



EFFECTIVENESS OF ORGANIZATIONS PRODUCTIVITY AFTER IMPLEMENTATION OF ERP IN ABHI FINE PRODUCTS, COIMBATORE - A STUDY REPORT

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ABSTRACT

The abstract entitled "Effectiveness of Organizations Productivity after Implementation of ERP in Abhi Fine Products, Coimbatore - A Study Report". The study would aim at implementing the ERP system in Abhi Fine Products, Coimbatore. Additionally, the study established the performance of productivity in Abhi Fine Products, Coimbatore and determined the relationship employer and employees in Abhi Fine Products, Coimbatore. The type of data collected was both primary and secondary data. The primary data collection instrument for this study was a designed questionnaire, as questionnaires are one of the widely used primary data collection tools. The secondary data on performance were obtain from the production performance of the firm. The purpose of this study is to analyze the implementation of an ERP system in order to determine what activities were perform in each of the project phases, what effort was involved for each activity and how long they lasted. The objective of this report is to study the implementation of ERP system with Abhi Fine Products and compare between pre-ERP system and post ERP system within this organization in terms of performance enhancement. The purpose of this project to provide an ERP (Enterprise Resource Planning) solution to Abhi Fine Products, as a result Abhi Fine Products will be benefited in several ways which is described as in Appendix.

KEYWORDS : Organizations Productivity, Implementation of ERP, Abhi Fine Products, Coimbatore.

INTRODUCTION

Production planning is a critical function for any manufacturing company, but it can be challenging to do effectively without the right tools. ERP Production Planning Module is a critical component of ERP software for manufacturers. It is used to plan and control the manufacturing process, from product design through production and delivery to customers. ERP Production Planning Module also helps manufacturers meet their objectives by providing a framework for effective planning. Production Planning helps an organization plan production, planning with the best use of all available resources.

Enterprise Resource Planning (ERP) integrates 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. Its 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.

Organization Profile

Abhi Fine Products, an ISO 9001 : 2015 company, was established in 1996 with a passion to make a significant difference to the surface finishing industry. All these years, Abhi has successfully made a niche space for itself in the surface finishing industry by excelling in solving customer problems. Having set higher goals, we manufacture the Honing machines and honing tools by providing all the spares and testing the tool with the latest machineries and equipment installed in their house. Our specialty is making and testing all the process of manufacturing at their house and the customer can get all the spares under one roof.

Statement Of The Problem

Although many studies indicated that ERP system significantly improved a company's effectiveness in the overall business process, actual results of many ERP systems had a failure to gain significant benefits of its system. An ERP system implementation must have defined the goals and expectations clearly in every industry. However, the industry still will report failed to partially even though they had

followed the correct step to define their goals and expectations clearly. Most of the failure of ERP implementation was not caused by the system itself but causes the large number of changes resulting from the ERP's high complexity of the organization.

Need For The Study

The research is useful for the management to make changes to improve the organization productivity after implementing ERP in the company. Also, to keep attention to improve the productivity of products once the company fulfils the employee's needs and improves the production level using ERP.

Objectives Of The Study

- To study about the implementation of ERP in a company.
- To study the challenges of implementing ERP in an organization.
- To analyze the productivity in organization after implementing ERP in the company
- To study satisfaction level of employees after implementing ERP in the company.

Research Design

Research design is a basic framework or a plan for a study that guides the collection and analysis of data. For this study the research carried out is descriptive method. Primary data are directly collected from the sample respondents through questionnaire. Secondary data is collected from the company websites, journals, company manuals and other concerned. Simple random sampling method is used in this research. A part of the population selected for the study is called Sample. Here, 80 employees of Abhi Fine Products are selected as sample. The study was conducted from 4th April 2022 to 4th July 2022.

ERP Functions

Table showing the ERP Functions are Currently Implemented at Company

Sl. No.	Particulars	No. of Respondents	Percentage
1	All ERP Functions	11	13.8%
2	Financial Accounting	15	18.8%

3	Management Accounting	26	28.7%
4	Production Management	16	20%
5	HR Management	15	18.8%
Total		80	100

Source: Primary Data

Interpretation:

Out of total respondents surveyed, 13.8 % of respondents tells that all ERP functions is currently implemented in company, 18.8 % of respondents tells that financial accounting is currently implemented in company, 28.7% of respondents tells that management accounting is currently implemented in company, 20 % of respondents tells that production management is currently implemented in company and 18.8 % of respondents tells that human resource management is currently implemented in company.

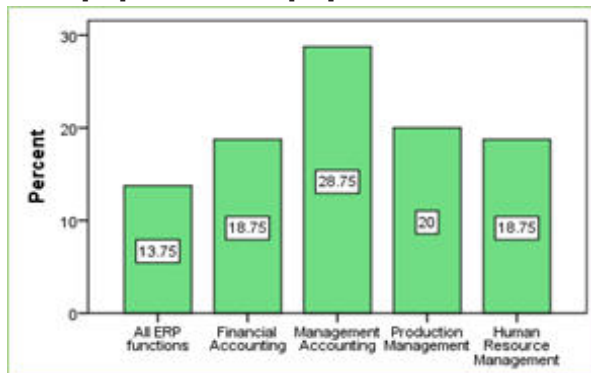


Figure showing the ERP Functions are Currently Implemented at Company

Satisfaction Level of Employees

To Study Satisfaction Level of Employees After Implementing ERP in the Company

Null Hypothesis H0: There is no significance difference between Satisfaction of Employees and Gender of the Employees.

Alternative Hypothesis H1: There is a significance difference between Satisfaction of Employees and Gender of the Employees.

ANOVA*

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	.178	1	.178	.770	.383 ^b
Residual	18.022	78	.231		
Total	18.200	79			

a. Dependent Variable: Gender

b. Predictors: (Constant), Employee satisfaction

Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error			
(Constant)	.385	.067		5.770	.000
Employee Satisfaction	-.099	.113	-.099	-.878	.383

a. Dependent Variable: Gender

Interpretation:

Since p-value is 0.383 which is greater than 0.05. H0 is accepted at 5% level of significance. Hence it is concluded that there is no significance difference between Satisfaction of Employees and Gender of the Employees.

Findings

- It is inferred that, 60 % of respondents thinks that the informations collected in ERP system was very important and 40 % of respondents thinks that the informations collected in ERP system can be important sometimes.
- It is inferred that, 13.8 % of respondents tells that all ERP functions is currently implemented in company, 18.8 % of respondents tells that financial accounting is currently implemented in company, 28.7 % of respondents tells that management accounting is currently implemented in company, 20 % of respondents tells that production management is currently implemented in company and 18.8 % of respondents tells that human resource management is currently implemented in company.
- It is inferred that, 15 % of respondents strongly agree that integration of different types of data was a big problem, 17.5 % of respondents agree that, 21.25 % of respondents are neutral in their decision, 18.75 % of respondents disagree that and 27.5 % of respondents strongly disagree that integration of different type of data was a big problem.
- It is inferred that, 18.75 % of respondents strongly agree that the ERP system is capability to produce or provide more products and services, 22.5 % of respondents agree that, 12.5 % of respondents are neutral in their decision, 17.5 % of respondents disagree that and 28.75 % of respondents strongly disagree that the ERP system is capability to produce or provide more products and services.
- It is inferred that, 20 % of respondents strongly agree that the ERP system have the capability to communicate with customers, 16.25 % of respondents agree that, 15 % of respondents are neutral in their decision, 25 % of respondents disagree that and 23.75 % of respondents strongly disagree that the ERP system have the capability to communicate with customers.
- There is a significance difference between ERP challenges in company and Age of the Employees.
- There is a significance difference between ERP in Productivity and Age of the Employees.
- There is no significance difference between Satisfaction of Employees and Gender of the Employees.

Suggestions

- ERP systems allow company to break down these cultural and geographic barriers and enable people to work together in an efficient manner and with the best possible processes.
- ERP system allows standardization of information and transforms it into useful data which is very helpful for the organization in making the right decision.
- ERP sales module is an important module for the organization to operate and existence. This enables order scheduling, placement, shipping and invoicing. It integrates with the organization's website which is more effective in making the connection.
- ERP production module is designed specifically for the specific needs of the manufacturing industry include core capabilities. It facilitates production planning, take orders and deliver products to the customers.
- ERP system enables an organization's planning goes automatically from the raw material processes through the final products. It is very effective way of planning in the manufacturing industry.

CONCLUSION

By implementing the ERP system enables an organization to improve the productivity and better performance by its integration features through the entire business process. ERP system enables an organization to run its globally business effectively in a timely manner through the standardization of the information. Besides that, it is difficult for an organization to implement the ERP system without any knowledge and

consideration. The biggest challenge of the ERP implementation is the system breakdown which brings a slowdown production and a shut-down process to the organization. By understanding the features of the ERP system and its complexity, an organization has the ability to face those challenges by having a good management and planning during the implementation. Every business functions is significant to the effectiveness of the ERP implementation as they are link together during every business process throughout the entire organization.

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