Challenges of Implementing Enterprise Systems

We all know that “Great minds think alike”. And this is very relatable when all of the managers of an organization successfully brainstorm and work together to achieve common goals for the enterprise, rather than for their specific department. Due to the nature of how such companies should work, their information systems should also follow that teamwork path and function hand-by-hand according to all of the businesses’ processes in an interdepartmental manner. This synchronized constitution connects all the different firm’s divisions (manufacturing, sales, marketing, finance, human resources, etc.) together allowing the corporation to be more productive and more efficient. Additionally, because of the ever-changing business environment, enterprise systems enable businesses to have a significant advantage among competitors by responding more rapidly to their demands, and at the same time, saving resources.

Unfortunately, the great positive impacts of an enterprise system implementation are compared to same scale possible challenges that will be faced by a venture. The purpose of this essay is to explain the five most significant challenges and their respective most effective tactics to overcome these challenges.

Challenge #1: Overall Cost

The full expense of an enterprise system application is much greater than the preliminary costs. The total cost is a dependent of its customization. And the greater the customization, the higher the final implementation cost will be. Furthermore, all information systems, including enterprise systems, require regular maintenance which will increase the overall cost in a timely manner.

Solution #1: Determine your needs and plan ahead

Keep the scope of the project well defined and contained to essential business processes. Be wary of modifying the enterprise system software to conform to your firm’s business practices. Decide based on costs and results to either update the entire software or complement the existing one with the new enterprise system. Finally, compare vendors with a personalized requirements list that defines the needs of your business.

Challenge #2: Time Consumption

The average enterprise system implementation cost is $5.5 million with an average project duration of just over 14 months. As you recall, the purpose of its execution is to be more efficient and more cost-time effective. Therefore, its implementation needs to be as fast as possible to continue and improve the businesses practices.

Solution #2: Proper Project Management

An enterprise system should be implemented step by step and because it is very standard. It needs to be designed to a particular business, to handle the processes just the way the company needs them. This would be only achieved if the appropriate team is in charge of the project. This team defines its plan based on a realistic schedule meant to be followed. Some companies even appoint for external professional help.

Challenge #3: Negative attitude towards change

It is people’s nature to get used to their comfort zone. Even though they might know change will bring benefits, they will just clearly prefer to stay where they are since it does not contribute to tangible issues. In other words, the company is working fine right now, so why would they change it?

Solution #3: Adequate training

Let the employee know about the enterprise system implementation before it happens. Management should provide efficient training on why it will make their daily tasks easier, rather than more complicated. These training sessions should give employees enough time to get comfortable with the new system and addresses questions and concerns. Finally, their motivation will encourage feedback and reward employees whose suggestions make better operations.

Challenge #4: Deficient Testing

Even if the enterprise system is operating correctly towards the business requirements and expectations, concerns could array from the same “successful” implementation. When the OK is given to the vendor, Insufficient testing of the system can attract costly unplanned updating.

Solution #4: Sufficient functional testing

Testing will offer the chance to highlight any issues, so they are taken care of before the system is fully employed and live. Businesses should not miss opportunities to automate their business processes, speed up functionality, and meet more targets.

Challenge #5: Unsuitable Hardware

In order to meet its needs, enterprise systems applications require enough storage and high work performance. Besides the fact that running on a slow system can be very wasteful and frustrating, low investment in internal hardware may result in various software issues.

Solution #5: Investment in Appropriate Hardware

If you want to get the best out of a software, you need the proper hardware. The same benefits the implementation of the enterprise system will achieve, are the ones for the implementation of its correlated hardware.

References

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