Good problems encountered by the company case study example

Background of the Company

World Wide Technology (WWT) is a private company that handles technology and supply chain solutions . It concentrates mainly on commercial telecommunication and government sectors. Their core objective is to customers in arranging, procuring and deploying of information technology products and solutions to their premises. It was founded in July 1990 by David Steward and Jim Kavanaugh. Its headquarters are based in St. Louis Missouri in the United States Of America. David Steward chairs the executive board while Jim kavanaugh is the Chief executive officer.

The company boosts of a workforce of more than 2200 employees throughout the world and annual revenue of more than 5 billion dollars ($5Billion). It is the largest client to the United States federal government by supplying Cisco networks among other major contracts. It has more than 22000 square feet of integration space and integrates an average of 35000 systems weekly.

The company collaborated with an automotive company, Original Equipment Manufacturer (OEM) to act as an intermediary to procure and supply the automotive assembling accessories. The OEM required a cost effective method. World Wide Technology (WWT) partnered with Clear orbit, a software program producer since it could not handle the task with its manual program. This strategy increased the cost of implementing the program.

Convincing customers

It was difficult for the company to convince customers to adopt the new programs especially those that had not developed strong technology. Further the presence of WWT being the intermediary was difficult for the suppliers since they used to interact directly with the buyer, Original Equipment Manufacturer (OEM). The company's challenge to shift to electronic form of handling supplies was difficult since they used to handle a less complex system.

Connecting WWT application server to the Oracle database

This posed a challenge to the engineering experts who had to find a Web Logic server to synchronize the two programs. This was enabled by the Oracles multiple adjustments to their technology code.

Searching a reliable partner

The company had the challenge of finding a company that could provide the required solution to the task. Partnering with Clear Orbit was not easy . Installation, operational and maintenance costs had to be considered

Execution of the program

Strategic and operational analysis

Operational Analysis

Cost effective operation approaches are necessary to save the company's operation costs. Therefore, it is the responsibility of the operations manager to find modalities of reducing cost and time of implementing a certain strategy.

Outsourcing

WWT incorporation had the option of combining the skills of its engineers and develops a software application to handle OEM task of procuring assembly accessories. The management conducted a cost effective study and realized that it would take long before they finished developing and implementing the model. Moreover, the task required a lot of resources and time to fully develop the application. The management opted to contract Clear –Orbit company which specialized in software programs development . They were to develop an electronic program to enhance procurement transactions between WWT and the suppliers on behalf o f OEM.

It only required 8 employees to manage the transaction process between the supplier and the intermediary. Further, the application could handle multiple transactions from different suppliers simultaneously. The time frame required to place purchase orders and confirm whether they were received by the suppliers reduced to an average of 20 minutes.

Labor costs were reduced at a considerable 30%. This was facilitated by the synchronization of multiple transactions on a single platform. Purchasing Orders Collaborator (POC) enabled online ordering of products thus reduced costs that accrued due to manual entry of invoices.

Further, by fully integrating the application to their operation chain, there were reduced errors in the purchasing orders. Moreover, reports on missing line on shipment, wrong quantities drastically reduced by an average of 10-20%. This eventually eased operation and its costs.

Strategic analysis

Developing its own solution

Despite the outsourcing strategy seeming cost effective, the situation may change with time. This could be due to economies and economies of scale that may accrue in the future. The homegrown solution was challenging because it could not handle large tasks. Moreover it led to increased labor costs thus affecting the revenue target. However, since the entity is a going –concern, developing an own application that suits the needs of the company could yield better results and effectively reduce operational costs.

Staying ERP-centric

The company had the option of adopting ERP-centric application because most companies had invested a lot of money and resources. This was a feasible approach since it enhanced equal competitive platform for all firms. Further the model maintained a platform where information could be sourced from a single area. However, this model could not satisfy the demand of different firms in the industry. This is because firms have unique requirements to enable them deliver on their set goals.

Enabling the best application solution

The company had the option of acquiring the best -of –breed vendor. These vendors specialized in a few groups of software to deliver on the deficit of the level of software application. They concentrated on what missed in the application and concentrated on upgrading the application. Adopting the system was imperative as it enabled complexity of the system to avoid hacking and duplicated important enterprise data.

Ethics and sustainability issues

Integrity and accountability

WWT incorporation was not and is not exempted from observing ethical conduct. Every company is required to act within the standards that value the employees, customers, suppliers, stakeholders and the society. This company enhanced integrity and accountability of their client, OEM. They ensured that the software was protected against interference from external party.

Trust

The company had allowed Clear Orbit to monitor the flow of transactions of Purchasing Order (PO) to enhance monitoring and maintenance. Further, the management exercised trust on behalf of its client OEM by operating procurement orders on its behalf.

Proposed Action plans

- WWT Company should consider developing their own model which will suit their needs. This will create room for adjustments especially when dealing with small sized enterprises whose demand is minimal.

- The management should engage their engineers to advance their expertise in developing security applications to protect the program from external interference by hackers.

Conclusion

Use of online trading platforms is the best strategy in the current century. This is because it saves on time and costs. Further, it enhances effective

monitoring of transaction activities to assess the performance and enhance accountability. However, measures should be taken to protect the application from external influence.

Work cited

Blancas, Luis. World Wide Technology and Clear Orbit. Stanford Graduate School of Business, 2006. Web. 8 Dec. 2013.