Analyzing Different Strategies to Enterprise System Adoption: Reengineering-Led vs. Quick-Deployment

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ABSTRACT

The literature on enterprise system (ES) adoption suggests that companies use different strategies for implementation — some opting to radically reengineer business processes up-front, while others employ a quick-deployment strategy on the assumption that organizational change will follow. In this article we explore how these two different strategies play out in practice and also consider the factors that influence which approach is taken. We use exploratory data from interviews with consultants who have been involved in multiple ES implementations in external companies, as well as interviews with project members involved in an internal ES implementation. Analysis of the data suggests that some level of reengineering is an inevitable outcome of ES implementation. However, attempts to reengineer up-front is difficult and can be problematic. Much of this stems from how the ES is actually used versus its envisioned (or planned) use. The implications for post-implementation exploitation opportunities are explored.

Keywords: ES adoption strategy; ES implementation; team processes

INTRODUCTION

Enterprise systems (ESs) are being widely adopted by organizations in all types of industry and geographical locations. Past research has demonstrated that such systems often do not deliver the hoped-for benefits (Sauer, Liu, & Johnston, 2001; Parr & Shanks, 2000). One issue to emerge from the consideration of research around ES adoption is how best to implement ES for maximum organizational value. In this respect, we can contrast two adoption strategies — a reengineering-led versus a quick-deployment strategy. In the front-loaded reengineering model, companies redesign their business processes before implementation, with a view to designing new processes that will enable the organization to take maximum advantage of the
integrating potential of the technology (Newell, Huang, & Tansley, 2004). On the other hand, the quick-deployment strategy supposedly eliminates this reengineering phase and focuses on a speedy deployment of a standard ‘vanilla’ ES package (Nah, Zuckweller, & Lau, 2003). In a similar vein, Robey, Ross, and Boudreau (2002) differentiate between a piecemeal and a concerted approach to ES adoption. With the piecemeal approach, the aim is first to replace legacy systems and then gradually introduce new business processes. Conversely, with the concerted approach, the organization plans to introduce business process changes, along with software implementation.

For an organization pursuing a reengineering-led ES implementation, the project team(s) tasked with implementing the selected ES must map existing organizational processes, identify the analogous processes that are embedded in the ES software, and configure the software and the organizational processes to effect some kind of parallel (Soh, Sia, & Tay-Yap, 2000). This is therefore essentially a reengineering activity, since it involves defining current ‘as is’ processes and then the ‘to be’ processes that ideally are able to take advantage of the integrating functionality of an ES. Thus, while the original proponents of business process reengineering (Hammer & Champy, 1993) suggested that a firm needs to start with a ‘blank piece of paper’, ignoring current processes and practice, the reality is that this ‘history’ cannot be ignored (Ciborra & Hanseth, 2000). In this approach, in order to specify the organizational requirements for the system, team members must first understand what workplace activities have been done in the past and why (Soh et al., 2000).

However, reengineering existing processes in this way is very difficult, as has been demonstrated by the number of companies where reengineering projects have failed to deliver the hoped-for benefits (Davenport & Prusak, 2003). Another approach to ES implementation involves a quick-adoption strategy, where it is not necessary to fully understand the diversity of existing processes across an organization. Rather, it is sufficient to understand the basic functional requirements and then configure the system to match these essential requirements. This approach draws very heavily on the ‘best practices’ that are supposedly embedded in the software (Nah et al., 2003).

In terms of reengineering, Robey et al. (2002) suggest that organizational transformation is more difficult in the piecemeal, quick-adoption strategy because once the system is deployed, it may be harder to introduce changes to either the organization or the software. Nah et al. (2003), on the other hand, argue that this latter strategy can make ES implementation much easier and suggest that the transformational potential can be exploited after the system has been implemented, that is, in the post-implementation period.

The purpose of this article is to explore how these two different approaches exist in practice, and to consider why organizations use one rather than the other. We can state the research questions as follows: Can we differentiate, in practice, between a reengineering-led versus a quick-deployment ES implementation strategy; and if yes, under what circumstances and why do organizations adopt a reengineering-led versus a quick-deployment strategy to ES implementation? The next section of the article describes our methodology, and then we present and discuss the data from our con-
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