

December 2003

Fresh Item Management: Lessons in DSS, ERP and SCM from a Grocery Bakery Department

Steven Johnson
Park City Group

Follow this and additional works at: <http://aisel.aisnet.org/amcis2003>

Recommended Citation

Johnson, Steven, "Fresh Item Management: Lessons in DSS, ERP and SCM from a Grocery Bakery Department" (2003). *AMCIS 2003 Proceedings*. 415.
<http://aisel.aisnet.org/amcis2003/415>

This material is brought to you by the Americas Conference on Information Systems (AMCIS) at AIS Electronic Library (AISeL). It has been accepted for inclusion in AMCIS 2003 Proceedings by an authorized administrator of AIS Electronic Library (AISeL). For more information, please contact elibrary@aisnet.org.

FRESH ITEM MANAGEMENT: LESSONS IN DSS, ERP AND SCM FROM A GROCERY BAKERY DEPARTMENT

Steven L. Johnson
Park City Group
steven@kaiserjohnson.org

Abstract

This presentation will introduce instructors to the Fresh Item Management software category and will provide them with both relevant teaching materials as well as the background knowledge necessary to present Park City Group's Fresh Market Manager product as an example of an integrated holistic software solution to apply DSS, ERP, and SCM concepts to a non-traditional business setting. It will cover the challenges inherent in adoption of enterprise software with special emphasis on software features that enhance IT usage in a previously non-automated workplace.

Keywords: Enterprise software, grocery industry, DSS, ERP, SCM, teaching materials

Statement of Problem

The availability of inexpensive PCs and telecommunication services, along with decades of advances in IT, allow previously unsolvable business problems to be addressed with automated solutions. For the grocery industry one such challenge is how to profitably manage perishable operations, especially in bakery departments with in-store production.

- Introduction to Grocery Industry
 - Industry Size and Scope
 - Barriers to Technology Adoption
- Current Competitive Pressures: Competing Against Wal-Mart
 - Traditional Fresh Item Management Challenges
 - Department Profitability
 - Operational Consistency
 - Product Quality And Availability
 - Category And Variety Management

Park City Group Solution Overview

- About Park City Group
 - Technology Originally Developed at Mrs. Fields Cookies
 - Customers Using This Technology
- What Is Fresh Item Management?
- Phase 1: DSS For Perishable Category Management
 - Breaking Center Store Habits
 - Data Acquisition Challenges
 - Operational Visibility
- Phase 2: ERP/MRP For Multistage In-Store Production
 - Multi-Phase Production Planning
 - Forecasting Techniques
 - Special Orders

- Phase 3: SCM For Perishable Ingredients
 - Computer-Assisted Ordering
 - Theoretical Ingredient Inventory

Addressing Software Adoption Challenges

- Decision-Support System Adoption
 - Corporate Uses and Department Users
 - Supporting Users: EIS or DSS? Push or Pull?
 - Directed Analysis to Increase Frequency of Usage
- Increasing Data Collection
 - Automating Feeds
 - Hand-held Data Entry Devices
 - Anonymous Users
 - Reinforcing Usage With Alerts
- Novice Computer Users
 - Training Considerations
 - What Does “Ease Of Use” Mean?
 - GUI On A Touch Screen Or Tablet Computer
- Multi-Language Support
 - Realities Of Minimum Wage Workforce
 - Quick Switch Language Support

Cost Justification: Solution Benefits

- Hard Benefits
 - Reduced Food Costs
 - Increased Sales
 - Decreased Inventory
- Example ROI Calculations
- Soft Benefits
 - Customer Service
 - Product Quality
 - Employee Satisfaction
 - Operational Consistency

Available Teaching Materials

The following teaching materials are available for instructor use:

- A vendor white paper, *Transforming Supermarkets*, that can be provided to students in advance as background reading.
- An instructor PowerPoint presentation, including detailed speaker notes and product screen shots, for use during classroom lecture.
- Open-ended discussion questions that can be used either to promote student discussion during the lecture or to assess student comprehension as a written assignment.