

# Towards The Success of ERP System: Case Study of IMA-PG INDIA Pvt. Ltd.

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**Abstract** - An ERP framework has been effectively executed in a wide range of commercial ventures all around and is creating and becoming further quickly to drive the accomplishment of modern administration. Executing an ERP framework in association has a great deal of consideration and countenances a ton of difficulties. This paper will speak to the different variables that we have considered keeping in mind the end goal to dissect the advancement of the organization. In this paper we have contemplated and examined the ERP arrangement of IMA-PG Pvt. Ltd. What's more, their experience confronted amid their execution stage.

**Keywords** — *ERP, Tailor-made, Phase*

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## I. INTRODUCTION

Enterprise resource planning (ERP) is a specialist agreement programming that is been utilized as a part of to gather, store, oversee and decipher information from numerous business exercises. Applying this sort of framework into government and in addition in private area requires more exertion from various perspectives, for example, change administration, business process re-designing, information relocation client preparing and some other related issues. In light of contextual analysis, this paper examines measure the adequacy and proficiency of actualized framework and different issues while executing the framework.

### I. ENTERPRISE RESOURCE PLANNING

An ERP system is a vast information system that coordinates information about a company's products, customers, suppliers, employees, production, sales, financial quality, etc. It is used by every department in an organization and by most employees. ERP is considered as new technology that includes almost the all business process and business activities. ERP combines separated business departments such as

HR, Finance, Procurement and others with business process that cross this department with workflow in one single system. ERP are packaged software applications (from vendors

such as SAP, Oracle, PeopleSoft, and J.D. Edwards) that connect and manage information flows within and across

complex organizations, allowing managers to make decisions based on information that truly reflects the current state of their business. These systems also automate complex transaction processes and thus have the potential to reduce costs. In the implementation of ERP systems we face several challenges, such as the high implementation costs and risk factors which must be critically considered. Other problems are difficulties in restoring business processes, insufficient training,

preparing and incorporating of users throughout and after the system implementation.

ERP is not just an automation of the organization's business process; it gives an opportunity for the organization to re-engineer their business process to reach a success.

## II. PG-ERP

IMA-PG India Private Limited has been a pioneer manufacturer of Blister Packing Machines in India. For information processing within company earlier they were using VB-6 (virtual basic) system. This VB-6 included only 5 modules for company processing (Finance, Purchase Planning, Sales, Material Planning and Operation Management). As company growth increases financially & in size they found this VB-6 is not effective & efficient for performing various company activities.

Furthermore, the need of having new technology increases rapidly and the competitive other organizations for moving to technology and providing services online becoming a driver for more investment on the information technology field. This motivation led to start an Information Technology transformation projects and one of most important projects is Enterprise Resource Planning system (ERP) implementation that integrate all business process across one integrated enterprise package.

The company just made changes in existing system according their need & introduced tailor-made ERP system with the more three modules were added in existing system for company processing. This change in information system made company to competitive in country with other companies. The implemented ERP system (PG-ERP) is still used from last thirteen years.

### III. CASE STUDY

#### A. The Objective of the Case Study

This case study is addressing issues related to the organization and showed the different phase of the ERP implementation starting from the need of the system until the go-live and support phase. During this study we have focused on the success practice to recommend it and some bad practice to avoid it also based on information shared by project manager and IT team

#### B. Data Collection

The data collection has gone through questioning and answering session with the different department of the organization and simple survey had been conducted and distributed to the end-users (employees) to measure the user acceptance and give feedback from their experience regarding the system.

#### C. Needs and Motivation for ERP

As mentioned in previous section (PG-ERP) from 2002 the top management decides to move on the enterprise system. From that point they start plan and draw the road map for all organizations systems including ERP, CRM, project management and employee portal to provide an integrated and compatible system sharing same database and technical infrastructure.

#### D. Initiation Phase

Based on the strategic view the top management they start in 2003 initiation phase with high level planning like getting the approval from board of directors, estimate the total budget of the project and reserve the amount from the Government budget. However according to the Project manager interview he has mentioned that one of the most important challenges is the delay of financial support from finance side because it requires a lot of process, procedures and justification to get them support your project efficiently.

#### E. Planning Phase

After initialization the project is moving on, after they decide to start and get the approval from the authorized person and ensure that the project supported financially, it's the time to start planning. Planning phase concerns about building the teams either management team or technical team or consultation team. Choosing the right project manager in one of the critical success factor in Project management in general and in especially for ERP implantation project it's requires high skills person with good background of technology and change management. In our case study they assign the management of the project to external vendor & expert team of company.

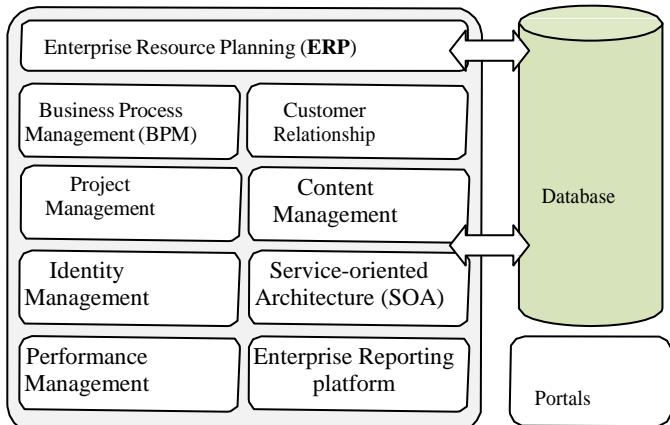


Fig. 1 ERP system structure

#### F. Design Phase

The design phase is moving deeply to the business processes either by analyzing the current business process, apply them as it is or re-engineering. PG-ERP is tailor made therefore they designed system according to their needs.

#### G. Realization Phase

This is the most time-consuming phase in ERP implementation. It is concern about hardware, software installation and some configuration of the system. In our case study, the most critical issue that happens in this phase is company faced the lot of issues with handling official data of company. The transition was in parallel way, they keep using the old system in parallel with the new system and make sure that the system is stable and reliable.

#### H. Go-Live and Support Phase

After fighting with software and hardware, and make sure that all system functions work properly they were ready to announce the system ready to use.

The one important lesson in this phase is to keep end user last stage. According to the project manager, it's difficult to start go-live with all end user. It's better to start with key users that evolved in business process first. After that we can broadcast the system to all end users / employees. But unfortunately, they don't do it well. They announce to all employees at one time and enforce all employees move to new ERP system. Then keep enhancing with new transformation from the old manual way to the ERP way with full support to anyone who may face some problems.

### IV. MAJOR LESSONS

From the discussion based on the case study, it can be summarized with a lot of important lessons to measure the effective ERP system:

- To avoid delay of financial or logistics supports, keep acting in earlier time.
- Determine your implementation methodology according

Sr. No.	Users	Number	%
1	1 <sup>st</sup> month of implementation	16	49
2	3 <sup>rd</sup> month of implementation	10	30.3
3	6 <sup>th</sup> month of implementation	6	18.2
4	An year of implementation	1	3.0

to your situation. Usually every organization goes for different implementing approach.

- Choosing the right project manager with high skilled and enough technology background and being aware about the ERP implementation challenges.
- To avoid more customizations, try the readymade package dedicated for particular organization if it's available in the market.
- Localization is critical issue in the ERP system and it need to be considered.
- When you decide to launch an ERP system it is recommended to start with key users rather than end user.
- Try to apply some change management techniques to help people corporate with you.

## V. SURVEY

In this section we want to measure the impact of the system to the user and see either the users are satisfied or not. We have made a survey distributed over organization. The number of survey exceeding 70 employees with different levels and departments. We got over 54 responses. After collecting and analyzing the data we got the following results :( Table I-Table VIII)

Table 1: Types of PG users in the organization

Sr No.	Users	PG Id	%
1	Sales	5	9.3
2	H.R	4	7.4
3	CRM	5	9.3
4	Marketing	5	9.3
5	Purchase	6	11.1
6	Account	5	9.3
7	IT Supporter	3	5.5
8	Operations	10	19
9	Dispatch	5	9.3
10	Export	3	5.5
11	Corporate	3	5.5

Table 2: Trained & Un-Trained Staff

Sr. No	Users	Number	%
1	Trained	54	100
2	Un-Trained	0	0

Table 3: Frequency of Problem face by Users

Sr. No	Users	Number	%
1	1 <sup>st</sup> month of implementation	16	49
2	3 <sup>rd</sup> month of implementation	10	30.3
3	6 <sup>th</sup> month of implementation	6	18.2

	mentation		
4	An year of implementation	1	3.0

Table 4: After facing problems

Sr. No	Users	Number	%
1	The support system is strong hence the problem is solved quickly	15	28
2	The support system is up to the mark hence the problem was solved after certain time	30	56
3	The support system was poor hence the problem was not solved	5	9.3
4	No problem was faced at all	4	7.4

Table 5: Opinions about PG

Sr No.	Users	Number	%
1	It is very important and a must for an organization	42	78
2	It is very helpful not sure if its needed for an organization	10	19
3	It is not useful, the old manual process is working well	0	0
4	Neutral	2	3.8

Table 6: Opinions about PG implementation

Sr No	Users	Number	%
1	Increases the speed and make the process easier	50	93
2	Makes the business module process complex	3	5.5
3	Not a user friendly process	1	1.85
4	Neutral	0	0

Table 7: PG user interface

Sr No.	Users	Numbers	%
1	Excellent	50	93
2	Good	4	7.4
3	Bad	0	0
4	Poor	0	0

Table 8: Satisfaction Level

Sr. No.	Users	Numbers	%
1	Extremely Satisfied	50	93
2	Satisfied	2	3.7
3	Average	2	3.7
4	Not Satisfied	0	0
5	Disappointed	0	0

From this data collected we can summarize the following result in our case study:

- The numbers shows that the training sessions are acceptance.

- According to the project manager interview, the frequency of problem goes on decreasing as the employees using it
- According to the user interface, PG-ERP system is really good.
- In general, the users are aware about the ERP and its importance to the organization.

## VI. CONCLUSION

Toward the end of this paper by breaking down tables and interfacing with the clients of the organization we could presume that the organization had earned more benefits by decreasing the work issues in exchanging the data. Once in a while issues were confronted by clients amid utilizing ERP framework and the appropriately customized ERP framework turned out to be more proficient and invulnerable to issues than the past framework. The framework gets to be easier for handling information inside association. ACKNOWLEDGEMENT

We would like to thank the IT team of the company for unlimited support to prepare our paper & college professor for guidance.

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