Chapter III
... and the Social Matters

Amany R. Elbanna
The London School of Economics and Political Science, UK

ABSTRACT

This chapter introduces one of the social problems that could affect the integration of the implementation team and highlights its effect on the integration capability of the ERP system. It adopts the sociological theory of the actor network and develops the notion of organisational “othering” to make sense of the raised intragroup conflict during implementation and to trace its effects on the final solution. The chapter contributes to current understanding of the organisational complexity of ERP implementation and the growing research on politics and intragroup conflicts.

INTRODUCTION

Enterprise resource planning (ERP) systems have received increasing attention from businesses, the press, and academia over the last few years. It is presented to the market as one of the large integrated packaged software. Its market boomed and is expected to continue to grow, from $14.8 billion in 1998 (Foremski, 1998) to $26.7 billion in 2004, with estimates of $36 billion by the end of 2008 (IDC, 2004). The top five vendors are SAP, PeopleSoft, Oracle, Microsoft, and Sage.1 SAP is the market leader with a share of over 30% of the ERP market (AMR Research, 2004; SAP AG, 2004). It nearly became the standard for doing business in many industries and the de facto solution to replace the dispersed legacy systems within organisations. Organisations face tremendous difficulties in implementing ERP systems to the extent that their efforts were described by many authors as “the journey of a prisoner escaping from an island prison” (Ross & Vitale, 2000), “mission critical” (Davenport, 2000), and “the corporate equivalent of root-canal work” (“SAP’s Rising in New York,” 1998).

The complexity of ERP implementation is multidimensional with technical, organisational, and social facets (Dong, 2000; Holland, Light, & Gibson, 1999; Krumbholz, Galliers, Coulianos, & Maiden, 2000; Markus & Tanis, 2000). Previous research asserts that the social and organisational complexity has stronger effect on the implementation project performance than the mere technical dimension (Xia & Lee, 2004).

There is a growing body of research on the technical side of the implementation including
research that focuses on the integration between ERP and other disparate systems that coexist with it (Themistocleous, Irani, & O’Keefe, 2001). The softer organisational and social issues involved in the implementation have not received much attention despite authors’ assertions that they represent the major hurdle at the front of ERP implementation (Cadili & Whitley, 2005; Markus, Axline, Petrie, & Tanis, 2000; Mendel, 1999; Norris, 1998).

This chapter explores one of the social and organisational aspects that could affect the ERP implementation project, causing delays and jeopardising its integration capability and potentials. It draws from a successful case of a multinational ERP implementation in a large international organisation. Through the application of the actor-network theory’s (ANT) notion of translation and the introduction of the concept of organisational “othering,” it unravels the problematic nature of intragroup involvements in the implementation and how the organisation’s existing social logic could affect negatively the implementation project.

The following section outlines the research’s informed theory and concepts. It briefly reviews ANT and in particular the notion of translation in addition to developing and introducing the new concept of organisational othering. This is followed by a brief section on the research setting and methodology. The final two sections are dedicated to the analysis of the case study’s details, and the conclusion and implications of the findings.

THEORETICAL BACKGROUND

Actor Network Theory

ANT was developed over the years in the field of science and technology studies (STS) through the collaborative work of many scholars (Bijker & Law, 1997; Latour, 1987; Law, 1992). ANT is occupied with unraveling the way societies come to accomplish certain goals (Latour, 1988). It maintains a distinct view of society since it views it as a network of human and nonhuman actors. Since the social is nothing but chains of associations between human and nonhuman actors, the theory keeps an analytically symmetrical view of both of the social constituents (human and nonhuman). It gained considerable attention in the IS field, and many IS scholars have applied it in their work (Bloomfield, Coombs, Knights, & Littler, 1997; Monteiro, 2000b; Walsham, 2001). ANT views technology as a product of active negotiation and network building where society actively inscribes on the technology a certain “programme of actions” (Monteiro, 2000a). It also views technology as what holds society together and renders it durable and relatively irreversible (Latour, 1991).

Translation is the dynamic by which an actor recruits others into its project. It is a continuous process and “never a complete accomplishment” (Callon, 1986). By and large, it describes how actors are bent, enrolled, enlisted, and mobilised in any of the others’ plots (Latour, 1999). The word itself keeps its linguistic sense: It means that one version translates every other (Latour, 1987). It does not mean a shift from one vocabulary to another but “it means displacement, drift, invention, mediation, the creation of a link that did not exist before and that to some degree modifies two elements or agents” (Latour, 1999, p. 179). It also has a “geometric meaning” that is moving from one place to the other. Translating interests means at once offering new interpretations of these interests and channeling people in different directions (Latour, 1987). The translation or recruitment of entities toward a certain network could take place through implementing several strategies. All would lead the actors in whatever they do and whatever they are interested in to help the network builders to pursue their interests.

Each network consists of more actors and intermediaries. At the same time, a network