

: What are examples of technology innovation failures?

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Technology success has led to innovations in organization decision making, operations, and products. The success of the IBM 360, the Apple Computer, the IBM PC, Microsoft Windows, and the Apple iPhone all provided an impetus for new software applications and computing product innovation. Some promising innovations have however been failures. The following are examples:

Google Glass, optical head-mounted computing display designed in the shape of a pair of eyeglasses, attracted a lot of attention. The technology failed because it was expensive, raised serious privacy issues, and attracted negative concerns about the impact of the technology.

Personal digital assistants like the Apple Newton (1993) with handwriting recognition and the Palm Pilot PDA (1997).

Satellite Phones that connect to orbiting satellites instead of terrestrial cell sites. The technology is still available, but most mobile phone consumers don't want to pay significantly more for global satellite reception.

Virtual reality headsets like Nintendo's Virtual Boy released in 1995. New products like HTC Vive, Oculus Rift, Google Daydream View and Samsung Gear VR may revive the possibilities of VR headsets.

ERP systems. Some ERP implementations have transformed operation, while a number of large-scale ERP implementation failures have occurred including: Hershey (Gross, 2011), Avon, Hewlett-Packard, U.S. Air Force (Hollenbaug, 2016). FoxMeyer, a large drug wholesaler, attempted to implement an ERP system in the early 1990s. FoxMeyer was the fifth largest drug wholesaler in the United States, with \$5 billion in annual sales and around 500,000 items shipped daily. According to Hamrouni (2017), FoxMeyer wanted a solution that would make complex supply chain decisions with real-time information, automate, and integrate inventory systems into a unique system. The company expected to eliminate unnecessary or redundant activities, set up appropriate inventory levels, and implement more responsive customer services. "This IT system, a multi-million dollar project, was the first of its kind launched in the pharmaceutical industry. The implementation cost for SAP was budgeted at \$65 million, and the ERP system was projected to save FoxMeyer about \$40 million per year." Why did the solution fail? Hamrouni (2017) claims the company made a poor selection of the ERP, there was lack of contingency planning, no end user involvement, and poor

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implementation. He noted there was no restructuring of the business process, insufficient testing, an overly ambitious project scope, dominance of IT specialists' own interest, poor management support, and lack of end-user cooperation. The project was a total disaster costing more than \$100 million for the implementation of the ERP. FoxMeyer only saved half of the projected amount, and the company had to file for bankruptcy a few months later.

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