The Story

Back in the dark, pre-historical era of 2004, HP had a very fragmented software system.

Half a dozen systems instead of one centralized one.

They felt this was a problem.
That summer, they began to integrate.

This should have conferred obvious advantages:
- shorter delivery time
- lower costs
The Story: Son of Story

HP’s integration was not poorly-planned.

Three weeks of IT issues were expected; increased strain on servers planned.

And, it should be noted, in the end, the system worked as designed.
The Story: Interquel

So what went wrong?

Short version: Everything.
Long Version Part 1

The division where it all went wrong: Industry Standard Servers

ISS is a *large* division

An entire factory was set aside to handle lost productivity
Upgrade was completed, ERP deployed on top of legacy system

ERP and legacy code did not get along

Immense backlog in orders formed
Backlogs, or, a straw on HP’s back

While everything was fixed, there weren’t enough workarounds

The backlog was too much, and HP lost about $160 million

The project itself cost $30 million on top of that
Could it have worked?

Short answer: Yes

Long answer: HP was apparently unresponsive to employees who foresaw problems

It needed to look bigger
The Flaw in the Plan

HP had an immense contingency plan in-place for things going wrong and affecting the system.

They did not consider that their system’s failure could cascade into the rest of the division as a whole.
Fixing

To address the problem, they should have looked *less* into IT

Consider how to make things work without a working IT system in place
Sources

When Bad Things Happen to Good Projects [http://web.eng.fiu.edu/ronald/ERP/ContingencyPlanningAtHP.pdf](http://web.eng.fiu.edu/ronald/ERP/ContingencyPlanningAtHP.pdf)
