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Effect Of Employees' Attitude Towards ERP Post Implementation On Support Of Top Management And Business Performance – A Study Of Critical Success Factors On Post Implementation Of ERP Systems Among It Industries In India

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Abstract:The aim of current research is to examine critical success factor which is impact of employee's attitude towards post implementation on support of top management as well as business performance. The respondents for the current study were employees of IT industries in India who are working under ERP platform. Researcher formulated two research objectives and two research hypotheses and the sample size for the current study was 187. The researcher formulated one predictor variable being employee's attitude towards ERP post implementation and two predicted variables as support of top management and business performance. The impact between predictor variable and predicted variables were weak, positive and significant. The impact of employee's attitude towards ERP post implementation is more on support of top management than business performance. Organizations under information technology may focus more on business performance than support of top management as one of critical successful factors in post ERP implementation.

Keywords: Employee's attitude, ERP post implementation, support of top management and business performance.

INTRODUCTION

Many studies in the past made an attempt to comprehend different facets which affect implementing Enterprise Resource Planning (ERP) systems. The current research aims to focus on critical factors that influence post-implementation of ERP systems from the facet of business process where the study was conducted at Indian private financial institutions. ERP system implementation has been difficult task for decision makers of the business as well as organizations.

The main purpose of ERP systems is to integrate different processes and tasks in managing organizational tasks like inventory, planning, sales, finance, purchasing, human resources and marketing. The definition of ERP by (Mutongwa, 2013) reveals that technology which furnishes business function which is unified in nature to integrate core processes of an organization.

According to presumption of (Ross & Vitale, 2000), the systems of ERP enhance in the frame of reference of organization to integrate all heterogeneous data into the database which is unique in nature. The findings of (Nah, 2001) revealed that the success of an organization comes through a culture by having goals in common, values that are shared among each other, a robust corporate identity and open to change are very significant and the research findings of (Finney, 2007) depicts the success of the organization depends on communicating the advantages and necessity for ERP system.

The current research work tries to test critical success factors where the effect of employees' attitude towards ERP post implementation on support of top management.

LITERATURE REVIEW

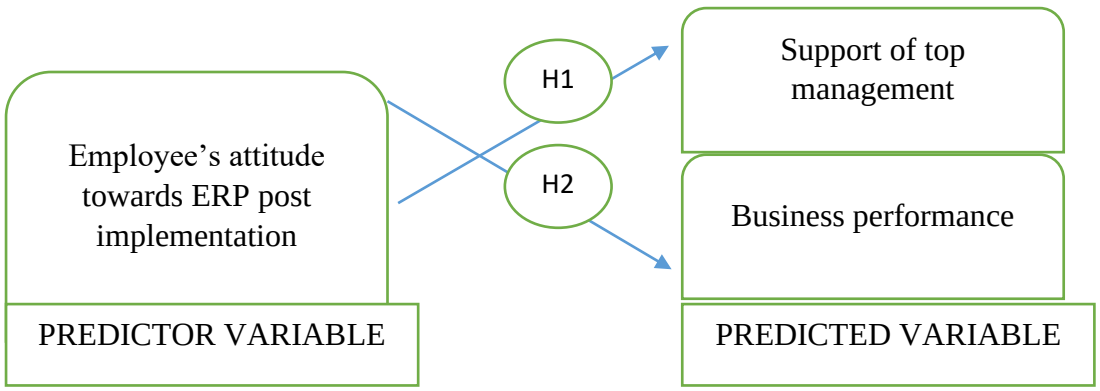
As per (Chen, 2012) (Thompson, 2018), the world of contemporary technology related to enterprise atmosphere is facing necessity to reform in gaining differentiation and competitive advantage in all sectors. The most effective and swiftest way to attain reformation of enterprise is Implementation of latest Information System (IS) such as Enterprise Resource Planning (ERP).

The research made by (Sammon, 2010) acknowledges that organization requires "the knowledge of the process approach, a specific organization, environment and competition plus information technology" to implement ERP system.

As per (Sumner M., 1999), (Bingi, Sharma, & Godla, 1999)the commitment of top management and support became one of the critical factors which was cited the most and the research made by Finney and Corbett, 2007 revealed that this critical factor is critical during initial stages and change management is also another critical success factor which is cited the most by many researchers.
The study made by (Davenport, 1998) (Somers, 2004) (Nandhakumar, 2005)revealed that the success of implementing ERP system is high where commitment and support of top executives is smooth and continuous for different functions and departments in organization is discernible.
The research results of (Bajwa, Rai, & Brennan, 1998), (Thong, Yap, & Raman, 1996) depicts that there is positive and critical nexuses between success of IT and support of top management, external entity's quality service and comprehensible vision in adopting IT for their business.
jwa, D., Rai, A., & Brennan, I. (1998). Key ante-cedents of executive information system success: A path analytic approach. Decision Support Systems, 22(1), 31–43.
Bajwa, D., Rai, A., & Brennan, I. (1998). Key ante-cedents of executive information system success: A path analytic approach. Decision Support Systems, 2
As per (Ziemba & Oblak, 2013) the most significant key successful factors during the stage of implementation of ERP were: "communication factors in the project preparation stage, package selection in the technology selection stage, change management in the project formulation stage, and finally user training in the implementation and development stage. Another study in the public sector domain grouped KSF into similar ones and according to the following typology: procurement procedure, government processes management, project team competence, and project management process".
The study made by (Chou, W, Chang, Lin, & Chou, 2014) (Zhu, Y. Li, Wang, & Chen, 2010) revealed that most of the organizations underwent the operative process of ERP post implementation will be inept and has negative effect on performance of the business. The exploration of ERP factors after implementation may affect performance process in the organization is fascinating field of study especially for measuring the important consequences on performance of business that would be concentrating at post implementation stage of ERP.

Research Objectives:
1) To test the effect of employees' attitude towards ERP post implementation on support of top management in IT industries.
2) To test the effect of employee's attitude towards ERP post implementation on business performance in IT industries.

Proposed Research Model:



METHODOLOGY
The study focused on testing the effect of predictor variable being employee's attitude towards ERP post implementation and predicted variables as support of top management and business performance. Researcher used quantitative method to test the effects of predictor and predicted variables. The survey instrument was adapted from Najmul et.al, 2019 and distributed to 185 respondents who are employees in IT industry in India. The items in the survey were designed based on 5 point Likert type scale where "1" is strongly disagree to "5" as strongly agree. The initial testing was conducted as pilot test within 10 respondents to check the content validity and modified few wordings and few items were eliminated.

Research Hypotheses:

Hypothesis -1:

Ho: There is no relation between employees' attitude towards ERP post implementation on support of top management.

H1: There is relation between employees' attitude towards ERP post implementation on support of top management.

Hypothesis -2:

Ho: There is no relation between employees' attitude towards ERP post implementation and business performance

H1: There is relation between employees' attitude towards ERP post implementation and business performance

Reliability Analysis:

Reliability Statistics	
Cronbach's Alpha	N of Items
.710	12

The reliability of current study is above acceptable level.

Demographic Analysis

Gender			
		Frequency	Percent (%)
Valid	Male	90	64.7
	Female	49	35.3
	Total	139	100.0
Age			
		Frequency	Percent (%)
Valid	25 -35 years	41	29.6
	36-45 years	48	34.5
	46-55 years	38	27.3
	Above 55 years	12	8.6
	Total	139	100
Tenure in current organization (in years)			
		Frequency	Percent (%)
Valid	0-5 years	22	15.8
	6-10 years	33	23.7
	11-15 years	38	27.3
	16-20 years	32	23.1
	Above 20 years	14	10.1
	Total	139	100.0

Testing Hypothesis -1:

Correlations			
		ATTITUDE	SUPTOP
ATTITUDE	Pearson Correlation	1	.244**
	Sig. (2-tailed)		.001
	N	187	187
SUPTOP	Pearson Correlation	.244**	1
	Sig. (2-tailed)	.001	
	N	187	187
**. Correlation is significant at the 0.01 level (2-tailed).			

The value of R is .244** which is significant for attitude towards ERP post implementation and support of top management where both are weakly as well as positively correlated with each other.

Model Summary[b]				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.244[a]	.060	.055	.84035
a. Predictors: (Constant), ATTITUDE				
b. Dependent Variable: SUPTOP				

The R value represents the simple correlation and is .244[a] (the "**R**" Column), which indicates a weak and positive degree of correlation between attitude towards ERP post implementation and support of top management. The R^2 value (the "**R Square**" column) indicates how much of the total variation in the dependent variable, the support of top management, can be explained by the independent variable, attitude towards ERP post implementation. In this case, 6.0% can be explained, which is very small.

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8.300	1	8.300	11.754	.001[b]
	Residual	130.643	185	.706		
	Total	138.944	186			
a. Dependent Variable: SUPTOP						
b. Predictors: (Constant), ATTITUDE						

The above table shows the statistical significance of the regression model that was run between independent and dependent variables. Here, $p < 0.0005$, which is less than 0.05, and indicates that, overall, the regression model statistically significantly predicts the outcome variable (i.e., it is a good fit for the data).

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.217	.213		10.386	.000
	ATTITUDE	.237	.069	.244	3.428	.001
a. Dependent Variable: SUPTOP						

The Coefficients table provides with the necessary information to predict relation between predicted variables and predictor variables, as well as determines whether attitude towards ERP post implementation and support of top management contributes statistically significant to the model where significant value is lesser than 0.05.
Based on above table, researcher can present the regression equation as follows:
Support of top management = 2.217+.237 (attitude towards ERP post implementation).

Testing Hypothesis -2

Correlations			
		ATTITUDE	BUSPERFOR
ATTITUDE	Pearson Correlation	1	.210**
	Sig. (2-tailed)		.004
	N	187	187
BUSPERFOR	Pearson Correlation	.210**	1
	Sig. (2-tailed)	.004	
	N	187	187
**. Correlation is significant at the 0.01 level (2-tailed).			

The value of R is .210** which is significant for attitude towards ERP post implementation and business performance where both are weakly as well as positively correlated with each other.

Model Summary[b]				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.210[a]	.044	.039	.84525
a. Predictors: (Constant), ATTITUDE				
b. Dependent Variable: BUSPERFOR				

The R value represents the simple correlation and is .210[a] (the "**R**" Column), which indicates a weak and positive degree of correlation between attitude towards ERP post implementation and business performance. The R^2 value (the "**R Square**" column) indicates how much of the total variation in the dependent variable, business performance, can be explained by the independent variable, attitude towards ERP post implementation. In this case, 4.0% can be explained, which is very small.

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.101	1	6.101	8.540	.004[b]
	Residual	132.174	185	.714		
	Total	138.275	186			
a. Dependent Variable: BUSPERFOR						
b. Predictors: (Constant), ATTITUDE						

The above table shows the statistical significance of the regression model that was run between independent and dependent variables. Here, $p < 0.0005$, which is less than 0.05, and indicates that, overall, the regression model statistically significantly predicts the outcome variable (i.e., it is a good fit for the data).

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.312	.215		10.767	.000
	ATTITUDE	.204	.070	.210	2.922	.004
a. Dependent Variable: BUSPERFOR						

The **Coefficients** table provides with the necessary information to predict relation between predicted variables and predictor variables, as well as determines whether attitude towards ERP post implementation and business performance contributes statistically significant to the model where significant value is lesser than 0.05.
Based on above table, researcher can present the regression equation as follows:
Business performance = 2.312+.204 (attitude towards ERP post implementation).

CONCLUSION, IMPLICATIONS AND LIMITATIONS:

The conclusion of current research identifies solutions to current research where the impact of employee's attitude towards post implementation of ERP on support of top management and business performance were significantly positive and weak. The impact of employee's attitude towards ERP post implementation is more on

support of top management than business performance. Organizations under information technology may focus more on business performance than support of top management as one of critical successful factors in post ERP implementation. The demographics and sample size are limitations where the outcomes of research may change from due to change of above parameters.

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