Chapter 6
Evaluation of Employee Readiness for ERP Systems: A Case of Kitale National Polytechnic

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ABSTRACT

Enterprise resource planning (ERP) systems are increasingly being adopted by many organizations. The cost, time, and effort of the organization need to be reflected in the uptake and use of the system by employees of the organizations in question. ERP system implementation readiness is positively associated with the ERP implementation success. It is therefore important to measure the success of such software in adopting firms which largely influenced by the readiness of the firm for ERPs. Many studies focus on other aspects of readiness leaving out the major players who are employees. This chapter discusses an effort towards extending CREM evaluation model for employee readiness with the aim of highlighting the role of their readiness in the overall success of ERP implementation. Research findings of this study help decision makers of organizations to attain a comprehensive picture about required actions to be accomplished for achieving readiness for implementing an ERP system.

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INTRODUCTION

Enterprise Resource Planning system is a business management system that comprises integrated sets of comprehensive software and when successfully implemented, it can manage and integrate all the business functions within an organization (Shehab et al., 2004). ERP is an industry term for the broad set of activities supported by the multi-module application software that helps a manufacturer or a service provider manages the important parts of its business.

The benefits of ERP are claimed to include: significant improvements in quality and efficiency of customer service, production and distribution; cost reductions; improved decision-making; and enterprise agility (Kakouris et al., 2005). In addition, research findings shed new light on the productivity paradox associated with ERP systems and suggest that ERP adoption helps firms gain a competitive advantage over non-adopters (Hunton et al. 2003). ERP system is an important factor that enables a company to compete effectively in the global market (Rikhardsonet al. 2006).

BACKGROUND

Kitale National Polytechnic is a middle-level training institution located in Kitale town in Trans Nzoia county. It has been in place since 1982 when it was initially established as a technical school that was later converted into a technical college. It has about 7 non-academic and 9 academic departments offering various courses at artisan, craft, certificate, diploma and higher diplomas. With an ICT department, the institution has various IT functions spanning from networking, database, and system management as well as ICT support services like maintenance, security among others. Kitale National Polytechnic has a student population of about 4000, 170 teaching staff Government hired and council hired as well as over 100 support staff on a permanent and casual basis.

The Institution rolled out an ERP system in 2009 called ABN developed by ABNO, a local ERPS software developer. Most of the departments rely on its 5 modules to run its daily operations. They include Admission, Examinations, Boarding, Library, and Finance. It also runs 2 stand-alone modules that link to the platform which are Timetabling and Meals Pay As You Eat (PAYE) system. Pre-implementation activities took place from 2007 to 2008. Data for this survey was collected during the post-implementation phase in June 2018 almost 9 years after the implementation phase beginning in January 2009.