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A STUDY ON SATISFACTION TOWARDS ACCOUNTING ERP WITH REFERENE TO COIMBAOTRE

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Abstract:

An ERP (Enterprise Resource Planning) finance module is a software program that gathers financial data and generates reports such as ledgers, trail balance data, overall balance sheets and quarterly financial statements. The main objective of the study is to analyse about the satisfaction of employees towards accounting ERP and to identify the dimensions that have significant contribution in user satisfaction. For this purpose a sample of 100 was collected from the employees who are working with manufacturing sector in Coimbatore. Percentage analysis, chi-square, rank correlation, anova and factor analysis were used as tools to anlyse the data. The conclusion is that the employees are satisfied with new software but they are a in lag of training which leads to low production. So the company can concentrate more on training to increase the production and profit for the company.

Key Words: Software Program, Financial Statements & Employees

Introduction:

Enterprise resource planning (ERP) systems integrate internal and external management information across an entire organization, embracing finance/accounting, manufacturing, sales and service, customer relationship management, etc. ERP systems automate this activity with an integrated software application. Their purpose is to facilitate the flow of information between all business functions inside the boundaries of the organization and manage the connections to outside stakeholders.

In today's competitive environment every company must plan ahead and deploy resources in such a way in order to achieve performance excellence and to be at par with the market. So, companies have to utilize the full potential of information technology to manage their resources like human resource, raw materials, machinery, money etc. at a cost effective way to achieve success in their career. Enterprise Resource Planning (ERP) systems are such systems which enables the company to properly utilize their resources in a much better way.

Post-Implementation Phase:

One important factor that should kept in mind is that the post-implementation phase is very critical. In the post-implementation phase (PIP) following system go-live, it becomes increasingly apparent that a successful technical implementation project does not automatically lead to system success. To reap the full benefits of the ERP system, it is very important that the system get enterprise-wide acceptance. The full potential of the system installed can only be exploited if the employees are satisfied with their direct system interaction. If high end-user satisfaction (EUS) is achieved, employees are more likely to support the system, experiment with additional functions, and explore new ways of using the technology.

Objectives of the Study:

- ✓ To find whether the end users of manufacturing companies are satisfied working in ERP (Finance) system, which has been already implemented in the company.

- ✓ To identify the dimensions that have significant contribution in user satisfaction.
- ✓ To identify the required skills to work in the ERP (Finance) system.
- ✓ To know about the reason for dissatisfaction of end users and to suggest measures for improvement of ERP (Finance) system.

Need of the Study:

ERP (Finance) was implemented in manufacturing companies in recent years. Since it has been six years of implementation, the company wants to know the post implementation satisfaction of end-users working in ERP (Finance) package. To identify the dissatisfied groups and to suggest necessary measures for the improvement of ERP (Finance) system.

Scope of the Study:

To study the satisfaction level of the end users of ERP (Finance) post implementation and to improve the ERP (Finance) implemented in manufacturing companies and other sister companies of the firm.

Limitations of the Study:

- ✓ The study is limited to
- ✓ End-users are only the employees of the company; suppliers of the company are not included for the study.

Research Methodology:

Population:

The population for this research is the end users of ERP (Finance) in manufacturing companies. The end users in the company were in total 100.

Sampling Method:

- ✓ Census sampling method (Entire population)
- ✓ Census sampling - 100 end users

Research Design:

The study is descriptive in nature.

Data Collection:

Business research generally uses two types of data.

- ✓ **Primary Data-** It is collected directly from the respondents using data collection method through Questionnaire.
- ✓ **Secondary Data-** It is the data that which already exists and is collected through organization details or some other resources. Sources of secondary data include websites, journals, books, etc.,

Questionnaire Design:

A research instrument is in terms of a structured questionnaire containing closed and open ended questions. A pilot study was taken to validate the questionnaire and the alpha coefficient (i.e. Cronbach's Alpha) is 0.886 which is reliable and acceptable.

Reliability Statistics	
Cronbach's Alpha	No of Items
0.886	17

Review of Literature:

In fact, the measurement of IS success is multidimensional and the research focus will indicate which categories will be more appropriate. Several researchers have used this perspective to some extent to assess IS success based on the DeLone and McLean model (Zviran, Pliskin, & Levin, 2005; Nelson & Wixom, 2005), where user satisfaction category was reported as the one of the most researched (Ives, Olson, &

Baroudi, 1983; Baroudi & Orlikowski, 1988; Chang & King, 2000; Adamson & Shine, 2003; Doll *et al*., 2004; Wixom & Todd, 2005). Chin and Lee (2000, p. 554) define end-user satisfaction with an IS as an "overall affective evaluation an end-user has regarding his or her experience related with the information system [IS]", being both IS use and other activities related (e.g., training, participation or involvement in development or selection) "of value in predicting subsequent behavior (e.g., utilization) or performance".

Analysis of Interpretation:

	Particulars	Frequency	Percent
Experience of the Respondents	Below 4 years	17	17.0
	4 – 8 years	28	28.0
	8- 12 years	21	21.0
	Above 12 years	34	34.0
Gender	Male	88	88.0
	Female	12	12.0
	Total	100	100.0
Experience	1 -6 months	6	6.0
	6-12months	10	10.0
	1-2 years	18	18.0
	2-3 years	16	16.0
	3-4 years	15	15.0
	Above 5 years	35	35.0

Interpretation:

Most of them are male. The contribution of the male respondents is 68.7% and the female respondents are 31.3 %. Most of the respondents who took part in the survey are of the experience 4-8 years. 47.3% of the respondents fell in that category. 24% of the respondents are below 4years of experience. 20% of the respondents are highly experienced say 8-12 years. Only 8.7% of the respondents are above 12 years of experience. Most of the respondents are very less experienced in the field of ERP. 28.7% of the employees are experienced with the ERP for just 1-6 months. 25.3% are experienced with 6-12 months and 22.7% are 1-2 years experienced, 10.7% are 2-3 years of experience in ERP and 6.7% are 3-4 years of experience and only 6%are above 5 years.

Relationship Between Working Experience of ERP and Convenience of Working in ERP:

Ho: There is no significant relationship between Working experience of ERP and convenience of working in ERP.

Demographic Variables	P Value	Significance Value	Result
Work Experience	12.117	0.277	Accept

From the above table, there is no significant relationship between Working experience of ERP and convenience of working in ERP.

Relationship Between Attending Training on Implementation and Updation of ERP:

Ho: There is no significant relationship between attending training on implementation and updation of ERP**.**

Demographic Variables	P Value	Significance Value	Result
Work Experience	4.799	0.187	Accept

From the above table, there is no significant relationship between attending training on implementation and updation of ERP.

Factor Analysis:

Satisfaction Level of Organization Objectives:

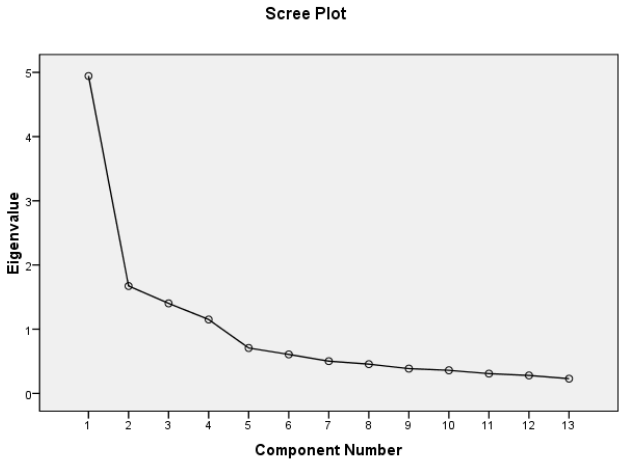
A total of 13 variables were identified for the purpose of collecting expectations from the service users'. In order to reduce the number of variables and to identify the key factors contributing towards the expectations of services, factor analysis is performed. KMO and Bartlett's test is conducted to identify the sampling adequacy.

KMO and Bartlett's Test for Satisfaction Level of Organization Objectives:

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.824
Bartlett's Test of Sphericity	Approx. Chi-Square	528.903
	Df	78
	Sig.	0.000

KMO of sampling adequacy value for the service quality measures is 0.824 and it indicates that the sample is adequate to consider the data as normally distributed.

The number of factors as identified by performing the screen plot. The results are shown below,



Screen plot shown the above figure gives a pictorial view of the number of components to be shortlisted and to become factors based on Eigen value. So from the above chart become three factors have been shortlisted.

Rotated component matrix is used to identify the factors after data reduction. The results are shown below,

Rotated Component Matrix for Satisfaction Level of Organization Objectives:

Rotated Component Matrix				
	Component			
	1	2	3	4
s1	-.071	.148	.797	.177
s2	.255	.142	.819	.017
s3	.590	-.028	.456	.257

s4	.115	**.744**	.202	.150
s5	**.806**	.198	.109	.108
s6	.302	**.725**	.151	.117
s7	**.744**	.363	.233	-.059
s8	.180	.207	.057	.849
s9	**.843**	.171	.063	.126
s10	**.785**	.099	-.113	.191
s11	.044	**.802**	.018	.096
s12	.211	**.802**	.035	.097
s13	.146	.139	.181	**.835**
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.				
a. Rotation converged in 6 iterations.				

From the above table, factors above the values above 0.7 are considered. They are ERP makes work free, Introduction of ERP increased ERP is convenient of your department, ERP provides information clarity, Company supports ERP and has up to date hardware and software, Different departments are integrated through the ERP software implemented, Automation of your department functions is beneficial to the company, Managing the organization structure of your department is much easier now, ERP maintains work flow, ERP helps to maintain customer satisfaction.

Rank Correlation:

H1: The ranks given by the respondents are true

H0: The ranks given by the respondents are not true

S.No	Factors	X	Y	R1	R2	D	D^2
1	Academic Skills	5	11	6	5.5	0.5	0.25
2	Technical Skills	13	13	3	4	-1	1
3	Analytical Skills	8	11	5	5.5	-0.5	0.25
4	Domain Knowledge	40	14	1	3	-2	4
5	Work Experience	11	22	4	2	2	4
6	Self Interest	23	29	2	1	1	1
		100	100				10.5
N	5					R	0.525
						R	0.475

From the above table its inferred that the above said hypothesis are true and the company can give preference to the employees according to the ranking given by the respondents.

Understanding ERP:

The significant value of this factor is 0.609 which is greater than 0.05. Hence null hypothesis is accepted. i.e, Homogeneity exist within the age group with respect to understanding ERP.

Post Hoc Analysis:

Multiple Comparisons							
LSD							
Dependent	(I) age	(J) age	Mean	Std	Sig.	95% Confidence Interval	

Variable Understanding ERP			Difference (I-J)	Error		Lower Bound	Upper Bound
	21-30	31-40	.116	.184	.529	-.25	.48
		>40	-.173	.298	.563	-.76	.42
	31-40	21-30	-.116	.184	.529	-.48	.25
		>40	-.289	.307	.348	-.90	.32
	>40	21-30	.173	.298	.563	-.42	.76
		31-40	.289	.307	.348	-.32	.90

H1: Homogeneity exists between the age groups 21-30 and 31-40 with respect to Understanding ERP.

H0: Homogeneity does not exist between the age groups 21-30 and 31-40 with respect to Understanding ERP.

The significant value is 0.539 which is greater than 0.05, hence H0 is accepted.

H1: Homogeneity exists between the age groups 21-30 and > 40 with respect to Understanding ERP.

H0: Homogeneity does not exist between the age groups 21-30 and >40 with respect to Understanding ERP.

The significant value is 0.563 which is greater than 0.05, hence H0 is accepted.

H1: Homogeneity exists between the age groups 31-40 and > 40 with respect to Understanding ERP.

H0: Homogeneity does not exist between the age groups 31-40 and >40 with respect to Understanding ERP.

The significant value is 0.348 which is greater than 0.05, hence H0 is accepted.

ERP is Convenient:

The significant value of this factor is 0.128 which is greater than 0.05. Hence null hypothesis is accepted. i.e, Homogeneity exist within the age group with respect to ERP is convenient.

Findings:

- ✓ 28% of the respondents are 4-8 years of experience. 10% of the respondents are highly experienced say 8-12 years. Only 17% of the respondents are below 4 years of experience.
- ✓ In our study out of 100 respondents the contribution of the male respondents is 88% and the female respondents are 12 %.
- ✓ 6% of the employees are experienced with the ERP for 1-6 months. 10% are experienced with 6-12 months and 18% are 1-2 years experienced, 16% are 2-3 years of experience in ERP and 15% are 3-4 years of experience and 35% are above 5 years.
- ✓ 28% of the respondents say they need training on the implementation of the ERP they are willing to adapt themselves to the change. 72% of the respondents say no to the ERP implantation training because they are unaware of the software related to that.
- ✓ 29% of the respondents are learning the concept in 6 months span of time. And 9% of the respondents are catching the concept only above 6 months. 45% of the respondents have got the concept in one month. And 17 % got the concept in a week. They are holding bachelors and post degrees respectively.
- ✓ 13% of the employees faced the problems in implementing the ERP so the effectiveness of the ERP is much higher.

- ✓ 9% of the respondents say the time and work is reduced in while using ERP. And only 1% says no to the statement.
- ✓ 55% say that they think about ERP system modules, 42% say useful and 3% say can't say anything.

Suggestions:

- ✓ More than 34% of the employees in the company are having only maximum of 2 years of experience in ERP. SO the company can concentrate more to develop the accuracy by conducting more training programs to the employees who have less experience.
- ✓ Training has been provided only to 31% of the employees, so additional training should be provided to the employees to make the ERP package more efficient.
- ✓ Overall satisfaction of employees on the usage of ERP is very good; End-users are satisfied with the ERP package. Hence the company can plan to extend the ERP package to human resource department.
- ✓ It is evident from the study that feasibility obtained from ERP system is considered as the most important factor for end-user satisfaction. Hence care has to be taken continuously to improve feasibility to get better end-user satisfaction.
- ✓ Though the user satisfaction is found to be high in this study, with passage of time this level of satisfaction may change hence, the organization should ensure that the employees remain satisfied by introducing continuous training programs for technical up gradation as well as to increase their analytical skills like creativity.
- ✓ Our study says that there is no relationship between working experience of ERP and convenience of working in ERP, so the company takes this factor in to consideration for making more up gradations in developing ERP.

Conclusion:

In our study we have analyzed about the implementation of ERP in the organisation and the pros and corns involved in implementation. The conclusion is that the employees are satisfied with new software but they are a in lag of training which leads to low production. So the company can concentrate more on training to increase the production and profit for the company.

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