

## ACS 1803 Assignment 3

**Due: November 7, 2019**

**Submit:** Victor Balogun

**Total 40 marks.**

### **Part A (16 marks)**

Target stores had a short stint operating in the Canadian market. Soon after opening more than 100 stores across the country, the company decided to close all of its Canadian operations. This decision made significant headlines in the news.

For this assignment, use information found in different news sources and using the topics on information systems that have been studied in this class, write an essay analyzing the extent to which an improper implementation of **Information Systems** by Target Canada may have caused its failure.

You should submit a 750- 1000 word essay including the following:

1. (3 Marks) With the information you collect from your sources, identify **three (3) mistakes** that Target Canada made with its use of Information Systems as part of the implementation of its stores in Canada.
2. (3 Marks) Explain what Target Canada could/should have done to overcome the mistakes/ challenges presented in question #1.
3. (10 Marks) Describe how the concept of a fully integrated Supply Chain Management (SCM) system and Customer Relationship Management (CRM) system should have performed for Target if it was implemented and utilized strategically/ tactically/ operationally as part of the business value chain.
  - ✓ Make sure to examine concepts of Business Value Chain, Supply Chain Management (SCM) and Customer Relationship Management (CRM) in your description.

Your analysis should be made based on facts encountered on your review of your sources. Any assumptions you make regarding the situation should be explicitly stated.

For sources of information remember to use reputable websites. Some sources you can use may include (but are not limited to):

- <http://business.financialpost.com/2015/01/15/target-corps-spectacular-canada-flop-a-gold-standard-case-study-for-what-retailers-shouldnt-do/>
- <http://www.macleans.ca/economy/business/why-target-missed-its-mark-so-badly/>
- <http://www.retaildive.com/news/why-target-missed-the-bullseye-in-canada/354508/>
- <http://tradecommissioner.gc.ca/canadexport/155736.aspx?lang=eng>

Remember to reference all your work by providing a list of your sources including supplementary notes, websites, articles, textbooks, videos, etc. that you may use.

## Part B: (24 Marks)

Read the Case\* below:

### **ALTITUDE ONLINE: ENTERPRISE SYSTEM CONSIDERATIONS**

Altitude Online is an Online Services Company that specializes in the following:

Online marketing optimization: Optimizing online advertising strategies based on target audiences and using the latest online trends

- Customer insight: Tracking customer decisions and media usage on Web sites
- Online market segmentation: Identifying a target audience by observing highly detailed characteristics mapped to online behavior
- Online marketing ROI: Analyzing the financial success of a variety of online advertising and marketing strategies
- Effective Web design: Developing and executing winning design strategies for e-commerce sites
- Online brand building: Tracking online conversations, engaging influencers and advocates, and calming detractors

**Altitude is now in the need of identifying a new ERP system that will address its needs as a growing company.**

Altitude Online IS staff are beginning to prepare their databases for conversion to an ERP system. Each Altitude Online regional office maintains its own database and database management system (DBMS). In addition to relying on the database for daily operations, regional managers produce weekly, monthly, and quarterly reports that they provide to corporate headquarters in New York.

The new ERP system will eliminate the need for managers to transfer reports, because it will enable executives at headquarters to view real-time data from all regions at any time. Prior to the installation of the new ERP system, databases across the organization must be standardized so that they can be easily merged.

After reviewing several ERP solutions for medium-size businesses from a variety of vendors, the management team decided on a package that best met Altitude Online's needs. The team considered an on-demand SaaS (Software as a service) product that was stored and managed on the vendor's servers to be delivered to Altitude Online employees across the country via the Web. Ultimately, however, the team chose a full ERP solution that would be installed on Altitude Online servers in New York, backed up on servers in Chicago, and shared across corporate offices via leased lines from a telecom company.

Since Altitude Online already has an IT staff and servers, it made sense for the company to select a system that it could manage itself, with some assistance from the vendor. Also, using a robust ERP rather than a SaaS ERP would provide support for the company's future growth.

The ERP that Altitude Online selected provides all of the core business systems in one integrated package. It includes the following services:

- Executive management support: Managers are provided with information they need for daily operational decisions while executives are provided with a corporate overview that supports enterprise level decision making. Management dashboards provide real-time customizable corporate data using easy-to-read charts and graphs.
- Financial management: A single up-to-date view of corporate finances is provided along with the ability to drill down into detailed financial information. Common business information is easily accessible including standard reports such as balance sheets and payments and receivables. Period-ending closing reports are automatically generated for streamlined operations and better financial planning and decision-making.
- Customer relationship management (CRM): The CRM features of the ERP provide a detailed view of customer profiles and activities for marketing, sales, and service departments. CRM provides valuable information that will assist Altitude Online in providing services that its current and potential customers desire.
- Human resources management: The HR package provides information that assists in maximizing the potential of employees. It provides employees with a personalized business portal tailored to individual job functions. It also assists HR managers in streamlining and automating the execution of regular tasks like timesheets and payroll.
- Supply chain management: While Altitude Online does not manufacture products, it can use the supply chain management tools to forecast demand for its services and gauge the number of staff it will require to meet that demand.
- Project management: Altitude Online will make good use of project management features of the ERP, which assist in estimating costs of projects and providing customers with accurate quotes. The tools help project managers keep projects on schedule and under budget while providing a transparent view of project details to team members and executive decision makers.
- Supplier relationship management: This module of the ERP allows Altitude Online's purchasing department to monitor purchase requests to make sure that employee needs are met within a reasonable timeframe and at minimum cost to the company.
- Compliance management: The ERP provides sophisticated software tools to assist Altitude Online's finance and human resources departments in complying with laws and regulations and keeping books and government reporting in order.

All of these ERP features draw from a central database of corporate information and are available from a single desktop portal. All of the modules also provide data to an analytics engine that provides decision-makers with the ability to spot trends and opportunities, and view critical success factors. Many of the ERP services are also available from remote locations if employees need to work from home, or on the road. There is even an interface designed for handsets.

*\*This case was taken from the course textbook: Fundamentals of Information Systems, 8<sup>th</sup> Edition. Running Web Case.*

Answer each of the following questions in two paragraphs each. Use your own words, no external sources to be used to answer these questions - other than the lecture notes, Supplementary Notes, and/or text book:

- (4 Marks) Discuss how the implementation of this ERP will enable Altitude Online's future growth and success.
- (4 Marks) Discuss some challenges that Altitude Online might face on the implementation of its ERP. Describe methods/ approaches/ processes that Altitude Online should consider to overcome these challenges.
- (16 Marks) Using Porter's Value Chain as it was presented and discussed in class as a model, identify the different parts of Altitude's Value Chain that will be supported by the new ERP solution. Make sure to include primary and secondary activities.
  - ✓ Consider the functions and features of an ERP system from your notes.
  - ✓ Consider the SAP ERP system model/case study video that we observed in class.