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SAP R/3 - An IT Plague or The Answer to The Tailors Dream?

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The contribution discuss the apparent paradox between the spread of SAP-s system R/3 as an --unitary model for enterprises and management, and the, in principle, endless choices to be made within the system. It elaborates on an identification of possible hard and soft dimensions of R/3, as they challenge management of technology in an enterprise setting.

Some of the central variants and a number of "choice in principle" within system configuration are identified, followed by a discussion on malleability of the system.

The variants of R/3 available on the market is as three main types: R/3 as a financial management system, R/3 as a integrated ERP-system and R/3 as a sector solution with certain add on modules. The focus is on R/3 as an integrated ERP-system, using a recent definition of ERP as " a set of applications that automate finance and human resource departments and help manufacturers handle jobs such as order processing and production scheduling".

The main choices in principle within this variant of R/3 is the choice of modules, parameters, user-profiles, ABAP programming and choice of reports. In contrast to these choices some of the main bindings and hard elements of R/3 is discussed. These impact on the overall design of the enterprise/corporation, on design of certain business activities and on design of user profiles and business processes in detail.

A case presented show how the management processes progresses from a BPR-analysis and implementation of a new organization, to the choice of modules, submodules and the configuration of the system. Constraints seem to be equally social as technical. No major backdraws of the system was found by the enterprise actors, but a number of smaller adjustment are growing in number and will in the near future reveal whether and where management want the system to be flexible. Some employee groups are thus likely to experience less flexibility than others. Shop floor workers are likely to be in the first group, whereas some superusers are in the second.

The shaping possibilities and constraints within R/3 challenges the management of technology. At least in Denmark, a number of mid size manufacturing enterprises got used to partnering with their IT-supplier in the eighties and early nineties. Such cooperation meant reciprocal relations and risk sharing. The task of management of technology now have to address mass produced packaged software, mediated through a market. This new situation necessitates new skills of technology managers, it seems more important than ever to create policy processes with broad participation. These policies can be used to decide where the resources for reshaping the systems should be set in. Priorities have to be made, and the interpretation of R/3 will continue to be equivocal. The argument is to develop a social side of management of technology, emphasizing human resources, coalitions and networking. In contrast to this and judged from Danish R/3 cases, a number of managers do have the R/3-pla-gue, they focus on technical solutions and in the end they suffer from the "power of default"; they use the proposed SAP-standard settings of parameters and other elements. Examples of reshaping the system in order to promote a human resource strategy, taking the systematic development of skills and autonomy seriously, a knowledge management strategy or decentralization are thus rare, despite the general attention to such strategies. Reorganization are predominantly governed by imaginary cost cutting it seems. The challenge of a focus on knowledge as main enterprise resource, still has to be met by SAP R/3 and its promoters.