The (fictitious) Computers-Parts company produce computer accessories products, and the company’s management has been dissatisfied with production planning. The management reviews the product order details from the past few months to forecast the demand for each product and create a production plan accordingly. If the sales department receives an unexpected order from a customer or a change request to an existing order after it has been placed, there is no way to adjust production plans because maintaining additional orders or changes may cause extra costs. Accordingly, the company may decide to fulfil the order and reduce the profit to prevent stock-outs or may have to tell customers it can’t fill their orders. At the end of each month, the employees manually enter the orders forecasts into the company’s production planning system. Data from the past month’s production and inventory systems are entered manually into the firm’s order management system. Analysts from the sales and production departments analyze the data from their respective systems to determine the sales and production targets for the next month. These estimates are usually different. The analysts then get together at a high-level planning meeting to revise the production and sales targets to take into account senior management’s goals for market share, revenues, and profits. The outcome of the meeting is a finalized production master schedule. The entire production planning process takes 19 business days to complete. Eight of these days are required to enter and validate the data. The remaining days are spent developing and reconciling the production and sales targets and finalizing the production master schedule.

1. Discuss the impact of the existing process on the company's operational efficiency and customer relationships.
2. What changes could be made to make this process more efficient? How could information systems support these changes?

Support your discussion using evidence from research. References can include refereed journals, books, case studies, newspapers, magazines and electronic references.