Cisco Case

Questions
1. What is the reason that Cisco decide to deploy an ERP system?
2. What are the partners Cisco choose for ERP system and why do they choose them?
3. What are the key challenges in implementing the ERP system at Cisco?
4. How did Cisco address these challenges successfully?
5. What is Cisco’s lack of success in implementing the ERP and how could they improve?
Questions

1. What is the reason that Cisco decide to deploy an ERP system?
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What is the reason that Cisco decide to deploy an ERP system?

- Current system supporting its core transaction processing is not enough to accommodate the company’s significant growth.
- Allowing functional area make its own decision on system modification or replacement made little progress
- Major shutdown for 2 days
Questions

What are the partners Cisco choose for ERP system and why do they choose them?
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What are the partners Cisco choose for ERP system and why do they choose them?

- KPMG: Great technical skills and business knowledge; assist in both selection and implementation of solution

- Oracle: big size company; better manufacturing capability; promises on longterm development of functionality in the package; flexibility due to close distance
Questions

What are the key challenges in implementing the ERP system at Cisco?
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What are the key challenges in implementing the ERP system at Cisco?

- Budget
- Coordination of Multiple functions launched simultaneously
- Organizational structure of team and project
- Speed of deployment & timeline
- Customization and integration of history data
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Questions

How did Cisco address these challenges successfully?
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How did Cisco address these challenges successfully?

- Budget: Communicated “no-choice“ situation to Board
- Coordination + Team and Project Organizational Structure:
- Picked top people who did not want to give up their regular jobs, incentive via “THE (career) opportunity”
- structured with high level support
- “ Rapid iterative prototyping”
- Speed of deployment & timeline
- “ Rapid iterative prototyping” in 3-4 quarter roll out
- Compressed timeline: E.g. 1 week to 16-hour days; fast review at high level through CRP
- 1% tight effort => 80% gain (CRPO): Template parameter setting and coordination
- Partial customization: not fully anticipated - Partial Success
Questions

What is Cisco’s lack of success in implementing the ERP and how could they improve?

- Partial customization, rather than standard (lack or success or not?)
- Expansion of scope along the CRP process and architecture change from point-to-point to data warehouse
- SWAT team for 60 days
- System performance after roll out went down to 75%, failure almost every day
- Hardware and database capacity; initial testing not right
- Transaction volume and sequential processes