# Part Three- Process Integration and Assumptions

**Learning Outcome(s): Describe the key issues related to enterprise systems and system tegration.**

**Describe key issues related to Supply Chain Management and Customer Relationship Management.**

**Explain the principal enterprise systems architectures and implementation strategies.**

Assume the following scenario in our case study of integrated processes. **Petroman Corporation (PC)**, a **General Motors Company** customer in **GM North America**, has ordered 800 bottles of GM Dexos Motor Oil (GMD- 5W-30) from GM. Because PC is located in the Western U.S. sales organization, GM will ship the GM Dexos Motor Oil from its San Diego plant, which is warehouse management enabled. We will make the following assumptions:

1. The San Diego plant has 200 bottles of GM Dexos Motor Oil (GMD- 5W 30) in stock valued at a moving average price of $15.43 each.
2. The Miami plant has 1,500 bottles of GM Dexos Motor Oil (GMD- 5W-30) in stock valued at a moving average price of $15.25 each.
3. GM can purchase bottle of GM Dexos Motor Oil (GMD- 5W-30) from Shell Motor Oil at $14.95 each.
4. **Petroman Corporation (PC)** has sent GM a purchase order (PO) for 800 GM Dexos Motor Oil.
5. GM sells GM Dexos Motor Oil for $30 each.
6. GM Dexos Motor Oil (GMD- 5W-30) must be reordered when there are 250 or fewer left in inventory. In addition, the GM Dexos Motor Oil (GMD- 5W-30) must be purchased in quantities of 1000 bottles.

Based on the following six logical groupings of process steps, identify and discuss the steps in the integrated process that include the procurement, fulfillment, and IWM processes. Analyze the financial and material impacts of the various process steps:

1. Fulfillment process—initial steps
2. Procurement process—initial steps
3. Procurement process—external procurement/ *In the event the Miami plant is* ***unable*** *to fill San Diego’s requirement for GM Dexos Motor Oil (GMD- 5W-30)*.

For the **points 3-6** assume that GM has selected the Procurement process—external procurement option.

1. Warehouse management steps related to procurement
2. Fulfillment process—shipping
3. Warehouse management steps related to fulfillment
4. Fulfillment process—concluding steps

# Questions

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1. **Fulfillment process—initial steps** **[1 Mark]**
2. **Procurement process—initial steps**
3. *Procurement process—****external procurement***
4. **Warehouse management steps related to procurement.**
5. **Fulfillment process—shipping**
6. **Warehouse management steps related to fulfillment**

**Fulfillment process—concluding steps.**