Vendor: Microsoft

Exam Code: 74-674

Exam Name: Delivering Business Value Planning Services

Version: DEMO
1: COMPANY BACKGROUND
Corporate Information and Physical Locations
Woodgrove Bank is a national financial services institution that operates in over 30 cities across the United States. The company offers investment banking services, has over 140,000 employees, and has five departments.

EXISTING ENVIRONMENT
Existing Business Processes
Woodgrove Bank has the strategic goal of eliminating 25 percent of its current list of 40,000 suppliers. The bank has begun eliminating suppliers based on their prices, redundant product or service offerings, and past supplier performance. The company’s Enterprise Supplier Management (ESM) group manages the supplier elimination process. The group also directly manages the bank’s largest suppliers and provides training material and workshops on supplier management to the company departments.

The Woodgrove Bank ESM group has the following business processes:
- The ESM group collects supplier performance data for the 2,000 largest suppliers.
- The ESM group’s Supplier Managers use supplier performance data to directly manage the 40 largest suppliers.
- The department managers directly manage all other suppliers.
- The ESM group provides performance data on other suppliers to the department managers by request. Raw performance data is organized in spreadsheets that are sent via e-mail.
- The ESM group’s Business Analysts collect and store supplier performance data in multiple spreadsheets. The spreadsheets are stored on the Analysts’ local computers and contain many different types of supplier performance metrics.
- Each quarter, the ESM group surveys the department managers to discover the level of satisfaction they have for each of their suppliers. Business Analysts distribute the surveys via e-mail then manually consolidate the survey results.

Existing Technology Infrastructure
Woodgrove Bank has the following software deployed on all desktop computers:
- Microsoft Office 2003 Professional
- Windows XP Professional

Woodgrove Bank has the following software deployed on all network servers:
- Windows Server 2008
- Windows SharePoint Services 3.0
- Microsoft SQL Server 2008
- Microsoft Office Project Server

The Woodgrove Bank ESM group has the following technology infrastructure:
- A single IT Specialist who has minimal database application development experience.
- Additional servers available for the deployment of new technology solutions.

Labor Costs
The following table illustrates labor costs for salaried stall.

<table>
<thead>
<tr>
<th>Role</th>
<th>Hourly rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department Managers</td>
<td>$150</td>
</tr>
<tr>
<td>ESM Director</td>
<td>$125</td>
</tr>
<tr>
<td>Supplier Managers</td>
<td>$100</td>
</tr>
<tr>
<td>Business Analysts</td>
<td>$50</td>
</tr>
</tbody>
</table>
BUSINESS REQUIREMENTS

Problem Statements
Woodgrove Bank has identified the following business problems:

- The process of manually entering data for suppliers in spreadsheets is time-consuming for the business analysts.
- Supplier data is stored in multiple files, formats, and locations.
- There is very little sharing of valuable supplier performance data outside of the ESM group.
- The ESM group has a fixed number of employees and very limited budget.

Business Goals
Bank executives formed the ESM group to promote best practices in supplier management throughout the entire company.

The ESM group has the following business goals:

- Build a new Supplier Performance Data Management service to distribute supplier performance information across all departments.
- Provide documentation to show departments how to best use company-wide supplier performance information when negotiating individually with suppliers.
- Minimize ESM group operating expenses by eliminating the procurement of additional software licenses.

INTERVIEWEES
ESM Director

The ESM Director is a business decision maker who manages the day-to-day operations of the ESM group.

The ESM Director best understands how the ESM group fits within the bank's corporate strategy.

Supplier Managers

The Supplier Manager is a role within the ESM group.

- Supplier Managers manage the 40 largest suppliers.
- Supplier Managers best understand how supplier performance data is used to manage suppliers.

Business Analysts

Business Analysts collect and store supplier performance data.

- Business Analysts query the distributed spreadsheets by request from the Supplier Managers.
- Business Analysts provide insight into manual data management processes.

Department Managers

Department Managers are responsible for managing their respective supplier relationships.

- Department Managers provide insight into how supplier performance data is used for supplier management at the department level.

2: A portion of the current state business process for Woodgrove Bank is shown in the following exhibit. (Click the Exhibit button.)
This portion of the business process is repeated every quarter for all 40 suppliers that the ESM
group manages directly and is completed by one business manager and one supplier manager.
You need to identify the total labor costs the bank would save by removing lines 2.8 and 2.11 from
the process.
What are the annual total savings?

A. $18,000
B. $72,000
C. $96,000
D. $144,000

Correct Answers: B

3: You propose a solution to Woodgrove Bank. The bank responds that the proposed solution is too
expensive and will take too long to implement. You need to identify which negotiation points will
likely convince Woodgrove Bank to purchase the proposed solution. Which two negotiation points
should you identify? (Each correct answer presents part of the solution. Choose two.)
A. Rely on the customer for project management
B. Stage the solution rollout so that value is added incrementally
C. Incorporate more of the customers own IT staff into the solution rollout
D. Rewrite the statement of work (SOW) to narrow the scope of the solution

Correct Answers: B D

4: You need to create a current state business process diagram. You have a process diagram that
describes the survey sub-process as shown in the exhibit. (Click the Exhibit button.)
You need to identify which two steps most likely complete the diagram.
Which two steps should you choose? (Each correct answer presents part of the solution. Choose
two.)
5: You need to identify the most relevant business impact to Woodgrove Bank based on its current business processes. Which business impact should you identify?
A. Legal risks caused by accidental disclosure of proprietary contractual data
B. Reported instances of inaccurate or outdated information in supplier performance reports
C. Delays in responding to supplier performance information requests from various departments
D. Weakened bargaining position caused by lack of company-wide supplier performance reporting

Correct Answers: D

6: You need to identify the most relevant value proposition statement for Woodgrove Bank executives. Which value proposition statement should you identify?
A. Implementing the proposed solution will provide greater visibility into supplier performance across the company.
B. Implementing the proposed solution will reduce group operating expenses and improve the quality of supplier performance reports.
C. Implementing the proposed solution will reduce labor time associated with data management, enabling them to improve supplier selection.
D. Implementing the proposed solution will give department managers a tool to better manage their suppliers, reducing the overall cost structure of the bank.

Correct Answers: C

7: You need to identify a solution to meet Woodgrove Bank's business goals while minimizing its software costs. Which solution should you identify?
A. A supplier performance report collaboration portal that uses Windows SharePoint Services and includes automated review and approve workflows
B. A supplier performance data management solution that uses built-in Microsoft SQL Server functionality, which can be easily adopted by the departments
C. A project portfolio solution that uses Microsoft Office Project and Microsoft Office Project Server, which includes common resource tables and project status reporting templates
D. A custom Microsoft Office PerformancePoint Server solution that fully automates supplier performance data management and reporting and enhances management of the 40 largest suppliers

Correct Answers: B

8: You plan to recommend a five-day business value planning services (BVPS) workshop to Woodgrove Bank. You need to recommend a component to include in the workshop. Which component should you recommend?
A. Develop a business case.
B. Create a proof of concept pilot.
C. Develop Windows SharePoint Services applications.
D. Build out an end-user training plan and training content.

Correct Answers: A

9: You are evaluating a supplier performance data management solution. You need to identify the greatest adoption risk that would result from implementing the proposed solution. What should you identify?
A. The ESM Director refuses to fund the solution.
B. Supplier Managers resist the organizational changes within the ESM group that result from the solution.
C. Business Analysts refuse to use the solution, preferring a workaround that employs their existing methods.
D. The value of the solution is inadequately communicated to Department Managers, so they never use it for supplier management.

Correct Answers: D

10: You are evaluating a Microsoft Office PerformancePoint Server 2007 solution for Woodgrove Bank. You need to identify the gap that exists between the bank's current state and its future state based on the maturity level of the current infrastructure. Which gap should you identify?
A. Desktop application deployment
B. Hardware requirements
C. Network architecture
D. Software licensing

Correct Answers: D

11: You need to document which key technology infrastructure issues prevent the ESM group from meeting its goals. Which issue should you choose?
A. Data entry is performed manually.
B. Static spreadsheet-based are used to capture data
C. Supplier data is improperly updated in Project Server.
D. Workflows are undefined in Windows SharePoint Services.

Correct Answers: B