The curious case of manual processes at Keshav Pvt. Ltd.

Keshav Pvt. Ltd. is engaged in selling and distributing stationery items to medium and large-size businesses in the Western region of India. Established in 1995, the target market of Keshav Pvt. Ltd. was limited to students studying in schools and colleges. Gradually, the organization expanded the horizon of the target market and focused on schools, colleges, and business houses to deliveran uninterrupted supply of stationery items. Though the majority portion of items were ordered and delivered to schools and colleges at a specific period (before the commencement of the academic calendar), however, the demand and requirement of business houses remain unpredictable. In addition to that, since Keshav Pvt. Ltd. is bound to honor the contacts any discrepancies about the delaying in delivery of the order may result in hampering the sound relationship with customers.

As the sales volume increased, the top management of an organization witnessed three instances, which led them to ponder over the solution of the existing problem.

Instance 1: Prioritising the customers

Keshav Pvt. Ltd. hired a management trainee, Jayesh in June 2019. As a part of the duties, Jayesh was required to manage the orders received from the various existing customers. In addition to that, he was also responsible for approaching new customers and convert them into loyal customers. Presently the organization has more than 600 customers from the different geographic areas of western India. Jayesh, instead of prioritizing the loyal customer, committed the delivery of huge stock to a newly acquired customer in Ahmedabad. Later, when asked for the reason, he clarified that he had no such profile of the customer while committing the delivery of the order.

Instance 2: Tracking the shipment

Keshav Pvt. Ltd. had a dedicated team of 4 people who is responsible for answering the calls of customers, in some cases emailing the customers regarding the status of the shipment of goods ordered. Rahul, one of the team members, mistakenly, revealed the order details of a

customer to an unintended inquiry. It was later found that the courier number of both the customers was almost the same, with one digit being different.

Instance 3: Data Management

While summarizing the information of customers, Keshav Pvt. Ltd. is relying on Excel Sheets, and most of the accounting-related information is extracted from Tally ERP. The Excel Sheets are shared with members of the departments (accounting, marketing, and production) for availing the information of customers. The Excel Sheets are editable, and the chances of modification of content remain high, and at the same point in time, it becomes difficult to track the changes made by the team members.

Question 1: According to you, what are the chief problems in the above case?

Question 2: Should the organization implement CRM? Support your answer with rationale arguments.

Question 3: If the organization is implementing CRM, what may be the possible benefits?

Should Shaym Furniture implement ERP software?

A well-known business house, named Shyam Furniture in Ahmedabad had a furniture shop at S. G. Highway. From the modest beginning, the company today has more than 85 suppliers for raw materials, a wider-spread logistics network, and around 800 customers located in Gujarat, Maharashtra, Madhya Pradesh, Rajasthan, and Chhattisgarh. As the expansion of an organization resulted in poor coordination among the stakeholders, the organization was forced to implement ERP software after the suggestions were made by the IT department. As the organization had no prior experience of implementing organization-wide software, they hired resources from the consultancy agency which was responsible to address the needs of an organization and make sure that the purchased software properly fits strategically and operationally.

After the brainstorming session with the team members, the agency came up with the following observations. As a head of the agency, you are required to take a call whether Shyam Furniture should implement ERP in an organization.

The first observation made by the agency was with respect to the suppliers: the agency noted that suppliers did not follow specific procedures regarding delivering the materials and the transactions related to the payments made. Coming from the unorganized sector, the majority of tasks were done manually, and hence there were a higher amount of chances of committing errors. Agency also talked with the supplies regarding the same issue but it did not go as planned as suppliers brought other issues they were facing with the organization. The chief problem with dealing with the suppliers was the unavailability of a formal process.

While discussing the process to be followed by the employees of an organization, the employees of the agency witnessed the non-cooperation from some employees of Shyam Furniture. The agency could not get the exact idea about the non-cooperation but concluded one of the two possibilities of such behavior: either employees were not ready to embrace this change or top management was not fully convinced with the implementation of ERP software. Either of the mentioned-above possibilities could be fatal for Shyam Furniture in

the future. In addition to that, some employees also asked premature questions regarding the financial benefits and reduction in work hours after the implementation of the software. This alarmed the employees of the agency regarding the successful implementation of the ERP at Shyam Furniture.

At one point in time, the management of Shaym Furniture was divided regarding the selection of ERP vendors. The company had to choose between an inexperienced customized developer of the software which was charging a reasonable amount of fees, and on the other hand, well-developed standardized products with little customization. The latter option was expensive but guaranteed best practices followed by industry leaders.

Question 1: Does Shyam Furniture need ERP software?

Question 2: Address the management's concern by resolving the observations made by the agency.