

## Demystifying Logistics IT Jargon and Terminology

Members of Women in Logistics UK were invited to submit any IT jargon and terminology that they would like explaining in simple terms. These were then presented at the Women in Logistics UK 'IT in Logistics' Event held at Howard Tenens on 12<sup>th</sup> May 2011 and are the basis for this document.

### ●● CPFR - Collaborative Planning, Forecasting and Replenishment

CPFR is not an IT term but an industry acronym.

CPFR is a collaborative process whereby supply chain trading partners can jointly plan key supply chain activities. The model encompasses business planning, sales forecasting, and all operations required to replenish raw materials and finished goods. A key goal of CPFR is to have a single, shared forecast of consumer demand, which becomes the foundation for integrating value-added supply activities along the value chain.

CPFR is common in retail e.g. with major manufacturers (such as Nestle) employing staff based at the retailer and also the automotive industry with suppliers delivering just in time for the production line. CPFR projects often requires IT solutions to assist with the process

### ●● VMI - Vendor Managed Inventory

Again VMI is not an IT term but an industry acronym.

VMI is a collaborative approach to inventory management and order fulfilment. Where the vendor or supplier takes responsibility for deciding the quantities to be delivered to the customer instead of the customer placing an order. VMI requires the customer and supplier to work together and shares information on forecasts and plans. This is a major part of most CPFR projects. Again VMI projects often include IT solutions.

### ●● Cloud Computing

Cloud computing, at the most fundamental level, is where all the capability of the system is moved to large servers accessed through the web – or 'in the cloud' – the user's computer is extremely low spec as all the software and processing is in the hosted system which is highly adaptable for variations in demand.

For those of you who have worked on mainframe and green-screen systems this is full circle. We've moved from mainframe (huge box in the middle of organization with dumb terminals) through client server (save money on huge box in the middle by moving the processing to the PCs on people's desks) to hosted systems and cloud computing (really low spec PCs on the desk with the big box back in the middle only this time it's accessed through the internet and often shared by multiple organisations).

### ●● Web-Server

A server is a central computer that can be accessed by other computers. A web-server is simply one that does this over the web. Information is usually accessed via a web browser (explained later) or through some form of file transfer capability.

### ●● Portal

A portal integrates applications, processes and services. It provides different features and programs to users. It delivers a consistent representation of information, standardizing the look-and-feel from multiple sources. Corporate portals are often customised with the colour scheme and logo of the company and links to programs and other functionality the user needs to do his daily work. These portals are called integration-portals.

Other kinds of portals are knowledge management or collaboration portals, which are used to distribute and exchange information between users

### ●● Architecture

An architecture in IT is basically the interaction of the components in a complex system. The term is used in different areas.

At a high level a company IT-architecture describes the organization of the IT in a company.

An informational architecture in the area of business computing describes the relationships of different information systems.

Computer architecture defines the operational and hardware build-up of computer systems.

Software architectures tells you the interaction between different software modules, what modules the software has and the deployment of hardware and software resources.

There are a lot of more definitions for what is architecture, but in general it describes the parts and interaction of components.

### ●● Enterprise Architecture

In line with information technology this is the interaction of the elements of the information technology (e.g. all the hardware and software) and the commercial activities of the company.

### ●● Interface or API

API stands for Application Program Interface. An interface or API is the exchange handler for communication between different systems. Not every system can automatically communicate and exchange information with another system and therefore needs an interface. The interface describes the attributes and rules for sending or receiving data.

There are different interfaces/API's:

- data interface, for exchange of data
- hardware interface, between physical computer system (e.g. a plug is an interface between a TV and the power circuit in your house – different interface rules in different countries)
- network interface, between different network components
- software interface, between different programs (e.g. make the other system perform a function)
- user interface, between the user and the device (e.g. the screen on your computer and also the keyboard)

### ●● EDI- Electronic Data Interchange

This is a very defined form of data interface, usually at an industry level where standardized data forms are used to transfer information between businesses. This enables the exchange of data directly from the computer system of one company to the computer system of a trading partner. Typically in Logistics, this is item data, orders, shipping notices etc. These are often performed using industry standard templates e.g. TRADACOMS or EDIFACT in the UK

### ●● Back-end

In IT the terms back-end and front-end are commonly used.

The term back-end is used in two ways.

1. 'Back-end systems' are used to support back office functions in a business, these are the non customer facing parts of a business e.g. HR and finance.
2. In Cloud and SAAS computing 'back-end' is used to define the processes that take place on the main remote server as opposed to front-end which is the processing and screens on the users computer.

### ●● XML

Is the short form for "Extensible Markup Language" and describes the hierarchic and structured data as a text file. XML is used for platform and software version independent exchange of data between computer systems, especially via the internet.

In very simple terms XML is a data exchange format like EDI except every field is labeled and tagged at the beginning and end at every occurrence of the data. Hence these can be very large files.

### ●● ERP- Enterprise Resource Planning.

Originally starting in the manufacturing industry, this is an integrated computerised information system that serves all departments within an enterprise/company. The term ERP implies the use of packaged software rather than proprietary software written by or for one customer. ERP modules may also be interfaced with other specialist or "best of breed" software where the ERP functionality does not match what is required. This is common for example with Warehouse Management Software.

An ERP system typically includes software for manufacturing, order entry, accounts receivable and payable, general ledger, purchasing, warehousing, transportation and human resources. The major ERP providers are SAP, Oracle (PeopleSoft and J.D. Edwards), SSA Global (Baan) and Microsoft.

### ●● Streaming

Streaming is when content is sent in compressed form, from a remote computer, often over the Internet and displayed by the viewer in real time, as opposed to downloading a file and then using it. The term is commonly used for streaming video. The advantage is that the user does not have to wait to download the full file before starting to watch or listen. It also means the user does not have a full copy of the file on their system so assists in copyright issues.

### ●● FTP upload / download

FTP is a File Transfer Protocol. It is a data transport mechanism that does not care what the content or format of the data is. It is generally used to send and receive data via the internet. Every time a package of data is sent the receiving system confirms delivery and then the next data package is sent.

An example is when you update your website you can upload the new web pages using FTP.

### ●● Dashboard

In information technology, a dashboard is a user interface that, somewhat resembling a car's dashboard, organizes and presents information in a way that is easy to read. However, a computer dashboard is more likely to be interactive than an automobile dashboard (unless it is also computer-based). Often in IT systems the dashboard pulls together business information that would normally be displayed on various screens and can even be information from several systems (similar to a portal).

### ●● Browser

A Web browser, often just called a browser, is a specific program to display web pages from the internet. Known browsers are Internet Explorer from Microsoft, the Firefox from Mozilla, Google Chrome, Safari from Apple or Opera

### ●● Middleware

In IT this is used to describe software that links, and therefore transfers information between other computer systems. Using such software means that individual computer systems do not have to have bespoke and therefore expensive interfaces written so they can communicate directly.

e.g if 5 systems all need to talk to each other, 10 interfaces are required in total. With one piece of middleware only 5 interfaces to/from the middleware are required.

**Women in Logistics UK** is a non profit group made up of over 1,700 women and men from the logistics sector. The group was set up in 2008 to support the careers of women in the logistics field. The group is free to join, and is open to anyone interested in the logistics sector who is supportive of our aims. We run the group completely on a volunteer basis and periodically organise events, which are usually free to attend, really good fun and provide great networking opportunities.

For further details please go to [www.womeninlogistics.org.uk](http://www.womeninlogistics.org.uk)