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Success Factors for the Effective Usage of an ERP System in the Post Implementation Period; Case of Sri Lankan Firms

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ERP implementation failure can be one of the most expensive errors a business can make. It is critical to understand the success factors behind the effective usage of an ERP system in order to reduce the risk of failure. A large quantity of literature and research are available on factors behind a successful ERP initial implementation, but it lacks studies on post implementation. Moreover, there's no such work has been done concerning the moderation implication of organizational culture and economic uncertainty over the association between the identified factors and the effective usage of ERP system making it a new addition to literature. Therefore, this research aims to study the success factors behind the effective usage of the ERP system in the post-implementation period and how the above moderators can moderate these factors on the effective usage of ERP system. A survey questionnaire was used to collect data from the users who are using an ERP system in a matured company in Sri Lanka. A preliminary data analysis was done using SPSS software and hypothesis were evaluated using Partial Least Squares Structural Equation Modelling approach as it enables researchers to estimate complex models with many constructs, indicator variables, and structural paths without imposing distributional assumptions on the data. The results of the study suggest that all the independent variables namely top management support, complexity of the ERP used, business IT infrastructure, hidden costs in ERP changes and training on ERP were influencing drivers for the effective usage of ERP system. In addition, concerning the moderator effect of organizational culture, top management support, ERP complexity and IT infrastructure showed a significant impact while the moderator effect of economic uncertainty, top management support, ERP complexity and training showed significant but negative relationship on the effective usage of the ERP system.

Keywords: ERP usage, success factors, ERP post-implementation, economic uncertainty, organizational culture