*Case Study: Richard Antiques Imports (RAI)*

**Reason for the Organizational Change**

In a given case, it is found that Richard owns and operates Richard Antiques Imports (RAI) -a family business for more than 25 years. The goal of the organization is to provide a wide range of quality mid-century and antique furniture to the customers. Richard is purchasing several items from Asia, Europe, and Africa. He then ships those items to a warehouse facility in Sydney. From Sydney, the final products are dispatched to the stores in Melbourne, Brisbane, Sydney, and Adelaide.

Richard has to keep a track of all the items dispatched, shipped to the warehouse and shipped to the final stores. He also requires keeping a track of all the items purchased and the items that were shipped to different locations. Further, he needs to keep record for each item such as item name, date of purchase, packing instructions, weight, shipping company name, costs, contact person name and details, and the country from which it was shipped.

It helps Richard to track the details of the shipments in an easy and convenient way. Further, when the product reaches the warehouse, other associated details need to be recorded. These include product dimensions, product code, and retail price. They are then transported to the one of the four metro stores.

Further, Richard needs to keep a track of the total sales, sales values, and information pertaining to the customers. It helps him manage the stores in a better way. Currently, RAI records all these information in a manually maintained register. The manual system is working fine till date, however, with increasing number of transactions and other information, Richard need to deploy a particular module of the Enterprise Resource Planning (ERP) system for the purpose of managing this data effectively.

For this purpose, there will be several changes carried out in the organization once the ERP system is installed. The work practices and work approaches will change; further, the employees need to be trained on the modules of the ERP system so that they can carry out the daily working practices. The organization structure might also change to a certain extent considering the increase in efficiency and productivity of all the departments of a given organization.

**Alignment of an ERP with the Organization’s Goals**

ERP systems help in managing the daily workflow in an effective way. The reporting systems improve after deploying the ERP system and thus assist the top-level management in taking better decisions (Ren, Cao, & Han, 2015). However, the top-level management needs to make sure that the ERP system aligns with the goals of the organization.

For this purpose, the top-level management can formulate the goals and accordingly formulate strategies in the organization. The ERP modules should thereby be operated in a way that can achieve the intermediary milestones of the organization. The top-level management can also monitor the performance of the strategies implemented and Richard can take steps in this case to modify them as and when required.

**Benefits and limitations of ERPs in the context of this Organisation**

The major benefits of installing an ERP system in the context of given organization include - better organizational control, avoiding duplication of data, improvised communication with both suppliers and buyers, improved profitability analysis, improved decision-making process for the owner, and better usage of time from the managerial perspective (Brookfield et al., 2014). Richard will be able to collaborate with the suppliers in a better way and will be able to track the shipments through a given information system.

There will be no need of managing all the information through a manual approach. Instead, an integrated solution approach will manage the entire data and will generate reports for the management team as and when required. They would also be able to keep a track on the net sales value and thereby modify the sales strategies to attract more customers toward theirs stores.

However, there are also disadvantages associated with the installation of the ERP system. These include - high cost of implementation and maintenance, difficulty for the employees to work on it during the initial stages, internal resistance in a given work environment, inflexibility of using the system as it is generic, and additional training costs for the employees (Renuka, Kamal, & Umarani, 2017). Richard thereby needs to carry out costs-benefits analysis before implementing a given system in the organization.

**Organizational Commitment from the Management**

To install and use an ERP system in the organization, it is important to receive organizational commitment not only from the management team but from all the employees of the organisation. There is a need to deploy the techniques of change management so that the managers can overcome the internal resistance of change among the employees (LoSchiavo et al., 2013).

Second, the employees need to be trained on the modules of ERP so that they can carry out their daily routine practices in the organization. It is important for the employees to embrace this new change in the organization so that even they will feel comfortable using these systems. Richard needs to inform the major benefits of using this system and thereby motivate the employees in a given working environment (Jurisch et al., 2013). Only then the objective of installing an effective ERP system in a given work environment will be achieved. It will subsequently deliver better results for the organization.