A MANAGEMENT PERCEPTION OF ORGANISATIONAL CHANGE IN BUSINESS UTILISING SYSTEMS APPLICATIONS AND PRODUCT METHOD TO IMPLEMENT ENTERPRISE RESOURCE PLANNING (ERP II): CASE STUDY ON MITSUBISHI IMAGING FOR EDUCATIONAL PRODUCTS

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ABSTRACT

Organisational change includes the application of new tools, measures or technologies in order to face trials due to the changing demands of business, or to create new business opportunities. The days of stable environment and relatively few changes are over. Moreover, change processes have become a kind of turning point in organizations with their massive scope, leaving one with the idea that it is not the revolution of culture one should get used to, but to the cultural changes. This paper analyses SAP (Systems Applications and Product Method to implement Enterprise Resource Planning-ERP II coined in the year 2008) HR/Payroll and workplace implementation at Mitsubishi LCD Monitors for educational purposes as a case study with inputs from DACG, A change management consultancy. It has been experiential that cost control and quality must be taken into account before, during and after the organisational change. The net result of these determinations will be quite dramatic and will reveal sustainable performance.

KEYWORDS: Organisational Change, Change Management Mitsubhishi Imaging, DACG, SAP (Systems Application and Product Method), Enterprise Resource Planning, ERP II.

INTRODUCTION: CHANGE MANAGEMENT

Change management is about how to get users to consent to a new business process and the technology that facilitates it. Change management agents emphasise their attention on resistances to change. These resistances could come from either the organization or from the individual within the organization. Change management functions under the hypothesis that people and organizations are impulsively unfavourable to change. Change agents must be capable enough in handling the foreseeable resistance of staff to change. The individual resistance to change includes: selective change and retention, habit, dependence and fear of the unknown. The organizational resistance to alteration includes: issues like threat to power and influence, the organizational structure itself, resource limitations and inter-organizational agreements. Managing change is seen as a problem of moving from one state to another, specifically, from the problem state to the solved state in Enterprise Resource Planning. Change management is yet
another extensively debated and written about topic in management. The last couple of decades have seen managers undergoing series of radical changes at the work place. Change is a complex process—it is an answer to uninterruptedly evolving conditions. Today, we have an environment where change is not only unceasing but requires the management to adopt manifold strategies to meet them. This paper analyses SAP (Systems Applications and Product Method to implement Enterprise Resource Planning-ERP II coined in the year 2008) HR/Payroll and workplace implementation at Mitsubishi LCD Monitors for educational purposes as a case study with inputs from DACG, A change management consultancy.

ISSUES, CONTROVERSIES, PROBLEMS

Organisational change includes the application of new tools, measures or technologies in order to face trials due to the changing demands of business, or to create new business opportunities. The days of stable environment and relatively few changes are over. Moreover, change processes are becoming controversial to solve and emerge as a turning point in organizations with their massive scope, leaving one with the idea that it is not the revolution of culture one should get used to, but to the cultural changes.

**FIGURE 1: ELEMENTS OF AN ORGANIZATION**

![Diagram of Elements of an Organization](image)

- Marketplaces
- Structure
- Vision
- Tools
- Work Processes
- People
- Customers
- Leadership
The elements that include in an organization are: structure, work processes, people and tools. These are four key co-dependent components.

- **Structure** is the traditional view of an organization. It is the “faces and spaces” diagram that is exposed as an organization chart. It defines the boundaries of authority and decision-making and categorises the key personnel responsible for the business.

- **Work processes** describe how work gets done in an organization. They range from a few high-level cross-functional integrated core processes that drive the business down to comprehensive departmental processes and procedures.

- **People** identify the skill sets desirable for the company and the number of people with various skills. The spirit of this category is about getting the right people doing the right job in the right place.

- **Tools** characterizes physical facilities and capital equipment - hardware and software systems, management and reporting systems, written documents such as policies, procedures and manuals, and compensation tools.

An organization experiencing major change should examine all of these quadrants and assess their alignment to its vision, its customers and each other. This will allow senior management to recognize the leverage points that will create sustainable revolutionary change.

**A BRIEF PURVIEW OF CAPGEMINI APPROACH TO CHANGE MANAGEMENT**

Cap Gemini is one of the world’s prime providers of Consulting, Technology and Outsourcing services. It has over three decades of industry and service experience. Cap Gemini employs approximately 60,000 people worldwide and in 2004 testified global revenues of 6.291 billion euro. The Cap Gemini approach to change management emphases on the effective management of eight key ‘Change Success Factors’ (CSFs)

Change management refers to the making of changes in a planned and managed or systematic fashion in enterprise resource planning. The aim is to more effectively implement new methods and systems in an on-going organization. This paper analyses SAP (Systems Applications and Product Method to implement Enterprise Resource Planning (ERP II)) HR/Payroll and workplace implementation at Mitsubishi India as a case study with a theoretical methodology. The unique name for SAP was German: Systeme, Anwendungen, Produkte, German for "Systems Applications and Products." The original SAP idea was to make obtainable to customers the capability to co-operate with a mutual corporate database for a complete range of applications.
FIGURE 2: CHANGE WHEEL OF MANAGEMENT

CASE STUDY: UNDERSTANDING THE CRUX OF CHANGE PROBLEM

At the core of change management lies change problem, that is some future state to be realized, some current state to be left behind, and some structured, organized process for getting from one transition point to the other. The change problem might be large or small in scope and scale and it might emphasise in individuals or groups. At a theoretical level, the change problem is a matter of moving from one state to another state. Moving from one state to another state is typically achieved as a result of setting up and achieving three types of goals – transform, reduce and apply.
TRANSFORM-goals are concerned with identifying differences between the two states.

REDUCE- goals are concerned with determining ways of eliminating these differences.

APPLY- goals are concerned with putting into play operations that actually effect the elimination of these differences.

People in core units, buffered as they are from environmental turbulence and with a history of relying on adherence to standardized procedures, typically focus on “how” questions. People in buffer units, responsible for performance through planning, often ask “what” questions. People in the perimeter units are as answerable as anyone else for performance and frequently for an enactment of a financial nature. They can be heard asking “what” and “how” questions.

“Why” questions are generally asked by people with no direct accountability for day to day operations or results. Finally, when organizational redefinition and redesign prove necessary, all people in all units must worry themselves with all three sets of questions or the changes made will not stand the test of time. The following case explains the strategy followed by DACG- a change consultant towards the obligatory change in Mitsubishi Imaging Company. The period of the following case is between 2009-2010.

HR/PAYROLL AND WORKPLACE IMPLEMENTATION AT MITSUBISHI INDIA- SAP (Systems Applications and Product Method to implement Enterprise Resource Planning (ERP II))

Enterprise resource planning (ERP) by definition assimilates internal and external management information across an entire organization, embracing finance/accounting, manufacturing, sales and service, etc. ERP systems mechanises this activity with an integrated software application. Its resolution is to facilitate the flow of information between all business functions inside the boundaries of the organization and manage the connections to outside stakeholders. The unique name for SAP was German: Systeme, Anwendungen, Produkte, and German for "Systems Applications and Products." The original SAP idea was to make obtainable to customers the capability to co-operate with a mutual corporate database for a complete range of applications and SAP in the context of this case study of Mitsubishi India is to implement the SAP facet of Enterprise Resource Planning (Phase II developed in the year 2000s) as analytical and for future enhancement methods in the instance of HR and Payroll, change management strategy, ownership and involvement strategy, extensive change communications and the transition and implementation process management using Information Technology wherever necessary, a facet particular of Enterprise Resource Planning II. ERP-II promises new software tools that are available to link departmental communications, work processes, customer data and supplier capabilities into a centrally functioning system—all which are focused on driving the enterprise forward.

BACKGROUND OF MITSUBISHI INDIA

With the goal of improving Human Resources (HR) operations and information flow in Enterprise Resource Planning throughout its business, Mitsubishi India embarked on the
implementation of SAP HR/Payroll and Workplace, including Employee Self Service (ESS) and Manager’s Desktop (MDT) pertaining to its LCD monitors for education industry. Mitsubishi was obliged to find a SAP solution to effectively manage employee time and attendance, personnel information and payroll. Together, DACG and Mitsubishi achieved the implementation process and significantly improved the efficiency of HR systems; contributing to a decrease in costs and to Mitsubishi’s overall competitive advantage. The case study under question was framed and analysed with inputs from DACG change management consultancy.

DACG developed and employed a change management and training strategy with ERP II implementable features that enabled Mitsubishi Imaging and Enterprise Resource Planning to successfully transition to the new SAP, HR/Payroll system, Manager’s Desktop (MDT) and Employee Self Service (ESS).

DACG’s complete solution encompassed change management, learning and performance.

DACG’s change management team as part of the Systems Applications and Product Method objective to implement Enterprise Resource Planning II was engaged to:

- Regulate and map HR and payroll business processes.
- Conduct impact assessments and cultivate a change management strategy.
- Develop and instrument a Mitsubishi driven ownership and involvement strategy.
- Develop extensive change communications tailored to distinct End User groups.
- Manage the transition and implementation process.

DACG’s training team was engaged to:

- Tailor training and support strategy for each distinctive department.
- Conduct a comprehensive training needs analysis.
- Design and facilitate instructor-led training to over 600 managers and supervisors.
- Manage training logistics - DACG synchronized over 200 training sessions around India.
- Co-ordinate ‘Road show’ presentations demonstrating ESS to over 1800 employees.
- Develop a continuing training and support strategy via the Mitsubishi Intranet.

OUTCOMES AS THROUGH SYSTEMS APPLICATIONS AND PRODUCT ANALYTICAL METHOD TO IMPLEMENT ENTERPRISE RESOURCE PLANNING MANAGEMENT –SOLUTIONS, RECOMMENDATIONS, FUTURE RESEARCH DIRECTIONS
SOLUTIONS

Employee opinion is serious in managing change. Allowing employees to participate is the best way to estimate reaction and monitor the progress of change. This shows that the organization cares for its employees and their participation will contribute a lot towards change management. In the Mitsubishi case, we can find this kind of environment and employee participation which eventually made the change a success.

RECOMMENDATIONS

To carry out successful change management, the first course of action that should be taken by the management is to wash out its old conducts. Cost control and quality must be taken into account before, during and after the change. The net result of these efforts will be quite vivid and will corroborate sustainable performance.

Mitsubishi India achieved a highly successful outcome with strong acceptance across the business. The support network implemented by DACG drove business ownership of the project which should be future studied. This assisted in overcoming the geographical barriers and diverse approaches of different departments.

FUTURE RESEARCH DIRECTIONS

The Mitsubishi experience in Enterprise Resource Planning II established that with a superior change management, which should be future subjected to scrutiny and research direction for a better learning and performance solution, very positive results and high customer fulfilment can be attained.

RESULTS AND FINDINGS OF MITSUBISHI CASE STUDY: CONCLUSION

ERP once was a considered a giant step forward when first introduced, however, over time it has extended a plateau in functionality and most products on the market accessible with similar functionality. The market then saw new buzz terms, such as lean manufacturing, that did not bring new functionality, but assured greater efficiencies, when in fact all it did was distribute what ERP was supposed to do in the manufacturing space.

It is necessary in Mitsubishi that ERP II deliver on the original concept of ERP being for the entire enterprise, so that the whole organization can function more efficiently. No longer should corporate information sit isolated in departmental corners, but it is every functionality equipped with all corporate information, used to lend advantage the complete organization. Mitsubishi India pertaining to its LCD for education purposes industry should endure to face obstacles as they revise internal processes, open up communications to outside sources and assimilate distinct technology functions. But the move toward the next technology frontier is under way, and Mitsubishi India is already beginning to benefit from extending their ERP II installations to more of their facets of operations.
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