

# Dollar general case study

[Business](#), [Company](#)



The old system which was not integrated gave problems to the company. This is because they were not able to get small vendors who could otherwise be efficient and reliable. The small vendors could not afford to have the EDI system and so opted not to bid for contracts. This is a problem to Dollar General because they missed the services of these vendors. Another problem that the company faced with the EDI system is that it took time to have one process completed. This is because they had to undertake the process themselves. The old system required that the clerks enter the details of the bids themselves. This process took time because the vendors would have to wait for the clerks to finish entering their bids in the EDI system. The system also caused problems of cost to company. The clerks had to enter the bids manually. The time that the clerks took to enter the data had to be paid. This is costly to the company (Angeles, 2000).

The company is costly to the company but still need to be installed. This is because the company will pay the initial cost once. Assessing the cost of the old system, it is cheaper to be installed but will eventually be expensive considering the cost that is taken to maintain and the process it takes to finish one business process. The company had to install the new system because it would enable synchronization of data from the vendors and the company. The vendors will not have to be in the company premises in order to check their invoices. They would do this from any place. The work that clerks were doing would be eradicated and thus saving on the cost. There would be efficient and reliable communication with the vendors and this communication would be cheaper than the old system. There would be transparency in the entire bid process as the vendors will check the status of

the whole process and will see what made them be disqualified. This will be open to everyone (Ratnasingham, 1998).

There is several software that the company should install in order to reduce cost. One is ERP system. This system is expensive in the initial cost of procuring and installing but will eventually be cheap with the business process it helps to solve. With this system, it will be simple to communicate between the different departments within the company. The different departments will share information in a simple way. This is software package that has modules for different purposes. It has finance, human resource, and accounting modules that are used to interconnect these different departments. This will make business processing between the three departments simpler. The finance personnel, for example, will not have to move to the accounting department to check some transaction. This will be done right from the system. Combine with the EDI/Internet, the processing of the various business processes will be made simple. This will make communication reliable and efficient (Ratnasingham, 1998).

I would recommend Services automation to the company. This is because there will be efficiency in offering these services. Services which are offered manually take time and errors may be committed in the process of undertaking them. It is important to automate the services because it would also reduce the cost of the whole process.

## **References**

Angeles, R. (2000). Revisiting the role of Internet-EDI in the current electronic commerce scene. *Logistics Information Management*, 13(1), 45-57.

Ratnasingham, P. (1998). Internet-based EDI trust and security. *Information Management & Computer Security*, 6(1), 33-39.