# *Information Systems  Support  for Supply  Chain Management of Sky Enterprise*
# BY

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This Internship Report has been Submitted in Partial Fulfillment of the Requirements for the Degree of Master of Business Administration of Daffodil International University

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# DECLARATION

I hereby declare that, this Internship Report has been done by me under the supervision of Mr.AKM Enamul Haque Associate Professor (Adjunct) Department of CSE Daffodil International University. I also declare that neither this project nor any part of this project has been submitted elsewhere for award of any degree or diploma.

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I am grateful to and acknowledge my indebtedness to Janab **Akm Enamul Haque, Associate Professor** (Adjunct) Department of CSE, Daffodil International University, Dhaka. Deep Knowledge & keen interest of my supervisor in the Supply Chain Management influenced me to carry out this Internship Report .His endless patience ,scholarly guidance ,continual encouragement , constant and energetic supervision, constructive criticism , valuable advice ,reading many inferior draft and correcting them at all stage have made it possible to complete this Internship Report.

We would like to express our heartiest gratitude to **Mr Masum Iqbal, Professor and Din,** Department of MBA, for his kind help to finish our project and also to other faculty member and the staff of MBA department of Daffodil International University.

Finally, We also would like to give thanks all the officers of Sky Enterprise. specially

1. Mr. Rubel Ahmed, SCM Manager, Sky Enterprise.
2. Mr. Saiduzzaman Sadi, SCM Marketing Manager, Sky Enterprise.

These people helped us a lot providing all the necessary information.

# *Abstract*

Supply chain management performance is an important factor in delivering products to consumers at affordable cost. The purpose of this work is to ensure that the retail supply chain can function properly and efficiently.. For the purpose of the study, data were gathered from the respondents through a structured questionnaire survey. The collected data were analyzed using Partial Least Squares Structural Equation Modeling technique . Data analysis findings reveal that supplier's role, use of Supply Chain Management, inventory management, transportation management and coordination are the significant determinants of retail supply chain performance. The findings of this study bear deep significance both in practical and theoretical aspects.

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# Chapter One
# Introduction

## 1.0 Background

The report is a requirement of the course of Management Information System . The topic of our report has been duly approved by my course teacher, Mr AKM Enamul Haque The reason behind choosing this topic is to evaluate the Supply Chain Management system practiced in our country. This Internship report therefore shows how much the companies of our country use the Supply Chain Management system to operate their functions.

## 1.2 Internship Objective:

The objective of this Internship was to analyze the Supply Chain Management System of Sky Enterprise in order to see its effectiveness, identify the deficiencies therein, and recommend measures to further improve their supply chain operations.

## 1.3 Scope:

The scope of this report is limited to the overall description of the company, their information system-hardware, software & Information technology configuration, information system planning, supply chain management, their demand planning and supply planning.

## 1.4 Methodology:

The research conducted for this paper was empirical in nature, involving an interview study with a large sample of Organization and selected case study visits. Analysis of the impact of e-business on supply chain strategy also examines three representative areas of supply chain management, procurement, customer relationship management, and fulfilment process.. To prepare this term paper, we have collected information from different sources, company personnel, things provided by the organization, Working with the bank's support staff in HRM software system planning, Creating a new branch of the bank, internet searching and our peer group, Mail Communication and purchase management system . Some information, which was not available from any of the sources, was assumed. After that a more comprehensive conclusive research was undertaken to fulfill the main purpose of the study.

# **Chapter Two**
# Profile of the company

**2.0  Company Introduction:**

Sky Enterprise is a proprietorship company in Bangladesh. 1<sup>st</sup> Class Interior Decoration Contractor & Suppliers, ICT Related Works and Electrical Maintenance & Trouble Shooting Works With ABC License Holder approved by National Electrical Board, Bangladesh Government Supporting Staff Supply Different Banks With Etc Work For Bank (Dhaka Bank, Bank Asia, Mutual Trust Bank, SBAC Bank, AB Bank, Trust Bank)
.The company commenced its commercial operation from October 1998. Since then it has been operating as successful company.. The principal activities of the company are to carry on the business of manufacturing, marketing and distribution of all kinds of consumer goods, consumer durables, food items, sugar confectioneries, edible oils, beverages etc, raw materials, semi-finished items, producers, goods and various other products of local or foreign origin and to engage in the business as traders, importers, exporters, commission agents of all kinds of goods and services including pharmaceutical drugs and medicines. But the company has not started production yet.
1<sup>st</sup> Class Interior Decoration Contractor & Suppliers) (Electrical Maintenance & Trouble Shooting Works ABC License Holder approved by National Electrical Board, Bangladesh Government) (Supporting Staff Supply By Different Banks)

**2.1  Supply Chain Management System of Sky Enterprise:**

The business has a variety of functions as a supply chain management system, and plays a vital role in the management of the new business and the business of the individual. We always see that key data is collected through the supply chain system, using high-speed data, computers connected to the network run at high speed, and telephones are connected to the Internet and

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devices provide phones, internet and computing, and there are various communication processes. Supply Chain System.
Supply Chain Management System This system can be interpreted in many ways as a component that can make decisions and execute, process, and collect and distribute accurate information, identifying manager and staff problems through the supply chain system, analyzing key issues. And can help with the work. The working elements of the Supply Chain Management System can be selected as a set that delivers information collection, processing, storage, execution bunches for decision making and control, Supply Chain Systems manages managers and staff to analyze problems and think on key issues and create new products. Can help. By supply chain systems we mean data that is shaped in a way that is meaningful and useful to people. Data on the contrary is a stream of raw supply chain systems that execute events that occur in an organization or environment by organizing and arranging them in a form that they can understand and use. sing and dissemination through computer hardware and software.

The supply chain management system generates information on three processes that companies need to process decisions, manage, discuss problems and create new products. It deals with tasks, processing and how they can work.
The output data can be used to organize or collect raw data from inside or outside the output data.
Processing holds this raw information in more meaningful form.
It will only use the output to transmit the information processed by the people. Supply chain systems can be both formal and informal. It relies on unwanted behavior of informational information systems such as office networks, informational supply chain systems. There is no uncertainty as to what information or how it will be stored and processed. Formal supply chain systems are structured, they work in harmony with previous rules that remain stable and do not change easily. General supply chain systems can be either computer based or manual based.


## 2.3 Dimensions of Information System in Sky Enterprise:

Sky Enterprise is very serious about using digital technology. Manual systems provide important requirements but they are not the focus of our analysis. Computer-based information systems use bar-code scanning systems in the sky, handheld computers, intranet networks, the Internet and various supply chain management systems to handle various package tracing, fee calculations, customer account maintenance and split work. That's why Sky Enterprise plays a very important role for banks and other businesses.


## 2.4 Organizations

Enterprise is comprised of a variety of job skills and specialized workplaces. Their structures reveal the exact language of labor. The analysts are employed and trained in various fields including production, AutoCAD design, interior design, accounting and marketing. They achieve the workplace through structured classification and its business rules. Sky has leveraged the

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growth of employees through the entrepreneurial skills. There is a high level of operational, professional and advanced employees, where there is a low level of operational staff who use their systems efficiently to improve their business. Business associations have different rules that take a long time to get the job done correctly These rules guide employees in various aspects, from drawing to writing, to properly responding to customer complaints.

## 2.5 <u>Management:</u>

Entrepreneurs can easily understand the business challenges in the external environment, and it is very important to know the successful bus in management of the firm can easily understand the business challenges in the external environment, and it is important to know the successful business through the challenges and to use the right responsibilities and manage the financial resources to do these tasks together and achieve success. Sky management shares different roles and decisions for managers. Senior managers make rational decisions about what products and services they can produce for them. Middle-class managers perform different management programs, different designs and different planning tasks for senior management. Managers will be responsible for managing the firm's day-to-day operations in order to build a successful business .through the challenges and to work together to do these tasks and to use the right responsibilities and to set the right path for managing financial resources. Sky management shares different roles and decisions for managers. Senior managers make rational decisions about what products and services they can produce for them. Middle-class managers perform different management programs, different designs and different planning tasks for senior management. Managers will be responsible for managing the firm's day-to-day operations in order to build a successful business.

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# Chapter Three

# Overview of IS Support for Supply Chain Management in Sky Enterprise

Ecommerce and Ecommerce shopping options through a new generation of supply chain Management a significant concern for many businesses, especially in the field, and it is an important producer for the farm, for the supply of their products, which is highly dependent on partners to supply chain management and a significant customer base, business processes, digital Elation has become a necessity in terms of value addition, it has increased the need to create a digital environment that integrates the operations of various supply chain operations, enabling technological advancements to create Which speeds up processes and process works interruptions to supply enough color, real-time or real-time information on the root causes of supply chain management. Supply chain management software is designed to operate and enhance the exchange of information to deliver a variety of tasks, and the right partners to achieve results such as timely acquisition of specific partners, increased production efficiency and meeting customer needs in a timely fashion. Technological solutions can operate at some level of demand or mass customization at these companies, and production cycle computer software has the necessary components for various units of the supply chain management system, such as logging, controlling and integrating, and all technology such as disks, tapes, and data in storage technology works. To do together To work, this media communication supply chain technology combines both devices and software for data storage, integrates different hardware, and helps technologies transfer data from one

## 3.1 _Supply Chain Management:_

The location of Supply Chain system boundaries extends beyond the organization itself - it involves not only improving internal processes, but also simultaneous processing with suppliers, distributors and customers. The vision of the process also has a strategic importance which provides great opportunities to improve the functionality of the product and provide higher value to the customers. As a result, supply chain management can dramatically impact a company's profits by reducing operating costs and increasing customer satisfaction and so much loyalty and earnings.

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The upstream supply chain is the transaction between a company and its suppliers and intermediaries, equivalent to purchasing surrounding e-commerce.

The downstream supply chain is the transaction between a company and its customers and intermediaries, equivalent to surrounding e-commerce sales.

For companies that maintain a first level supplier, second level or even third level supplier or first-second, high-level customers supply chain network. A supply chain network is the link between a company and all partners involved in multiple supply chains.

## 3.2 *Supply Chain Management and Efficient Customer Response:*

Managers of supply chain job management, customers are more involved in their business integration, and some are involved in a business firm. Overseas business domains were, in effect, based on the profitability of the oversupply business organization through supply chain management. Supply Chain Management is one of the two main goals of maximizing the efficiency and working speed of the total management supply chain, without stopping all of the channels and increasing the customer buying capacity by stocking enough volumes.

These two goals affect the sourcing of raw materials and stock holding. A recent phenomenon is that the speed of global supply of preferred suppliers, especially among multinationals or global firms, will accelerate the Internet's ability to source raw materials for smaller players worldwide and therefore increase their competitiveness. The Internet will revolutionize the pace of international trade and lead to faster internalization, especially of small and medium-sized enterprises. The web will reduce the competitive advantage of economies of scale across many industries, turning it into a competition for smaller companies on a global basis

## 3.3 *Supply Chain Management Practice by Sky Enterprise:*

Suppliers of Supply Chain Management are more involved in their firm's work and some of the business managers are involved with the organization. The supply chain business firm's supplying domain through the supply chain management business consists of the domain suppliers of the business technology work firm. Supports the seller's purchase without closing all business processes and having sufficient stock, Operating chain management between the two main functions of all supply chain supply chain work efficiency and work speed.

These two work affect the work of raw materials and stock holding. In some work instances, the preferred governing pace of the global governing body, especially in global firms, will increase the efficiency of the Internet for small players around the world, increasing their work efficiency. The Internet can bring about radical change at the pace of international business, and will lead small and medium-sized enterprises quickly to internal work. Scale economies across many job industries will reduce competitive advantage, making it a competition for small businesses worldwide. Supply Chain Management Practices by Sky Enterprise.

Sky Enterprise has got a distribution channel management job that works primarily for downstream supply chains that we can relate to in the early stages of supply chain management physical distribution management. It is responding to the needs of the front end, distribution channel and the market for raw material collection from the rear end.

### 3.4 *Supply Chain Models of Sky Enterprise:*

### *Pull supply chain*

Since Sky Enterprise is based on their work, all the models of the supply chain are working and this model serves as the strategy of many firms. This process is actively involved in the right work of the product and service, thus relying on customers to use the supply supply chain for cost management. Here the manager can process the payment of the work to the customer by reducing the exact cost and increasing the quality of service.

| Supplier | Manufacturer | Distributor | Retailer | Customer |
|---|---|---|---|---|

Sky Enterprise operates a supply chain based on their work needs Bong This model works as a strategy for many business firms.

### 3.5 *E-supply chain management:*

The e-business process can be used to improve the management of the operating chain in a variety of ways. Then there are many types of difficult tasks to deal with.

*Reduce the order from the time the order is delivered.
*Then production costs will be reduced.
*Further inventory helps to drive the process more efficiently.
*Make job forecasting better.

*Reduce the time it takes to launch new products.
*Good after-sales / after-sales activity will do well.


Below are some of the common benefits that E-SCM has to B2B -

1. Increasing the efficiency of different processes reduces the time to end a process here and the organizations required to execute it.
2. If B2B businesses accept e-commerce, this will result in faster time and lower cost per order.

   Advantages: Last time and less will be less according to product order.

   This is a down-to-earth process that will ease the complexity of logistics. B2Chan will create a facility to work from a retail e-commerce site through a retail business vendor.

   Benefits: Channel distribution and sales costs will be lower.
   Advantages: Better customer views.

   Flexibility in adapting to the needs of new businesses is found to be the key function of these systems. For example, SAP, an e-business system provider and integrator, performed the analysis of three of its SCM solutions

   Synchronize logistics to supply: Balancing push and network planning processes to work. Performs work based on actual demand and performs production work.
   A business must be sensible and responsive to the supply chain management such as drive delivery, transportation and logistics processes that accompany real-time planning processes.
   Provide comprehensive visibility, collaboration, and analytics management capabilities - Properly monitor and analyze your increased supply.

**3.6** _Supply chain Management infrastructure systems for supply chain management_:

Supply Chain Management systems need to deliver supply chain visibility to different parties who need to access the supply chain information of an organization, whether they be employees within the organization, suppliers, logistics service providers or customers. Information systems have a key role in providing this visibility. Since a huge volume of information defines supply chain processes for each organization, users of this information need to be able to personalize their view of information according to their need- customers want to see the status of their order, suppliers want to access the organization's database to know when their customer is next likely to place major order. Security is also important – of a company has differential pricing, it will not want customers to see price differences.
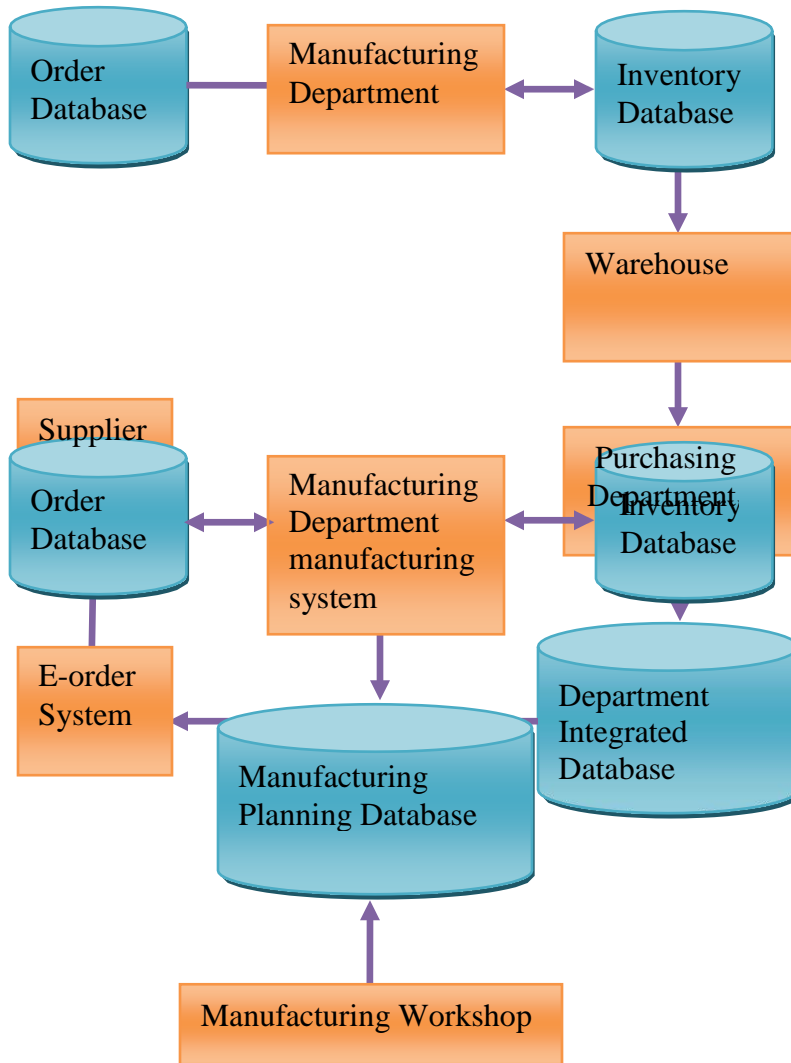
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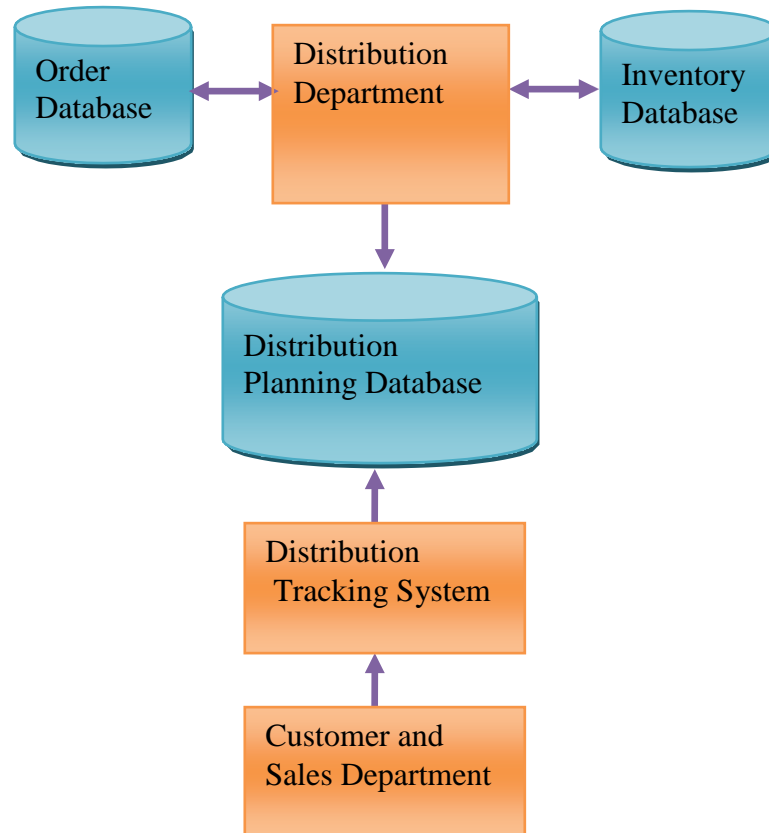*Figure: manufacturing workflow based on supply planning*

*Figure: Distribution workflow and Goods returning workflow*

These steps are meant to provide accurate information about business management in such a way that different tasks require an integrated supply chain management database with different business views, as shown in the image above for a typical information system infrastructure for supply chain management. It can be seen that the supply chain is divided to plan and supply to work properly. The key feature for modern supply chain infrastructure is the use of a central database that can share information from within supply chain processes and applications. Sky Enterprise's operational database is typically purchased as an enterprise resource with management applications for parts of the system such as SAP, Prism and usually supply chain planning. Some schematic applications can provide different providers such as network simulation work. The use of technology is evolving to minimize the cost of line networks in the process of information processing of a TCP protocol. Problems arise when managers in the supply chain management process are provided as required information or provided through a secure personal Internet service used to work with partners. Supply of Sky Enterprise's Supply

Chain Supply Chain steps can be put together as software to help them plan their business properly. The supply chain system enables the firm to create a demand for a product and create a plan for that product. These national supply system companies can do much better operating, such as determining how much to produce in a given time period. Supply chain systems manage distribution centers and flow of products to ensure products are in the most efficient manner. It controls all orders, manages and manages all types of logistics operations, manages customer accounts and tracks each invoice and works accounting processes. Supply Chain Execution works to help manage operations, resources better on the Internet.

## *Demand planning*

Since Sky Enterprise's supply chain management provides accurate model analysis, they target their product quality. This is done at the beginning of every year and properly absorbs the work required throughout the year. The Tatars called it a block list, on the basis of which it was ordered to provide timely raw materials to operators in and outside the country. Different tasks have to be followed when determining demand.

| Field Force | → | District Sales Manager (DSM) | → | Regional Sales Manager | → | Sales Manager | → | National Sales Manager | → |

Feedback from the Field Force: They've got an efficient and accurate quality field force that meets with their customers, physicians and chemists, especially creating a claim plan that will sustain their search for the foreseeable future.

Create a regional demand schedule: Since their work does not require the same product in every step of the market, they create a regional demand schedule based on the work coming from the field force, which indicates different conditions for the region.

Adjusting to forecast trends: Once the regional conditions are settled, they align with them in terms of the next year's sales and the 5 year total requirement amount.

## *The supply planning*

The logistics plan begins after the scheduled time for each year is finalized. As supply comes from outside the country, regulatory responsibility functions are done exactly as they are. The

total demand is placed on a block list which is presented to the relevant government agency for approval. So, we can say, the following steps are followed in the logistics plan.

- For Block Listing and Approval: Once the demand schedule has begun, it is formatted into a block list and will ask for import permission. This is done for outside supplies. Such measures do not have to be maintained for internal supply.

- Tender float: According to the approved block list, the firm calls qualified businesspeople who can buy raw materials for this company. A communication between the business and the organization is maintained to provide timely material. This is a continuation.

- Split into lots: Suppliers are then asked to supply the required raw material each month. Each month's prior notice is communicated to suppliers on demand and they do their job.

- Monthly Manufacturing: The firm takes monthly production ideas according to demand. It can be varied according to demand.

- Distribution: The Company has received 1 sales depot across the country which supplies the finished product as per the district's monthly requirement. There is a central list that links the needs of the depot and incoming managers.

- Technologies used: The work used here to communicate with managers is that mail maintains a secure working condition on both the front and rear ends, and production is different within a few months.

## 3.7 *Impact Analysis*

The e-business of Sky. Affects customer service elements such as response time, product variety, availability, customer experience, time to market, visibility and return ability. The impact analysis mainly talks about the before and after scenario of automation within Sky. Before automation, all the hassles had to be done by Renata itself and that was also manually. So it took lots of time to deal any shipments. Moreover the warehouse needed to be notified by the head office. And all the other tasks, such as plans and shipments, orders and shipments were to be done by Sky manually.

But after automation, the whole system was handled easily as the "Bridging Technology" was introduced to the system which connected all the departments together in one thread. Any department can communicate with each other at any time.
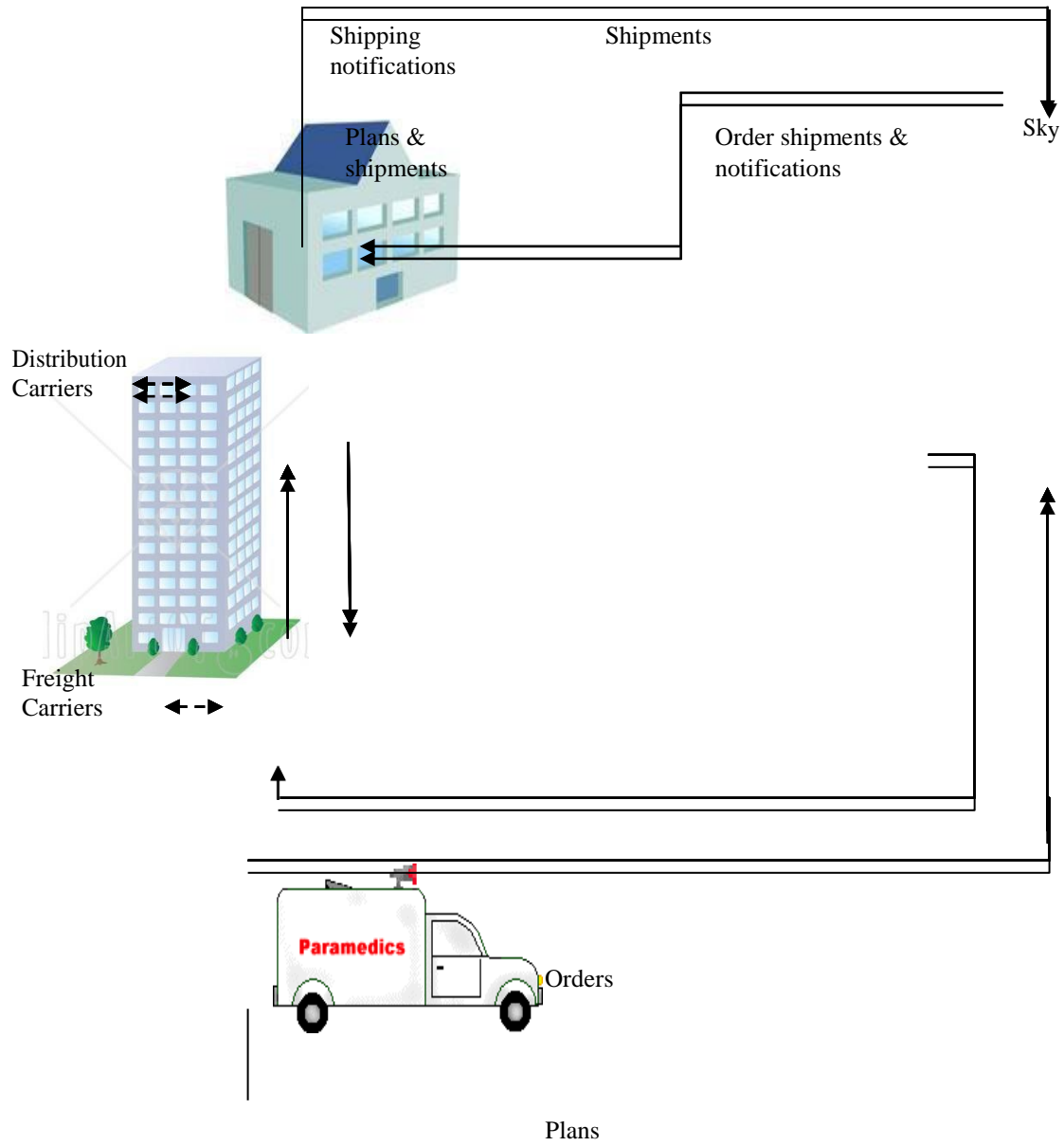
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Shipping notifications

Shipments

Plans & shipments

Order shipments & notifications

Sky

Distribution Carriers

Freight Carriers

Paramedics

Orders

Plans

*Figure: Supply Chain management System before automation*
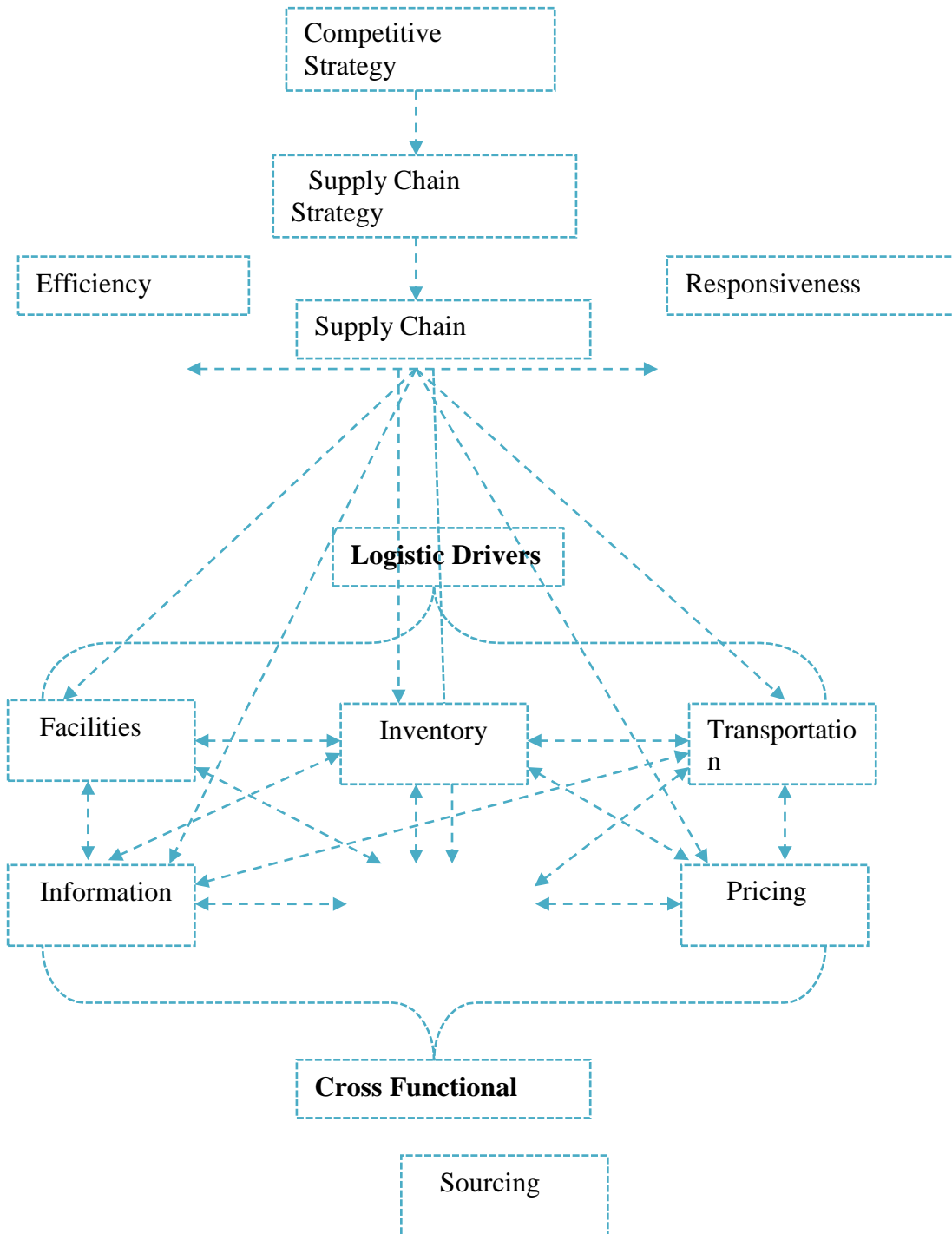
*Figure: Cross Functional Drivers of SCM*

**Impact of MIS on cost factors:**

|  | Performance | |
| --- | --- | --- |
| Cost Factors | Before MIS application | After MIS application |
| Demand | Constant, based on Forecasting | Fluctuate, based on customer orders |
| Product life cycle | Long | Short |
| Product variety | Low | High |
| Contribution margin | Low | High |
| Order fulfill lead time | Allowed longer fulfillment lead time | Short or based on quoted due date |
| Supplier | Long-term | According to product life cycle |
| Production | Make-to-stock | Assemble-to-order Make-to-order Build-to-order |
| Capacity cushion | Low | High |
| Inventory | Finished goods inventory | Parts, components, subassembly |
| Supply selection | Low cost, consistent quality, and on-time delivery | Flexibility, fast-delivery, high-performance |

**Impact on Facilities:**

Supply chain management points to the key driver for the work process and efficiency improvement. When a product is just kept in one place, the business ethics is achieved. This centralization increases multiplication and lowers costs.

*Its ability to measure

*Determine the fraction of use
*Cycle time for production
*Flow time multiplication
*Increasing the quality of production services

## Impact on Inventory:

There is a mismatch between the proper supply and demand of the operator. The supply is maintained throughout the supply chain management in the form of operating raw material, processed and as a final product. It exerts a significant influence on the material flow period by analyzing the supply accurately and judiciously. The following are the main reasons for inventory that has generated more response efficiently and efficiently through Sky Enterprise's supply chain management.

*Creating the average list
*Calculate the average recovery batch
*Inventory for average protection
*Inventory for Seasonal Made
*Meeting rates
*Hold out of stock during fractionation

## Impact on Transportation:

Considering the needs of the target customers, Sky Enterprise plays the role of transport by employing business strategies. The logistics pay for quick transportation by designing proper transportation management and helping to fix transportation. The following are the impacts on transportation of supply chain management:

*Average internal transportation costs
*Average Input Product Invoice
*On average, the cost of outer bound transportation
*On average, adjust the size of the outer bound invoice
*Determine fractional transport by mode

## Impact on Information:

*Information is such an important driver that helps Sky Enterprise become more efficient and actionable and more responsive. By integrating and sharing information management supply chain management with a prediction and overall plan, it is possible to perform the data more efficiently and effectively. SCM uses the information in the ERP to provide visibility of the information as well as support decision-making of Judge Bless on.*

*Forecasts on the horizon
*Frequency of updates
*Predict error
*Determines seasonal causes*

*Variants form plans*
*Determines the ratio of demand variability to order variability*

### Impact on Sourcing:

Sourcing decisions are crucial and through SCM sourcing decisions can be made effectively. The most significant sourcing decisions for Sky is whether to perform a task in-house or outsource to a third party. Again, selection of the number of suppliers by Sky and the procurement process by which suppliers send product in response to customer orders are also very crucial decision for Sky. These sorts of decisions are driven by SCM by measuring the following:

*Days payable outstanding
*Average purchase price
*Range of purchase price
*Fraction on time deliveries
*Supply lead time

### Impact on Pricing:

Pricing is a significant feature by which Sky performs its competitive task. The components of pricing driven by SCM are lower prices than lower prices, fixed prices compared to menu prices, and higher pricing to ensure a business economy. Managing processes that try to serve by following the right supply chain and directly influencing product pricing decisions for demand profiles:

*Creating profit index
*Day sales make arrears
*Increased fixed / variable costs per order
*Find the average sales price and order size
*Sales price and periodic sales range.
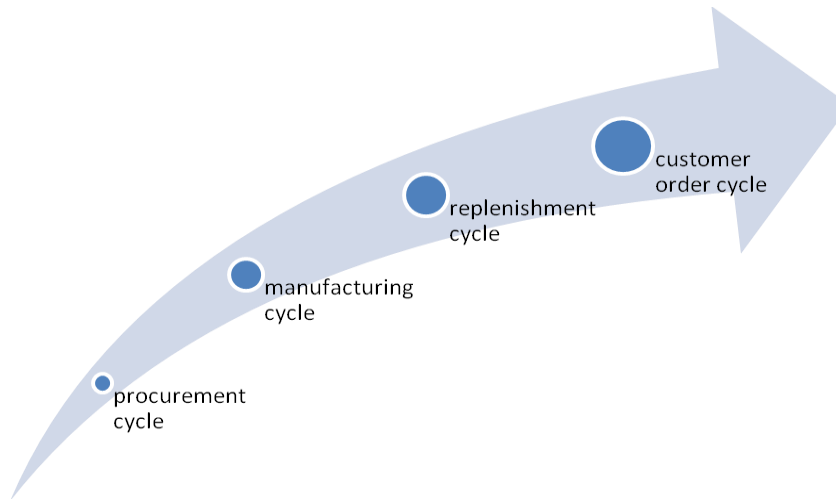
 _Impact of MIS on service factors:_

| Service Factor | Performance | |
|---|---|---|
| | Before MIS application | After MIS application |
| Response Time to Customers | Slower response(from retail pharmacies & hospital adjoining pharmacies) | Faster responses from retail pharmacies & hospital adjoining pharmacies |
| Product Availability | Less accurate due to inaccurate forecast | More availability due to accurate forecast. |
| Communication | More time needed for international communication | Enhanced communication with global partners |
| Faster Time to Market | Dependence on physical distribution channels | Faster marketing due to availability in websites |
| Flexible Pricing, Product Portfolio & Promotions | Lengthy process of updating & rendering Pricing catalogs | Quick updates & allocation of pricing catalogs. |
| Efficient Fund Transfer | Slower transaction in global trading | Quick transaction due to EFT |

### 3.9  _Response Time to Customers:_

In case of pre-internet environment, physical products took time to move and response from customers also lagged behind. Renata uses "Supply Chain Execution (SCE)" software to improve their overall SCM system. The customer group consists of individual customers, retail

pharmacies and hospitals with adjoining pharmacies. The advantage of the software is that quick response to the response to the customers can be made possible as.

### 3.10   *Communication:*

Communication within and outside the firm was not so efficient before. But after adopting MIS not only the communication within the Supply Chain management and communication of SCM with other departments has also improved. The SCE software helps in improving communications. Warehouse managers will be able to communicate electronically instead of via the phone or fax with other members of the supply chain so that problems and scheduling can be handled in real-time instead of being prone to delays. For example, if a problem arises in the warehouse, the software can be set up to automatically notify managers so that it can be taken care of immediately. Improved communication also helps improve cross docking possibilities.
Moreover, better communication with the affiliates and alliances can be ensured. The international presence and communicating with the worldwide branches of Renata would have been impossible without the SCE and the internet.

### 3.11  *Product  Availability:*

E-business can greatly increase the speed with which information on customer demand is disseminated throughout the supply chain, giving rise to more accurate forecasts. These improved forecasts and the more accurate view of customers demand leads to a better match between supply and demand. On the inventory front, this translates into having more of the inventory that customers demand and less of the inventory they do not. It also allows for aggregation of inventory that improves product availability.

### 3.12 *Faster Time to Market:*

Sky can use e-business to introduce new products much more quickly than physical channels. Physical channels must produce enough units to stock the shelves at its distributors and retailers before it starts to see revenue from the new product. But Renata makes all its new products available on their website and a distribution lag to fill the physical channels is not present. Both the regional and the international customers get aware as soon as the product is ready to be launched. Company also gets to know the customer response as click-per customer to their websites.

### 3.13  *Flexible Pricing, Product Portfolio & Promotions*

With the help of SCM software, company can change or alter prices by changing one entry in the database linked to its website. This availability allows the company to maximize revenues by setting prices based on current inventories and demand. Earlier Sky had to use paper catalogs to convey the price to . They had to print new catalogs and post them to potential customers. But now they only have to rearrange the price in their database

*Efficient:*
The speed of collecting revenues has been enhanced due to Electronic Fund Transfer. Earlier before, payments in case of global trading (trading with alliances & affiliates of Renata) were much more delayed. This hampered the process of supply chain management as purchasing raw materials & other working capital supplements needed some ready cash which resulted in a slower work-in-process and slower delivery. But now in both sides, electronic fund transfer assures the availability of fund quickly. Transaction all over the world has been much easier than before making the supply chain management system faster and efficient.

### 3.14  Economic Impact

If we think from the economical perspective the IT has changed the relative costs of capital and also the information technological cost. This is consider as a factor of replacement of capital and labor. However, cost of information technology decrease when it is substitute by a labor.. In the other hand buildings and machinery are relatively costly. Managers increase their invest on IT because reduce relative cost and capital investment. The quality, cost and economic information affected by IT.IT contract the size of the organization it can decline the transaction cost. Market is very expensive to use such as communicating, locating with regular supplier, monitoring contract compliances etc. Actually all firms are try to reduce their transaction costs by hiring more employees and but their own distributors and suppliers. IT always helps any a organization to lower their cost of market participation by using their network. Expensive to outsource work to a marketplace rather than is outsourcing their production to contract manufactures such as Flextronics instead of making their own production. From the graph we can see that the transaction cost decrease the firm size (the number of employees) because it becomes easy and cheap to contract for the purchase In 1994 Kodak has 24,000 full time employee and their revenue was $3.3 billion but when they decrease the number of employee in 2009 and revenue amount is $10,000For the growing size of the firm and the employee cost owner must expand the effort on managing and supervising employees. Because of information technology it is very easier for ma manager to monitor the huge number of employee inside and as well a outside. The figure illustrate that, reducing the overall management cost in IT enable firms to increase profit when shrinking the number of employee of middle managers and workers.

Figure . Result of transaction cost theory due to the impact of information technology on the organization.

In the above figure we can see that when the transaction cost is high the firm size is also high. But if we reduce the cost the firm size become less. It mean less employee but still the revenue is coming and the dependency on outsourcing and external contractors is increased. Figure Result of agency cost theory due to the impact of information technology on the organization . We know that , to manage employees we need agency cost. By reducing agency cost management become more efficient. Very few managers needed to manage less employees. Without the IT, it is quite impossible to change any global organization because that become expensive.

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### 3.15 <u>Organization with less labor</u>

So the meaning of management has changed with the broadened control assigning high level of managers to manage and control , more, works. The organization those were establish before the computer aged has begun is very slow to change. Many large organization deduct the labor number and the number of the level of that organization. Information technology cut of the hierarchies by empower the low level employee to increase the management efficiency. Always the higher education system helps to take intelligent decision. As this taken less time so organization need less managers.

### 3.16 <u>*Business value to supply chain management system:*</u>

Supply chain management systems enable companies to streamline both the inside and outside supply chain processes and can provide more accurate information on what to produce, store and move. By implementing a managerial and integrated supply chain management system, firms can meet managerial needs, reduce inventory levels, improve supply services, time to market commodities and use resources better. Effective proper management supply chain management system enhances organizational performance in the following areas:

1. Improved customer service and responsiveness: If the product is made readily available to customers, placing the right product at the right time at the right time will increase sales.

2. Low cost: Supply chain management helps companies control and often reduce some or all of the costs associated with running a product through a supply chain.

3. Cash Usage: The sooner a firm operates a product, the sooner that firm will pay.

### 3.17 <u>*Distribution Channel Management*</u> :

Sky Enterprise has got a *Distribution Channel Management* that primarily works for the downstream supply chain that we can relate to *Physical Distribution Management* , the earliest phase of supply chain management. This is responding to the need of the market from the front end, the distribution channel, and back end, the procurement of raw materials.

### <u>*Distribution Planning:*</u>

The block list, the total collection required by a manager for one year, is usually created by working with the job at the beginning of the year. This, combined with micro-factor work, is determined by a forecast based on product purchases the following year, with a single response to business people who visit with physicians and chemists. After judging and reviewing all the required micro and macro components, usually a distribution supply chain management plan is given. Depending on the inventory conditions at the sales outlet and central warehouse, the total plan can be determined. After starting the plan, the products were moved from the central inventory warehouse to the outlets for sale.

*3.18  Mail Communication:*

The technology used here are simple Mail Communication for the overall supply chain while keeping track of every movement of inbound and outbound logistics are kept in custom database. Since the procurement is designed for once in a year there are tenders to bid by the suppliers, the management is simple and largely done by the suppliers. For the local supplier the complication is less and supply can happen as per order at any time.
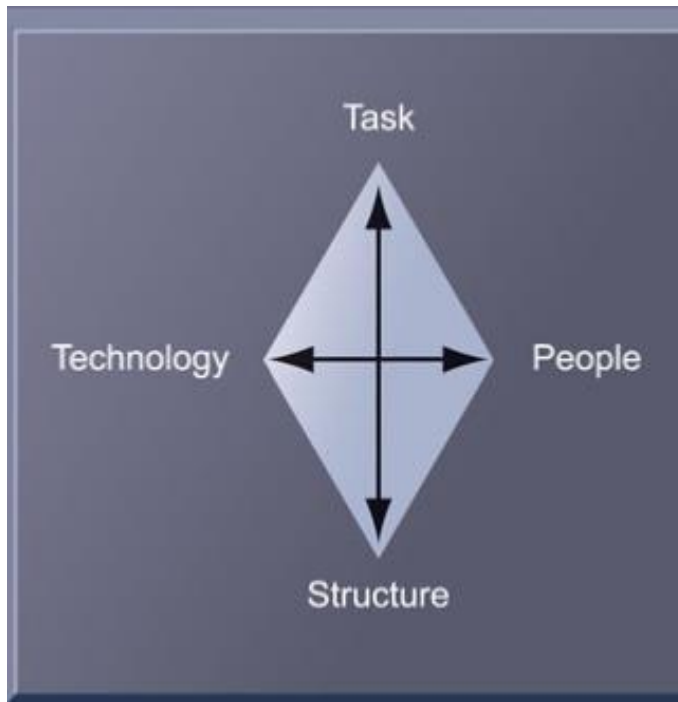
On Supply Chain the communication is web. Every performance on delivery of goods is communicated through web to update database. So present stock level, the delivered lot and present demand from the customer can be traced at every moment.

# Industrial organization:

Postindustrial theories also support that IT flatten hierarchies. Knowledge and competence are reliable by authority. Therefore the shape of organization flattens. Self-managing and self- decision making are the characteristics of the professional. When group or professional come face to face and do their job and again they assign for another task.

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## Acceptance of changing trends:

Information systems are a part of any business organization's policy.. In organization we can know who report to whom, where, when etc Information systems are a part of any business organization's policy.. In organization we can
know who report to whom, where, when etc. New information system requires personal changes, this practice can be painful for somebody The diagram shown-



 how the business organization, business structure, people and supply chain management technology are inter-related.

Figure: Relationship between organizational structure, people, task and technology

<u>Supply Chain infrastructure management:</u>

Major challenge is infrastructure management and governance. Where to make investment and how, it need a solution and guideline. Because total cost in Supply Chain investment is an asset. Computer, hardware software has their own cost but up gradation and other issue e.g. training, learning also increase the cost of investment.

**<u>Reengineering the jobless:</u>**

Reengineering is major benefit of information technology. Because many mid-level employee lose their jobs. But educated workers from reengineered will get fast job because of growing industries. But it's tough for unskilled, older, less well educated workers. Careful and sensitive planning and decision can help the employee to loss their job.

*3.19* **<u>Knowledge work system type:</u>**

It always support the new knowledge and its aggregation in the organization. Its require easy access to external knowledge, powerful hardware which can support software. KWS has to have access to external database and ability to analyze huge data very quickly.

# Chapter Four

**4.0 : Description of Internship Activities and Findings:**

Working with others has enabled me to improve communication skills, people skills, tenure skills and other skills. It has not always been easy to make a distinction between work style and learning style with other staff. inspiration and work as me. Still have to find a way and be successful. I could see that communication was one of the major obstacles to working with people. I had to find different ways to motivate different people, which made me successful,
 I could see that not everyone was the same and in some cases there were problems such as:

1. In a work environment or in a job, usually the tasks of doing business are not done properly, because there is not enough equipment for the work, I cannot.

2. Changes to business jobs that do not require an employee to enjoy work benefits and do not require equal opportunity to enjoy this national work experience.

3. There was coordination between all but so everyone was more interested in the work but the management of the firm could not handle it properly.

## 4.1 Recommendation:

Looking to the future, they plan to use the process by improving their information systems and plans to strengthen supply chain management, in their opinion.
Nevertheless, we may forward some recommendations based on our understanding of the operating conditions of the operating supply chain and the current state of the overall information system. They are

- They need to acknowledge the pressure of their competitors and understand each of their actions as they figure out how they are operating the IS and the supply chain.

- Unless the other related parties operating their supply chain are related to B2B e-commerce and there is a legacy system on the regulatory framework, an integrated supply chain operator is not possible. So there should be pressure from people in the industry to do this.

- In the future business, operating an IS and a supply chain should be an industry practice so that the downstream supply channels can be further expanded and served to customers.

## 4.2 *Conclusion:*

To conclude, we say it is very vital for a player in Company to concentrate on the Information System and Supply Chain Management. The value addition in each stage would be more precise and quantifiable once they started to use a sophisticated supply chain management.

## 4.3 Future Scope:

On the basis of this research alternative methodologies for meddling and designing systems can applied in future. Structured methodologies and object oriented development are the most prominent for modeling and designing systems.