

## Is your e-team an A-team?



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By necessity, e-business initiatives have a lot to do with the introduction of new technologies. Therefore, much attention and effort goes towards these aspects. Other requirements, such as the organisational impact, are often a bit neglected. However, reality is that the difference between success and failure has little to do with technology and much more with the other aspects of change...

For those who are unfamiliar with the expression: the A-team is a popular American "shoot-them-up" TV series where the good guys always are facing the most incredible challenges. Of course, thanks to their unique combination of courage, strength, dexterity and other wicky skills, eventually, they always succeed accomplishing their mission.

OK, we agree that it is not very likely that you will need a person such as Mister T or Mad Murdoch for your future e-business initiatives. Nevertheless, there are some similarities. E-business projects might be the most complex initiatives that you've ever started.

Additionally, the likeliness that you will find within your own organisation all the human resources that are needed to successfully run this project, is rather small.

## Lessons from the past

March 21, the [Boston Consulting Group](#) released a new report that gave an analysis of the outcome of more than 100 large-scale implementation projects. These projects included ERP implementations (SAP, Baan, Oracle...), Supply Chain Management (i2, Manugistics, Numetrix...), Customer Relationship Management (Siebel, Vantive, Clarify...) and e-commerce (Ariba, Commerce One, IBM, Broadvision).

The most important conclusion of this analysis was the fact that nearly 50% of these projects finally did not deliver sufficient business value to justify the past investments.

As reasons for these poor results were mentioned:

- Initiatives that were not aligned with a clear business strategy;
- Lack of clear objectives;
- Initiatives relying too much on the "perfect" software solution;
- Failing to evaluate possible alternatives or more pragmatic approaches.

Of course, these are alarming conclusions. On the other hand, they are not completely new. In general, these results are similar to the findings of a study of [Booz-Allen & Hamilton](#), published a year ago, be it that in that study only ERP projects were included. Also, they are a confirmation for the warnings issued by the [Gartner Group](#) in September 1999, claiming that 75% of all e-business initiatives were doomed to fail.

## It will not get easier

OK, you can argue that an e-business project is quite different from a regular ERP or SCM implementation. We agree. However, this should not lead to the conclusion that an e-business project will be easier. On the contrary! If you view your e-business initiative as being strategic, then you will find that it will be much more difficult than whatever enterprise project you have completed before.

So, if your past ERP implementation was not the greatest success, beware! Think twice before engaging in this e-business initiative!

All of this might sound very negative, but it is little more than recognising a reality that you better know and understand in advance. So, as all of us agree that organisations cannot avoid this journey towards the e-business world, we better get organised to make it a success.

## The e-project

First of all, the future success of your e-business initiative will be largely based upon what you do before the real launch of the project. In this preliminary phase, the organisation's management has to make strategic choices, they have to set clear goals, and they have to define which business model(s) will be deployed.

In fact, this is not very different from what must be done for other important projects. The most important difference is the reality that most e-business projects will introduce some form of radical change in the company's current market approach.

Indeed, for most of the "regular" enterprise projects, business objectives and business models will only change marginally. Most often, this is a deliberate, but possibly unfortunate choice. In many ERP projects, this has resulted in large customisation efforts to adjust the standard package to the "needs" of the organisation. Often, this has been the basis for cost and time overruns or even complete failures of such projects.

For an e-business project, the starting point is a completely different one. Here, the organisation wants to achieve competitive advantage and differentiation by adopting radically new business models, or at least fundamental changes to the existing ones.

## The e-team

This will make it clear that many challenges await you. In order to launch your e-business initiative in a correct way, you have to make some difficult decisions from the start. These decisions will have to be based upon the following competence base:

- Strong business skills. Strategic insight. Knowledge and understanding of the markets where the company wants to be active, the players in that market, the competition, its own strengths and weaknesses, the market evolution, business trends...
- A more than average understanding of the principles and mechanisms that form the basis for e-business.
- A good understanding of the solutions and technology that are available to support such initiatives.
- Knowledge and understanding of the most important e-business models that can be deployed.
- The capability to analyse all of the above and to conduct an assessment exercise that has to identify the impact of the new business models on the existing organisation, needed to assess the feasibility of the plans.

Indeed, this is a long list of capabilities and it is safe to assume that it is unlikely that you will find all these skills within a single person of your organisation. Therefore, it cannot be avoided that you will have to create an interdisciplinary e-team.

Even then, there is no guarantee for success. It will be required that this new e-team is capable of working together in a co-operative way. This will not always be very easy. All of us know all too well that IT people and business people do not always talk the same language. Personal agenda's, cultural differences, organisational boundaries, and lack of understanding of the new paradigms will be further inhibitors for

success.

Therefore, most organisations will have to look for outside help to guide them in this initial phase. However, such external help must be limited to aspects of guidance and counselling. Companies must avoid passing too much responsibility to such outside organisations. The company (and especially the management) must always take ownership of the strategic decisions and therefore, must play a leading role in the e-business initiative. Outside assistance is excellent to bring in specific skills or some methodology that can facilitate the decision making, but the company itself has to raise its level of competence in this e-world.

## Growing to e-competence

Therefore, an organisation has to build a strategy for continuous and consistent e-competence building. In general, such competence will have to be a combination of strong business and technological skills, complemented with marketing and financial knowledge.

In most organisations, such "generalist" profiles are not readily available. However, if one is willing to look behind the boundaries of formal roles and responsibilities, chances are that you will find a lot of quality within your own organisation.

Finally, organisations will have to invest more in project management skills. E-business initiatives are always complex projects and we know from the past that we are not that good at managing complex projects. Again, it is advisable to look for project managers that do combine this specific skill with a more than average understanding of business and technical issues.

In summary, it will not be easy. Not moving towards the e-business world is not really an option. So you better prepare for it. Therefore, spend some more time in this initial phase of defining your strategy, setting objectives and building your team. Technology will come later, at the right moment, when you are ready for it.

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