

Adoption of ERP System

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Perspective

ERP, for example, is a complex information system that integrates data from all business departments inside an organisation. ERP deployment is a complex task because it involves a variety of end users. We established a conceptual framework based on literature and investigated it to determine the impact of some individual, organisational, and technological aspects on ERP usage and its impact on end users. According to the findings, computer self-efficacy, organisational support, training, and compatibility all have a good impact on ERP adoption, which has a major impact on panoptic empowerment and individual performance. Successful ERP adoption refers to a situation in which a company is maximising the ERP solution's capabilities and exploiting it to boost productivity and efficiency, as well as making critical business choices. It's crucial to remember that ERP implementation is a multi-step process with various objectives at each level [1].

However, these advantages will not be realised unless the system is successfully implemented. This necessitates system and process adjustments. It also necessitates collaboration among members from across the organization's departments. As a result, ERP system deployment causes significant changes in organisational structure and working methods. ERP is widely used because it serves as a single source of truth, organises data, and provides a complete end-to-end picture of the firm to aid in corporate decision-making [2].

Adopting ERP can be challenging because of the following factors:

- Complexity of the system
- Constant change in business processes
- Resistance from employees
- Poor training strategies

There are other challenges too like lack of communication, getting buy-in from stakeholders, and addressing the concerns of people involved.

5 Challenges faced by companies who adopt ERP systems

- Not Having a Proper Plan
- Poor Communication Channels
- Not Selecting the Right Partners
- Lack of Time
- Issues with Process Compliance

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Not having a proper plan: Nearly half of ERP implementations fail the first time, and ERP implementations take on average 30 percent longer than expected. About 65% of the time, the budget is depleted because the system requires change to meet the demands of the organisation, but enterprises only recognise this after the deployment. ERP adoption relies significantly on a well-designed plan and roadmap, and failing to have one will sabotage your efforts.

You'll run into old processes that your employees aren't using if you don't have a strategy. Even if the processes are good, you may find that the newly created processes do not correspond with the goals of your employees. Even if everything is in order, individuals are apprehensive about the future and reject this abrupt change. Regardless of where you are on your ERP adoption path, you will experience some sort of problem. To have a clearer vision, it's usually a good idea to establish an ERP adoption strategy alongside your implementation plan [3,4].

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Poor communication channels: Communication routes to handle software changes are overlooked after ERP adoption. It is anticipated that after the software is installed and personnel are taught, they will be able to navigate it on their own. The truth is that after ERP deployment, the real battle begins. Because mid-level employees are the ones who use the ERP system the most, it's critical to communicate the message, expectations, updates, and any changes to the system or process to them.

Not selecting the right partners: Yes, you read that correctly. For ERP deployment, as well as during the adoption phase, you'll need the correct partners. You must choose a partner with extensive experience in implementing complex ERP systems in your sector.

Lack of time: Yes, you read that correctly. For ERP deployment, as well as during the adoption phase, you'll need the correct partners. You must choose a partner with extensive experience in implementing complex ERP systems in your sector. This slows down the deployment process and by the time ERP is deployed, the time left to train and onboard employees is negligible. This hampers ERP adoption.

Issues with process compliance: ERP is a one-of-a-kind application that interfaces with a slew of other programmes to serve as a single information centre. The output data and analytics, as well as the insights derived from it, will be wrong unless it is entered correctly into ERP systems. To ensure reliable data interchange, employees must enter information correctly according to the company's defined regulations and standards [5].

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