Chapter 1
ERP Implementation in Kuwait O&G: Issues, Problems, and Concerns

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EXECUTIVE SUMMARY

A project is a complex, no routine, one-time effort limited by time, budget, resources, and performance specifications designed to meet a customer's needs (Gray & Larson, 2010). Consequently, although projects may seem similar, largely they are different, and each project represents a unique experience reflecting the variations in the projects' scopes, objectives, specifications, time, budget, resources, constraints, and risks. In line with this, the author's experience as a consultant in different ERP projects indicates that each project has its own unique issues, concerns, and problems, although some of them are common across different projects. This chapter attempts to examine the nature and causes of issues, problems, and concerns that were observed in one of the author's Gulf ERP implementations and suggests the introduction of new and enhanced features in ERP system implementation methodologies as a means to cope with potentially damaging issues, problems, and concerns, and prevent them from evolving into malicious risks that could lead to project failures.

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ORGANIZATION BACKGROUND

The case subject to be discussed in this chapter belongs to Oil and Gas Company (OGC) located in the northern part of the Arabian Gulf and will be referred to throughout the chapter as OGC. The discussion is concerned with OGC implementation and integration of two international systems to support the majority of OGC business requirements and business areas namely, IBM MAXIMO, as best of breed system, and Oracle E-Business Suite, as the ERP system.

Oracle applications were used in OGC mainly to support the Human Resources, Payroll, and Financial requirements by utilizing Oracle Human Resource (HR), Payroll, and Financial modules within EBS.

However, IBM MAXIMO applications were used to support OGC requirements in the areas of Asset Management, Supply Chain, and Contracts by utilizing IBM MAXIMO Maintenance, Inventory, Purchasing, and Contracts modules.

The two systems (Oracle EBS and IBM MAXIMO) were integrated by a prominent international implementation vendor by means of a customized API application interface with an agreed definition of interface points and rules and modes of data exchange.

Oracle is the gold standard for database technology and applications in enterprises. Oracle is a public company and it is the world's leading supplier of information management software and the world's second largest independent software company. Oracle is a multinational corporation that specializes in developing and marketing hardware systems and enterprise software products. Oracle Revenue as of 2010 was US $26.82 billion (Wikipedia).

The corporation has arguably become best known for its flagship product, the Oracle Database. The company also builds tools for database development and systems of middle-tier software, Enterprise Resource Planning (ERP) software, Customer Relationship Management (CRM) software, and Supply Chain Management (SCM) software.

International Business Machines (IBM) is a multinational technology and consulting firm. IBM manufactures and sells computer hardware and software, and it offers infrastructure, hosting, and consulting services. IBM is a public company with revenue as of 2010 of US$ 99.870 billion. International Business Machines Corporation (Wikipedia). MRO Software, the provider of MAXIMO, was acquired by IBM in August 2006.