PREFACE

Debate exists regarding the contribution of information technology to firm performance reflecting predictions of a positive, negative, or nonexistent relationship. Prior research has examined technology and firm performance in the aggregate, however, this study focuses on a specific technology — Enterprise Resource Planning (ERP) and its impact on organizational performance. ERP system integrates key business and management processes within and beyond a firm's boundary. ERP systems are commercial software systems that can be defined as customizable, standard application software which integrates business solutions for the core processes and the main administrative function of an enterprise. But, they always contain a high level of risk and uncertainty. The purchase of ERP software is a high-expenditure activity that consumes a significant portion of their capital budgets. A wrong ERP project selection would either fail the project or weaken the system to an adverse impact on organizational performance.

Previous research has already established that compared to other types of investments, information technology (IT) investments are insufficiently or not at all evaluated. This can be partly explained by the lack of adequate IT evaluation methods and tools. In the case of ERP system, whose effects on organizational productivity and performance are intrinsically profound and wide-ranging compared to those of traditional IT limited to some spheres of organization, evaluation activities may be an issue of great concern. This study thus aims to propose an evaluation method adaptable to the organizational context.

This study proposed a Balanced Scorecard (BSC) approach; a framework that provides a comprehensive set of key perspectives to simultaneously evaluate the overall ERP system performance in a manufacturing organization and determine whether it could translate a company's vision and strategy through all levels of organization. Adopting the BSC approach increases the completeness and the quality of ERP implementation reports and raises the awareness for relevant factors. It has then been validated and refined through a
in-depth pilot study. For a deeper insight into the topic, I personally collected information from the ERP users working in manufacturing companies of Pithampur and Dewas Industrial Areas.

Empirical investigation has been done to determine the effects of ERP on organizational performance and productivity and effect of demographic variables on the affected organizational performance due to ERP system. This paper also proposes an integrative methodology to evaluate success of an ERP system in implementation phase based on an extensive review of the essential critical factors of success. Based on the research findings, we developed and tested a model to measure the association of different components in implementation phase and change in organizational performance and productivity caused due to ERP system. This study also provides clear metrics to gauge the general characteristics of ERP in the different manufacturing organizations. Results show that the method proposed here enables organizations to determine the extent to which the organizational performance and productivity has been impacted by the adoption and use of ERP systems.

This study throws light on the future research directions for the researchers and practitioners in the area of ERP system. They will benefit organizations seeking to achieve higher business benefits from ERP implementations or inclined to purchase ERP system; vendors and consultants seeking to work on these projects and researchers seeking to understand some of the barriers to successful ERP implementation and subsequent researches of ERP system.

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