Abstract

In India, majority of companies have had nothing but disaster with ERP implementation projects. Much has been written on implementation of Enterprise Resource Planning (ERP) system in organizations of various sizes. Implementing an ERP system is a difficult and high cost proposition as it places tremendous demands on organization’s resources and time. Very few studies have scientifically developed and tested constructs that represents critical success factors for ERP implementation projects. Global competition and economic liberalization are creating opportunities and posing challenges in front of the Indian Industries. In this paper, we discover and classify critical success factors for ERP implementation in Indian Small & Medium size Enterprises (SMEs), presents a pilot study aim at developing an instrument for ERP in Indian small & medium scale Enterprises (SMEs). An extensive literature review was carried out for identification of various attributes which grouped in various critical success factors (CSF’s). The instrument consisting of 23 variables was identified after literature review. A 24 item questionnaire was developed from the relevant literature and distributed to 863 SMEs. Data from 219 SMEs were collected for the measurement of effectiveness of these critical success factors. Through the study, four factors were identified that attempts to explain 84.203 % of variances that impact ERP Implementation. The factors are found to be reliable and valid. We believe that the comprehension of these factors will
deepen the understanding of ERP implementation and will help to avoid implementation mistakes, thereby increasing the rate of success.

References

Development of an Instrument for Enterprise Resource Planning (ERP) Implementation in Indian Small and Medium Enterprises (SMEs)

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