



Chapter XIV

Looking to the Future of Enterprise-Wide Systems

Frédéric Adam
University College Cork, Ireland

David Sammon
University College Cork, Ireland

Many readers of this book may come to the conclusion that the collection of chapters presented here yields more questions than answers. This may well be true, but it is more a reflection of the difficulty and enormity of the problems raised by enterprise-wide systems than a failure on our part, and the part of the authors of the different chapters. We are believers that the concept of a unified system serving the needs of the whole corporation is a suitable and exciting target for researchers and IS managers. We are, however, also convinced that it is less straightforward a target to achieve than many software vendors and consultants would like managers to believe.

As early as 1972, Dearden declared his belief that:

The notion that a company can and ought to have an expert (or a group of experts) create for it a single, completely integrated super-system — an MIS — to help it govern every aspect of its activity is absurd.

This statement indicates that, on the one hand, IS specialists have been trying to develop such systems as ERP systems since the beginning of IS times. It also indicates, on the other hand, that it is probably only now that we have the technology and the platforms necessary to achieve such an ambitious objective. This will not happen without extensive research into the design of ERP systems and the *correct approach* to their implementation; or the problems raised by *organisational fit* may persist in keeping failure rates with ERP type systems unacceptably high.

FROM MRP TO ERP II

One key point about the dilemma faced by managers in relation to enterprise-wide systems is whether the different versions of these systems, as they evolved over time, reflect significant progress in our understanding of business processes, and how to support them with large applications, or whether they merely reflect the changing marketing orientations of their vendors.

Looking back over the last 20 years of integrated software packages, firms that have implemented MRP, MRPII, ERP, SCM and CRM systems will be wondering whether this long road was worth travelling or whether key managerial attention and company resources were wasted on pursuing the dreams sold by management gurus and software vendors. For example, a recent ‘bizarre trend’ (Hayler, 2003) is emerging in the enterprise-wide systems market: the re-implementation and extension of ERP, under the new name of ERP II (Humphries & Jimenez, 2003; Hayler, 2003). As a result, nowadays, in the enterprise-wide systems market, managers, for the most part, want “assurances that the system will deliver the performance and business benefits that were promised when they agreed to sign on the dotted line.” That is because they know from bitter experience that “keeping such promises is easier said than done” (Pallatto, 2002). For example, ERP vendors and ERP consultants now talk about collaborative, component-based systems for specific vertical rather than all-encompassing generic ERP; opening and maintaining full communication channels with implementation partners to avoid disputes over business objectives, deadlines, project scope and system design, which were common in ERP implementations; shorter implementation projects; quicker actual Return on Investment (ROI) and benefits realisation; systems implementation knowledge transfer and dedicated system experts for implementation. It is worth questioning whether this ERP market admittance of past problems signals a failure in addressing the critical issues of organisations in

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