

**FRAMEWORK
FOR
SUCCESSFUL ERP IMPLEMENTATION**

**MASTER OF BUSINESS ADMINISTRATION
IN**



INFORMATION TECHNOLOGY

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December 2004

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FOR
SUCCESSFUL ERP IMPLEMENTATION**

By

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The Dissertation was submitted to the Department of Computer Science & Engineering of the University of Moratuwa in partial fulfillment of the requirement for the Degree of Master of Business Administration.

Department of Computer Science and Engineering

University of Moratuwa

December 2004

STATEMENT OF ORIGINALITY

“I certify that this thesis does not incorporate without acknowledgement any material previously submitted for a degree or diploma in any University to the best of my knowledge and belief it does not contain any material previously published, written or orally communicated by another person or myself except where due reference is made in the text. I also hereby give consent for my dissertation, if accepted, to be made available for photocopying and for interlibrary loans, and for the title and summary to be made available to outside organizations”

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.....
Dr. Sanath Jayesena

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ABSTRACT

Enterprise Resources Planning Systems (ERP) is an industry proverb, which depict the integrated information systems in an organization. The main objective of ERP is to provide the holistic view in the process of strategic decision-making. Accordingly this research process will be designed to strengthen the knowledge about ERP selection and implementation approaches Also the research examines the factors facilitate or inhibit the success of ERP projects implementation and the subsequent actions can be followed to ensure the recovery of the messed up ERP projects. Even though all these aspects are presented and discussed in the comprehensive manner, along with the use of appropriate examples the ultimate goal is to achieve the research objective – “Develop a framework for successful ERP implementation”.

Nevertheless the difficulties of initial ERP implementation has been widely cited in the trade press, yet to date we have too little research experiences with regard to theorize the important predictors for initial and ongoing ERP implementation success. The framework also guides and evades implementation mistakes and ambiguity by identification of imperfections, critical success factors (CSF) and methodologies can be used to achieve a successful ERP implementation. The belief of the research project is to use the principles and ideas as a strategic framework for successful ERP implementation process. One of the most important outcomes of the research is a better understanding of the industry on how to implement large information systems in an organizational structure. This is really critical factor since ERP projects have been found to be a complex undertaking based on previous research identifications. The implementation of an ERP system is a complex undertaking, which has a wide-reaching impact on key stakeholders including company employees and customers.

The research paper analyzes main three critical areas (Product and Vendor Selection, ERP Implementation, Post Implementation) of an ERP project in detail, which significantly affects the success of an ERP implementation. Finally research presents a Framework for successful ERP Implementation in diagrammatic manner with aid of a matrix of Critical Success Factors as an easy of reference and the maps well describes ERP Implementation procedure with Critical Success factors.

TABLE OF CONTENTS	
STATEMENT OF ORIGINALITY	I
ACKNOWLEDGEMENTS	II
ABSTRACT	III
LIST OF FIGURES	VII
LIST OF TABLES	VII
LIST OF ABBREVIATIONS AND ACRONYMS	VIII
1. INTRODUCTION	1
1.1 BACKGROUND	1
1.2 THE ERP PHENOMENA	1
1.3 OVERVIEW OF ERP SYSTEMS	2
<i>SAP</i>	2
<i>BAAN</i>	3
<i>IFS</i>	3
<i>PEOPLE SOFT</i>	3
<i>J.D. EDWARDS</i>	4
<i>ORACLE APPLICATIONS</i>	4
1.4 MOTIVATION AND IMPORTANCE OF STUDY	5
1.5 RESEARCH PROBLEM	6
1.6 RESEARCH OBJECTIVE	8
1.6.1 <i>Theoretical Objectives</i>	9
1.6.2 <i>Practical Objectives</i>	9
1.7 RESEARCH METHOD	9
1.8 DISSERTATION OUTLINE	10
1.9 CONCLUSION	12
2. LITERATURE REVIEW	13
2.1 INTRODUCTION	13
2.2 THE ERP PHENOMENA	14
2.3 LITERATURE ON ERP IMPLEMENTATION	15
2.4 INFORMATION SYSTEM DEVELOPMENT AND IMPLEMENTATION	15
2.4.1 <i>Information Systems Project Management</i>	16
2.4.2 <i>ERP Implementation</i>	17
2.4.3 <i>Implementation Strategies</i>	20
2.4.4 <i>Product related ERP Implementation Strategies</i>	20
2.4.5 <i>Information System Implementation Success</i>	27
2.5 ERP CASES: FAILURES AND SUCCESS	28
2.6 CRITICAL SUCCESS FACTORS FOR ERP IMPLEMENTATION	30
2.7 ERP AND ORGANISATIONAL CHANGE	32
2.8 ERP FUTURE TRENDS	33
2.9. CONCLUSION	33
3. RESEARCH METHODOLOGY AND FRAMEWORK IDENTIFICATION	35
3.1 INTRODUCTION	35
3.2 IS RESEARCH PARADIGMS	36
3.2.1 <i>Research Assumptions</i>	37

3.2.2 <i>Epistemological Assumptions</i>	39
3.2.3 <i>Ethics of Research</i>	40
3.3 IS RESEARCH METHOD CLASSIFICATION	40
3.3.1 <i>Empirical v. Non-empirical</i>	40
3.3.2 <i>Qualitative v. Quantitative</i>	41
3.3.3 <i>Qualitative Approaches Available</i>	42
3.4 RESEARCH METHOD SELECTION AND JUSTIFICATION	44
3.4.1 <i>Case Study</i>	44
3.4.2 <i>Action Research</i>	45
3.4.3 <i>Justification of Key Characteristics in Research Methods</i>	46
3.5 THEORETICAL FRAMEWORK	50
3.5.1 <i>Determination of the IS Model</i>	50
3.5.2 <i>Existing ERP Frameworks and Theories</i>	51
3.6 THEORETICAL FRAMEWORK IDENTIFICATION	54
3.7 CONCLUSION	58
4. RESEARCH STRATEGY AND DATA COLLECTION TECHNIQUES	59
4.1 INTRODUCTION	59
4.2 RESEARCH DOMAIN	59
4.3 RESEARCH INITIATION	60
4.4 RESEARCH PLAN AND PROPOSAL	61
4.5 FIELD BOOK	62
4.6 QUESTIONNAIRE	62
4.7 OBSERVATION	63
4.8 INTERVIEWS	64
4.9 TRIANGULATION	65
4.10 QUALITATIVE RESEARCH ANALYSIS	66
4.11 SECONDARY DATA REVIEW PERFORMED	67
4.12 VALIDATION OF FRAMEWORK	67
4.13 CONCLUSION	69
5. RESEARCH FINDINGS AND DATA ANALYSIS	70
5.1 INTRODUCTION	70
5.2 STRATEGIC FACTORS IN THE FRAMEWORK	71
5.3 RESEARCH QUESTIONNAIRE ANALYSIS	72
5.4 PROJECT PLANNING, PRODUCT SELECTIONS AND VENDOR EVALUATION	75
5.4.1 <i>CSF for Product Selection and Vendor Evaluation</i>	79
5.5 ERP IMPLEMENTATION	82
5.5.1 <i>Deciding on an ERP implementation type</i>	82
5.5.2 <i>Organization Taxonomy</i>	82
a.) <i>ERP Implementation Categories</i>	83
b.) <i>ERP Implementation Characteristics</i>	86
5.5.3 <i>Process Blue Print</i>	88
5.5.4 <i>ERP Business Model</i>	90
5.5.5 <i>Business Process Re-engineering (BPR)</i>	90
5.5.6 <i>Process Realization</i>	92
5.5.7 <i>Go Live</i>	92
5.6 POST IMPLEMENTATION REVIEW	96
5.7 SUMMARY OF CSF FINDINGS IN EACH FRAMEWORK AREA	99
5.8 CONCLUSION	101

6. CONCLUSIONS	102
6.1 INTRODUCTION	102
6.2 KEY FINDINGS	102
6.2.1 MOST CRITICAL ERP IMPLANTATION CSF'S IN SRI LANKAN CONTEXT	103
6.3 RESEARCH QUESTIONS ADDRESSED	106
6.4 THEORETICAL FRAMEWORK USE AND USEFULNESS	107
6.5 RESEARCH METHOD REVISITED	112
6.6 EVALUATION OF THE RESEARCH	113
6.7 RECOMMENDATIONS	116
6.8 RESEARCH LIMITATIONS	116
6.9 FUTURE RESEARCH DIRECTIONS	117
6.10 CASE DESCRIPTION	119
6.11 CONCLUSION	123
LIST OF REFERENCES	II
APPENDIX A – PROJECT PLAN	VI
APPENDIX – B INTERVIEW QUESTIONNAIRE	VII
APPENDIX C -SURVEY ON DEVELOPMENT - FRAMEWORK FOR SUCCESSFUL IMPLEMENTATION OF ENTERPRISE RESOURCE PLANNING SYSTEM	VIII
APPENDIX D - THEORETICAL FRAMEWORK FOR ERP IMPLEMENTATION MANAGEMENT	XVIII
APPENDIX E –ALTER'S IS VIEW POINT	XIX



LIST OF FIGURES

1.1	ERP Market Share	05
1.2	ERP Project Success and Failures	07
3.1	Action Research Life Cycle	44
3.2	Ivari's Paradigm Framework	47
3.3	IS Success Model Adopted from Delone and McLean	49
3.4	A Critical Success Factor Model with strategic and Technical Factors	50
3.5	Contingency framework for ERP Implementation - Brown and Vessey	51
3.6	Theoretical Framework – Successful ERP Implementation	54
4.1	Research Domain Identification	58
4.2	Research Strategy	60
4.3	ERP Research Framework Interactions	68
5.1	Identification of Research Domain	72
5.2	Critical Success Factors – IS Implementation	81
5.3	Critical Success Factors – ERP Implementation	95
5.4	Critical Success Factors – ERP Post Implementation Review	98
5.5	Enterprise Transformation	100
6.1	Theoretical Framework – Successful ERP Implementation	110
6.2	Theoretical Framework Revisited with Research Findings	111

LIST OF TABLES

2.1	Critical Success Factors in ERP Implementation	29
5.1	Questionnaire alignment with Research Objectives	73
5.2	How the representatives responded to the questionnaire	74
5.3	Responds to the questionnaire by Category	74
5.4	Interviews by Category	74
5.5	ERP Success and Failure	74
5.6	Strategic Factors CSF	79
5.7	Taxonomy of ERP Implementation Approaches	85
5.8	CSF in ERP Implementation	96
5.9	CSF – Post Implementation	101
5.10	Critical Success Factors in Each Framework Area	103
6.1	ERP Project and CSF -Sri Lankan Context	103

LIST OF ABBREVIATIONS AND ACRONYMS

BBP – Business Best Practices

BPR – Business Process Reengineering

CEO – Chief Executive Officer

CIO – Chief Information Officer

CRM – Customer Relationship Management

CS – Computer Systems

CSF – Critical Success Factors

E.g. – Exempli gratia (for instance)

ERP – Enterprise Resource Planning

ERP II – Enterprise Resource Planning II

Et al. – et alii (and others)

HR – Human Resource

HRM – Human Resource Management

IEEE – Institute of Electrical and Electronics Engineers

Inc. – Incorporated

IS – Information System

ISD – Information Systems Development

KM – Knowledge Management

MIS – Management Information System

MRP – Material Requirements Planning

MRP II – Manufacturing Resource Planning

Org. – Organisation

Ph.D – Philosophiae Doctor (Doctor of Philosophy)

RFP – Request for Proposal

ROI – Return of Investment

SAP – Systeme, Anwendungen und Produkte (Systems, Applications, and Products)

SCM – Supply Chain Management

TF – Theoretical Framework

TQM – Total Quality Management

V. – Versus (against)

Vol. – Volume