

# [Marks spencers enterprise system](https://assignbuster.com/marks-spencers-enterprise-system/)

## INTRODUCTION

Marks & Spencer is the British retail store with over 600 stores in the UK and over 200 more in 40 territories around the world. Michael Mark was the founder of the company and later he did the partnership with Tom Spencer. The company’s head quarter is in the Waterside House in the City of Westminster, London, England. Marks & Spencer’s domestic stores sell both clothing and food and now they also deal in other ranges such as home ware, furniture, footwear, gifts, and food with many of these items sold under Marks & Spencer’s private label St. Michael brand. Marks & Spencer was the first retailer in the United Kingdom to introduce self checkout tills.

## WHAT IS ENTERPRISE SYSTEM?

Enterprise systems are systems or processes that involve the entire enterprise or two or more departments of it. This is in contrast to functional systems, which are confined to each other department. This means typically offering high quality of service, dealing with large volumes of data and capable of supporting some large organization. Enterprise system provides a single system that is central to the organization and ensures that information can be shared across all functional levels and management hierarchies. It is invaluable in eliminating the problem of information division caused by multiple information systems in an organization, by creating a standard data structure.

Major enterprise systems in organizations are Enterprise resource planning, customer relationship management, supply chain management, knowledge management. It helps the organizations to implement and communicate their business.

## SUPPLY CHAIN MANAGEMENT

Supply chain management is a set of relationships among suppliers, manufacturers, distributors, and retailers that facilitate the transformation of raw materials into final products. Supply chain involves the flow of materials, information, money, and services from raw materials suppliers, through factories and warehouses to the end consumers. Successful supply chain management requires a change from managing individual functions to integrating activities into key supply chain processes. For example: the purchasing department places orders as requirements become known. The marketing department, responds to customer demand, communicates with several distributors and retailers as it attempts to determine ways to satisfy this demand.

## ENTERPRISE RESOURCE PLANNING

Enterprise resource planning is an integrated computer based system used to manage internal and external resource including tangible assets, financial resources, materials, and human resources. Its purpose is to facilitate the flow of information between all business functions inside the boundaries of the organization and mange the connections to outside stakeholders. Enterprise resource planning systems consolidate all business operations into a uniform and enterprise wide system environment.

Enterprise resource planning is back office software which focuses on the key business functions of manufacturing, supply chain management, customer relationship management, financial management, and project management. A well implemented enterprise resource planning solution will improve the efficiency of the enterprise it reduces money tied up in stock and run a just in time inventory system. Some of the major players in the enterprise resource planning market are oracle, SAP, Sage and Microsoft.

## CUSTOMER RELATIONSHIP MANAGEMENT

Customer relationship management is an enterprise wide effort to acquire and retain profitable customers. Customer relationship management focuses on building long term and sustainable customer relationships that add value for both the customer and the company. It is widely implemented strategy for managing a company’s interactions with customers, clients, and sales prospects. Customer relationship management concerns the relationship between the organization and its customers. Customers are the lifeblood of any organization be it a global corporation with thousands of employees and a multi- billion turnover or a sole trader with a handful of regular customers.

## KNOWLEDGE MANAGEMENT

Knowledge management is a process that helps organizations identify, select, organize, disseminate, and transfer important information and expertise that are part of the organization’s memory and that typically reside within the organization in an unstructured manner. Such treatment of knowledge enables effective and efficient problem solving, expedited learning, strategic planning, and decision making. It is a range of strategies and practices used in an organization to identify, create, represent, distribute, and enable adoption of insights and experiences.

## ENTERPRISE RE SOURCE PLANNING AT MARKS AND SPENCER

## SAP

This programme aims to provide Marks and Spencer with accurate business data and core processes to enable business improvement initiatives in cost and operating efficiencies. Specially SAP will improve stock visibility and management of information, while increasing process efficiency which Marks and Spencer believes will enhance the customer experience and drive greater control over its margin.

Marks & Spencer has completed the first part of a major SAP rollout across its UK operations. Marks & Spencer described SAP as its future core business system as it standardises business processes globally. This rollout being run by services supplier IBM, is a part of IT and supply chain overhaul called 2020-doing the right thing costing £400 million in the next year alone. By implementing SAP enterprise resource planning for financials and SAP business intelligence Marks & Spencer took partnership with Deloitte this helped Marks & Spencer to improve payment process and improved the capability to report to the main head office.

By introducing SAP software Marks & Spencer enables to move products more quickly, reducing lead times and the number of times stock is handled. It has closed 21 out of its 110 warehouses and is developing a site in the midlands that will be a national distribution centre and dedicated E-commerce facility. In store it is also implementing an improved stock management system with real time data. Marks & Spencer said the system will deliver cost efficiencies as well as an enhanced customer experience

## SUPPLY CHAIN MANAGEMENT AT MARKS AND SPENCER

## EDITRACK SOFTWARE

Marks & Spencer uses editrack software for its supply chain management. Marks & Spencer is rolling out new technology to manage the end to end inventory forecasting, replenishment and order planning needs for its food division. Also Marks & Spencer uses Quantum Retail’s software solution to forecast and make inventory decisions in real time while considering both inter day and intraday stocking. It forecasts demand at an individual item for every store. While buying decisions are made based on current stock levels as well as considerations such as daily selling patterns, product life cycle, target service level and inventory availability. Marks & Spencer is to spend £450 million over three years to revamp its supply chain and supporting IT systems and aims to generate £500 million in sales from its website. Marks & Spencer uses this software to analyse sales volumes and localised customer behaviour to decide, for example whether to stock sandwiches at 9 am or 3: 30 pm for a particular store. Mr. Rose the chief executive of the company said the firm has spent £150 million this year revamping its IT systems, notably a new financial management system, its e-commerce venture with Amazon, and replacing tills and point of sale terminals, some of which are nine years old.

Marks & Spencer uses editrack business tracking system throughout their international supply chain and in 2005 this software used to mange over £800 million of stock and also helps to tracks the progress of purchase orders all the way through the supply chain holding detailed information on the activities performed to the orders Whether they have been consolidated at origin, loaded at the factory or if they have travelled by road, sea, or air. Tolerance levels are held within the system for each supplier for example when a supplier makes a request to ship goods and the requested quantity or despatch date do not meet the predefined tolerance, the supply chain managers is alerted for authorisation. This software has given the supply chain management team to deliver quality solutions within short time scales with more flexibility to be innovative and to respond to business needs no matter what the scenario is. This software provides flexible, fast solutions which are allowing business to develop and grow with real pace.

## CUSTOMER RELATIONSHIP MANAGEMENT AT MARKS AND SPENCER

Marks & Spencer is all about the customers which makes customer relationship management very important. Marks & Spencer is well known for the customer service no matter their prices might be slightly higher than other high street chain stores but many people are prepared to pay a little more for the quality and levels of customer care they provide. The customer relationship of Marks & Spencer was summarized by the slogan “ The customer is always and completely right.” Main purpose of customer relationship management is to avoid miscommunication between customer and Marks & Spencer to have a quality customer satisfaction.

## KNOWLEDGE MANAGEMENT AT MARKS & SPENCER

## SHAREPOINT PORTAL SERVE TECHNOLOGY SOFTWARE

Through knowledge management software employees are constantly learning new ways of doing business; they may solve problems, discover new markets, and find new efficiencies. In Marks & Spencer this network which was piloted in six communities within IT group, gives staff easily accessible and up to date information enabling improved decision making. This has allowed boosting efficiency and it has also improved the level of communication between different hierarchies. In Marks & Spencer this system acts as a comprehensive live suggestion box for employees.

## CONCLUSION

From the research I have conclude that Marks & Spencer objective is great customer service. Enterprise system is very important for Marks & Spencer processes and success. With the help of enterprise system Marks & Spencer are able to provide better service, quality, and performance. Enterprise system helps Marks & Spencer in different aspects like to plan different strategies and measure performance to see where Marks & Spencer actually stands. Customer relationship management which is part of enterprise system helps Marks & Spencer to provide better service to consumers and attracting the competitor’s customers.