To identify the expectations for an ERP implementation on the extended supply chain of PepsiCo Netherlands

Karina Castillo(0859091)
Master in Logistics Management
Supervisor: Mrs. Nicole Osentosky-Mosma.
Rotterdam, October 2013.
First of all, I would like to thanks God for giving me with marvellous parents: Ligia Tovar and William Castillo, that have always been the support and help through all the journeys I decided to start, including this one.

Equally, I need to express gratitude to my love, Matthijs van Doorn, for giving me his unconditional love and make from this land another home for me.

Additionally, I would like to express sincere thanks to Mrs. Nicole Osentosky-Mosma, who lead me through this path with her infinite kindness and professionalism.

Moreover, I must thank Pepsico NL and its members, especially to Mrs. Willeke Schep, who provided always interest and support to this investigation.

Last but not least, I would like to thanks all those family and friend who always believed in me and offered their support during my master study and the development of this project.
Executive Summary:

The present research is executed on the pre implementation face of a new ERP system in Pepsico Netherlands. As this implementation is considered a major chain for the whole organization, especially for the supply chain department, this investigation aims to discover the thoughts and anticipations of the supply chain participants in relation to the new ERP system installation.

In order to achieve this objective, it was needed to assess and study some relevant literature regarding the key topics related to this research. Therefore, a literature review is presented on the commencement of this investigation, so the readers could be illustrated with the aspects that will be discussed on the following chapters.

Furthermore, the research was organized and classified within 4 different features, hence it would be possible to observe and analyse in more depth the expectations of the studied population. Such aspects are: current corporate culture, expectations regarding interdepartmental collaboration and communication, expectations regarding process and structure and expected success factors.

Once the data was collected and classified according to the previous described 4 pillars, it was possible to gain the necessary information to provide the answer to the main research questions and sub questions. In order to provide a more detailed and specific figures, the data was classified according the diverse departments that formed the supply chain. The intention behind this action was to lastly provide the organization with information that it could be utilized to solved the potential issues currently presented on the supply chain and dissipate possible resistance to change attitudes or fears regarding the system installation.

Moreover, using the information previously gathered, classified and studied, it was provided a series of conclusions or relevant aspects obtained on the execution of this research in order to enhance them assess their relevance. Besides, some recommendations are evaluated on the very last chapter of this research, expecting they can be useful for the current and future issues arising on the supply chain of Pepsico NL.
Table of contents:

Acknowledgements................................................................................................................. 1
Executive Summary.................................................................................................................. 2
List of Tables........................................................................................................................... 5
List of figures.......................................................................................................................... 6
List of appendices................................................................................................................... 7
Glossary................................................................................................................................. 8

1. Thesis Introduction.............................................................................................................. 9
   1.1 Chapter Introduction....................................................................................................... 9
   1.2 The organization............................................................................................................ 9
   1.3 The supply chain department....................................................................................... 9
   1.4 Thesis context................................................................................................................ 10
   1.5 Thesis content.............................................................................................................. 11
   1.6 Research Objective...................................................................................................... 11
   1.7 Main research question............................................................................................... 11
   1.8 Sub research questions............................................................................................... 11

2. Research Design .................................................................................................................. 12
   2.1 Chapter introduction..................................................................................................... 12
   2.2 Methodology and Methods......................................................................................... 12
   2.3 Data collection Methods........................................................................................... 13
   2.4 Data Analysis............................................................................................................... 15
   2.5 Limitations.................................................................................................................. 15

3. Literature Review............................................................................................................. 17
   3.1 Chapter Introduction..................................................................................................... 17
   3.2 Supply chain definition............................................................................................... 17
   3.3 ERP influence on organizational structures and procedures..................................... 19
   3.4 Corporate culture and ERP....................................................................................... 20
   3.5 Inter-departmental communication and collaboration................................................. 21
   3.6 ERP definition and potential benefits....................................................................... 22
   3.7 Collaborator’s expectations....................................................................................... 23

4. Empirical Findings............................................................................................................ 24
   4.1 Chapter introduction..................................................................................................... 24
   4.2 Current corporate culture............................................................................................ 24
   4.3 Expectations regarding communication and collaboration....................................... 26
      4.3.1 Internal supply chain collaboration................................................................. 28
      4.3.2 External supply chain collaboration................................................................... 29
   4.4 Expectations regarding process and structures......................................................... 29
      4.4.1 Overall expectations......................................................................................... 29
      4.4.2 Departmental expectations............................................................................... 30
4.5 Expected success factors...........................................................................31
  4.5.1 Overall expected success factors.......................................................31
  4.5.2 Departmental expected success factors.............................................32

5. Discussion of the findings...........................................................................34
  5.1 Introduction to the chapter ....................................................................34
  5.2 First research question ..........................................................................34
  5.3 Second research question .....................................................................35
  5.4 Third research question ........................................................................36

6. Conclusions...............................................................................................37
  6.1 Introduction to the chapter ....................................................................37
  6.2 Discussion of the conclusions ................................................................37

7. Recommendations.....................................................................................40
  7.1 Introduction to the chapter ....................................................................40
  7.2 Meeting structure..................................................................................40
  7.3 Customer service departmental..............................................................41
  7.4 Lack of super user located in Netherlands..............................................41
  7.5 Process and structures expectations......................................................41
  7.6 System diversity....................................................................................42
List of Figures:

Figure 1-1 Supply Chain organigram…………………………………………………………………….10
Figure 2-1 Literature Tree…………………………………………………………………………………..17
List of tables:

Table 1-1 List of Interviewees of the supply chain department..........................14
Table 2-1 Timeline.................................................................................................16
Table 4-1 Percentage of departmental expectations regarding the corporate.......26
Table 4-2 Current tools for the interdepartmental communication......................26
Table 4-3 Percentage of departmental expectations in relation the communication...28
Table 4-4 Percentage of departmental expectations in relation to process and ......29
Table 4-5 Percentage of departmental concerns regarding the new PO process.....30
Table 4-6 Percentage of departmental expectations in relation the potential ..........32
List of appendices:

Appendix I - Interview questions.................................................................43
Appendix II - Template Analysis...............................................................45
Appendix II – Empirical Findings. ..............................................................46
Glossary

**3PL:** is an outsourced provider that performs sections of an organization’s logistics requirements such as: transportation, stock and distribution.

**Benchmarking:** is the measurement of organizations policies, products, quality and strategy by comparing its measurements with the standard measurement of the industry or another organization that belongs to the same sector.

**EDI:** stands for Electronic Data Interchange and is the electronic exchange of business information using a standardized format. It allows organizations to send information to another company electronically using a pre-established process and layout.

**ERP:** Enterprise resource planning is a business management software integrates the diverse areas of the organization, allowing the company to manage more efficiently each of these areas.

**Finished goods:** are goods that had passed through the entire manufacturing process and yet need to be sold.

**Lead Times:** is considered the period of time between the end of one process and the beginning of the other, such as planning and manufacturing process.

**PO:** purchase order is a commercial document that authorizes the seller to deliver finish goods to a vendor or distributor.

**Raw Materials:** is any basic, modified or semi processed material that is utilized in a manufacturing process in order to produce a finished good.

**SAP:** Systems Applications and Products in Data Processing is one type of ERP software, which is wildly known and internationally utilized.
1. Thesis introduction:

1.1 Chapter introduction:

The present chapter presents the introduction of the organization in which the current research is based. Moreover, it provides a brief description of the supply chain department since it was the population used to develop the investigation. Furthermore, it provides a brief description of the context of the thesis and the objectives that are pursued.

1.2 The organization:

PepsiCo Inc, was formed on the 1965 in New York, United States, with the intention of producing snack foods and beverages. Pepsico Netherlands is part of this group, specifically to the West Europe Region and it’s headquarter is located in Utrecht, where supply chain department is. Besides, Pepsico Netherlands possess 3 plants located in Zandam, Rotterdam and Broek op Langedijk.

Even when the product portfolio on the West Europe region is larger, Pepsico Netherlands still offers a wide range diversity of products, which are divided in: Salty Snacks, Beverages and Cereals. The beverage area is handle by third party logistics organization called Vrumona. They are in charge of the manufacturing, distribution and transportation procedures of the all the beverage line. Pepsico NL only manages directly the selling department.

Moreover, the salty snacks division and Cereals are manufactured by the plants located in the Netherlands that were previously mentioned. However, the distribution and transportation is handled by another third party logistics called Kunen & Nagel. During this research it will be possible to observe the value that the supply chain members adds to their relationship with their principal stakeholders and how important the collaboration between them is for the overall supply chain process.

1.3 The supply chain Department:

This area is one of the largest ones within PepsiCo NL. It is formed by 7 different departments, such as: Change and Commercialization, Transformation, Collaboration, Data Management, Supply chain and Customer service. In exception to the Change and Commercialization department, at least one member of each sub department were interviewed in order to gather the data necessary for the execution of this research and possess diverse perspectives from each different department.
1.4 Thesis context:

Currently, the supply chain of Pepsico NL is working with more than 8 diverse technological systems, which means each department works at least with two different systems. This situation has caused many communicational drawbacks between the different departments encompassed on the supply chain. Therefore, the organization has seen the necessity to implement an ERP systems that allow the company to reduce or eliminate such complications. Moreover, the system installation will not only have place in the Netherlands, but will also be installed in parallel in other offices in Europe, such as France and Belgium. Therefore, the grade of complexity is higher, since the implementation in the Netherlands needs to be in tuned with the other countries.

After working on this project for almost a year, Pepsico NL is getting closer to the “go live” date, in which most of the current systems will be switched off and a new technological era for the organization will begin. Supply chain managers seems to have an idea of the potential expectations that the supply chain members maybe experiencing just before starting the implementation. However, they will like to have more specific information regarding the positive and negative expectations the individuals of the supply chain has, in relation to this important technological change.

Therefore, the aim of the current research is to assess such anticipations in relation to the potential changes the organization will suffer in order to adapt this system to their actual structure. The objective is to know the possible desires and fears the individuals of the supply chain might be experiencing prior the installation of the system.

For the organization is highly important to know which the outcomes of this study will be, since the main intention is to know how the supply chain managers and project managers can contribute to overcome possible uncertainties and negative expectations that individuals might be experiencing. The general goal is procuring the implementation success by providing
employees with the information necessary to obtain the best results out of the system capabilities, so it lastly can contribute to the efficiency of roles and the overall supply chain process.

1.5 Thesis content:

The present project is composed by 6 chapters. The first and current one provides a brief introduction of the organization in which the thesis will be based on. Furthermore, it also assess the intention of the research and mentioned important aspects of the investigation. On chapter number 2, it is explained the methodological framework and the steps performed to develop the research.

Moreover, on chapter number 3, it is given a review of the previous developed literature related to relevant topics for this investigation, such as: ERP, benefit of an ERP installation, supply chain, definition of: collaboration, communication, expectations, and corporate culture and collaborator’s expectations.

Furthermore, in chapter 4, it is presented the results obtained after the application of the instrument according to the followings classification: corporate culture, communication and collaboration, process and structure and lastly success factors. In addition, on chapter 5, it will be used the data gained on the previous chapter to provide the answers to the sub questions, that compiled,. will answer the main research question.

Lastly, on chapter number 6, the conclusions of the research will be presented and the main aspects obtained by the research will be assessed. In addition, on this chapter will also will be presented the recommendations suggested by the researchers to the organization.

1.6 Research objective:
To identify the expectations for an ERP implementation on the extended supply chain of PepsiCo

1.7 Main Research Question:
What are the expectations for the use of an ERP system in the extended supply chain of PepsiCo?

1.8 Sub research question:
1. What is the anticipated influence of the ERP system on the communication and interaction between the collaborators of the supply chain departments?
2. How are the process and structure expected to change on the extended supply chain by a new ERP system implementation?
3. Which are the anticipated success factors that will result from the installation of a new ERP system on the extended supply chain?
2. Research Design

2.1 Chapter Introduction:
On the current chapter it will be presented the different research methods used for the development of this investigation. Firstly, it will be provided a description of the methodology and methods chosen and the bases used to support the diverse methodological preferences. Furthermore, it will be described the data collection method and the tool utilized to study the findings. Lastly, it will presented a table containing the supply chain members participating on the interview and a timetable with the schedule estimated to execute this investigation.

2.2 Methodology and Methods:
In order to deliver an accurate response to the main research question of this project, a qualitative research method has been selected. This selection is based on the previous analysis of the diverse possible methods that can be utilized.

According to Creswell (1994) ‘In quantitative research, the hypotheses and research questions are often based on theories that the researcher seeks to test’ (p. 13). However, the present study aims to examine and describe the current situation within a determined area and it is not seeking to prove certain theory. Therefore, the quantitative method is not appropriate for this investigation.

On the other hand, Creswell (1994) states that ‘in a qualitative study, the inquirer may generate a theory during a study and place it at the end of a project, such as in grounded theory.’ (p.13). Moreover he claimed that ‘Qualitative research begins with assumptions and the study of research problems inquiring into the meaning individuals or groups ascribe to a social or human problem’. (Creswell, 2007). The two former statements implies that this type of research aims to study certain phenomena or condition that lastly will provide a conclusion or will develop its own conclusion. Furthermore, it gives the opportunity to settle some assumptions in order to focus on the object or situation being studied.

On the case of the present research, the idea was to analyse what the current relations and interactions between collaborators are. It seeks to gain a deep understanding on the existing working conditions and how successful they are in relation to the departmental goals. Therefore, this research would not be based on a previously settled theory, but it aims to explore determined situation.

Furthermore, it is needed to establish it is necessary to is the appropriate for this type of research. Creswell (2007) states that there are 3 types of qualitative approaches: grounded theory, ethnography and case study. The three classifications possess similarities related to structure of the investigation and way the research problem is treated.

Creswell (1994) states that case studies are ‘in which the researcher explores in depth a program, and event, and activity, a process, or one or more individuals’ (p. 17). This implies that there is a determined object or situation that will be further evaluated. Moreover, he claims that ‘case study research involves the study of an issue explored through one or more cases
within a bounded system’. (Creswell, 2007, p. 73). The former mentioned feature will allow the research to bring out a wider knowledge of the phenomena being studied and its relationship with diverse factors. Therefore, it is considered that this approach is the most suitable for this study.

After determining which approach will be used among the investigation, which in this case is case study, it is important to choose the type of approach. Creswell (2007) describes three different types of case study, such as: Single case study, intrinsic case study, and multiple case studies.

According to Verschuren, Doorewaard & Mellion (2010) ‘In the single case study, only one case is thoroughly examined. Preferably the emphasis lies on triangulation. This strategy is used to eliminate chance as much as possible, which is important as we are only using an individual case’ (p. 181). The former statement suggests that this approach focuses to study a single case or a particular situation.

Likewise, the investigation to be developed seeks for analysing the success factors previous the installation of an ERP system, making emphases on observing how are the member of the extended supply chain behave and interact. This is considered a single objective, which means the research should be based on the single study approach.

2.2 Data collection method:

Further in the research methods description, it is necessary to select a data collection system. According to the characteristics of the research, it is needed to gathering data through the triangulation system given by the single case study approach. Verschuren, Doorewaard & Mellion (2010) states that the triangulation of methods occurs when ‘the researcher prefers to use a combination of individual interviews and for example, group interviews, together with participant observation and content analysis of textual and audio-visual material’ (p.179).

By utilizing this method it is possible to gather data by using different tools, this will allow the investigation to obtain information from diverse perspectives and compile a wider range of data. Among the development of this research, observations will be performed in order to observe attitudes, behaviours and possible code of conducts that arises within the supply chain departments. Furthermore, interviews will also be placed in order to gain a more detailed information coming from collaborators within the extended supply chain and obtain a deeper understanding of their interactions.

Moreover, the data found within the records of the organization, such as process, procedures and structures will be further analysed. The intention of this sort of data collection is to study the bases of the organizations that might be shaping collaborators behaviour.

Additionally, the research will be based on a purposeful sampling strategy. This techniques is seeks to purposefully deliver data of the phenomenon being studied. Moreover, it is required to define which kind of purposeful sampling adapts better to the investigation. Creswell (2007) states that homogenous sampling ‘focuses, reduces, simplifies, and facilitates groups interviewing.’ (p. 127). The former statement implies that a group has been previously selected among a larger one in order to study the predicted changes from a more direct perspective.
In the case of the present research, the group that is selected to study the anticipations of the installation of a new ERP system is the extended supply chain. From their angle, the influence of the phenomena on their interactions will be further studied. Moreover, the study will also obtain data from supervisors and managers within the extended supply chain in order to gain some information from their perspective. Additionally, other departments that interact with the supply chain department will be also studied.

<table>
<thead>
<tr>
<th>Department</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>1  Logistic and Transformation</td>
<td>Logistic and Transformation Manager</td>
</tr>
<tr>
<td>2  Supply Chain Management</td>
<td>Supply Chain Manager</td>
</tr>
<tr>
<td>3  Logistics</td>
<td>Logistic Coordinator</td>
</tr>
<tr>
<td>4  Customer Service</td>
<td>Customer Service CLA</td>
</tr>
<tr>
<td>5  Demand Planning</td>
<td>Demand Planner 1</td>
</tr>
<tr>
<td>6  Demand Planning</td>
<td>Demand Planner 2</td>
</tr>
<tr>
<td>7  Demand Planning</td>
<td>Demand Planner 3</td>
</tr>
<tr>
<td>8  Customer Service</td>
<td>Order Entry CLA 1</td>
</tr>
<tr>
<td>9  Commercial and Crisis Management</td>
<td>Commercial &amp; Crisis Manager</td>
</tr>
<tr>
<td>10 Customer Service</td>
<td>Order Entry CLA 2</td>
</tr>
<tr>
<td>11 Customer Service</td>
<td>Customer service 1</td>
</tr>
<tr>
<td>12 Collaboration Management</td>
<td>SC Collaboration Manager</td>
</tr>
<tr>
<td>13 Supply Planning</td>
<td>Supply Planner Salty</td>
</tr>
<tr>
<td>14 Supply Planning</td>
<td>Supply Planner Quaker</td>
</tr>
<tr>
<td>15 Supply Planning</td>
<td>Supply Planner Duyvis</td>
</tr>
<tr>
<td>16 Data Management</td>
<td>DMO manager</td>
</tr>
<tr>
<td>17 Customer Service</td>
<td>Customer service Manager</td>
</tr>
<tr>
<td>18 Logistics</td>
<td>Inventory Planner</td>
</tr>
<tr>
<td>19 Supply Planning</td>
<td>Supply Planning coordinator</td>
</tr>
<tr>
<td>20 Data Management</td>
<td>DMO 1</td>
</tr>
<tr>
<td>21 Demand Planning</td>
<td>Demand Planner 4</td>
</tr>
<tr>
<td>22 Data Management</td>
<td>DMO 2</td>
</tr>
<tr>
<td>23 Supply Planning</td>
<td>Supply planner 1</td>
</tr>
<tr>
<td>24 Data Management</td>
<td>DMO 3</td>
</tr>
<tr>
<td>25 Customer Service</td>
<td>Customer Service 2</td>
</tr>
<tr>
<td>26 Customer Service</td>
<td>Customer service 3</td>
</tr>
<tr>
<td>27 Customer Service</td>
<td>Customer service 4</td>
</tr>
<tr>
<td>28 Data Management</td>
<td>DMO 3</td>
</tr>
</tbody>
</table>

Table 1-1. List of interviewees. Supply Chain department.
After gathering all the data required to perform a proper analysis about the situation to be studied, it is relevant to choose the proper method for analysing the data. Creswell (2007) suggest that in the case of performing a qualitative research the data analysis spiral is commonly used. The intention of this system is for the researcher to compromise on moving the analysis of the data on a circular direction. The idea is to divide the analysis on diverse steps. This will facilitate the researcher to move forward as long as understanding better the phenomena being studied.

2.3 Data analysis:

In addition, it is necessary to utilize the template model for analysing the data, since it compiles the necessary structured required to develop this project. According to Crabtree and Miller (1999) "Researchers can develop codes only after some initial exploration of the data has taken place, using an immersion / crystallisation or editing organising style. A common intermediate approach is when some initial codes are refined and modified during the analysis process." (p. 167). The former statement implies that since this type of research is not based on a specific theory, then the researcher must develop its own codes to be able to start the investigation. Therefore, initial assumptions should be stated and begin the investigation on that point.

For researchers it is relevant to guarantee the research validation and reliability. Guba and Lincoln (1981), replaced the terms of reliability and validity with the another method called "trustworthiness," which included four different features, such as: credibility, transferability, dependability, and confirmability. The claimed that by implementing these 4 terminologies, the research could be validate and stand on reliable bases.

On the case of transferability, the intention is to provide solidity to the investigation by providing large amounts of data and details, so the reader can transfer this knowledge to diverse scenarios and decide whether the findings are transferable. Moreover, the credibility is related to the accuracy on interpreting the data gather by the participants. Dependability relates to the fact the same results would be obtained if the same phenomena is observed twice. Lastly, on the case of confirmability refers to the level on which the results can be confirmed. In order to revise if this approach is performed on the research one the many existing tools for confirming confirmability can be used.

2.4 Limitations:

- The rectitude provided by employees might be blurred by the publication of the data contained on the research.

- Some of the documentation gathered will be on the Dutch language.

- The interviews will be conducted in the English language, which is not the mother language of employees. Lack of speaking skills can be prejudicial for the interview.
### 2.5 Timeline:

<table>
<thead>
<tr>
<th>Activity</th>
<th>May-13</th>
<th>Jun-13</th>
<th>Jul-13</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Week 1</td>
<td>Week 2</td>
<td>Week 3</td>
</tr>
<tr>
<td>Introduction day</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gathering data through</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>observation on</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>operations meeting</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gathering data through</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>observation on regular</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interviews to SC managers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interviews to SC employees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revise SC procedures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>documents</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Data analysis</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Data validation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research conclusions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revision</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 2-1. Timeline.
3. Literature Review

3.1 Chapter introduction

The literature review is intentionally schemed according to the diverse areas studied during the development of this research. Firstly, it is provided a brief description of the concept of supply chain and how an ERP implementation might modify its activities and processes. Further on the chapter, concepts like: culture and corporate culture are defined according to previous relevant literatures. Also, it is assessed how the corporate culture can be influenced by an ERP installation and its effect on the organization’s performance. As well, several notions of “communication” and “collaboration” were linked to inter-departmental relations and how these relations may evolve due to an ERP implementation.

Furthermore, potential benefits expected from the ERP implementation are explained, based on the experience of different authors. Lastly, the term “expectation” and “sense making” are assessed due to its relevance to the investigation. Besides, it is studied concept of “user’s satisfaction” and its connection with the success levels of an ERP implementation.

Figure 2-1. Literature tree

3.2 Supply chain definition and ERP influence:

Chow et al, (1999) stated that “Supply Chain is the group of manufacturers, suppliers, distributors, retailers and transportation, information and other logistics management service providers that are engaged in providing goods to consumers.” Beamon (1998) claimed that “a
Supply Chain is a structured manufacturing process wherein raw materials are transformed into finished goods, then delivered to end customers. Both of the previous definition suggest that supply chain conforms a diverse number of processes and agents that are linked together in order to achieve the production of goods and services. However, it is necessary that together with alienation of the collaborations between the parties integrating the supply chain, it also coexist a proper measuring system for this such processes and relations. The diverse activities contained in supply chain need to be constantly revised and analyzed. The objective is to gain control over such procedures and measure their performance (Abu-Suleiman et al, 2004).

Consequently, in order to create a collective improvement within the supply chain inter-relations, it is necessary to size the results for each of these connections, so management can assess how effective and valuable they are for the supply chain structure. Moreover, internal and external parties are supposed to have access to this information, so they are able to analyze data, perform follow up and monitoring procedures. Besides, it will also give departments and individuals the possibility to set objectives linked to their necessity and the corporate goals. (Forslund et al, 2007)

Therefore, it has become necessary that organizations engage with information technology system that allows them to get the needed information in order to gain flexibility and agility, besides earning competitive advantages in comparison with the competition. However, it is important to acknowledge a partial or complete modification of organizational process will take place when installing a new ERP system (Khattack et al, 2012). Harmer and Champy (1993) described on their research the success factors for ERP implementation. Their third factor was related to the reengineering of the business processes in order to achieve improvements in key performance indicators. They stated that organizations expect in advanced their organizational structure differing with the scheme of ERP system and therefore process will need redefinition. In addition, ERP will not only modify the regular activities of the organization, but also will change the shapes of the relations between parties and will influence on the business traditional manner. (Dezdar et al, 2011). Therefore, companies must take advantage of the modification of processes, in order to gain efficiency and improve the results aimed by the organization (Yusuf et al, 2004).

In the specific case of the supply chain department, the expectations regarding the ERP implementation should be mainly directed to diminish the lead times and lowering costs and require the installation of tools that allows them to constantly monitor and improve their processes (Rungtusanatham, 2001). It is important for this department that the ERP system counts with measuring reports that captures data from different stages of the supply chain.

Similarly, Forslund et al, (2007) found on their research that organizations tend to combine information in excel tables in order to gain reliable and useful data. However, if such reports could be obtained directly from the ERP system, the data should be more reliable and also could be processed in smaller periods of time. Then, with these reports the supply chain department will be able to able to analyze processes from diverse perspectives and improving areas where opportunities are observed.
3.3 ERP influence regarding Organizational Structure and Processes.

The aim of enterprise integration is to adapt diverse functional areas from the organization, in order to fit process supported by the new information system. (Gosain et al, 2005). Caldwell, (1998) claimed that “Enterprise resource planning capabilities expanded for better productivity, efficiency”. He also stated that latest ERP systems had adapted the current requirement of the modern organizations, by specializing some of their branches to supply chain scheme, so internal adaption are lesser. Besides, Gale (2002) suggested that a successful ERP can give management an overview of their processes and can become the spine of its business intelligence.

However, Lucas et al, (1988) claimed that often organizations blame on the ERP system for the implementation failure. They might be ignoring that the root of the problem might be settled on the transition of processes. It is possible that the company do not possess the capabilities necessaries to move from an old paradigm to a new and different one.

One of the main problems for ERP implementation can arise from user’s acceptance. This issue has been categorized as crucial factor on the implementation face, since collaborators are the only ones capable and besides, responsible to integrate and reengineer diverse processes, procedures and technologies of the diverse departments. Consequently, it is necessary users feel a certain level of acceptance in relation to the system. (Lim et al, 2005).

Another potential difficulty can be related to the new system lack of flexibility. Ching-Chien et al, (2006) stated that organizations tend purchases a software package that are open to customization in order to facilitate readapting of process. However, some specific program activities cannot be modified. This complication leads the organization to re-engineer processes and structures, which not only represent an investment of time and money, but might also, compromise the attention on the core business.

Likewise; Davenport, (1998) stated that a survey of Fortune 1000 companies related to ERP customization, indicated that 41% of the companies modified their internal processes in order to suit the ERP system, 37% of the organizations preferred programs that were more suitable to their businesses and only performed little customization and only 5% customize the software in order to fit the company’s needs (As cited on Ching-Chien et a, 2006). Therefore, many organizations decide to purchase an ERP system rather than develop a customize program. This is mostly due to the complexity of technical problems that may arise during the implementation (Wu et al, 2006).

As a result, the organizations that are able to implement successfully a new ERP system, should be capable of creating a stronger value chain and more cohesive process and activities within the extension of the supply chain. The stakeholders and organization should be able to interchange information and data more efficiently, which at the end will facilitate the communication and interaction between the parties (Li-Ling et al, 2004). In addition, ERP system seeks for employee’s empowerment, by providing them with information necessary to gain more flexibility on their jobs and expanding their limits of the decision making. (Siew et al, 2002).
3.4 Corporate Culture and ERP.

In order to apply new business processes and adapt to them, it is necessary that the relations within the business are highly cooperative and close. However, these procedures might affect the identity of collaborators due to the relationship between internal and external projections of the self. (Jenkins, 1996). According to Ali et al, (2008) the process of meaning creation process can affect certain levels of the culture and at the same time influence employees willingness to accept a determined technology. Likewise, culture establishes the boundaries of the collective conception of meaning and it potentially can define the understanding and uses of an IT system.

Culture was described by Hofstede et al, (2005) as "the unwritten book with rules of the social game". Moreover, Egan (1994) defined it as "the shared assumptions, beliefs, values and norms of the company insofar as these drive shared patterns of behavior." Rakichevikj et al, (2010) stated that “Culture is learned behavior, which depends on the conviction, values, attitudes, habits, customs, traditions” that is created by men. In addition, this author stated that individuals can create and implement culture not only on their regular life, but also their on their working environment.

Similarly, Kilmann et al (1985) suggested that corporate culture was "the shared philosophies, ideologies, values, assumptions, beliefs, expectations, attitudes and norms" that bring the members of a company together." Moreover, Deshpandé et al, (1993) described it as "a pattern of shared values and beliefs that help individuals to understand organizational functioning, and thus provide them with the norms for behavior in the organization".

Moreover, in addition to the existence of the overall organizational culture described by these authors, each area or department might have their own departmental culture. Meissonier et al, (2013) explained that organizations can be also composed by a multicultural environment. He claims that this characteristic might cause larger problems through the ERP implementation; since one of the premises for the system adoption is based on the considering the best practices, therefore, conflict may arise between different two or more cultural groups during the implementation face. Equally, Barclay (1991) stated that “lack of common culture among departments makes these departments negotiate with each other and has a positive correlation to the gap in interaction process” (As cited on Li-Ling et al, 2004). Contrarily, some other researchers like Parente (1996) suggested that a more friendly organizational culture has a positive effect on achieving enterprise-wide objectives and sharing common values.

Furthermore, DeSanctis et al, (1994) explained that in any of these cases, ERP implementation will encourage compulsory interaction between collaborators and will suggest which individual must performed determined activity provided by the ERP system. Besides, by interconnecting functions, information and activities, employees will be more aware which the influence of their transactions in relation to others and themselves (Kallinikos, 2004). In addition, the implementation of a new technology system will reform the individual’s job of users and their processes. (Ching-Chien et al, 2006).

However, Gale (2002) stated that ERP implementations tend to fail because the organization did not address enough time on managing cultural changes. Ching-Chien et al, (2006);
suggested that “many companies excessively emphasize the information technology, and they ignore that most important factor for management should be people-centered”. Boersma et al, (2005), claimed that “When it comes to the implementation of ERP in an organization, this means that the technology and the organization (i.e. organization members) cannot be treated as independent and separate entities. Therefore, it is important to perform a deep analysis about in which areas the ERP system might differ with the organization’s values, objectives and interactions and asses in advanced how this difference might be treated.

3.5 Inter-departmental Communication and Collaboration.

As Cheney (1983) suggested, employee’s communication and collaboration are highly relevant within organizations, since they set clear goals and values of the organization and cooperates with the identification of processes. Nelissen et al, (2008) found on his research that the effective communication also contributes to overcome implementation problems, by dissipating uncertainty and redirecting control towards the employees. This claim is supported on Ching-Chien et al, (2006); research since he emphasizes that good communication and training are a key success factor for encouraging the reception of the new system.

Likewise, Turoff et al, (1997) stressed the importance of the collaboration between employees for systems utilization, stating that these relations allow them to enact a collective understanding on how the organization deals with difficulties. Silverstone et al, (2001) define the term of collaboration as “results from discovery of a shared interest in a topic; collaboration is therefore emergent, a byproduct of a casual search”. Moreover, De Vreede et al (2009) simply described it as a critical phenomenon in organizational life. Both of the former described definitions suggests that the collaboration feature it is key element to reach the goals needed to reach organizational success.

However, even in regular circumstances, integration and collaboration are difficult feature to achieve. The collaborations between departments, functionalities and individuals will depend on a diverse variety of factors that can be complex to manage. Therefore, some companies take advantage of the opportunity of installing a new ERP system, since it offers a possible solution for the problems related to the creation of more cross functional interaction and communication.

Akkermans et al, (2002) claimed that one of the main objectives of a successful ERP implementation is to promote the communication and interaction between different departments, groups and levels. Similarly, Fulk et al, (1995) stated that IT systems have been encouraging the creation of new sorts of organizational teams and relations since the different departments functions are contained on the ERP system.

Likewise, Gosain et al, (2005) claimed that one of the premises of ERP systems is to reinforced scheme of integrated data, across departments. The fact that the users can collect data from the same source will avoid the diversity of information by creating “only one true”. In addition, it will encourages a highly collaborative environment and will improve inter departmental communication in different sort of levels (Pasaoglu, 2011).
3.6 ERP definition and potential benefits:

Are there determined indicators of success for every organization? Is it possible to indicate success factors without knowing the organization’s goals and objectives? In order to answer to these enquiries it is necessary to analyze diverse variable that are compulsory for this investigation.

Mengistie, (2013) suggested that in order to define the success of a project it is necessary to revise the relation between the start budget and the end budget. This author claimed that for some other researchers the success of a project can be based on the time of completion, percentage of objectives met, between others. However, it is the company and collaborator’s call to define its success.

The potential benefits resulting from an appropriate ERP implementation are large and key to achieve high levels of organizational performance. (Markus et al, 2000). Khattak et al, (2012), state that: “ERP system is actually a strategic tool that may help an organization to gain an edge in successfully integrating key business operations as well as properly planning, synchronization and optimization of the available resources in the marketplace better than the competitors”.

Another relevant feature is related to its capacity to substitute many software that support single processes that are not designed to communicate with other internal systems or with external parties programs (Kamhawi, 2007). This interfacing attribute also contributes to elimination of a process called data redefinition, which intention’s is to readdress the information, so it can be transferable from one system to the other (Alexander. 2009).

Likewise, ERP systems aim to encourage more cross-functional integration (Siew et al, 2002). This idea stands on the bases that when an individual executes an activity within the system, such activity is related to several others. These authors explained through an example how the cross functional integration is achieved: when a sales person completes a purchase order process, the finances department will already have a notification for preparing the invoice and increase the accounts receivable. Also, supply chain can prepare manufacturing, distribution and transportation to perform the delivery and already order a replace of inventory. This implies that by simply performing one activity, many others are automatically started within the system. Therefore, many interrelations will be created and there will be more connections and communication between departments.

Thus, Jen et al, (2010) suggested that the implementation of these processes will influence as well the overall organizational culture by producing benefits and complications to the social and human factors. Therefore, it is important to foresee the potential modifications in advanced in order to be able to handle them and avoid a larger effect on organizational activities, goals and expectations.
3.7 Collaborator’s expectations:

Expectations are known as the practice of interpreting circumstances, resulting from a cognitive process (James et al, 1981). This process can be described as the shape of what people symbolize as potential consequences to their actions (Tolman, 1932). It implies the anticipation to determined situation that is currently unknown (Kim, 2012).

From the business’s perspective, the term expectation can be described as what consumer’s considers they deserve and will receive from their suppliers, which implies the development of a prospect in relation to the real delivery of product or service. Weick, (1984) explained that this process of sense making is based on the employee’s existing cognitive structures, implying that previous experiences will have an influence when individuals are processing expectations. This implies that collaborators will tend to interpret information according to their own experiences inside and outside the company (As cited in Dackert et al, 2003).

Moreover, Kemp et al, (2008) explained the importance of managing properly collaborator’s expectations during an ERP installation, stating that “the implementation process needs to be managed so that the expected benefits are achieved. Users require ongoing support from the organization such as training, maintenance and equipment upgrades in order to achieve implementation effectiveness”. Organizations must prepare a plan that includes the appropriate management of employee’s anticipations in order to reach high levels of user’s approval after implementation process.

The level of collaborator’s satisfaction is one of the most relevant success measurements after system’s implementation (Akbulut et al, 2005). Hence, it is necessary to establish control mechanisms over this issue from the pre-implementation phase. If there is a large gap between the employee’s anticipation and the system real attributes, it is likely that users will feel dissatisfied with the implementation of the new system (Venugopal, 2011).

Another critical issue that needs to be taken in consideration during the pre-implementation and implementation face is the potential existence of employee’s resistance to change and their lack of acceptance to the new system. According to Aladwani, (2001) there are two principal foundations for user resistance. The first one is related to the risk factor linked to the usage of a new system, which refers the possible problems that might arise from it. The second factor is related to habit, which is directly associated with use and customs users currently utilize in their daily activities. In both cases, it is important the organization tackles these issues on early stages, since an installation that produces low levels of user satisfaction has a potential risk of not being used and losing the initial welfares from the installation (Guimaraes et al, 1995).
4. Empirical Findings

4.1. Chapter Introduction:

This chapter presents the outcomes obtained during the execution of this research in Pepsico Netherlands. Firstly, it is important to mention that for the supply chain managers, it was relevant to assess which were the expectations for each different department in the different studied areas. The intention of this request was to tackle the potential problems presented in each area, hence, they could avoid further complications during the system’s installation on the training face. Therefore, the results were classified according to the different departments forming the supply chain area and the four main pillars studied on this research: corporate culture, expectations regarding communication and collaboration, expectations regarding process and structure, and expected success factors. Moreover, an overview of the total supply chain expectations will be provided, as well as similarities and differences between the different departments of the supply chain area.

4.2. Current Corporate Culture

As mentioned on the literature review, Killman et al. (1988) suggested that “Corporate Culture” was defined as the diverse values and beliefs shared among a determined organization. Pepsico Nederlands also maintains a well-defined framework of customs and implicit norms that outline its culture and that differentiate it from different subsidiaries. This fact became evident on the homogeneity presented on the interviews. Although the enquiry was posed to diverse individuals in different departments, it was found that there is a collective feeling regarding the organization’s culture.

Around 54% of the population claimed that the company holds an “open environment with open people”, which allows them to interact and cooperate with each other more easily and to move in all directions among the organization. In general, they believed it was a positive feature of the company. However, as these answers were analysed in more depth, it was encountered that one side of the population, such as I2, I3, I12 and I16, suggested that perhaps the lack of a stricter structure was setting higher barriers to achieve the organizational objectives.

Furthermore, 29% of the supply chain members claimed that the organizational environment invites its collaborators to “achieve results” and to work towards the goal accomplishment. Interviewees I5, I6, I8, I11, I17, I25 and I27 stated that the organization settles clear objectives on the collective and departmental level, so the employees can manage a deep understanding regarding the direction the organization wants to ahead to. The individuals stated that as clear the goals were, it was easier to turns efforts to the same target. Some of the interviewees claimed that such organizational culture was one of the principal reasons why the company was successful on achieving the aimed results.
Another tendency was related to the collective thought that the organization encourages its members to constantly “looking for ways of improvement”. 29% of the interviewees suggested that the company is constantly encouraging them to look for better solutions at the moment of executing their activities and observe the impact that it has on internal and external customers. Members: I7, I14, I15, I22 and I26 claimed that this constant improvement causes a continuously moving organization that is in persistent change.

Additionally, a smaller but yet considerable 21% of the population claimed that the organization is young. They implied the company was assembled by a large number of young population and that this characteristic keeps the company dynamic, fresh and fast moving.

Moreover, as Parente (1996) claimed, a more friendly culture will cooperate with the achievement of organizational goals, which is also evidenced on the case of Pepsico Netherlands. According to the previous presented findings it is observed that the positive feelings and thoughts of their employees towards the culture of the company contributes to the ease the cooperation between departments, as well with the achievement the organizational goals.

Furthermore, it is observed the organization is working in advanced towards adjusting the culture of the organization to the changes that may appear during the ERP implementation. Contrarily to the claims of Ching-Chien et al, (2006) ‘many companies excessively emphasizes on the information technology, and they ignored that most important factor for management should be people-centered’. In the case of the supply management of the Pepsico, they are addressing importance to the human factor, as well to the technological issues. It was observed on the SAP meetings that they are continuously assessing the concerns and suggestions expressed by key users in relation to the capabilities and opportunities the system has, as well. The importance managers are given to their claims and worries evidences their willingness to provide a solution.

As well, Kemp et al, (2008) suggested that ‘the implementation process needs to be managed so that the expected benefits are achieved’. Therefore, the organization is providing attention the potential levels of user’s satisfaction after the implementation. The first evidenced of this statement was observed on the importance the Collaboration manager is taking for the development and results of this thesis, since the objective is to use the outcomes to develop a plan of action to attack the potential problems of each department.

Additionally, this claim was confirmed during the interviews with the key users, since they stated that they were empowered to assess and modified certain capabilities of the system. Besides, they stated that they were continuously assessing the system functionalities and decisions with end users, since their aim is to reduce the levels of uncertainty and impact on their colleagues.
4.3 Collaborator’s expectations regarding Communication and Collaboration

4.3.1 Internal supply chain Collaboration:

Among this section of the research, it will be described the expectations expressed by the members of the interview regarding the changes that ERP implementation will bring to the supply chain departments. However, it is relevant to provide first a brief description on how the relationships between collaborators currently are and which are the tools used to exchange information.

Initially, it was found that the larger number of individuals utilizes the emails as their primary tool to communicate with other departments. Interviewees stated that this is one of the most confident methods, since the information keeps saved and it is accessible at any moment. The second most utilized tool was a more informal one: the telephone calls. Members of the interview stated that on the telephone there is a wider possibility to explain too complicated issues to explain by email. Besides, it provides the possibility to have a deeper contact with the other individuals and a better understanding. Moreover, most of the members suggested that they usually need to walk to another colleague desk, since some specific topics were discussed better personally, especially when the phone calls and emails had become inefficient. Also, they use the coffee breaks to assess issues that require direct communication or discussion.

Additionally, it was observed that one of the raising problems for the communication between departments was the amount of different system each department uses. During the development of the interviews, the members suggested that the organization in total handles more than eight systems only among the supply chain. The diversity of technology programs
causes differences between reports and information, which forces the individuals to continually correct mistakes and revise data. Besides, it creates communicational barriers in relation to the different system’s languages and the diverse data formats provided. Therefore, the communication becomes more complex and unclear, which affects the daily activities of the supply chain members.

Furthermore, an investigation developed by the Sanctis et al, (1994), suggested that the implementation of a new ERP system will promote more collaboration between the employees and will encourage interactions between them. One of the main reasons is that the new transactions will determine which activities belong to which areas, besides it will create awareness in relation to the influence of activities to other departments. However, the data gathered during the interview in relation with the expectations regarding the communication and interaction suggest the contrary to the previous statements. The largest section of members, 32%, suggested that the implementation of a new ERP system will not influence the forms they currently communicate. They stated that only the internal process will be modified, but the relations will remain the same. They do not expect any major changes on the relationships between departments.

Moreover, 25% of the population suggested that the communication will be performed more through the system than in another forms of communication. They stated that as the implementation of a new ERP system will integrate information and will produce more feasible data, the communication will be translated in numbers and reports, more than in the informal schemes currently being used.

In addition, there is third notable sector in which 21% of interviewees expressed a similar opinion in relation to the last group. They state that the inter-departmental collaboration will improve. This group of individuals consider that once the diversity of systems is reduced, some of the departmental differences will be solved and the communication will flow more smoothly. Therefore, they possess highly positive expectations regarding the interactions between them and other supply chain members.

As well as the overall tendencies found among the total number of interviews, it was also encountered that inside of each department there are some relevant trends that suggest interesting data for this research. First, it is remarkable to note the diversity of answers that were provided by the Customer Service department. According to the information gathered on the ERP meetings, this department is the one which will be mostly influenced by the implementation and it will suffer more modifications in relation to the other departments. However, it was found that around half of the population do not expect any major changes on the relationships with their co-workers. Interviewees I4, I11, I26, I27 and I28, expressed that the forms of communication will not change, only the system they will work with. Moreover, there is sector of population that provided a diversity of answers, such as: ‘gaining more dependency between departments’, ‘the communication will improve’ and ‘more independency between departments’. This diversity of answers suggests that there not a clear view of the ERP competencies and potential modifications the department might suffer.

Furthermore, the Demand planning department presented relevant concerns regarding the collaboration between departments. The members I5 and I7, suggested that they expect a
change on the communication with other departments since, the product codes will be changed. They claimed that currently the organization is working with a specific type of code, which its nomenclature indicates easily the characteristics of the product. This feature makes easier for the individuals to perform their activities, since they can quickly acknowledge the type of product just by reading the code. However, they expect the codes change caused by the implementation will make harder for them to recognize the product. Therefore, they anticipate delays and some other issues for performing activities as efficiently and rapidly as they are being currently developed.

Additionally, an important input was obtained on the interviews of the supply chain managers, since their expectations are closely related the improvement of the communication between departments. Managers: I12, I16, I17 and I19, anticipate that quality information among the diverse areas of the supply chain will collaborate with the improvement of the process and overall goals. Moreover, they anticipate that the implementation of a new ERP system will be translated in to a cultural change that might bring minor issues at the beginning of the installation, but at the end the structure of the company will become more standardized and less informal. Lastly, they expect that the previous expected advantages can be seen by the organization community in its totality.

<table>
<thead>
<tr>
<th>Customer Service</th>
<th>Logistics</th>
<th>Demand Planning</th>
<th>Supply Planning</th>
<th>DMO</th>
<th>S.C Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>“We will communicate more in numbers and transactions”</td>
<td>-</td>
<td>100%</td>
<td>25%</td>
<td>25%</td>
<td>50%</td>
</tr>
<tr>
<td>“My department will remain the same, no relevant changes”</td>
<td>71%</td>
<td>25%</td>
<td>50%</td>
<td>25%</td>
<td></td>
</tr>
<tr>
<td>“Expect inter-departmental collaboration to improve”</td>
<td>14%</td>
<td>25%</td>
<td>-</td>
<td>25%</td>
<td>28%</td>
</tr>
</tbody>
</table>

Figure 4-3: Percentage of departmental expectations in relation to the communication and collaboration.

4.3.2 External supply chain collaboration:

An important inside gained from the ERP implementation meetings, was the importance the organization is directing to the opportunity of benchmarking their branch office with the other offices around Europe. Since the information will be internationally standardized the company will have the opportunity to compare and assess information in order to create comparative process that will suggest their weaknesses, opportunities and advantages.

Moreover, on the same ERP meetings was observed the high value the organization gives to their customer. Even before the implementation started, the organization assesses with its most important clients the possibility to implement a new ERP system, with the purpose to offer a higher quality service and create more efficient relations. However, many of these customers did not agree with the idea since they have had experienced with ERP implementation with other suppliers, which had result on disaster. Moreover, some other
important clients suggest that even when the ERP implementation was a challenge; they provide a full support with the proposal.

Furthermore, the organization is taking the precautions not to affect their. Firstly, they maintain continuous meetings with the customers to let them know the status of the project and asking for cooperation in order to create of higher safety stock before the “go live period”. The main objective of these meetings is to guarantee the product supply and protect customer of any harm, even on the worst case scenarios.

Additionally, they are keeping also constant communication with suppliers, especially with K&N. As described by Kamhawi (2007), an important feature of an ERP system is its capacity to interface. Therefore, the aim of the organization is not only to encourage a better inter-departmental interaction, but also to improve the exchange of information between the company and its providers. In the specific case of their principal third party logistics supplier, the organization’s aim is to share more feasible and comparable information between both parties, which consist in creating a better and more efficient interface through the ERP implementation The intention is to spend less time on finding the causes of the differences found on the information and reports between Pepsico and K&N, and invest more efforts times solving the potential difficulties that this area of the supply chain might suffer. Besides, interviews like: I4, I8, I13, I15, I16, I18, I19 and I22, considered that this will provide them with the necessary time to improve the stock levels and inventory managements.

4.4 Expectations regarding Process and Structures:

### 4.4.1 Overall expectations

<table>
<thead>
<tr>
<th></th>
<th>Customer Service</th>
<th>Logistics</th>
<th>Demand Planning</th>
<th>Supply planning</th>
<th>DMO</th>
<th>S.C Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Improve the current process and structure”</td>
<td>57%</td>
<td>50%</td>
<td>50%</td>
<td>25%</td>
<td>50%</td>
<td>43%</td>
</tr>
<tr>
<td>“Better since all supply chain members will work with the same system”</td>
<td>57%</td>
<td>-</td>
<td>25%</td>
<td>-</td>
<td>75%</td>
<td>29%</td>
</tr>
<tr>
<td>“Positive feeling”</td>
<td>29%</td>
<td>75%</td>
<td>50%</td>
<td>50%</td>
<td>14%</td>
<td>14%</td>
</tr>
</tbody>
</table>

Figure 4-4: Percentage of departmental expectations in relation to the Process and structures anticipations.

On one section of the investigation was requested from the participants of the interview to provide their opinion regarding their expectations on the influence of the ERP systems on the current process, structures and activities. After developing an analysis of the results obtained by this enquire, it was possible to observe a homogenous perspective from the participants.

A 46% of the population interviewed considered that the current processes will improve and will become more efficient. One of the most common supports to this answer agreed to the investigation of Stein (1998), which stated that ‘Enterprise Resource Planning capabilities expanded for better productivity and efficiency’. Equally, the individuals of the supply chain
anticipate that the structures and roles will need to be re-engineered in order to gain compatibility with the system. Moreover, they also expect that such procedures will become more accurate to the organization’s requirements and will cooperate with the achievement of organizational goals.

Additionally, 36% of interviewees suggested that the information transferring process will improve, since supply chain members will be working on the same system. Currently, each different department works, in an average, with three systems and in some cases, each system provides different data than the other report from another. Members of the interview states that this problem not only creates a communication barrier between different areas, but also causes a larger investment of time on comparing and checking the diverse pieces information.

Furthermore, 36% of the interviewees claimed that they have a positive feeling about the influence, suggesting that they expect that the processes and structures will be better after the implementation of the SAP system. However, the interviewees did not illustrate specifically which modifications are being expected. Moreover, some other interviewees indicated most specific concerns regarding some particular aspect related to their department, which will mentioned on the following section.

### 4.4.2 Departmental expectations

Among some specific areas, such as: demand planning and logistics, there is a collective concern regarding the implementation of a new process for the creation of purchase orders included in the ERP installation. The current procedure for producing purchase orders is considered to be fragile and unstructured, which leaves a large room for mistakes and errors that are only seeing at the end of the process. At the same time, such mistakes are translated into cost increment and additional work for the Finances department. However, with the new process, each business unit will be responsible for the creation of the PO’s and its follow up. This change will allow users to turn more attention to this activity and potentially lesser the errors between the orders and the actual delivery.

Moreover, even when most of the individuals agree it is necessary to formalize and standardize the PO’s procedure, there is still a general concern on how this process will be structured, how much additional time it will cost them to perform this procedure and how large the impact will be on their overall activities.

<table>
<thead>
<tr>
<th>Concerns regarding the implementation of a new process for PO’s creation</th>
<th>Logistics</th>
<th>Demand Planning</th>
</tr>
</thead>
<tbody>
<tr>
<td>50%</td>
<td>50%</td>
<td></td>
</tr>
</tbody>
</table>

Figure 4-5: Percentage of departmental concerns regarding the implementation of a new process for PO’s creation
Furthermore, in relation with the modification of the product codes, on the supply planning department it was suggested a different perspective from the one presented on the demand planning department on the previous section of this chapter. The individuals I3, I5, I14 and I24 of this department, suggested that this change will be positive for the overall organization, since the codes will be the same for all the departments. They claimed that currently each department handles different production codes depending on the system they are working on and that creates communication problems between areas and systems when comparing reports of exchanging information. Therefore, they considered that once the system was implemented and the departments of the supply chain work with the same codes, many misunderstandings and mistakes will disappear.

Additionally, the supply chain managers suggested that just after the implementation of the system many difficulties might appear and that the system will run smoothly just after a couple of months. However, manager’s anticipations agreed with the some of the outputs presented on the research performed by Li-Ling et al. (2004), in which it is stated that after an ERP implementation the stakeholders of the organization should be able to trade information more easily. They expect that at last the process will be improved and readapt to the organization’s needs and will contribute to the improvement of the communication. Moreover, they presume that this implementation will contribute to the standardization of process and that the organizational structure will gain a more formal scheme. Besides, they considered that many mistakes and errors will be reduced due to the fact that the entire supply chain will be speaking the same technological and information language, which will create more cooperative and interactive relations between departments.

4.5 Expected success factors

4.5.1 Overall expected success factors:

On this section of the investigation it was inquired to the individuals to provide a characteristic that the ERP system should have in order to be a successful. A 38% of the supply chain members suggested that “if the system could achieve the current goals and objectives the company is currently performing”; it would be a successful system. This group stated that as many changes will be done on the organizational structure and activities, there would come period when process would need to be redefined and relocated to other process owners and the member of the supply chain would need time to readapt to these changes. Therefore, it would be unrealistic to aim for improved procedures and more effective results. Hence, they rather not too set the bar too high and expect the same levels of speed to market, customer satisfaction and sales margins that are achieved on the present.

Moreover, another group of 29% expects that the current process and structures will be improved, which agrees with the answers provided on the previous sector of this chapter. Besides, this result is also in lined with the research of Khattak et al (2012), which states that ‘ERP system is actually a strategic tool that might help the organization to gain an edge in successfully integrating key business operations’. The individuals I2, I12, I14, I16, I17, 19 and I22, suggested that the scheme of the new ERP system will create a new structure which will be more convenient for the characteristics of the organization. They acknowledge that in some
areas this will imply more administrative work than for others, but lastly will represent a benefit for the total organization.

Furthermore, 29% of the interviewees anticipate that the implementation of the new system will improve the communication with K&N. This sector considers it is highly relevant to maintain a high level of consistency on the information between the organization and its supplier, especially on the inventory behaviour and transactions. Therefore, they consider that when the differences in information are lesser, the work flow can run more smoothly and more efficiently.

<table>
<thead>
<tr>
<th>“If system can accomplish the objectives the company is currently achieving”</th>
<th>Customer Service</th>
<th>Logistics</th>
<th>Demand Planning</th>
<th>Supply planning</th>
<th>DMO</th>
<th>S.C Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>14%</td>
<td>-</td>
<td>50%</td>
<td>50%</td>
<td>-</td>
<td>50%</td>
<td></td>
</tr>
</tbody>
</table>

| “Improving the current process and structure” | - | - | 25% | 25% | - | 63% |
| “More feasibility on stock behaviour data. More consistency with the stock of K&N.” | 29% | 100% | 50% | 25% | - | 25% |

Figure 4-6: Percentage of departmental expectations in relation to the success factors.

4.5.2 Departmental expectations:

As stated by Mengistie (2012), the success factors can vary from individual to individuals and from group to group. Likewise, this is observable in Pepsico Netherlands. Even when there is a general tendency among the overall supply chain, diverse departments hold different aims and expectations regarding the ERP installation.

One of the most relevant and consistent yearning was found on the customer service department, which claimed to have problems with the relation with the orders of the customers. Interviewees I10 and I11 stated that, currently, they have interfaced EDI (electronic data Interchange) with most of their customers. However, there were still a significant number of clients that still placed their orders through email and telephone. In both of the cases, the members of this department consider that the use of these tools for ordering made more complex their internal process, since there was a lot of data that customers did not filled in or was misunderstood on the communication with them. This caused several issues when placing the orders to the other departments included and increased the number of errors on the delivery. Therefore, they expect the new system implementation includes an interfaced EDI with all the customers, so the previous stated problems were reduced.

One specific case was raised from several persons of the customer service department. Interviewees I11 and I27, stated that in order to create the monthly report of customer delivery
performance it was needed an average time of four hours, which they consider it is an outrageous number for creating a single report. Therefore, they expect that with the new ERP, they can obtain this report from the system in a short period of time, without performing any data redefinition or manual job.

Furthermore, on the DMO department suggested that if the system allows them the possibility to book products for specific customers in the case of promotions, the system has a successful feature for their department. Currently, they need to put on notes or learn by heart which groups of products kept on inventory are the ones saved to certain customer, for a specific promotion. They stated that with the actual system it is really difficult to see the real inventory, since they do not possess the existent number after deducting the series of products they have saved for the promotion. This issue creates problems for the efficient management of inventory and for the delivery performance to customer. In addition, it is also creates difficulties on the inter departmental communication with other areas involved in the inventory management process, including their main 3PL, since the numbers that the systems present will most likely be different to the sales reality.

Moreover, it is observed that besides the features mentioned on the overall expected success factors, supply chain managers I2 and I12 expect that the users feel comfortable with the system and that they can see the features this new program offers. Additionally, they anticipate to achieve most of the user’s anticipations and that the levels of satisfaction regarding the implementation are high, hence the company lastly conclude the implementation was successful.
5. Discussion of the findings:

5.1 Introduction to the findings:

After presenting the results obtained by the development of this research on chapter number four, it is relevant to utilize such information to answer the research questions proposed on chapter number two. On the following section, each question will be assessed in the same order that they had been previously presented.

5.2 What is the anticipated influence of the ERP system on the communication and interaction between the collaborators of the supply chain departments

As discussed on the previous chapter, 32% of the total interviewed population suggested that they do not expect any major changes on the forms of communication held with their co-workers. This group of interviewees suggested that the implementation of a new ERP system will not affect the current tools utilized for interacting and communicating with other departments. They considered that main factor changing will be the ERP system, but the forms of communication will basically remain the same. This implies that they do not foresee any relation between the implementation of a new system and the corporate culture in general.

However, about 25% of the population believes that the communication will be conducted more through the system reports, information and transactions, than the tools currently use like email, phone calls and person to person meetings. They stated that these other forms of communication not only will be lesser due to the enrichment of information, but as well due to the diminishing of data differences between the different systems and diverse departments.

Equally, only 14% of the supply chain members expect the inter-departmental collaboration and communication to be improved due to the system capabilities and features. They stated that since the system provider information to all the departments of the supply chain, they do not need to translate information from system to system, which lastly will collaborate to improve the interactions between departments.

Therefore, it can be concluded that the expectations of the employees regarding the communication and collaboration are heterogeneous and unclear. It is observable that on this stage of the pre-implementation phase, only 3 months far from the ‘go live’ date, collaborators does not seem to have a clear vision on how the implementation might affect the organizational culture in every of its aspect. The group that does not expect changes, might be the one that suffers more in the case that actually great changes come. On the other hand, for both of the groups that expect that communication will improve, it can be dangerous if the collaboration does not suffer any changes or even becomes more chaotic. As stated on chapter three, a large difference between member’s expectations and system actual features is always risky for measuring the levels of user’s satisfaction, as well as for the implementation success.
5.3 How are the process and structure expected to change on the extended supply chain by a new ERP system implementation?

According to the results found on the research, it is observable that the overall supply chain members maintain a positive anticipation in relation to the changes in process and the structure that might arise after the system implementation. Moreover, these positives expectations can be divided into three main groups conferring to the provided answers.

The first and larger group, represented by a 46% of the interviewees, claimed that they expect that the processes will be improved and therefore they will be more efficient. They anticipate that due to the characteristics of the new system, the structure will become more standard and formal and therefore the work flow will run more effectively. The main reason used to support this answer was the fact that the new ERP will force the organization to re-engineer processes to adapt to the new technological scheme. Therefore, there will be the opportunity for improving the current activities and roles in relation to the organization current needs.

Furthermore, 36% of the population stated that the fact that all the members of the supply chain will be able to work within the same system, was already a success factor. As mentioned on chapter four, the supply chain department works with more than 8 different system, which already creates adversities for communication. Therefore, the interviewees suggested that once the system was installed, all the users could see the same information, with the same language and at the same time. That fact will also cooperate to the improvement of communication and therefore will develop more efficient processes and define more accurate activities.

Lastly, another 36% members of the supply chain stated that they have a positive feeling regarding the implementation and that they expect the internal procedures to become more effective and efficient. However, they could not mentioned why they believed the processes and structure will improve. As stated in chapter three, this situation has to be carefully evaluated, because it might be the case that the individuals of this group has too high expectations or perhaps they cannot really foresee any of the changes that may arise after the system installation. In both cases, it can be a dangerous situation for the implementation success.

After assessing the three main previous sectors of this pillar, it can be concluded that among this section there is a more heterogeneous vision in relation to the last discussed section. It was found that the largest portion of the population keeps a positive vision on the possible changes of the internal procedures and that such changes will bring benefit for each department and the overall supply chain department. The members of the interview believe that since the organization is a large transnational, it was becoming necessary to implement an integrated system. Moreover, even when some of the individuals acknowledge that a new ERP system installation is not an easy step to take, they trust on the numerous benefits the implementation will lastly bring to the organization.
5.4 Which are the anticipated success factors that will result from the installation of a new ERP system on the extended supply chain?

In order to provide an answer for this question, it is relevant to classify the expectations delivered by the interviewees in three different groups. First, the larger section of interviewees, 38%, suggested that they would consider the implementation a success if the system will let the organization to reach the goals the company is currently achieving. They claimed that the existing objectives are already successful, therefore, if after all the implementation of a new system they could still achieve the same goals, the implementation would be a success. However, they anticipate that after several months, when the implementation is finally settled, the organization can set more ambitious targets in order to maintain their continuous improvement process.

Furthermore, 29% of the population group suggested that if the current process and organizational structure could be improved in order to gain a better management of the resources of the organization, the system implementation could be called a success. As stated by many individuals of the different departments and also by the managers of the supply chain department, the current procedures held on the organization are lacking standardization and formality. Therefore, they expect that the new implementation can be translated into an opportunity to formalize process and recreate a more rigid structure.

In addition, another 29% of the overall supply chain keeps high expectations regarding the inventory management information and its feasibility between the organization and its main 3PL. They stated that the data provided by their current system in relation to the stocks behaviour is really poor and incomplete, therefore, becomes complex to perform a proper and efficient stock management. Moreover, they state that this information is not consistent with the one that their main 3PL possess and that the amount of differences between the two parties forces them to spend numerous hours on clarifying errors solutions and looking for its solutions. Therefore, they expect that the information regarding stock not only becomes richer, but the interface between the company and its suppliers improves sufficiently to perform a better inventory management. They consider this is not only highly important for providing credibility to the data, but also for the supply chain management, which needs to see the real picture in order to perform a proper decision making.

Finally, it can be concluded that in this part of investigation there is a large diversity of expectations in relation to what they consider a success factor provided by the ERP system. It is possible to observe that besides the tendencies presented on this chapter, there is also a number of other success factors expected by the individuals for each of their particular departments. As presented on chapter four, it was observed how each department keep their own departmental wishes and aims. However, in the case of the supply chain managers, it was evidenced that they expect an overall improvement for the total supply chain areas in spite of the needs presented by each of the departments they represent. This can be considered as a positive sign, since even when each area holds a different expectations, managers still intent to transmit how the supply chain areas will be changed as total. Moreover, it suggest there are number of common goals that needs to be taken in consideration as well as each departments aims.
6. Conclusions

6.1 Chapter Introduction:

During the execution of this research, it was observed several interesting aspects regarding the thoughts and feelings of the members of the supply chain regarding the implementation of a new ERP system. On the current chapter, it will be presented the most relevant and outstanding features found during the execution of the research.

6.2 Discussion of the conclusions:

One of the most appealing factors was evidenced when the it was enquired about the perspective the individuals hold in relation to the corporate culture of the organization. 54% of interviewees considered that the company holds an “open environment with open people”, which allows them to interact and cooperate with each other more easily. However, as these answers were analysed in more depth, it was encountered that one side of the population as I2, I3, I12 and I16 suggested that perhaps the lack of a stricter structure was setting higher barriers to achieve the organizational objectives. Contrarily, some others claimed that the company structure was flexible and allowed a better flow of communication between employees. Yet, the overall of interviewees stated to be satisfied with the ways the organizational culture was conformed.

Furthermore, 29% of the population claimed that the organizational environment invites to “achieve results” and to work towards goals accomplishment. They stated that the organization settles clear objectives on the collective and departmental level, so the members can manage a deep understanding regarding the direction the organization wants to ahead to. Individuals: I5, I6, I8, I11, I25 and I27 stated that as clear the goals were, it was easier to turns efforts to the same target. Therefore, it was claimed that such organizational culture was one of the principal reasons the company was a highly successful organization.

Moreover, it is observed the PepsiCo NL is working in advanced towards adjusting the culture of the organization to the changes that may appear during the ERP implementation. The organization seems to acknowledge the importance the high levels of user’s satisfaction has for a successful implementation. This was evidenced on the relevance the Collaboration manager is giving to the development and results of this thesis. The objective is to use the results to analyze them and afterwards, to develop a plan to attack the potential problems of each department presents.

Additionally, it was observed that one of the main current problems for the communication between departments was the amount of different system each department uses. During the development of the interviews suggested that the organization in total handles more than eight systems only among the supply chain. The diversity of technology programs causes differences between reports and information, which forces the individuals to continuously
correct mistakes and revise data. On this regard, 32% of the supply chain members suggested that the implementation of a new ERP system will not influence the forms they currently communicate. They stated that only the internal process will be modified, but the relations will remain the same. They do not expect any major changes on the relationships between departments.

Moreover, 25% of the population suggested that the communication will be performed more through the system than through the informal communication bias they currently used. They stated that as the implementation of a new ERP system will integrate information and will produce more feasible data. Therefore, the communication will be translated in numbers and reports, which will diminish the use of another communication tools.

Furthermore, 46% of the population interviewed considered that the current processes will improve and will become more efficient, since the individuals anticipate that the structures and roles will need to be re-engineered in order to gain compatibility with the system. Therefore, they also expect that such procedures will become more accurate to the organization’s requirements and consequently will cooperate with the achievements of departmental objectives.

Likewise, another 36% suggested that the information transferring process will improve, since supply chain employees will be working on the same system. Currently, each different department works with at least three different systems and in some cases, each system provides different data than another report from another program. Members of the interview stated that this problem not only creates a communication barrier between different areas, but also causes a larger investment of time on comparing and checking the diverse pieces of information.

Further on the research, it was inquired to the individuals to provide a characteristic that the ERP system should have in order to be a successful. A group of 38% suggested that “if the system could achieve the current goals and objectives the company is currently performing”; it would be a successful implementation. This sector stated that as many changes will be done on the organizational structure and activities, there would come period when process would need to be redefined and relocated to other process and data owners. Hence, the member of the supply chain would need time for readapt this procedures and to the new structure. Therefore, it would be unrealistic to aim for improved procedures and more effective results. They rather not too set the bar too high and expect the same levels of speed to market, levels of customer satisfaction and sales margins that are currently achieved.

Moreover, 29% of the supply chain members expects that the current process and structures will be improved and that the system will allow the organization to manage more efficiently the operational resources. The individuals suggested that the scheme of the new ERP system will create a new structure which will be more convenient for the characteristics of the organization. They acknowledge that in some areas this will imply more administrative work than for others, but lastly it will represent a benefit for the total organization.

The previous presented conclusions evidenced a positive attitude from the members of the supply chain of Pepsico NL towards the new system installation. The expectations are directed
towards the overall improvement of the organization process and structures and to an improvement of the interdepartmental collaboration. Besides, it was observable that employees has motivation necessary for starting this new challenge and deal with the potential complexities that this process might bring.

However, there is only a small sector within the total population of the supply chain area that foresees the trade-off that will be required to perform in order to achieve the system’s capabilities. Hence, it is still necessary to provide a wider range of information to the future system’s users, since it was evidenced that some areas are still lacking information regarding what are the system features, capabilities and disadvantages.

For some interviewees it was difficult to foresee the possible changes might occur due to the new system implementation and to specify some probable circumstances arising during the implementation. This situation can be considered as highly harmful for the installation process, since their expectations or lack of them can be considerably different to the actual modification. This situation might lastly cause a negative impact on the participants of the supply chain and endanger the compromising the success of the new system implementation.
7. Recommendations:

7.1 Introduction to the chapter:

As discussed on the previous chapters, the members of the supply chain department considered that the company provides an open environment that allows them move in different directions and to interact more easily. However, from the supply chain manager’s perspective, the organization needs to be reengineered in order to keep a more rigid structure and more standardize procedures than the existing ones. They believe this implementation is a great opportunity for performing and achieving this desired changes that will provide the organization with an accurate structure. Therefore, on this segment of the investigation it will be assessed the potential changes that can be performed in order to improve the current situation of the supply chain department in relation to the ERP implementation and some other relevant issues.

7.2 Meeting structure.

Among the development of the interviews, the supply chain members claimed to be involved in too many meetings during the day. Initially, it was found that this situation was only arising on the managerial level or on key employee’s different departments. Moreover, it was observed that managers are basically the only ones with the levels of permission necessary to execute certain activities, consequently, they are often invited to the meetings so they can provide the permits necessary to execute the actions discussed on meetings. In addition, supply chain managers stated that usually the topics discussed on certain meetings are not related to their core activities and objectives or that are simply informational meetings that can be reduced in time.

Therefore, the first recommendation on this regard is to establish a simple but efficient procedure for suggesting meetings, such as the implementation of a meeting agenda. This agenda must include the points aimed to be discussed, so the members invited to assist can assess the relevance of their assistance to meetings and if it is the case, prepare some information regarding the meeting objective. Also, it should include points discussed on previous meetings in order to keep track of the information discussed and listing the activities that need to be developed. In addition, the responsible for each activity should be included on the agenda as well the due date for each task.

Furthermore, it is advised to study the levels of authority in each layer of the organization and assess the possibility to increase the employees’ levels of empowerment. By providing a higher control on the more basic levels of the organization, the presence of managers will not be as highly demanded and the numbers of meetings would be gradually reduced. This will allow managers to invest the required time in the core activities of their role, as well as other the managerial tasks.
7.3 Customer Service department situation.

One of the most interesting facts that were obtained through the execution of this research was the diversity of expectations found in the Customer Service department in relation with the communication and interactions between departments. It seems that there is no clear vision of how their relationships with their colleagues will be affected and the communications forms. Every member of this department has a totally different view in comparison to their colleagues. Therefore, it is recommended to provide this department the necessary information regarding the required modifications that will be performed in order to embrace the new ERP system and to assess the potential impact that the system implementation will have on their daily interactions. It is made an especial emphasis on this department because according the gathered information, it will be highly influenced by the ERP implementation.

7.4 Lack of super user located in the Netherlands:

According to the information obtained on the SAP meetings, the Netherlands will not count with a local super user after the system implementation. This expert will be located in Belgium and from there will remotely collaborate to solve the problems experienced by the Pepsico NL.

This can be foreseen as an issue since after the implementation the members of the supply chain might be facing problems on the technological level. This might delay and harm some important process within the supply chain and the overall operations. Therefore, it is important Pepsico NL counts with an SAP specialist that is located in the Netherlands, at least for a considerable period of time in which is considered the possible issues that might appear.

7.5 Process and structures expectations:

As presented on chapter number 4 and 5, it was noticed that the overall supply chain department holds great expectations regarding the improvement of the process and the organizational structure. However, more than 50% of the population did not provided specific or clear answers regarding how the processes will be improved. Contrarily to the 46% of the supply chain members that acknowledges that the organizational structure will need to be re-engineered and therefore it includes extra inputs from collaborators, the rest of the population does not seem to foresee their involvement on this process of improving the internal procedures. It is considered that there is no clear view how the large the influence of the ERP implementation on the process and structures might be.

Therefore, it is firstly recommended to inform the individuals within the supply chain area, the potential changes that might arise during the implementation. It is highly relevant to enlighten them on the impact the implementation may have in the procedures they currently follow, in order to avoid unexpected changes that might be difficult for the participants to handle.
Moreover, the overall population should acknowledge this is key moment in which the interdepartmental collaboration and communication will be vastly needed in order to achieve efficient results from the ERP implementation. Also, it is recommended to inform the supply chain members the importance their collaboration and work has on the overall SAP implementation and that their input will not only be considered, but as well required to obtain a successful ERP installation.

7.6 Systems diversity:

Even when the company is taking a large step forward by integrating business activities within one unique system, it was observed that there are still another three system that will remain within the organization. The permanence of these other programs might still jeopardize the benefits that are aimed to gain with the ERP installation. As mentioned in previous chapters, the existence of diverse systems within the same organization not only implies that time will be invested in redefinition processes and data revision, but additionally will embed a larger investment of money on the installation of proper interfaces.

Therefore, it is recommended to the organization to assess the benefit and value gained by handling these other programs that do not belong to the new ERP and assess the possibility of translating such systems capabilities into another face of ERP implementation. This will provide a larger integration of certain areas and processes that were not included on this stage of the implementation and besides, it will give a broader sense of the business extensions and its behavior and transactions.
Appendix 1. Interview Questions:

**Pre-Implementation Interview Questions**

**Job Role/Function**
1. Name/function/time in job role/ years of service in company
2. How can you describe the corporate culture in PepsiCo?
3. Tell me what it is like to be a(n)..... or; walk me through a day as a ..... 
4. Tell me about the critical requirements of your job role? (What are the must do’s for someone working as a.....)
5. What are the challenges & enjoyable aspects of your job?

**Use of IT Systems**
6. What kind of IT systems do you use, for what and how do you value them on a scale from 1 to 10?
7. How do these systems help you in your job?

<table>
<thead>
<tr>
<th>System:</th>
<th>Value for your everyday job:</th>
<th>Overall rating of system:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Intra-Departmental Interaction**
8. Could you tell me the role of your departments in the organization? i.e.: What does your department do?
9. What other people/departments do you work with on the regular basis? And why with those departments?

<table>
<thead>
<tr>
<th>Department:</th>
<th>Value for daily activities:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
10. Tell me about how you work together with these other departments? How is your communication structured?

11. In what kind of meetings do you sit

12. How do you value these meetings?

<table>
<thead>
<tr>
<th>Meetings:</th>
<th>Value:</th>
<th>Group size (small, medium, large)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

13. What kind(s) of information do you share/need/discuss in these meetings?

14. What is your idea about the meeting structure in Pepsico (i.e., does it add value, does it take a lot of time, are there different meetings with the same purpose, are the meetings on the right level?

15. How do you see/value your department’s role in the organization?

16. How do you value the relationship with other departments? i.e.; does it add value to your processes/services/final products?

SAP Implementation

17. What are your thoughts about the SAP implementation?

18. What do you expect from the implementation in regard to the internal and external supply chain? / How do you think the SAP implementation is going to impact on your role?

19. What changes do you expect in communication and collaboration between different departments as a result of this implementation?

20. What changes do you expect in the structure and process between different departments as a result of this implementation?

21. Why do you think/feel that way?

22. What for you would make the implementation a success?
### Appendix 2. Template analysis:

|    | A | B | C | D | E | F | G | H | I | J | K | L | M | N | O | P | Q | R | S | T | U | V | W |
| Dept. 1 | I4 | 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I8 | 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I10| 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I11| 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I26| 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I27| 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I28| 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       |    | 7 | 4 | 1 | 0 | 1 | 4 | 1 | 2 | 1 | 1 | 2 | 2 | 0 | 1 | 1 | 1 | 0 | 0 | 0 | 0 | 2 | 2 | 0 | 0 |
| Total |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
| Dept. 2 | I3 | 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I18| 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       |    | 1 | 1 | 0 | 0 | 0 | 1 | 1 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
|       | 2  |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
| Dept. 3 | I5 | 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I6 | 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I7 | 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I22| 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       |    | 4 | 2 | 2 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 3 | 1 | 1 | 3 | 2 | 2 | 1 | 1 | 1 | 0 | 0 | 0 |
| Total |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
| Dept. 4 | I13| 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I14| 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I15| 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I24| 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       |    | 4 | 1 | 0 | 1 | 0 | 0 | 1 | 1 | 0 | 1 | 0 | 2 | 4 | 1 | 3 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 0 |
| Total |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
| Dept. 5 | I20| 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I23| 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I25| 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I29| 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       |    | 4 | 2 | 0 | 0 | 0 | 3 | 1 | 0 | 1 | 1 | 1 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Total |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
| Dept. 6 | I1 | 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I2 | 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I9 | 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I12| 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I16| 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I17| 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       | I19| 1 |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|       |    | 7 | 3 | 2 | 2 | 3 | 2 | 0 | 4 | 0 | 1 | 0 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 1 | 0 |
| Overall| 13 | 6 | 3 | 4 | 10 | 4 | 9 | 3 | 5 | 4 | 10 | 5 | 3 | 7 | 4 | 2 | 1 | 1 | 1 | 4 | 4 | 2 | 1 |

Current Corporate Culture

- Open people and open environment: 17%
- Hard working environment, driven to achieve results, clear goals: 43%
- Young: 23%
- Looking for continuous improvement: 17%

Corporate Culture - Customer Service Department

- Open people and open environment: 43%
- Hard working environment, driven to achieve results, clear goals: 57%
Logistics Department

- Open people and open environment: 100%

Demand Planning Department

- Open people and open environment: 22%
- Hard working environment. Driven to achieve results. Clear goals: 22%
- Young: 34%
- Looking for continuous improvement: 22%
Supply Planning Departement

- Open people and open environment: 50%
- Looking for continuous improvement: 50%

DMO Departement

- Open people and open environment: 17%
- Flexible: 17%
- Hard working environment. Driven to achieve results. Clear goals: 16%
- Difficult to adapt: 50%
Supply Chain Managers

- Informal, Unstructured: 33%
- Hard working environment, driven to achieve results, clear goals: 34%
- Dynamic, Fast moving: 33%

TOTAL POPULATION: 3

Expectations regarding communication and collaboration

- We will communicate more in numbers and transactions: 35%
- My department will remain the same, no relevant changes: 45%
- Expect inter-dept collaboration to improve: 20%
Customer Service Department

- My department will remain the same. No significant changes: 11%
- More dependency between departments: 11%
- Expect inter-dept. Collaboration to improve: 11%
- Gain more independency: 11%
- Better communication between departments: 56%

Logistics Department

- Finances will have more inside in my activities: 25%
- We will communicate more in numbers and transactions: 25%
- More formal processes: 50%

TOTAL POPULATION: 2
Demand Planning Department

- We will communicate more in numbers and transactions (25%)
- My department will remain the same. No relevant changes (25%)
- It is going to change due to the codes modification (25%)
- Expect inter dept. Collaboration to improve (25%)

Supply Planning Department

- We will communicate more in numbers and movements (25%)
- My department will remain the same. No big changes (25%)
- Corporate collaboration and culture will remain the same. (Informal and unstructured) (50%)
DMO Departement

- We will communicate more in numbers and transactions
- My department will remain the same. No relevant changes
- Expect Inter dept. Collaboration to improve

Supply Chain Managers

- Better communication between departments
- More formal processes
- Cultural Change
- Process redefinition
- Process improvement
Logistics Department

- Process Improvement. More efficient process
- Creation of PO's
- More input (work for my role)
- Stricter and standardized Processes
- More dependency between departments
- More and better info. More reports
- It is a significant change

Demand Planning Department

- Positive feeling

- My department (or role) will remain the same. No big changes
Supply Planning Department

- Production codes will be different (the same for everybody)
- My department (or role) will remain the same. No big changes
- Improving interdepartmental collaboration and integration

DMO Department

- Process improvement. More efficient process
- Better since everybody will work with the same system
- Positive feeling
Supply Chain Managers

- 33%: Process Improvement. More efficient process
- 25%: Difficulties at the start of the implementation
- 25%: Better since everybody will work with the same system
- 17%: Stricter and standardized processes

Expected success factors

- 39%: If system can accomplish the current objectives the company already has
- 31%: Improving the current process and structure
- 30%: More feasibility on stock behaviour data. More consistency with the stock of K&N.
Customer service Department

- More feasibility on stock behaviour data. More consistency with the stock of K&N.
- Interfaced EDI for all customers
- Data enrichment
- Customer service performance report

Logistics Department

- More feasibility on stock behaviour data. More consistency with the stock of K&N.
Demand Planning Department

- 50%: If system can accomplish the current objectives the company already has been accomplishing
- 50%: More feasibility on stock behaviour data; More consistency with the stock of K&N.

Supply Planning Department

- 50%: If system can accomplish the current objectives the company already has
- 50%: Users feel comfortable using the system
DMO Departement

- The possibility of booking products in case of promotions
- Every department uses the same product codes

Supply Chain Managers

- If system can accomplish the current objectives the company already has
- Users feel comfortable using the system
- Improving the current process and structure
- More feasibility on stock behaviour data, more consistency with the stock of K&N.
Bibliography:


