ADVANTAGES AND CHALLENGES OF SUCCESSFUL IMPLEMENTATION OF ERP SYSTEM

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ABSTRACT

In current years there has been enhancement in exercising on Enterprise Resource Planning (ERP) systems in big concerns and government firms mostly in urbanized nations, whereas extensive acceptance of ERP systems in developing nations lags far away. It has been observed that there are many instances where ERP systems prove to be a failure either in the design or its implementation. A number of reasons contribute in the success or failure of an ERP systems.

Success or failure of the system depends upon the initial stage of adoption and implementation of the system.

Consideration of all issues and challenges at the initial stage may furnish a sound base for a successful ERP system implementation in an organisation. There is a significant need for considering ERP system implementation issues and challenges in developing nations, as ERP systems are still in their premature stages in these nations. Literature review on successful ERP system implementation disclose that there are many studies whispered by researchers, but very few have listed the success issues and challenges of ERP system implementation focusing on developing countries. Issues and challenges of ERP system implementation in developing nations differ from those of developed nations. The main objective of this study is to unearth the issues and challenges of successful ERP system implementation in developing nations like India. Data are collected by having an extensive literature review of about past fifteen years. Analysis and synthesis of collected data reveals that clear scope of implementation, top management commitment, proper implementation strategy, proper vendor selection, project management, user training & education, end user involvement and lack of experienced implementers are the important issues and challenges. Understanding of issues and challenges will help organizations to adopt appropriate implementation strategies leading to success of ERP system in an organization.

Keywords: ERP, Company, Solution, Advantages