Marketing Strategies for ERP Implementation Partners

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Abstract:
Client satisfaction for any ERP Projects is the key factor for sustaining as an Implementation partner in the current market. Enterprise Resource Planning Implementation partners are now steadily turning their marketing strategies on small and medium sized enterprises. This research examines what are all the factors that facilitate or inhibit the success of ERP Projects and what actions can be taken to achieve the client satisfaction. Opinions are collected through a structured questionnaire, administered to ERP implementing managers considered by using a simple random technique. Data are analyzed using chronbach's alpha and chi-square tests. Discussion of results is carried out, limitations and scope for further research identified.

1. Introduction
Companies are in understanding that a quantified business need is an essential for a high level of satisfaction with enterprise resource planning initiatives. Management applies the technology as the solution to correct fundamental flaws in underlying business processes. Companies implementing an ERP package often view the new technology as a new core competency, but it should only be viewed as a means to achieve the competency through better business processes. A Success is often measured by the utilization of the ERP system to achieve the improved business processes and standards.

2. Review of Literature
Ike C. Ehie & Mogens Madsen, (2005) identified eight factors that attempts to explain 86% of the variances that impact ERP implementation. There was a strong correlation between successfully implementing ERP and six out of the eight factors identified. Day,(2000) describes the three elements of market relating capability as 1) Relationship Orientation, 2) Integrated and Aligned Processes, and 3) Deep Knowledge of the Customer. Kyung-Kwon Hong & Young-Gul Kim observed that an application package such as enterprise resource planning (ERP) system is one solution to the information technology (IT) industry's chronic problems of custom system design: reduced cost, rapid implementation, and high system quality. Huigang Liang & Yajiong Xue reveals three strategies that could be useful for achieving fit between ERP systems and adopting organizations. First, ERP systems need to be localized to reflect the local management features. Second, ERP systems should be customizable at a variety of levels. Finally, BPR should be carried out in an incremental manner, taking the dialectic of organizational learning into account.

3. Objectives
- To study the feasibility of having the trainings conducted based on the project requirements and client recommendations
- To understand the criteria of sending the resources for onsite opportunities
- To understand the importance of having CRP sessions to the Client prior delivery of the solution
- To understand the importance of documentation and having Sign-Off's at each phase
- To understand the importance of having billability backup for the critical resources

4. Hypotheses
- H01: Regarding Trainings based on the client's recommendation and project requirements, there is no significant difference in the opinion of managers
- H02: Regarding trained resources with competency skills would be preferred for onsite opportunities, there is no significant difference in the opinion of Managers
- H03: Regarding CRP sessions being organized with the client's team for understanding on solution delivery, there is no significant association in the Opinion of Managers

- H04: Regarding having sign-offs for documentation each phase closure, there is no significant difference in the opinion of Managers
- H05: There is no significant difference between designation and their opinions on ensuring resource billability backup for the critical resource replacements

5. Research Methodology & Statistical Analysis

The scope of the study is limited to ERP implementing companies in Hyderabad. Primary data are collected from 50 ERP implementing managers through administering a structured questionnaire designed to study the objectives of the study. A simple random sampling technique is used for the purpose of the study and the data are collected during June to September 2013. Primary data was collected through a questionnaire administered to various levels in an IT Organization.

5.1. Statistical Results

Cronbach's Alpha	N of Items
.658	5

Table 1: Reliability Statistics

5.2. Inference

The overall alpha for the all items is 0.658, which is very high and indicates strong internal consistency among the given items.

5.3. Tests of Hypotheses

H01: Regarding Trainings based on the client's recommendation and project requirements, there is no significant difference in the opinion of managers

Crosstab								Total
			Trainings are provided based on the clients recommendation and project requirements					
			Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Designation	Jr level	Count	2	5	3	9	2	21
		% within Designation	9.5%	23.8%	14.3%	42.9%	9.5%	100.0%
	Middle level	Count	1	3	4	6	0	14
		% within Designation	7.1%	21.4%	28.6%	42.9%	0.0%	100.0%
	Sr level	Count	0	3	2	8	2	15
		% within Designation	0.0%	20.0%	13.3%	53.3%	13.3%	100.0%
Total		Count	3	11	9	23	4	50
		% within Designation	6.0%	22.0%	18.0%	46.0%	8.0%	100.0%

Table 2: Crosstab: Client's Recommendation & Project requirements Vs Training

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	4.602[a]	8	.799
Likelihood Ratio	6.351	8	.608
Linear-by-Linear Association	1.067	1	.302
N of Valid Cases	50		

a. 12 cells (80.0%) have expected count less than 5. The minimum expected count is .84. From the above table it may be noted that the sig. value is 0.799(>0.05), and hence H01 is accepted.

Table 3: Chi-Square Test for H02

H02: Regarding trained resources with competency skills would be preferred for onsite opportunities, there is no significant difference in the opinion of Managers

Crosstab								
			Trained resources having good competency skills would be given preference to the onsite opportunities					Total
			Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Designation	Jr level	Count	1	6	5	8	1	21
		% within Designation	4.8%	28.6%	23.8%	38.1%	4.8%	100.0%
	Middle level	Count	0	1	6	4	3	14
		% within Designation	0.0%	7.1%	42.9%	28.6%	21.4%	100.0%
	Sr level	Count	0	2	4	9	0	15
		% within Designation	0.0%	13.3%	26.7%	60.0%	0.0%	100.0%
Total		Count	1	9	15	21	4	50
		% within Designation	2.0%	18.0%	30.0%	42.0%	8.0%	100.0%

Table 4: Crosstab: Onsite Opportunities Vs Trained resources with Competency Skills

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	11.344[a]	8	.183
Likelihood Ratio	11.908	8	.155
Linear-by-Linear Association	1.636	1	.201
N of Valid Cases	50		

a. 11 cells (73.3%) have expected count less than 5. The minimum expected count is .28. From the above table it may be noted that the sig. value is 0.183(>0.05), and hence H02 is accepted.

Table 5: Chi-Square Test for H03

H03: Regarding CRP sessions being organized with the client's team for understanding on solution delivery, there is no significant association in the Opinion of Managers

			Thorough CRP (Conference Room Pilot) sessions are conducted by the implementation team with the clients team to help them have a comprehensive understanding on the solution that would be delivered				Total
Crosstab							
			Disagree	**Neutral**	**Agree**	**Strongly Agree**	
Designation	Jr level	Count	2	9	2	8	21
		% within Designation	9.5%	42.9%	9.5%	38.1%	100.0%
	Middle level	Count	0	3	8	3	14
		% within Designation	0.0%	21.4%	57.1%	21.4%	100.0%
	Sr level	Count	2	4	2	7	15
		% within Designation	13.3%	26.7%	13.3%	46.7%	100.0%
Total		Count	4	16	12	18	50
		% within Designation	8.0%	32.0%	24.0%	36.0%	100.0%

Table 6: Crosstab: Solution Understanding Vs CRP Sessions

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	13.388[a]	6	.037
Likelihood Ratio	13.392	6	.037
Linear-by-Linear Association	.303	1	.582
N of Valid Cases	50		

a. 7 cells (58.3%) have expected count less than 5. The minimum expected count is 1.12. From the above table it may be noted that the sig. value is 0.037(<0.05), and hence H03 is rejected.

Table 7: Chi-Square Test for H04

H04: Regarding having sign-offs for documentation each phase closure, there is no significant difference in the opinion of Managers

Crosstab								
			Deliverables in the form of Documentation at each phase of the project are shared with clients team for their review and sign-offs					Total
			Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Designation	Jr level	Count	1	1	1	11	7	21
		% within Designation	4.8%	4.8%	4.8%	52.4%	33.3%	100.0%
	Middle level	Count	0	1	2	7	4	14
		% within Designation	0.0%	7.1%	14.3%	50.0%	28.6%	100.0%
	Sr level	Count	0	1	4	3	7	15
		% within Designation	0.0%	6.7%	26.7%	20.0%	46.7%	100.0%
Total		Count	1	3	7	21	18	50
		% within Designation	2.0%	6.0%	14.0%	42.0%	36.0%	100.0%

Table 8: Crosstab: Sign-Off's Vs Delivery Documentation

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	7.687[a]	8	.465
Likelihood Ratio	8.466	8	.389
Linear-by-Linear Association	.002	1	.967
N of Valid Cases	50		

a. 9 cells (60.0%) have expected count less than 5. The minimum expected count is .28. From the above table it may be noted that the sig. value is 0.465(>0.05), and hence H04 is accepted.

Table 9: Chi-Square Test for H05

H05: There is no significant difference between designation and their opinions on ensuring resource billability backup for the critical resource replacements

Crosstab								
			While ensuring resource billability, backup for the critical resource replacements is maintained in our company					Total
			Strongly Disagree	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**	
Designation	Jr level	Count	4	3	4	6	4	21
		% within Designation	19.0%	14.3%	19.0%	28.6%	19.0%	100.0%
	Middle level	Count	0	2	3	8	1	14
		% within Designation	0.0%	14.3%	21.4%	57.1%	7.1%	100.0%
	Sr level	Count	1	6	2	3	3	15
		% within Designation	6.7%	40.0%	13.3%	20.0%	20.0%	100.0%
Total		Count	5	11	9	17	8	50
		% within Designation	10.0%	22.0%	18.0%	34.0%	16.0%	100.0%

Table 10: Crosstab: Critical Resources Vs Backup for billability

	Value	**df**	**Asymp. Sig. (2-sided)**
Pearson Chi-Square	10.938[a]	8	.205
Likelihood Ratio	11.655	8	.167
Linear-by-Linear Association	.006	1	.940
N of Valid Cases	50		

a. 13 cells (86.7%) have expected count less than 5. The minimum expected count is 1.40. From the above table it may be noted that the sig. value is 0.205(>0.05), and hence H05 is accepted.

Table 11: Chi-Square Test for H06

Strongly Agree	Hypothesis	Trainings are provided are based on the clients recommendation and project requirements	Trained resources having good competency skills would be given preference to the onsite opportunities	Thorough CRP (Conference Room Pilot) sessions are conducted by the implementation team with the clients team to help them have a comprehensive understanding on the solution that would be delivered	Deliverables in the form of Documentation at each phase of the project are shared with clients team for their review and sign-offs	While ensuring resource billability, backup for the critical resource replacements is maintained in our company
Designation	Jr level	9.50%	4.80%	38.10%	33.30%	19.00%
	Middle level	0.00%	21.40%	21.40%	28.60%	7.10%
	Sr level	13.30%	0.00%	46.70%	46.70%	20.00%

Table 12: Consolidated Test Results for Strongly Agreed Designation wise Hypothesis

Null hypotheses	Sig. value	Result
H01: Regarding Trainings based on the client's recommendation and project requirements, there is no significant difference in the opinion of managers	0.799	Accepted
H02: Regarding trained resources with competency skills would be preferred for onsite opportunities, there is no significant difference in the opinion of Managers	0.183	Accepted
H03: Regarding CRP sessions being organized with the client's team for understanding on solution delivery, there is no significant association in the Opinion of Managers	0.37	Rejected
H04: Regarding having sign-offs for documentation each phase closure, there is no significant difference in the opinion of Managers	0.465	Accepted
H05: There is no significant difference between designation and their opinions on ensuring resource billability backup for the critical resource replacements	0.205	Accepted

Table 13: Consolidated Chi Square Test Results

6. Findings & Conclusion

The research findings are highlighted hereunder

- Trained resources on the competencies would be the able choice for sending them to Onsite assignments
- Trainings to the resources on the client recommendations and project requirements would give good results.
- Obtaining Sign-Off's for the deliverables after each phase completion with the relevant documentation would bring the clarity between the client and implementation partner
- Maintaining the backup for the critical resources which would not result in losing the billability or the resources.

7. Limitations of the Study

Limitations of the study is that there need to take larger sample and the opinion of fresh graduates, and clients are not covered in this sample survey, further study may focus on this to have the better clarity.

8. References

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