

Chrysler's Extended Enterprise Network (EEN)

by

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Abstract

This research project will take an in-depth look at Chrysler's Extended Enterprise Network (EEN). First, it will outline what EEN is and how it came about. Second, it will take a detailed look at the four major technologies that comprise EEN such as EDI, SPIN, E-mail, and EFT. In addition, it will look at how the ANX network integrates with EEN. Lastly, it will discuss the future outlook of EEN.

Chrysler's Extended Enterprise Network (EEN)

Electronic commerce (EC) has been around for quite some time. It started in the 1970s when large companies created private networks to share information with business partners and suppliers. This was usually done via electronic data interchange (EDI). EDI is a process that transmits standardized data and streamlines the procurement process between businesses. EDI helps to eliminate the paperwork and human intervention required when doing business. It is the basic foundation for today's EC.

In today's information age, EC refers to business generally conducted over the Internet. Even EDI, a form of EC, is being brought to the Internet. In a recent industry study, North American businesses will spend almost \$9 billion with electronic commerce consultants, products and services (Study: Businesses to..., 1998). "The worldwide market for Internet-related services is expected to mushroom from \$4.5 billion in 1997 to \$43.6 billion by 2002 – a boom fueled largely by the rush to deploy e-commerce web sites" (Seminario, 1998).

EC has transformed the way business is conducted with suppliers. One of the oldest automotive industry's rules is to never share demand or production information with suppliers because that gave them an unfair advantage in negotiations. However, EC has altered this rule. There is a fast-growing market for online procurement of maintenance, repair, and operation products. "Online procurement changes the rules between companies and their suppliers, and elevates the long over looked and barely automated purchasing function to a more strategic activity" (Wilder, 1998).

Information and communication is serious business today. It is becoming one of the most critical success factors or failures of business relationships. "How information is obtained, understood and utilized in decision-making processes affect both organizational productivity and customer relations" (Communicating within... , 1998). Chrysler understands this importance and has developed one of the most extensive supplier information and EC networks called Extended Enterprise.

This research project will take an in-depth look at Chrysler's Extended Enterprise Network (EEN). First, it will outline what EEN is and how it came about. Second, it will take a detailed look at the four major technologies that comprise EEN such as EDI, SPIN, E-mail, and EFT. In addition, it will look at how the ANX network integrates with EEN. Lastly, it will discuss the future outlook of EEN.

This research project provides a detailed look at how one major company has successfully implemented EC on the Internet. The research presented here is imperative to other businesses looking to move to EC with their suppliers. It also provides benchmarking alternatives to those who are already present on the Internet.

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