
Enterprise Integration for the Value Creation in an Organization

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Abstract. In day to day's competitive and dynamic business environment. The complexity of the technology is increasing in the applications in the industries. A new system is required to maintain the competitive advantage of the industries. Increasingly successful business leaders recognize that the integration of management and organization and facilities is the key to inspiring organizational performance and value creation.

Three of the primary resources namely people, place and tools are to integrate as a coherent whole and aligned to support a robust strategy. The new frontier of Knowledge Worker effectiveness lies in integrating the design and implementation of these three keys.

The Industries have begun to integrate their operations along the value chain of the products they design, produce or sustain. The creation of the value is one of the important tasks in Integration. The object of meeting the technical performance and the costs and scheduled goals effectively and efficiently is a serious challenge. Hence, the process of integration to the enterprises can achieve the target. The nature of enterprises provides a solution for obtaining these challenges. Enterprise Integration is the process of linking these applications and creating a linkage between the different sources is an important aspect.

Information is the consideration as the most important factor for implementation of integration in the enterprise. The second step takes place in close interaction between the customer and the supplier. The customer is to integrate into the value creation of the supplier. Value is the mutual creation among the factors on different levels. Customer integration is to define as a form of industrial value creation where the consumers take part in activities and processes, which is the domain of the companies.

The current practice of Enterprise Architecting has been a significant contribution to creating and sustaining modern enterprises. However, the current field is not a sufficient approach to the enterprises of this new century. A broader and more holistic approach is to achieve by drawing on the emerging systems and the architecting field.

The objective of this paper is to set a framework for value generation in the enterprise based on a strong integration of the customer. The main part of the paper will explore customer integration.

Keywords: Enterprise, Integration, Architecture, Value Creation, Lean, Stake Holders.

1. Introduction

Companies have to adopt strategies, which embrace both cost efficiency and a closer reaction to customers' needs. The consumer is a concern as the partner in value creation. The customer is to integrate in the value creation of the supplier. Customer-related value added is to produce at the information level. The customer is to integrate in the value creation of the supplier. Industrial value production is most often conceptual in terms of the value chain. In this concept, value creation is sequential. Value is to add from one-step to the other. The customer is not a part of the value chain. Value is the consideration only in the transaction between the customer and producer. The large-scale projects often have high complexity. They have significant technical risks, and a large number of diverse stakeholders. This environment is challenging for the effective and efficient execution. The objective of this discussion is to set a framework for value generation in the enterprise based on a strong integration of the customer.

2 Enterprise

Black's Law Dictionary defines an enterprise as "an organization united by a common purpose," focusing on a common purpose as the defining element of an enterprise. The term "Enterprise" refers to the Inter-organizational network. The coalition of different department as a whole is an enterprise. The interconnectivity existing between the different departments is well defined. It contributes to the development and the delivery of a system [1]. The Enterprise consists of distributed responsibility and leadership. They have stakeholders with both common and diverse interests. This common purpose as *creating value*, says that an enterprise "is an integrated entity that efficiently creates value for its multiple stakeholders". A single business unit of a larger firm is an enterprise, as it is the unity in a common purpose of creating value [1].

3 Integration

The term Integration refers to the bringing together of two entities in such a way that unites and coordinates not only their computing resources, but also their strategies, processes, and organization. This is so that the integrated enterprise behaves as a coherent entity. Integration plays an important role for enterprise networks. Enterprise Integration deals with the face of the accelerating rates of technological change [1].

Integration plays an important role for enterprise networks. The enterprise integration can quickly multiply in several directions in the face of growing technological as well as organizational complexity. Enterprise Integration deals with the face of the accelerating rates of technological change [1].

4 The Five Lean Fundamentals

1. **Specify Value:** This is the first stage in the implication of lean integration. The basic task is to generate value for the product. The customer generally does the value specification. The process involved is the “pull” system [2].
2. **Identify the Value Stream:** The products require the system of streaming the process. This streaming of information or the process cycle is a principle of lean. The mapping of the end-to-end linked resources is applied. The inputs and outputs are to identify to eliminate waste [2].
3. **Flow continuously:** The process involves flow. The streaming should be continuous. Thus by the elimination of waste in the process the value creating steps flow [2].
4. **Pull system:** The Customer determines the value of a product. This system is the pull system. The customers pull cascades to the lowest level supplier enabling just in time production [2].
5. **Pursue Perfection:** A process is perfect through the gradual improvement. This is the application to any product. In order to achieve the perfection a continuous modifications is required. [2].

4.1 The Levels of Integration

The first level is *free market coordination*. The implicit coordination exists between enterprises in a free market. The second level is *cooperation*. When two enterprises cooperate, they directly communicate and identify divisions of labor and desired directions and outcomes. The third level is the *collaboration*. Collaboration enterprises begin to exchange sensitive information such as performance metrics, the long-term strategy, and the process data [1,4].

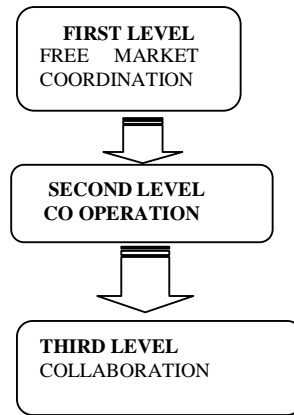


Figure 1: The Levels of Integration.

4.2 Barriers to Integration

Integration challenges have proven to be fraught with many barriers. The barriers to integration have simply held back large gains and integration has proven to be ineffective. [1]. Our aim is to examine the most common barriers to integration across enterprises and to identify best practices and strategies for integration that mitigate the observed barriers.

5 Value Creation

Value Creation is an important factor in enterprise integration. Every component has a value. The aim is to create the right products. This is the requirement with the efficient lifecycle and enterprise integration. The customer is a part of integration in the value creation of the supplier. Every transaction implies information and coordination about the customer specific product design .This type of value creation breaks with the traditional view of value creation in a firm [5].

The value is the mutual creation created among the factors on the different levels. Customer integration is a form of industrial value creation where “the consumers take part in activities and processes which used to be seen as the domain of the companies” The result is a system of co-production, i.e. a company-customer interaction and adaptation for attaining benefit [5].

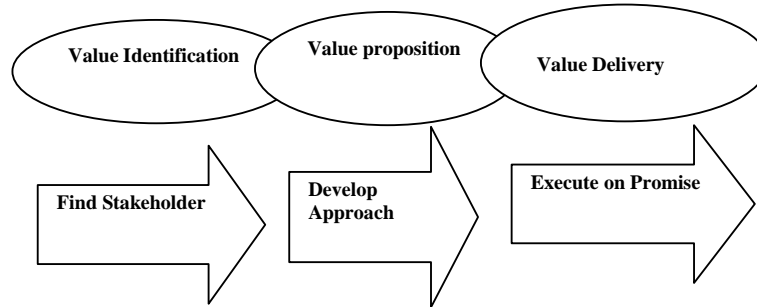


Figure 2: The value creation in a network [4].

5.1 Elements of Value Identification

The basic requirement to identify the value of an enterprise is to define the user needs as per the requirement in an enterprise. In order to execute this principle, first there is a need to find the stakeholder in the enterprise. The next stage is the value proposition stage. In this stage, the process of development undergoes as per the required approach. The right product is to identify with the required capabilities. The last stage is the program implementation [5]. A process is perfect through the gradual improvement. In order to achieve the perfection a continuous modifications is required. The customer determines the value of a product. This system is the pull system.

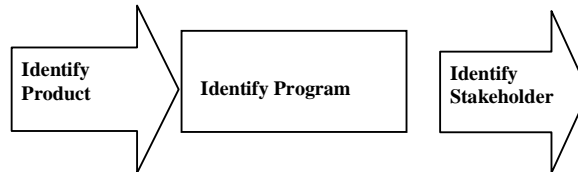


Figure 3: Elements of Value Identification [4].

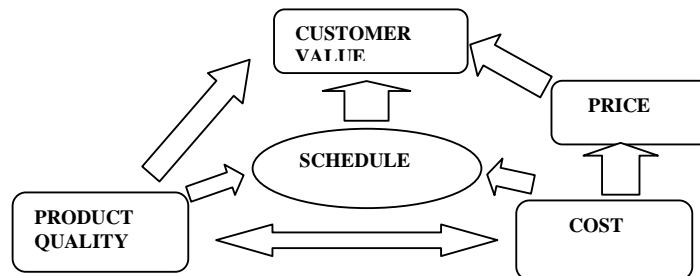


Figure 4: The customer creates the product value creation [4].

5.2 Enterprise Network Life cycle

The four stages make up the basic life cycle of all limited duration enterprise networks. [1].The first major stage is *creation*. This is also the most critical stage to the overall success of the network. The key activities in this initial stage include the definition of many crucial aspects of business, technology, and organizational strategy. The second major stage is *operation*. Processes in this stage include secure data exchange and information sharing, order management, dynamic planning and scheduling, and task management and coordination. A third stage in the life cycle of enterprise networks is *evolution*. Evolution stage handles the exceptions to routine operation, such as a change in the environment, a change of network membership, or other events that would necessitate a change in course and restructuring of the network. The final life-cycle stage is *dissolution*, when an enterprise network has reached the end of its useful life; either by completing its goals or through the determination of a network collaborates, and must dissolve.

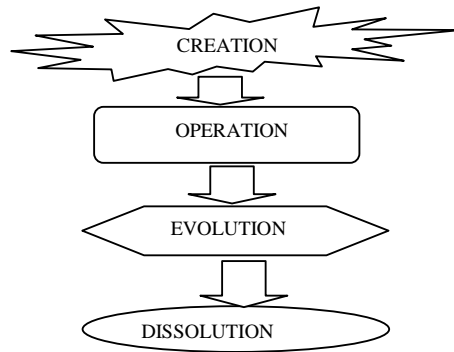


Figure 5: The Enterprise Network Lifecycle.

6. Stake Holders

A stakeholder is 'any group or individual who can affect or is affected by the achievements of the organization's objective'. [8].Shareholders provides capital and expects a positive return on their investment. This is the center of value creation. [9].

6.1. Organization

Organizations are generically a large number of people unified by common goals. Programs generally involve teams from many different organizations. They involve large subunits of organizations acting as coordination between the different departments. [4,10].

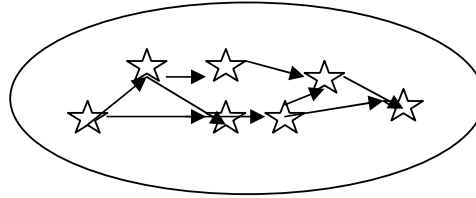


Figure 6: Organizational Network

6.2 Inter Organizational Network:

Enterprises have a specific purpose, distributed leadership, and stakeholders with common and diverse interests. The teams are a base on interpersonal relationships and face-to-face interactions, whereas the programs are base on both inter personal relationships and inter organizational relationships. [4,10].

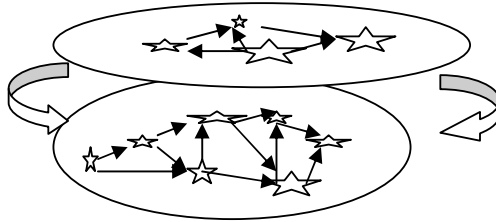


Figure 7: Inter Organizational Network

7. Conclusion

Integration of enterprises is the key element for the success of business structure in the future. The basic goal is to identify opportunities for integration and to establish strategies to overcome barriers to integration for the enterprise. Integrating the network should represent a perfect architecture. The strategy has been successful in large part. [10].

The identification of the Value Creation is an important factor in enterprise integration. The aim is to create the right products with the required value. This is the requirement with the efficient lifecycle and enterprise integration. The customer is a part of integration in the value creation of the supplier [11]. The key element of integration is to achieve through the seamless flow of information. This is through the utilization of latest available technology. The other element is the requirement of a perfect leadership and understanding between the

different departments of an organization. The latest implementation is to achieve by eliminating the boundaries and barriers between the different departments and making it as a whole [11].

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