

# Therefore the management considered

[Business](#), [Management](#)



Anthony Nicholas Group was established in 1949 and is currently the leading indigenous jewellery business in Ireland employing 230 people. The Group already implemented an IT strategy in the form of back-office systems and software.

However the software was inflexible as it offered no scope for organizational growth in addition to being old, slow and unreliable. Therefore the management considered the option of developing an Internet presence that would simultaneously upgrade the back-office systems and software.

The implementation was to be financed by the Enterprise Ireland e-business Acceleration Fund Initiative. Because of the growing online market the IT strategy was considered to be the critical success factor.

The end result was envisioned to consist of two components: back office and e-business and web site development. However the implementation process had some problems such as the project team underestimated the true scope of the project so that there were problems related to delays and unanticipated pressures on internal resources.

## Analysis

In implementing the IT strategy, the Group followed the strategic alignment process. This process occurs in iterations between four phases: IT strategy, business strategy, organizational issues and information systems issues.

The IT strategy of launching the e-business platform was aligned to the business strategy of improving customer service. This alignment between IT strategy and business strategy was maintained with organizational issues in

terms of forming the project team which included the Managing Director, Financial Controller and IT Manager.

The workload of managing change on the workforce was tremendous as it occurred organization-wide. This problem was addressed through hiring temporary staff. Finally information systems issues were addressed through running the new system and the old system in parallel so that if there were any bugs in the new system, it wouldn't disrupt the operations in the company.

Following the strategic alignment process enabled the Group to conduct the process of managing change in alignment with the strategic focus of the company.

Frequently this alignment is lost because the management may not have the necessary IT strategy while the employees are unwilling to cooperate in the implementation leading to user resistance. The management addressed both problems through the strategic alignment process. However there were still delays in completing the installation in time and according to budget because the software specifications had to be changed in accordance with the organizational structure.

Therefore there was some degree of customization involved which was facilitated through demonstrations and site visits. They were the basis upon which supplier selection was made. They enabled the Group management to communicate with the supplier regarding the end-user needs so that the end product was fully customized to the organizational structure. This is the

critical success factor since otherwise the end result would be to introduce a system that does not work thus adding to user resistance.

As stated in the case the retail market is characterized by a high level of competitive rivalry and the use of the Internet in sales and marketing is well established.

Therefore the Group's present IT strategy is very much in keeping with creating a position that would enable Anthony Nicholas to meet the overall business strategy of presenting their products and interacting with the customers online. In implementing the IT strategy the company had two aims: establishing a business-to-business e-commerce capability and an Internet business-to-consumer facility.

Both the aims were addressed by the e-business strategy. However strategy was not meant to increase turnover, it was more of an add-on to the current service levels.

The business-to-business e-commerce strategy was implemented through Solvar which incorporated the manufacturing and wholesale operation while the business-to-consumer strategy was implemented through the 'Fields of Dublin' website. These two modules made the information systems scalable so that the management could add on.