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HOW A NEWLY ESTABLISHED COMPANY REALISES THE BENEFITS OF ERP IMPLEMENTATION: A PALESTINIAN CASE STUDY

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Abstract

Many organisations adopt large-scale enterprise information systems (EIS), because they are looking for more comprehensive benefits than those available from small, off-the-shelf software applications. However, adoption of EIS has often proved to be challenging and expensive. This work is designed as an inductive case study using a retrospective investigation to understand the process that allows a newly established company to obtain substantial benefits from an ERP system. The main contribution of this work is an improved understanding of how a successful implementation for the ERP system that incorporates some activities of benefits management framework but, without explicit adoption of these benefits managements techniques, can help organizations realise substantial benefits from the system. The results of this study also suggest that broad expectations and wide-ranging objectives are determined in the early stage, without detailed specification of the benefits. The findings also emphasise that a low level of customisation can lead to improved realisation of benefits.

Keywords: Enterprise Information System (EIS), Enterprise Resource Planning (ERP), Benefits Realization, Benefits Management, Newly Established Company / New Venture.

1.0 Introduction

Nowadays, many organisations both large and small adopt large-scale Enterprise Information Systems (EIS), especially Enterprise Resource Planning (ERP) systems, even when the process is challenging and expensive (Buonanno et al., 2005; Panorama Consulting, 2012; Seddon et al., 2010). This increasing adoption is because organizations are looking for greater advantages and benefits than those available from small information systems (Nori et al., 2009; Shiau et al., 2009). This is particularly the case for those organisations that consider EISs to be essential technological infrastructures that are needed for their survival and growth in the market (Hawking et al., 2004). In actuality, many organisations that have already implemented such systems reveal that the actual benefits of these systems fall short of

expectations and are not commensurate with the massive investments required for implementation (e.g., Al-Mashari, 2000; BCS, 2004; Microsoft & GFOA Consulting, 2012; Panorama Consulting, 2012).

Many studies have been conducted on benefits realization and benefits management in information systems and information technology (IT) projects (e.g., Ashurst et al., 2008; Doherty et al., 2012; Ward & Daniel, 2006). There have also been many studies conducted on benefits realization in EISs (e.g., Esteves, 2009; Seddon et al., 2010; Shang & Seddon, 2000; Staehr et al., 2012). These studies provide a worthwhile foundation for studying benefits realization in EISs by shedding light on relevant areas, including: benefits management processes (Ward & Daniel, 2006), developing benefits realization capabilities (Ashurst et al., 2008), benefits classification in ERP projects (Shang & Seddon, 2000), benefits realization of ERP in small and medium-sized enterprises (Esteves, 2009), the achievement of benefits in the post-implementation phase of ERP projects (Staehr et al., 2012), and success factors for benefits realization in information system developments (Doherty et al., 2012).

Surprisingly, despite the considerable information available from these studies, some organisations are still unhappy with the results of EIS implementation. For example, a recent study of ERP systems shows that only fifty per cent of 246 respondents from 64 countries realised greater than fifty per cent of expected benefits (Panorama Consulting, 2012). In 2013, this level of benefits realisation has deteriorated even further, as a more recent study (Panorama Consulting, 2013) found that only 26 per cent of organizations realised half or more of the expected benefits. Different studies attribute this lack of benefits realisation to the nonexistence or poor application of benefits management practices (Ashurst et al., 2008), dialectic between different stakeholders with different interests (Flak et al., 2008), poor technical competence (Rajapakse and Seddon, 2005), misfit between the culture introduced by the system and the existing organizational culture (Rabaai, 2009), and other such reasons.

Recently, Staehr et al. (2012) found that although there are many organizations that are not largely satisfied with the effects of enterprise systems, there are also organizations that are more satisfied and that realise substantial benefits from the implemented systems. However, these varied experiences motivated this work, which seeks to articulate a clearer understanding of how certain organizations are more satisfied and more able to extract potential benefits from the enterprise systems.

Investigations on such an enquiry are suggested in many previous works (Doherty et al., 2012; Staehr et al., 2012; Schubert & Williams, 2011).

However, a majority of existing research is focused on well-established organizations, and a large number of previous studies do not mention whether the organizations studied were new ventures or well established. Therefore, it is clear that there is lack of studies investigating the implementation of enterprise systems in new ventures. One of the few studies conducted on ERP implementation in new ventures (Chen, 2009) reveals that ERP implementation is critical to new ventures and can facilitate organizational development. However, more research is needed to understand many issues about ERP implementation in new ventures and its role in business growth, survival, and benefits cultivation. In this study, we are interested in understanding what is happening when a new venture implements an ERP system and attempts to realise the benefits from the system. Thus, the research question that this study aims to answer is, "How do newly established companies realise the benefits of enterprise systems?"

This study investigates a Palestinian telecommunication company that is considered one of a new venture that has already implemented an enterprise system and is highly satisfied with the realised benefits. The company started its implementation of an ERP system in late 2008 so that the system would be ready when the company started its business operations in 2009.

The rest of the paper is structured as follows: Section 2 reviews a number of relevant studies and outlines the theoretical perspective that has been considered. Section 3 explains the methodological choices that have been applied. Results are shown in Section 4 and discussed in Section 5. Section 6 presents the conclusions.

2.0 Theoretical Background

In this section, we will review previous research on the impact of enterprise systems and the benefits that can be generated from these systems. This section also presents some concerns that influence the benefits realization from enterprise systems.

2.1 Effects of Enterprise Information Systems

EIS implementation is considered to be one of the most sophisticated kinds of IT projects, requiring high levels of investment, resources, attention and commitment (Yen et al., 2011). EISs are being increasingly implemented to solve business

problems by facilitating the flow and dissemination of information and automating business processes, among other benefits. Their potential is significant; therefore, studying these systems and their impacts is critical to help organisations gain value for their substantial EIS investments (Nori et al., 2009).

Many researchers have conducted studies about the benefits of EISs and have found that successful implementation can affect organisations significantly. One such comprehensive classification study, conducted by Shang and Seddon (2000), found five benefit dimensions (operational, managerial, strategic, IT infrastructure, and organisational) and 25 benefit sub-dimensions that organisations can achieve from their investments in enterprise systems. A later work by the same authors, (Shang and Seddon, 2004), a study of four medium-sized enterprises, found that four organisations obtained distinct benefits within the five dimensions and that the impacts of these benefits were different among organisations. EISs can also be implemented by smaller enterprises. Singla (2008) showed that EISs may yield substantial benefits for small- and medium-sized firms that adopt enterprise systems and that the risks that emerge from adoption do not exceed the expected value.

On the other hand, despite the many benefits that can emerge from EISs, many studies show that these benefits cannot be easily captured, and not all are relevant to all firms that adopt EISs. Al-Mashari (2000) found that 70 per cent of ERP systems fail to deliver the expected benefits. A more recent study on enterprise systems conducted by Panorama Consulting (2012) showed that this unpleasant picture has not improved; the study found that only 50 per cent of organisations are realizing their most anticipated benefits from EISs. Rajapakse and Seddon (2005) went further when they revealed that the implementation of enterprise information systems may not be a proper solution for firms in developing countries due to financial, technical and cultural issues. Most importantly, according to some studies, the poor benefit realization is more complicated in small and medium-sized enterprises (SMEs) because the implementation of 'commodity' enterprise information systems may force a more rigid organisational structure and hence weaken the competitive advantage that was based on such SMEs' flexibility and low standardisation (Olsen & Sætre, 2007; Yen et al., 2011). Also, some contextual factors related to the dynamic nature of SMEs may constrain the realisation of benefits, such as labour cost saving, that have a dramatic impact on large organisations but are not considered vital benefits for SMEs (Zach, 2011).

However, some authors have suggested the benefits management approach. This approach can help organizations identify their expectations and construct a plan to achieve these expected benefits through a structured process. The importance of such a planning approach is that it addresses the technical, organizational and other barriers that may prevent benefits from being realised (e.g., Ashurst et al., 2008; Doherty et al., 2012; Peppard et al., 2007; Ward & Daniel, 2006). On the other hand, a study by Haddara and Paivarinta (2011) challenged benefits realisation practices. The authors found that the benefits from ERP systems, particularly in SMEs, are obvious or 'self-evident', such that they do not require formal efforts in order to be realised. Reasonably, these different findings motivate the development of further investigations to understand the process of benefits realization. It is worth questioning if the benefits from enterprise systems are 'self-evident' and it is not necessary to apply benefits management approaches to realise such benefits, as found by Haddara and Paivarinta (2011), then why many organizations are still unsatisfied with the ERP benefits, as found in more recent studies (e.g., Panorama Consulting, 2013). It also becomes more interesting to understand the aspects of the benefits management approach that have made some authors suggest it as a way to realise the benefits of ERPs and to investigate if successful organizations that realise substantial benefits from ERPs are applying such practices.

2.2 Benefits Management Framework

To realise EIS benefits, many authors have suggested the development of a plan that determines and suggests a way to execute the expected benefits and entails a collective work toward the achievement of these benefits within a management process. In this regard, Ward and Daniel (2006) and Peppard et al. (2007), among others, studied the benefits realization issue in IT/IS projects, contending that the possession of a technological information system in itself has no inherent value and will not automatically confer the expected benefit to the business (Peppard et al., 2007). Hence, to realise the full value of implementing an information system, these authors recommend that organisations develop benefits management processes to continually work toward desired benefits. There are different benefits management frameworks, but one of the most common frameworks is the one suggested by Ward and Daniel (2006), which is widely used in information system studies (e.g., Braun et al., 2009; Hellang et al., 2013). Figure 1 shows the different stages of the benefits

management process, which starts with the active engagement and involvement of both business management and users to construct a benefits realization plan that has details like benefits sources and their relations to the adoption motives, action responsibilities, required business changes, and timelines for achievements. These sub-processes are called benefits identification and benefits planning. After that, the plan should be executed, the results monitored, and all stakeholders engaged in seeking new benefits, within continuing processes (Ward & Daniel, 2006).

Arguably, existing studies show that organisations that have developed information systems have rarely developed benefits management plans, and that there is a very limited number of organisations that have such processes in practice (Ashurst et al., 2008). Ashurst and his colleagues (2008) attribute this to the lack of awareness of such practices, a lack of understanding of their importance, and organisations not being competent enough to implement them. Additionally, because this process is proactive, many organisations consider it a waste of money as long as the system has been delivered, and simply people started using it (Ashurst et al., 2008).
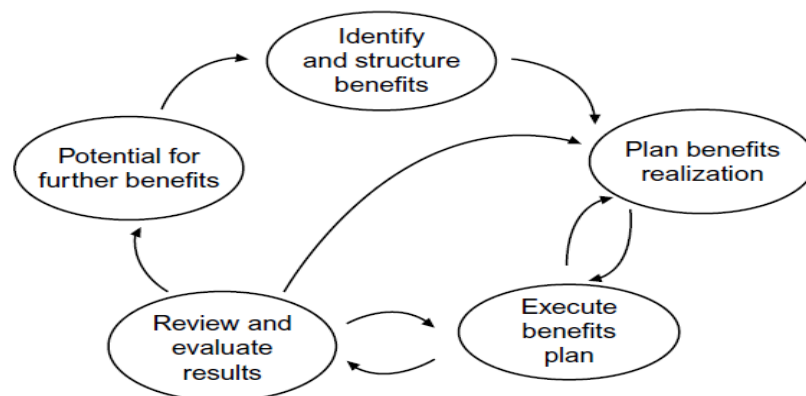
Figure 1. **Benefits management framework by Ward and Daniel (2006).**

However, this benefits management approach will be considered a theoretical foundation for guiding data collection and analysis to show the efforts that the company does to realise the benefits, and attempt to perceive these efforts based on the illustrated benefits management framework.

3. Research Methodology

The data that was collected is qualitative; this is because the best way to grasp people-dependent knowledge is by understanding the social world from the viewpoints of the people themselves, through detailed descriptions of their cognitive and symbolic

actions, and through the richness of meaning associated with observable behaviours for those people (Wildemuth, 1993 cited in Myers, 2000). This information can be acquired through qualitative methods, which can enable the researcher to conduct deep explorations, and through writing 'thick' descriptions about the phenomena under investigation, which generates sufficient details for the reader to grasp the 'idiosyncrasies' of the situation (Myers, 2000). The semi-structured interviews were the primary data source in this study because they enabled the researcher to access the people-dependent knowledge by understanding the social world from the viewpoints of the people who are working in the systems (Walsham, 1995). Besides conducting the interviews, the researcher also triangulated the data collection with observation and document analysis.

Regarding the methods, this research adopted the case study method, as this method is recommended when the research objective is to explain, explore and describe and when the study aims to generate answers to questions like why, what and how (Yin, 2009), which is in line with the research question that this work aims to answer. Another important aspect to this methodological choice is that the case study method allows investigators to maintain the holistic and meaningful characteristics of real-life events, such as the specific life cycle of organisational and managerial processes (Yin, 2009), the implementation process of an enterprise system (Davenport, 2000), and the process of benefits management (Ward & Daniel, 2006).

3.1 Data Collection

The data collection was from variety of people within the company. In this research, it is assumed that reality is subjective, so different people working on different business functions may not necessarily have the same interpretation of benefit realization from enterprise systems. This kind of representation of different voices was vital to the research findings and can most likely help in avoiding the data bias (Myers and Newman, 2007).

Table 1 provides details about the interviewees, their business roles, and the interview duration of each interview.

Interviewee Code	Role	Duration in Minutes
A1	Chief Financial Officer (CFO) & Project Sponsor	45
A2	Head of Accounting Section & Functional Consultant	110
A3	Financial Accountant	45
A4	Inventory & Fixed Assets Accountant	50
A5	Technical Consultant & Application Administrator	60
A6	Cash Management Accountant	40

Table 1.   List of the interviewees.

Regarding the reporting media, a tape-recording technique was used, as this technique helped the researcher to capture participants' views and interpretations in a more effective way (Walsham, 1995). This was supplemented with a note-taking technique to draw the most important interpretations and record the non-verbal events. Later on, the researcher used transcribing to provide a 'thick description', or the complete story about what is happening with regard to benefits realization and the use of the enterprise information system.

3.2 Data Analysis

The data collection and data analysis were conducted in such a way as to complement each other, so the data collection was initially guided by a deal of existing research and relevant previous studies that provided a reasonable starting point for data collection. These studies were largely represented in the interview protocol. The interview protocol was prepared to direct the interviews to develop clear understanding about the implementation process, and to understand the efforts that had been put before and after the system's implementation, and to investigate if the benefits were expected or emerge after the implementation. The protocol has also inquiries about the aspects that influence the benefits realization like training, support, availability of IT people and their competence, customization, system's flexibility, the consulting company that implemented the system, and other such factors that may emerge through data collection.

Afterwards, the collected data was analysed on a high level to infer interesting themes from individual interviews, and subsequently, the data collection guide, which

is the interview protocol, was improved to address the issues that emerged in subsequent interviews. The next stage was to combine the dominant themes to articulate a set of interesting issues expressed by the participants. This stage provided a set of descriptive data that was meaningful to participants and used by them to reflect on their experiences on the ERP system and their perceived benefits from the system, besides the challenges that they had faced to gain such benefits. The goal of conducting such a stage is to develop what is called "first order analysis," as suggested by Gioia and Chittipeddi (1991). Lastly, the focus was to derive an explanatory framework to express the full story from a more theoretical perspective using what is called "second order analysis" (Gioia and Chittipeddi, 1991).

4.0 Results Analysis

This section presents a description for the case under study. Further, it demonstrates the key theme findings of this study.

4.1 The Case Study

The data collection occurred in Palestine, which is an Arabian developing country, as there is a need for more in-depth studies of information systems in this geographical area (Walsham and Sahay, 2006). This study investigates a Palestinian company called Wataniya Mobile. The company is a second provider of mobile telecommunication services in Palestine and started its business operations in 2009. The company is the third-largest listed company on the Palestine Exchange in terms of its market value, which amounted to approximately $300 million at the end of 2012, representing about 13.8% of the Al-Quds Index. With regard to its customers, within its first three years of business operation, the company engaged about 600,000 subscribers in the West Bank alone. This success was despite the political and economic instability and crises that have been affecting Palestine. Wataniya Mobile has invested heavily in technology; in 2012 alone, the company invested U.S. $21.4 million for network upgrades and operational information systems. By the end of 2012, the company had 419 employees, of whom 397 (representing about 95% of the company staff) had bachelor's degrees and above, whereas the company had only about 150 employees when the system's implementation started in late 2008. The company started the implementation of Oracle E-business suite, which is classified as tier 1 global product (Panorama Consulting, 2013). Many fundamental modules (e.g. general ledger, account receivable, account payable) of this wide and global system

were ready to be used in November 2009, when the company launched its services to customers. This system has been viewed as important component in the technological infrastructure for the company to help in introducing its business services and streamlining business processes and in leading the company towards more growth. Investigation on such companies is very attractive, as described by Santos and Eisenhardt (2009), because the telecommunication industry represents the emergence of numerous nascent markets, and such organizations are relatively young companies. Wataniya Mobile, particularly, is an interesting company to be studied because of the following characteristics: First, the company was established in 2009, so it does not have the historical background and traditional cultural aspects that resist modern culture (including organized processes for decision making and a profound reliance on technology and digital means), which is embedded in the implemented system. This cultural conflict has made some researchers (Rabaai, 2009; Rajapakse & Seddon, 2005) argue that enterprise systems are not appropriate solutions for companies in developing countries. In this case, the cultural aspect does not seem to exist. That means that the company is not attracted to traditional working means; rather, it is a new company that needs an enterprise system as a motive for introducing a modern way for doing business work based on international standards. Second, Wataniya Mobile in particular is rapidly growing in the market; the company's operating revenue jumped from $38.3 million in 2010 to $84.1 million in 2012. It will be interesting to study how a fast-growing company implemented its enterprise system. Third, the company employees have strong competences (for instance, more than 95% of them have bachelor or higher degree). Competent people are less likely to have problems in dealing with technological systems, which is, again, related to cultural and technical competences, which is one reason attributed to the lack of benefits realization from enterprise systems in previous studies (Rajapakse & Seddon, 2005).

4.2 Results

As mentioned in Section 3, the data analysis was accomplished using first-order and second-order analysis, as suggested by Gioia and Chittipeddi (1991). This section shows how the first-order analysis emerged from the content analysis of the participants' views. The first-order concepts are intimately developed by initial coding of the participants' expressions and observational data to represent an 'emic' analysis (Belk et al., 2012). Then, these first-order concepts are aligned with appropriate theoretical themes that are introduced by discovering similar patterns or themes

among the concepts (Miles and Huberman, 1994). These extracted themes can explain all corresponding first order concepts; this presents the 'etic' analysis (Belk et al., 2012). Grouping the related second-order (theoretical) themes can help us understand the main dimensions of the existing practices to provide generic constructs (Miles and Huberman, 1994). These details—the first-order concepts, the second-order themes, and the populated dimensions—are illustrated in Figure 2, which presents the data structure for these findings. In the following section, there is a detailed description for the findings' themes.

4.2.1 Developing adoption motives

Before the implementation, Wataniya Mobile established a steering committee to study the company needs and to suggest the most appropriate solution to help the company manage its business operation and business growth. The head of the committee was the chief financial officer (A1), who believes that the ERP is the most appropriate solution for the company, if not the only one. He said, "If we want a system to serve and integrate the overall business units, and to provide a unified, flexible system to enable all people working in the system simultaneously and to meet our future needs, then we don't have many alternatives other than an ERP". The head of accounting section (A2) emphasized the same issue about serving and integrating all business functions, saying that "instead of adopting a system for accounting, one for administration, one for procurement, and so on, we can implement a comprehensive ERP system which integrates all of these business functions without fragmentations". At the same time, different interviewees (e.g., A1, A2, A3, and A6) highlight that the company environment requires such types of systems. They believe that the telecommunication industry is a complex business, deals with a mass of customers (several millions), and also deals with services that require effective and smart business decisions. At the same time, the telecommunication industry relies on technology that is quickly growing and changing. These aspects give the company one solution, which is an ERP system. Furthermore, most of the interviewees considered the system to be critical in helping the company meet potential growth. In this regard, the senior employee who is responsible for assets management (A4) indicated that "the company is a recently established business, so it needs a system to help us instituting a solid base of business practices that can help us now and in the future".

The fore-mentioned motives and drivers for ERP adoption can be summarized as follows: integrating business functions, meeting the needs of a company working in the telecommunications industry, dealing with multiple users, fostering potential growth, and allowing the system to provide best practices for business work. These aspects, which can be considered the expected benefits from the system, motivated the company to adopt an ERP system, and the company's efforts were focused on achieving these expectations.

4.2.2 Preparing the team and developing the technical competence

To achieve the expected benefits, the company put huge efforts on the team that would participate in the implementation. The project sponsor (the CFO, A1) had previous experience in same ERP system product (Oracle E-Business Suite) in the telecommunications industry, so he was familiar with the system and its complexity. Similarly, a key functional consultant (A2), who is now the head of the accounting section, was engaged in the project because he also had experience in the product and in ERP implementation in a telecommunications company. Furthermore, the project manager, who has deep technical skills as an IT professional, formerly worked on many projects, including ERP projects. This project manager was empowered and became part of the finance department rather than the IT department, reporting directly to the project sponsor. The CFO (A1) emphasized that the appointment decisions regarding new staff consider the ability of the new employees to work on the ERP system. It is worthwhile to note that the training is given to many employees but not to all of them, and every senior staff member worked together with junior staff to help them use the system in an effective way. The assets accountant (A4) acknowledged that he got training, but assumed that "the training gives the basic principles to use the system, and it can cover only to 50% to 60% of my work, and the remaining is individual efforts". Therefore, he relies on himself for more on-going investigations about the system usage and features, training on his own by using the system's help tool, the Internet, and the manuals and by asking questions of the IT people and the consulting company that implemented the system. It seems that the team that participated in the implementation was competent enough to undertake the system's implementation, and these team members helped other staff members who use the system on a daily basis.
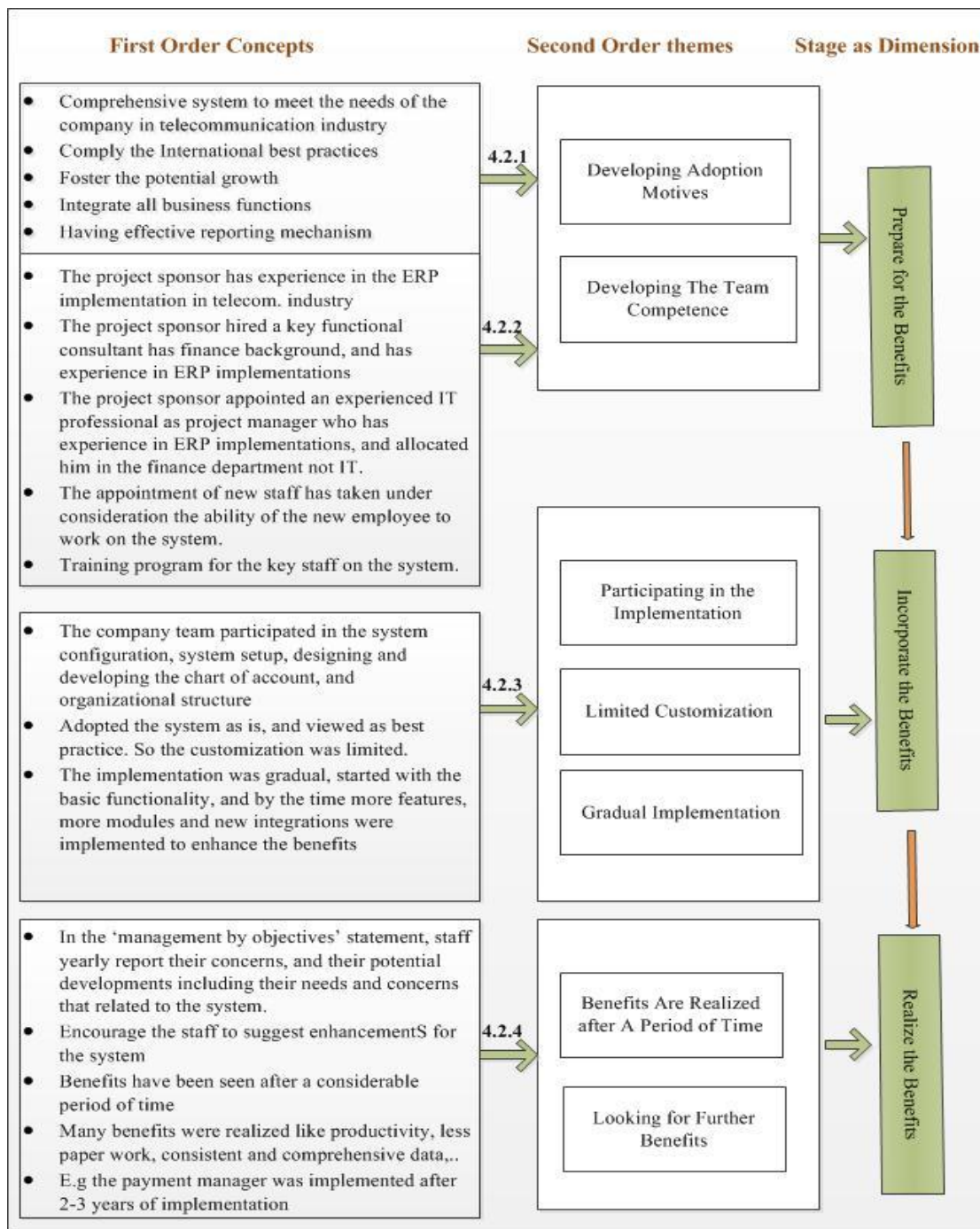
Figure 2.   **Data structure for the findings.**

4.2.3 Participating in the implementation

In order to achieve what the company was interested in, many staff members from the company participated in the implementation. This strengthens what has been mentioned about preparing the team competencies, which showed the availability of people with solid technical competence and experience in the system's implementation. Therefore, the company team participated in the system configuration, system setup, and design and development of the chart of account. This

team participated with other business functions to develop the overall company requirements. As the project sponsor (A1) highlighted, "the project team, besides experts from the company business functions, were present with the company that implemented the system for working together to configure the system in a way to meet all of our needs and to achieve what we want, including our expectations to the future needs." The head of the accounting section (A2) said that "Initially, the design of the chart of account was very simple, but through the system configuration, when we discussed that with the company that implemented the system, and we raised our future needs and our expectations about having branches for the company, and our needs about the interest to have the budget, cost, revenue in different levels, we came up with other chart of account that is flexible to meet our future needs".

Another important aspect is the gradual implementation of the system. Regarding this theme, the project sponsor (A1) said, "We started with the basic functions, and when we felt these are stable, we started to focus on the other functions and features." To clarify, he gave an example, saying, "I cannot tell a person to swim in a deep lake if he doesn't have experience in the swimming, so he has to swim firstly in a small lake then he became able to swim in deeper lake."

However, most of the interviewees stressed that the system customization was very limited and the system was implemented to impose its logic onto the organization's practices. The interviewees expressed that they assumed the system was built based on the business principles in that discipline. For example, the head of accounting section (A2), the assets accountant (A4), and the financial accountant (A3), in addition to the chief financial officer (A1), shared same meaning that "the system brought the financial principles that we learned at the school, for this reason we assumed the system should be adopted as is with limited customization to bring the international standards and the business principles in our field, and this could help us to grow in effective way." In a further discussion, they assumed that the huge modifications in the system may affect its consistency, and this may raise errors and problems in later stages. Most importantly, because the company was recently established, they wanted their business work to be built based on international standards and international business principles, especially since the company does not have old business practices that the people are accustomed to working with, which may conflict with any new business practices that could be suggested by the system.
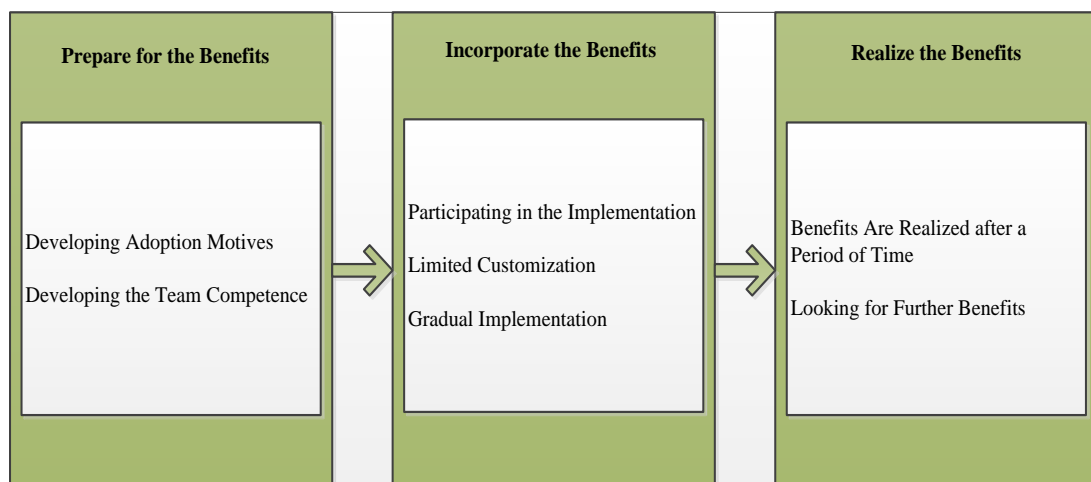
4.2.4 Achieving benefits from the system

Although the company has many experienced people, and despite the training that has been conducted to explain the system features and to illustrate the proper way to use the system, the informants expressed that the state was unstable and the benefits were not clearly seen in the first year after implementation. This unsettled situation may be because in that period, a significant number of employees used the system for the first time, and many of them were not familiar with the whole process or aware of the impact of a particular transaction on the overall process. This is in addition to the errors, problems, and the system bugs that arose in the beginning of the implementation and took time to be resolved. After that, the system became stable and many of the expected benefits were seen. As the informants mentioned, the system provided great benefits, such as accurate transactions, a clear and integrated business cycle, streamlined organizational processes, consistent and comprehensive data, less paperwork, a reduced amount of manual work, solid segregation of duties among company staff, increased business growth, and increased productivity, among others. In addition, every business unit had its own business process and data flow according to the best practices in that field. However, at the beginning of every year since implementation, the company staff members are encouraged to submit suggestions about how his/her work could be improved by the system and to submit any features or system capabilities that could help the company take more benefits from the system. Interestingly, the cash management accountant (A6) raised the issue that "by the time the benefits are increasingly achieved, as many features were not needed because at that time we didn't have the need for that, but now as the company is growing, more requirements and needs become essential". To clarify that, she gave the example of the feature called 'Payment Manager', which is considered an add-on feature that can be bought and adopted separately based on need. In the beginning, this feature was not available, but after two or three years, the staff experienced difficulties in the existing payment process, which was complex and comprised some manual work. These challenges motivated a number of the company employees to raise the issue in their yearly evaluation. As a result, the project team that was responsible for the project consulted the company that executed the system implementation, which recommended applying the 'payment manager' module.

5.0 Discussion

The benefits management framework is seen as a theoretical base that can explain the emerged model in Figure 3, which is the model that represents the study findings (second order or the theoretical themes) and the constructed dimensions as stages. From the findings section, it is clear that even though the Wataniya Mobile does not have a formal benefits management technique, it did deliberately design a set of activities in a stage-based approach to help the company realise the expected benefits from the ERP system. These stages help the company prepare for the benefits before implementation, incorporate the benefits through implementation, and realise the benefits after implementation.

Prepare for the Benefits	Incorporate the Benefits	Realize the Benefits
Developing Adoption Motives Developing the Team Competence	Participating in the Implementation Limited Customization Gradual Implementation	Benefits Are Realized after a Period of Time Looking for Further Benefits

Figure 3. Benefit realization activities for implementing an EIS in a newly established company.

Prepare for the Benefits Stage: In this stage, the company prepares for the benefits or advantages that the company is looking to achieve from the system. In this study, the company presented the main broad drivers for system implementation without a clear link between the corporate drivers (or the motives that provided the real need of the system) and the expected benefits (as more detailed advantages) and without defining performance indicators for the expected advantages. This is plausible because the company team decided to implement the system to accomplish broad objectives and general expectations, not specific ones, and the team therefore thought the detailed benefits would be accumulated after the system was in use in the form of desired outcomes like accurate transactions, a clear and integrated business cycle, and streamlined organizational processes, among others. Therefore, it is clear that the

company doesn't have a clear picture about the all the benefits in the early stages. However, even this aspect did not establish clear measurements for the achievement level. Instead, the company analysed the drivers of the investment objectives and assigned the module responsibilities to the respective staff according to their working needs. These activities can be aligned to the 'Identify and structure benefits' process (the first process) in the benefits management framework (Ward and Daniel, 2006). Furthermore, the company prepared the staff members who would participate in the implementation and would use the system. The project sponsor, the head of accounting and the project manager from the company side, in addition to other key staff like the financial accountant and the assets management accountant, already had experience in the system and had participated in the system implementation in previous organizations. However, having this expertise before implementation was a key issue that helped the company realise great benefits. This issue was fundamental to success because the team became capable of competently preparing the system requirements and conducting the proper configuration, which took under consideration existing needs as well as needs for future growth. The expertise and the technical competence aspects have been highlighted in previous studies, and are two of the aspects that can be attributed to a lack of benefit realization (Rabaai, 2009; Rajapakse & Seddon, 2005). Furthermore, in well-established companies, the main concern has been accommodating existing business practices and resolving the conflicts that are created because of the system, which is also another aspect that influence the delivery of the system outcomes (Hawari and Heeks, 2010; Peng and Nunes, 2010; Soh et al., 2003). In this case, the conflict between the new system and existing practices did not exist; instead, the concern was competence. For this reason, developing the competence and hiring competent people is a critical aspect of preparation for a new venture, and it can be considered a very significant preparation effort that must be accomplished before implementation. Furthermore, because the company was newly established, it was easier to hire experienced people to participate in the implementation. In well-established companies, it may not easy to replace existing staff. Introducing training programs for existing staff can help, but it cannot lead to well-experienced staff for the system implementation. This kind of preparation before the implementation can be considered a planning issue to ensure the successful achievement of the system benefits. Thus, it can be aligned with the second process in

the benefits management framework (Ward & Daniel, 2006), which is 'Plan benefits realization'.

Incorporate the Benefits Stage: The company team engaged in the system implementation, so they participated in the system configuration and raised some suggestions and issues to be considered, such as designing and configuring the chart of account. Additionally, Wataniya Mobile dealt with the system as a best practice for its business work, so the level of customization was very limited. Therefore, the company was more able to realise the benefits. Rabaai (2009) found that customization should be minimized to prevent a lack of fit between the organizational culture and the new system, since extensive customization and modification can lead longer to implementation time, new bugs may be raised, and most importantly, the new modifications will not be consistent with the system logic. When any of these happens, it makes it difficult for an organization to gain the expected benefits. New ventures usually don't have the existing practices to customize systems into; however, the considerable level of customization that well-established companies do creates inconsistencies and can affect benefit realization (Peng and Nunes, 2010; Rabaai, 2009). On the other hand, some studies encourage organizations to customize their systems, arguing that customization can lead to task efficiency and greater coordination (Chou and Chang, 2008). However, in this case, having strong competencies from the previous stage helped the key staff to actively participate in the implementation. This kind of participation was important in ensuring the achievement of the system benefits and can be aligned to the process 'Execute benefits plan', which is the third process in the benefits management framework (Ward & Daniel, 2006).

Realise the Benefits Stage: The real benefits are shown in this stage. In this study, the company gained various benefits, including: accurate transactions, a clear and integrated business cycle, streamlined organizational processes, consistent and comprehensive data, less paperwork, a reduced amount of manual work, solid segregation of duties among the company staff, increased business growth, increased productivity, and a situation in which every business unit has its own business process and data flow according to the best practices in that field, among others. It can be argued that all of the fore-mentioned benefits are relevant to all kinds of companies, both newly established and well established, because these benefits can lead to more effective management. In fact, most of these benefits are referred in different studies

(e.g., Shang and Seddon, 2000). In this case, Wataniya Mobile is continually working to achieve further benefits, so the company employees have been encouraged to offer suggestions for better use, even if the suggestions require buying or adopting new features that were not originally equipped with the system. These activities can be aligned to the last two processes—'Review and evaluate results' and 'Potential for further benefits'—in the benefits management framework.

6.0 Conclusion

This study has shown that enterprise systems are important for new ventures, and can help them create considerable benefits for organizations. However, these benefits may not be clearly seen in the early stages of implementation; rather, an organization may have broad expectations or general drivers that motivate it to implement a new enterprise system. New ventures can also develop planning and management processes based on these broad expectations and motives. Consequently, the benefits can be generated as outcomes after implementation. Figure 3 presents a set of activities based on different stages that show how a newly established company realises the benefits of an enterprise system. In this case, the key aspect that helped the new venture realise many benefits was having experienced and competent people who were aware of the system functionality and features, and they were available all the time within the company. Finally, this paper suggests doing further empirical research on other organizational settings, such as well-established companies that have existing systems and routines, to understand how benefits are realised in such kinds of organization. This paper also suggests conducting more empirical research to understand how organizations realise the unexpected benefits that emerge in practice.

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