THE IMPACT OF KEY SUCCESS FACTORS OF ERP IMPLEMENTATION ON EMPLOYEE ADAPTABILITY: A CASE OF A REPUTED CONSTRUCTION FIRM IN SRI LANKA

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INTRODUCTION

Research on employee adaptability and technology implementation supports the notion that it plays a vital role in organization success (Malik & Kanwal, 2018; Sony & Mekoth, 2014). Extant studies stress that many factors affect the effectiveness of successful as it interconnects and collaborates all working processes. However, the employee adaptability is slightly decreasing in industry firm set-ups like construction industry where new technological strategies have been implemented within traditional organizational boundaries. As per lack of prior research in the Sri Lankan construction industry, an investigation of successful ERP implementation is vibrant with appropriate focus on its success factors. Further, it has not explored its consequences on micro level factors like organizational employees perspective and call for more research in the future. Hence, this study focuses on 'how the ERP implementation effect on employee adaptability of ABC construction firm in Sri Lanka?'. Accordingly, the main drives of the present study are to identify the key success factors affecting on successful ERP implementation, investigate the impact of the key success factors on employee adaptability and identify the leading factors of ERP implementation affecting on employee adaptability.

METHODOLOGY

Present study was designed based on the deductive approach in a positivistic research paradigm. Further, conceptual framework and hypotheses were developed based on a sound theoretical and literature background. A case study method was adopted as the research strategy and a self-administered questionnaire was employed as the primary data collection instrument. The target population was taken as all ERP users of head office, projects and plants of the case company. Further, sample size of 170 was based on the statistics of Morgan table and multiple regression analysis was performed to test hypotheses. The working definitions of the constructs are presented in table 1.

Table 1: Working definitions of the contructs

Construct	Working Definition
System Flexibility	Flexibility to support more information sharing, high local autonomy and accessibility among users.
Excellent Project Management	Planning, organization, information system purchase, employee selection, and monitoring of software implementation.
Clear Objectives	Understandable directions to follow by users.

Employee/ User Training	Acquisition of new knowledge and skills through training leads to improved employee performance.
Top Management Support	Providing leadership and necessary resources.
Employee Adaptability	Handling work stress, dealing with uncertain and unpredictable work situations, learning work tasks, technologies and procedures, handling emergencies or crisis situations and solving problems creatively.

Source: Yen & Sheu, 2004; Dezdar & Ainin, 2011; Soja, 2006; Dermol & Cater, 2013; Zhang, Lee, & Zhang, 2003; Diamantidis & Chatzoglou, 2018)

RESULTS AND DISCUSSION

Initially, system flexibility, excellent project management, clear objectives, user training and top management support were identified as key success factors of successful ERP implementation. Table 2 shows the descriptive statistics and correlations of the variables.

Table 2: Means, Standard Deviations, and Pearson Correlation Coefficients of Variables

	Mean	**SD**	**Sys. Flex.**	**Ex. PM**	**Clear Obj.**	**Emp. Tr.**	**Top Mgt.**	**EA**
Sys. Flex.	2.45	0.66	-	-	.195*	.031	.073	-.056
Ex. PM	3.18	0.65	.077	-	.160*	.424**	.259**	.020
Clear Obj.	2.31	0.72	-	-	-	-.029	.023	.184*
Emp. Tr.	3.29	0.78	-	-	-	-	.303**	.042
Top Mgt.	2.87	0.89	-	-	-	-	-	.380**
EA	3.32	0.61	-	-	-	-	-	-

** Correlation is significant at the 0.01 level (2-tailed)
* Correlation is significant at the 0.05 level (2-tailed)

Note. (1) Between .1-.3: Small Effect. (2) Between .3-.5: Medium Effect. (3) Above .5: Large Effect Sys. Flex.- System Flexibility, Ex. PM- Excellent Project Management, Clear Obj.- Clear Objectives, Emp. Tr.- Employee Training, Top Mgt.- Top Management Support, EA- Employee Adaptability

Later, as per the data analysis results, the study found that there is a positive direct effect of clear objectives and top management support on employee adaptability. Yet, the remaining factors were not significant enough to support for a direct association. This study not only replicates but also extends previous research on the direct effect (Lyytinen, 1988; Al-Fawaz, Al-Salti, & Eldabi, 2008; Zhang, Lee, & Zhang, 2003).

Table 3: Multiple Regression Results of Key Success Factors of ERP Implementation and Employee Adaptability

	Beta Value	**P Value**	**R**	**R^2**	**Adjusted R^2**
Intercept	2.731 (9.244)	.000	.450	.202	.178***
System Flexibility	-.120 (-1.680)	.095			
Excellent Project Management	-.100 (-1.254)	.212			
Clear Objectives	.213* (2.939)	.004			
Employee Training	-.033 (-.416)	.678			
Top Management Support	.420*** (5.665)	.000			

Source: Survey data

Dependent variable: Employee Adaptability
*p < .05. **p < .01. ***p < .001.

Accordingly, the regression equation can be illustrated as;

$$\mathbf{Y= 2.731 - 0.120X_3+ 0.420X_5}$$

CONCLUSIONS/RECOMMENDATIONS

In conclusion, despite the importance of successful ERP implementation in organizations, this research examines the promising mechanisms through which successful ERP implementation influence employee adaptability. Further,clear objectives and top management support play an important role in successful ERP implementation and Employee Adaptability in the construction industry.

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