Chapter 8

E-Enterprise:
Organisational Issues of CRM, SRM, and ERP Systems Integration

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ABSTRACT

This chapter provides a framework and discusses the integration of Customer Relationship Management (CRM) and Supplier Relationship Management (SRM) systems in e-ERP environments in supply chains. Currently, the economic environment enterprises are operating in is extremely competitive and influenced greatly by Information and Communication Technologies (ICT). ICT can be an enabler of business performance but also an obstacle if these technologies are not managed carefully. Enterprises are implementing integrated CRM and SRM software in order to remain competitive, but high rates of failure indicate that the implementation of these solutions is not straightforward. In this chapter, organizational issues concerning the integration of CRM, SRM, and ERP software in supply chains are discussed. This chapter aims at informing managers, scholars, students, and researchers of the issues involved, and identifying critical factors of success for enterprises adopting and implementing integrated CRM/SRM solutions.

INTRODUCTION

CRM systems aim at improving the relationship between enterprises and customers while SRM systems manage the relationships between the enterprise and its suppliers. A far as CRM is concerned, it is widely accepted that acquiring, satisfying and retaining customers can increase revenue growth (Stefanou et al., 2003). Although multiple interpretations of the CRM term exist (see e.g. Papoutsakis and Stefanou, 2012) this chapter takes the view that CRM is a business philosophy developed around the relationship management and customer-centric enterprise concepts. It is comprised of a set of tools, techniques, methods and approaches assisted by information and communication technology aiming at managing and understanding customer activities and responding efficiently to customer requirements in order to enhance the competitive advantage of the enter-
The chapter is organized as follows: Next section discusses CRM and SRM systems and their relation to e-ERP systems. The following section provides a literature review on CRM/SRM and e-ERP organizational issues concerning the implementation of integrated software. The final two sections provide suggestions for future research and concluding remarks.

BACKGROUND

Customer Relationship Management is a general industry term for methodologies, software, and Internet capabilities used by enterprises to systematically manage customer relationships. CRM is primarily a business philosophy emphasizing the importance for the adopting organization of customer acquisition, satisfaction and retention to sustain its competitive standing (Stefanou et al, 2003; Sarmaniotis and Stefanou, 2005). Nevertheless, modern CRM systems are based on information and web-technologies and in most cases CRM systems are software off-the-shelf packages developed by vendors such as Siebel (Oracle) and SAP.

Supplier Relationship Management as defined by the Gartner Group is the “practices needed to establish the business rules, and the understanding needed for interacting with suppliers of products and services of varied criticality to the profitability of the enterprise” (Hope-Ross and Spencer, 2001). Accenture gives the following definition: “Supplier Relationship Management is the systematic management of supplier relationships to optimize value through cost reduction, innovation, risk mitigation and growth throughout the relationship life cycle” (Brimacombe et al., 2011)

Therefore, SRM, similarly to CRM, is a general industry term describing the management of relationships that exist or should exist between an organization and its suppliers aiming at cost reductions and revenue growth by improving
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