ABSTRACT

Enterprise resource planning (ERP) is a business management software which enables to integrate all the functions & business entities of an organization. It can facilitate to collect, store, manage and interpret the data related to all the functions, departments & processes. Under the ERP environment all the business processes are automated to provide the desired results and data. The results are easy to access with suitable access control and proper security measures. It is imperative for the companies to go for ERP implementation, in order to stay agile & competitive in the dramatically changing business environment.

There are lot of studies related to the success, failure & partially-success cases of ERP implementation. Invariably, the researchers are expected to study & come out with the suggestions & recommendations towards improving the implementation modalities and maximizing the ERP success rates.

This study targeted both the ERP adopted and non-adopted companies. The objectives of this study were to examine the ERP awareness among the companies and to explore the reasons for opting & non-opting the ERP applications. This study also focused on the barriers encountered during the implementation and the benefits derived out of the ERP adoption. It also covered the involvement & training underwent by the concerned stakeholders during the implementation project and their post-implementation satisfaction levels. Moreover, this study was aimed to highlight the areas, which need to be taken care by the ERP aspirants before & during implementation towards minimizing the associated difficulties.
This study was carried out in Tamil Nadu, India. Chennai, Madurai, Coimbatore, Thanjavur and Trichy districts were selected as the sample areas. Majority of this research work was based on the primary data collected from 210 various types of companies. Based on the inputs collected, the respondents were classified as ERP adopted and ERP non-adopted companies.

In data analysis part, the data were subjected to frequency analysis to analyse the basic details collected like Turnover, number of operating locations, employees, computers/servers. Frequency tables and descriptive statistics for each question were produced. Thereafter, varieties of specific analysis tools such as chi-Square, Multiple Regression, Factor analysis, Multivariate analysis, SWOT Analysis and Correlation analysis were employed, depending on the nature of data being analyzed, types of measurement scales used and the research objectives set to be attained.

Some of the findings are - There is no correlation between the number of operating locations and the ERP adoption/non-adoption. The non-adoption of ERP is high among the small scale industries with small base of employees. Companies with less turnover are not serious in adopting the ERP. The ERP adopted companies tend to use more personal computers/servers. All the companies have internet availability. The greater level of awareness on ERP is made clear even among the ERP non-adopted companies.

It is concluded that ‘Implementation partner related issues’ was the most important barrier which had affected the respondents during ERP adoption. On the other hand, ‘the Data related issues’ is the least affecting barrier. The prime reason which influenced the respondents for ERP adoption is ‘To provide better management tools’.
'Fitment of the ERP Software as per the requirements/business vertical’ is the key reason for selecting the specific ERP application. Among the reasons for ERP non-adoption, ‘Institution had/has other priorities’ stood as the top one. The most influencing reason, which could trigger for ERP adoption is ‘Availability of an ERP software which would meet the expectations’. The high attention area meant for the ERP aspirants is ‘The Right ERP product selection’.

There is no association between the ERP adoption and the separate IT department facility in the organization. There is a strong association between the satisfaction level of the respondents and their involvement & training underwent by them during implementation.

This research outcome provides the findings on the selection criteria of ERP packages, benefits of ERP and issues in the ERP implementations. This study also indicates the attention areas for the ERP aspirants to succeed in the ERP implementation. Moreover, this study suggests, research direction for further work as well.