA**

**FINAL EXAMINATION  
(ONLINE)  
SEMESTER II  
SESSION 2019/2020**

COURSE NAME : ENTERPRISE RESOURCE  
PLANNING  
COURSE CODE : BIT 30503  
PROGRAMME CODE : BIT  
EXAMINATION DATE : JULY 2020  
DURATION : 3 HOURS  
INSTRUCTION : 1. ANSWER ALL QUESTIONS  
2. PLEASE MAKE SURE TO  
CLICK "SAVE ANSWER"  
BUTTON FOR SUBJECTIVE  
QUESTIONS. OBJECTIVE  
QUESTIONS ARE SAVED  
AUTOMATICALLY

**TERBUKA**

THIS QUESTION PAPER CONSISTS OF **FOUR (4)** PAGES

- Q1** A choice is given either customizing an ERP application to meet the business processes or reengineer business processes to meet the ERP functionality which would you choose and explain your answer.  
(9 marks)
- Q2** Discuss **THREE (3)** challenges which may lead to ethical issues that management have to face during system integration and how they overcome it.  
(12 marks)
- Q3** Differentiate between Enterprise Application Integration (EAI) and the integration of Supply Chain Management (SCM) and ERP systems.  
(6 marks)
- Q4** Outline a good security plan for ERP implementation.  
(6 marks)
- Q5** BeYOU Enterprise sells two types of healthy chocolate bar, labelled HC-A and HC-B to BERJAYA Corporation. **Table Q5** shows data from BeYOU Enterprise current credit check system. BeYOU Enterprise has not implemented an ERP System which mean the marketing department and accounting department have a separate system to manage customer account. Answer questions **Q5(a)** and **Q5(b)** based on **Table Q5**.

**Table Q5: BERJAYA Corporation Data**

Background Data	
Today's Date	01/06/2020
Current list price, HC-A	RM1.50/unit
Current list price, HC-B	RM1.60/unit
Accounts receivable balance at start of business day, BERJAYA Corporation	RM7000
Credit limit, BERJAYA Corporation	RM8000
Current Order	
Product	HC-B
Amount	5 cases (1,440 unit)
Price	List
Ship to	BERJAYA Headquarters
Date desire	05/06/2020



Next invoice number	A1232
Documents in system	
A check from BERJAYA was received in yesterday's mail and entered into the accounting system. The check is for RM2000, applied to invoices from May's sales. The sales clerks are working from credit-limit printout prepared at the beginning of the week (two days ago)	

- (a) Calculate credit valuation and determine whether credit will be granted or denied for BERJAYA Corporation's current order. (4 marks)
  
- (b) Calculate credit valuation and determine whether credit will be granted or denied for BERJAYA Corporation, if BeYOU Enterprise implement ERP system and the data are processed in a more timely way. (6 marks)

**Q6** Construct a process map for the account payable process described in **Figure Q6**.

The process starts with the invoice of bought products. The invoice is sent to account payable department which will be sorted alphabetically, then assign to A/P clerks. The A/P clerks will sort the invoices according to the department responsible for the payment. The overhead invoices will not be sent to departments. The overhead invoices which include utilities and shipping invoices, will be directly coded and entered into the accounting system. All other invoices are sent through intercompany mail to their respective departments. Invoices for amount under RM1000 are directed to the person who requested the purchase, while invoices over RM1000 are sent directly to the manager in charge of the specific department where the request originated. Once the originator or manager approves the invoice, it is sent back to the A/P clerk, who enters it into the accounting system. The A/P clerk selects all approved invoices that have been entered into the accounting system and prints them as a list.

(Adopted from: *Ellen F. M. & Wagner B. J. 2012. Concepts in enterprise resource planning. 4<sup>th</sup> ed., Cengage Learning.*)

**Figure Q6**

(13 marks)





**Q7** Based on **Figure Q7**, answer the following questions.

**Overstock.com**

Overstock executives have to reinstate earnings for a five-and-a-half-year period, dating back to 2003. Overstock incurred accounting mistakes during that period, which led to a \$12.9 million reduction in revenue and a \$10.3 million increase in cumulative net loss. This was all due to an overly aggressive CEO and a problematic Oracle ERP rollout. That started back in 2005. Overstock had previously used a homegrown system and rushed the Oracle implementation project in order to get the new system live before the fourth-quarter of 2005 and the busy shopping season. "Honestly, it did not have anything to do with Oracle per se, it was the implementation," Overstock stated. "We had consultants and we had help, but it was all driven by Overstock. We set the timelines." The problem with the rushed implementation manifested itself in strange ways. "Some things were going through okay and a lots were not." CEO Patrick Byrne said. One observer said problem like Overstock.com can happened on any ERP project without proper care and planning which is why it is very important to spend time in design and process mapping. Not properly preparing and setting realistic time lines can lead to a disastrous implementation. It only takes one module to be corrupted to affect the entire organization.

(Adopted from: Motiwalla, L. (2014). Enterprise systems for management. Pearson.)

**Figure Q7**

- (a) This project is failed although it was driven by upper management and guided by experienced Oracle consultants. What is the main reason of the failure?  
(4 marks)
- (b) Would a rapid System Development Life Cycle (SDLC) approach have been a better implementation choice for Overstock? Justify your answer.  
(6 marks)
- (c) It seems that Overstock has used a big bang approach for conversion. Suggest other suitable conversion approach with justification to avoid failure.  
(4 marks)

-END OF QUESTIONS -

**TERBUKA**