

	POSITIVE THINGS	NEGATIVE THINGS
Internal	<p><b>S: Strengths.</b></p> <p>The company will gain a unified, integrated system with far lower maintenance costs than previously for the former multiplicity of systems. There will also be far better opportunities to ensure that the individual company units can “talk to each other” as they will be using the same IT system.</p>	<p><b>W: Weaknesses.</b></p> <p>Many good, well-functioning systems must be scrapped, which will result in dissatisfied staff. SAP has the reputation of being complicated to use and less suitable for production and project management. This may result in dissatisfaction among production personnel and project managers</p>
External	<p><b>O: Opportunities.</b></p> <p>The group’s market value will rise because it has been common knowledge for some time that it used “a host” of different IT systems. The choice of SAP will create a positive image in business circles because the system is in such widespread use.</p>	<p><b>T: Threats.</b></p> <p>The company will be obliged to tie up many – highly qualified – resources in the ERP project for some years. In the meantime, competitors may be able to move market shares. Customers may be inconvenienced because of the extensive system restructuring, the consequent loss of goodwill and a less favourable image.</p>

FIGURE 4.30  
SWOT analysis for an ERP project.