Investments in global enterprise resource planning (ERP) systems are typically carried out as a part of the globalization process in multinational corporations (MNCs). Global ERP systems support integration and control in MNCs in an important way by establishing a common language across an MNC. As process and data standardization are among the primary drivers of ERP consolidation efforts, business process design is an important concern when implementing global ERP systems. This PhD study addresses three research questions that develop understanding, support, and improvement of the practice of business process design in the course of a global ERP implementation in MNCs. In light of existing theoretical and practical challenges, the research questions focus on three business process management (BPM) capabilities: alignment, governance, and method. Drawing on extensive literature reviews and findings from case studies in nine organizations, the study addresses the three prescriptive research questions through five descriptive studies.

First, by deploying alternative theories, this study explores the strategic, institutional, organizational, and relational factors that influence business process design, and particularly process standardization, in an MNC. Second, the study investigates implications of process standardization for the choice of ERP architecture in MNCs. The findings indicate the moderating impact of process standardization on a global ERP systems total cost of ownership and its support for control and coordination. Third, having identified the factors that influence process standardization in MNCs, the study investigates the alignment between process standardization and an MNC’s international management strategy and indicates that process standardization as a centralizing coordination mechanism better fits MNCs structured for global integration compared to those seeking local responsiveness. The study develops conditions of fit between structural elements characterizing an MNC’s international management strategy and process standardization.

Fourth, seeking governance mechanisms enabling business process design, the study explores collaborations between BPM and IT management functions and suggests the need for horizontal integration between the two functions in support of business–IT alignment. In addition, the study associates the direction of integration with the role of IT. Fifth, in search of a method enabling integrated business process design, the study investigates diverse views on enterprise architecture (EA) and various applications of enterprise architecture management (EAM) in organizations. The findings are classified as a taxonomy of EAM applications in organizations based on EA scope.

Drawing on findings from descriptive studies, the PhD study clarifies the criticality of business process design in the course of a global ERP implementation by explaining the impact of strategic, institutional, organizational, and relational contexts on process standardization on the one hand, and the importance of process standardization for reducing ERP total cost of ownership and its deployment as an integrative mechanism on the other. The study concludes that business process design in the course of a global ERP implementation can be supported by aligning decision making on process standardization with corporate international management strategy and structural characteristics. Furthermore, business process design can be supported by establishing permanent central governance for BPM and horizontally integrating the BPM function with the IT function at the strategic and operational levels. Business process design in the course of a global ERP implementation can be improved by adopting EAM as a methodology that enables integrated design of business processes and IT systems in alignment with business strategy.

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