

The Implementation Of Enterprise Systems in Different Organizations

Posted on September 17, 2018

Introduction

This study, which is going to be described in this report, is about the implementation of enterprise systems in different organizations. The selected article used critical factors to analyze how organizations implement enterprise systems. For effective learning about organizational enterprise systems, it has analyzed two different organizations and how these have been implemented in the enterprise system. Both selected organizations have recently implemented the enterprise system in their operations and culture, but these both have different results for the implementation of enterprise systems (Ke, 2016).

Based on empirical evidence, this study has provided the main reasons for the different results of the implementation of enterprise systems. It has concluded that enterprise systems are the most important factors that create differences in results and outcomes of different organizations by implementing the same system. There are four most important factors discovered, which include knowledge acquisition, distribution of information among staff and management about the implementation, and different interpretations of the information in different organizations, which creates different outcomes and results for both, and also the memory of the organization. Every organization has a different memory, so the outcomes of the system implementation are different from each other.

Multinational Organizations And Global Organizations

Multinational organizations are companies that operate in some countries but not in all countries of the world. These organizations have the geographical representatives of their presence, and these are running their operations at the national level in different nations. Multinational companies are linked with the main headquarters in the home country, and these are financially linked. Most multinational companies have adopted the same strategies and decisions, like headquarters and home country organizations. These are different cultures in different nations because organizational culture needs to adopt country-specific culture.

On the other hand, global organizations are companies that operate at the international level in all countries of the world. The main difference in global organizations is that they have the independence

to operate and deliver products and services. These can deliver their products everywhere and anywhere in the world. The projects of global organizations are not bound to the home country operations, and these have robust knowledge of the management system. These companies have information sharing when there is a need to share the most important information among different nation's companies having the link as global organizations (Johnson, 2017). This study includes one global organization and the other, a multinational organization.

Knowledge Management System

The knowledge management system is the complete process of creating and sharing important information among organizations. It is also about to managing and using the important information by protecting the hidden information. It has been using the multidisciplinary approach for achieving the organizational goals and objectives with the best use of information.

Information And Knowledge Management System

This system is about to create the relevancy among information and different knowledge management systems of the different organizations. It is about to any kind of the information system that is the information technology system for the collaboration, for locating the knowledge resources and for using the knowledge in organizations (KMT, 2016). This management system has the responsibility to use information in a secure form that it should not reveal to competitors in the market.

About Organizations In Case

This case is about organizational learning through the implementation of the enterprise system. It has used two different organizations in this study for evaluation purposes. These two organizations have different cultures and different locations.

First one organization which is used in this study for the analysis is CPM Company which is a PC organization. It is personal computers and computer peripheral manufacturing organization which has the almost 800 employees in it. It has been located in south China. It is international organization and performing its services and dealing with international customers.

Second organization which has been used and selected by this study is MEM and it is the public listed company which is multinational company and it is a multinational electronics manufacturing organization. It has 750 employees in its organization and has been located in North China.

Both selected organizations have different structures, as one is a multinational company and the other one is a global company. These both have different numbers of employees and locations.

Because both cultures have different locations, culture is dependent on location. Both organizations have implemented the enterprise system in the organization, and these both have been evaluated by outcomes after the implementation of an enterprise system which has better performance and what factors are the main causes to produce different results as both are manufacturing organizations and have implemented the same system in recent years in the organization.

Current State Of Organizational Strategy

According to the CIO of the CPM organization, the management faced many difficulties before the implementation of the enterprise system. It adopted the enterprise system during the crisis. The management decision-making and the interdependency for the coordination increase the strategic problems for the company. Due to the fast expansion in business, it became ineffective in its early adoption of enterprise systems. There was a lack of information support among management, and data on business was located in the different departments.

There is chaotic coordination among the different departments. For example, the accounting system of this organization does not record the sales for a long time period and missing delivered goods, and that system was corrected by physical count.

Other organization which is MEM, has goal to cut down the cost and reducing the lead time in organization. It has been focus on the integration of databases which are located in different countries. By following the current strategy, this organization requires to adopt the enterprise system in its organization and mainly in headquarter as it is multinational company and has a link with headquarter operations.

The implementation of this system has configuration and reduced cost along with the lead time of the company to provide the products after manufacturing. Knowledge sharing in this organization is through headquarter of company till the sites and it provides training by the expert team about different languages and different cultures, trainers provides them training in different spoken languages of employees. Although training is provided in different languages, the employees and management faced the issue of the language barrier, which was resolved by the personal manager as the personal manager described and explained the matter to the employees effectively.

Learning Organization Strategy

CPM, as an international organization, does not focus much on learning its employees. This organization has no specific learning strategy as it has very lacks information about the implementation of the enterprise system. With the implementation of this system, they accept that they have no knowledge about it a it is much different than the other old system which was implemented in the organization.

They have started to get the consultancy about use of this system by the external consultant as it has no any management who have knowledge about the enterprise system. By getting the consultancy from external consultant, it has start its learning about this system and it is very difficult to convey the same learning to its employees.

In MEM, at the very start of ES implementation, employees has started to complain about the increasing difficulties for learning and it is suggested that there is ned for the hiring of native speaking any consultant which will reduce this complain of the employees about learning. It is giving focus on learning strategies for reducing the organizational problems of employees.

However, after the investigation, it was analyzed that it is just a waste of time to hire external consultants, which will increase costs, and the strategy of the company is to reduce costs. So it is decided that employees should focus, and in this way, they will reduce the language issue so it has not hired the external consultant.

Learning Organization Leadership Issues

Both organizations face some leadership issues regarding learning. In the CPM organization, the leaders participate in the decision-making in an effective way, and every decision is finalized by the active participation of management and leaders. This organization has a complete structure for sharing information and learning, but MEM has not participated in the decision-making of the leaders. It has left the most important decisions on the expert teams as there is less of a role of leadership in the organization, as it is giving focus to an external and expert team to make important decisions about learning.

It is facing leadership issues as it has no control scheme for the effective management in organization. It also facing the language barrier which is the leadership issue that every employee requires special attention to understand the information. Leaders in this organization facing the issue that they have little information about decisions of the organization and there is low level of communication.

National Cultural Issues

CPM has international employees, but the national employees are in the respective national organizations. It focuses on the culture and has formulated the social gathering in the organization in which it is offering free lunches. It believes that social gatherings allow employees belonging to different cultures to share their values and increase trust. So, it has a trusted culture in the organization. The culture of this firm enables the employees to share different opinions and increases organizational learning.

Although MEM does not face cultural issues at the national level, it has been facing many cultural

issues. Employees in this organization belong to different cultures, so they do not want to share different ideas. When discussing cultural problems in meetings, employees remain silent and do not express their problems.

In this way, organization has facing the issue that they do not understand about the real problem and consider that it has no open sharing of ideas and general manager describe that the employees can speak in my presence but I am not free at all time to present in all meetings. So it is not covering its national cultural issues.

Learning Organization Structured And Cultural Issues

CPM has not been facing cultural and structural issues as it has shared the culture and structure that leaders and managers participated in with employees. MEM has been facing issues of culture, which are described above, as well as structure issues, as it has a competitive structure and mistrust among its employees. This mistrust is a big issue for this organization.

National Cultures Issues By Using Knowledge Index And Knowledge Economic Index

The rating for cultural issues will be 10. All the issues which are common are defined in the table in the cultural issues heading. It has been evaluated The knowledge index and the knowledge economic index have been evaluated for cultural issues.

Companies	CPM			MEM		
National cultural issues	Language barriers	Leadership issues	High employee turnover	Language barriers	Leadership issues	High employee turnover
(KI) Knowledge Index	2.3	2	1	7.8	8.5	9
Knowledge Economic Index (KEI	5	4	7	7.5	8	7.6

Conclusion

It is concluded that this study has evaluated the different issues related to the implementation of enterprise systems in both companies that were selected for this study. It is analyzed that CPM has little effect and a low rate of cultural problems as the CPM has the best culture that is supported by the employees.

It is also evaluated that MEM has problems with employees' cultural differences. There is no sharing of information among employees, and the employees in this organization face the issue of language barriers. There is low cooperation from the management side, and there is no cooperation from the employees. It has also been evaluated that MEM has increasing barriers in its organization.

References

- Johnson, W. (2017). Differences Between International Organizations & Multinational Corporations. Retrieved from <https://bizfluent.com/info-12079644-differences-between-international-organizations-multinational-corporations.html>
- Ke, W. (2016). Organizational Learning Process: Its Antecedents and Consequences in Enterprise System Implementation. Retrieved from DOI: 10.4018/978-1-59904-630-3.ch017
- KMT. (2016). What are Knowledge Management Systems? Retrieved from <http://www.knowledge-management-tools.net/knowledge-management-systems.html>