Discussion-7 well-planned implementation can fail

Discussion Topic:

Your organization moved forward with the implementation of a custom-developed enterprise resources planning solution. After several issues, extensive time spent troubleshooting, and failed user adoption, the implementation was deemed unsuccessful and management decided to continue with the old legacy system.

Management is concerned about future implementations, as the failed one cost considerable financial and personnel resources. Management wants to understand the issues so the failure is not repeated in the future. They have asked you to explain the types of things that can cause a seemingly well-planned implementation to fail. Provide an explanation and at least one example of an implementation that failed in the real world, including lessons learned from that failure.

My Post:

Hello Class,

Several factors can lead to custom-developed enterprise resources planning solution, even one that was well planned. These factors can be listed as follows:

- A lack of user Involvement and adoption is often a consequence of users not being involved or consulted enough during the development process, or their needs not being addressed correctly (Valacich & George, 2020).
- Management did not provide sufficient support to the project, undermining it. In other words, if management doesn't appear to care about the project, employees are less likely to care either.
- Even a well-planned implementation can be inadequate if the project itself is not fully or well defined. This can lead to some critical issues not being fully addressed.
- Unrealistic expectations or hyping users about the new system's capacities.
- Project resistance or resistance to change. Implementing a new system often requires changes in how users use the system. People may resist these changes.
- Testing was inadequate or rushed, leading to an application that was not fully functional or frustrating to use.

A real example of an implementation failure is Lidl's failed SAP implementation, a new System, Application, and Product in Data Processing (SAP) - Enterprise Resource Planning (ERP) software. Lidl is a major European grocery chain headquartered in Germany and operates more than 12,000 stores across 30 countries, including the U.S. (Kimberling, 2025). In 2018, the company decided to modernize its technology landscape by implementing SAP, one of the world's leading enterprise resource planning (ERP) systems. However, the implementation failed, and the company returned to its legacy system. The root cause of the failure was reported to be resistance to change due to the company's difficulty in adapting to SAP's process. The company tries to mirror its legacy methods instead of adopting a new SAP ERP approach. The other issues were over-customization of the system, overreliance on consultants creating unhealthy dependencies, executive misalignment causing strategic chaos, and blaming the new ERP software instead of the strategy implementation.
The main lessons learned are:

- Make sure that your executive and management teams agree on the direction, strategy, and guiding principles of the project.
- Make sure that the change can be embraced by understanding that transformation means letting go of the old way, not replicating it with newer technology.
- Avoid over-customization.
- Understanding that ERP success isn't about buying the best software. It's about executing the best plan.

-Alex

References:

Kimberling, E. (2025, April 9). *Lidl's $600 million SAP disaster: What went wrong and what Every business can Learn*. Third Stage Consulting. https://www.thirdstage-consulting.com/lidls-600-million-sap-disaster/

Valacich, J., & George, J. (2020). Chapter 13: System Implementation. *Modern Systems Analysis and Design (9th ed.)*. Pearson.