Factors associated with implementing ERP Systems in Sri Lanka

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Private sector companies in Sri Lanka are currently using Enterprise Resource planning (ERP) systems to increase the productivity. The internationally known factors associated with the implementation of ERP system may not be appropriate in the Sri Lankan context. The main objective of this research is to find the factors associated with the implementation of ERP systems in Sri Lanka. Stratified random sample of 97 is taken from the 128 companies implemented ERP systems (SAP, Microsoft and Oracle ERP) in Sri Lanka after 2005. Correlations analysis and Log-linear models were used to analyse data statistically. Correlations between Project Management (PM) and Project Leader Availability (PL) (r=0.553), User Training (UT) and Software Selection (SW) (r=0.369), UT and Vendor Support (VN) (r=0.402), VN and SW (r=0.342), SW and Hardware Selection (HW) (r=0.555) are found to be correlated at 1% level of significance. Log-linear model indicates that there are associations between PM and UT, and VN and HW at 10% level. So, when implementing an ERP system in Sri Lanka, PM, UT, VN and HW should be considered seriously. And PM, UT, VN and HW were significantly associated at 10% level with the successful implementation of an ERP system Sri Lanka. Furthermore through log linear models it has found that the accuracy of an ERP system is associated VN. And ERP systems will be reliable if the VN and SW is done properly. ERP system will be successful if business process engineering is done properly and the selection of proper hardware, software and vender.

Key words: Enterprise Resource Planning, Implementation, Success, Log-linear

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