



EXPLORING THE CRITICAL SUCCESS FACTORS OF ERP IMPLEMENTATION IN SMALL AND MEDIUM ENTERPRISES (SMEs)

Mazen Hassan Mohammed Khalil

PhD Scholar

Limkokwing University of Creative and Technology,
Kuala Lumpur, Malaysia

Abstract: This paper is aimed toward exploring the current situation with the workmanship on the impact of Enterprise Resource Planning (ERP) implementation in Small and Medium Enterprises (SMEs). It incorporates critical success factors and critical failure factors. The procedure relies upon composing a review for discretionary data collecting. It portrays the articulations that are used to get investigate papers from data sets also, progressed concentrates on the ERP implementation in SMEs. It furthermore consolidates the thought and restriction models to improve the nature of papers. By then orderly review is made on the available papers to investigate the impact of ERP utilization in SMEs. Critical factors are recognized for progress also, failure of ERP implementations and real effect of the same on SMEs. The exploration found in this paper has limits as far as the time at which research papers have been audited. A certain constraint is that it doesn't consider observational research with the exception of zeroing in on the cutting edge found in the research region. Be that as it may, its experiences will have potential benefits and the bearings for future work helps in an additional degree of the research. This paper adds to the exploration of the effect of ERP implementation on SMEs either decidedly or contrarily. It finds basic applicable factors, critical failure factors, and effects through auxiliary data collection techniques. The experiences will help SMEs and partners of SMEs and ERP specialist co-ops to know the explanations behind failure or achievement and go in the fundamental direction.

Keywords: Enterprise Resource Planning (ERP), ERP implementation, small and medium enterprises (SMEs), advantages of ERP, success factors, failures, technical challenges.

1. Introduction

Small and Medium Enterprises have been endeavoring to get up to date with new innovative patterns. As for different capacities related with various divisions, it is perceived that they are out of luck or more thorough technology or application like ERP. The accompanying sub segments give more subtleties.

The undeniably quick headway of technology changes everyday life. Appropriately, the business climate is likewise moving. The age of all around the world serious technology is vital in the proceeded development of any organizations. On the lookout, associations should assemble close binds with clients and convey top notch services or items in the most punctual conceivable time around the world. Consequently, undertakings should look to increment benefit and to adjust their services for the most recent technology. It is essential to comprehend the systems that undertakings use to adjust to the progressions in technology and stay serious in their enterprises. To adjust the items and services to the most recent technology, enterprises should fundamentally change their heritage systems, foundation, devices and different prerequisites of business

measure. As primary business exercises of an undertaking, the reconciliation request is the foundation of big business asset planning (ERP) systems. ERP is a product application that coordinates the business interaction with the specialty units of enormous, medium, and small associations.

This paper center around small and medium-sized undertakings (SMEs) in Saudi Arabia, where either on premise or on location ERP programming is introduced on the PCs to set up inside the structure of the association maybe than on the PCs of a distant office through assistance system on the Internet. Service system is an essential and solid conveyance model for business application. It depends on programming as a technology which takes out a few hindrances that keep organizations from executing or redesigning programming. Service system fundamentally permits enterprises to focus on their center business activities all things being equal of overseeing IT necessities. A few hypothetical works have been proposed to look at the implementation of best-in-class technology, for example, cloud technology as proposed by and a particular implementation in scholastic climate in. Notwithstanding, the current investigations absence of functional methodology. In this paper, ERP is conveyed as a help. To handle the ERP advancement issues, this assistance recommends a bunch of best practices, so the endeavor in Saudi Arabia can assess their choice to carry out ERP. In addition, this work empowers SMEs in Saudi Arabia to conquer the impediments of conventional ERP systems in commonsense manner.

Undertaking can safely broaden their services around the world with less limitations through ser-bad habit system. Service system alludes to the displaying of service and foundation conveyance to clients. It is helpful for undertakings because of its low forthright expenses, operational costs, nimble, adaptable and versatile to the utilization of trend setting technology. With service-oriented methodology, undertakings can buy cloud and system services dependent on the need to lessen speculations on foundation. enterprises can ask for these services from specialist co-ops. These suppliers have PC assets and related foundations on location. ERP service system is fitting for SMEs basically on the grounds that it diminishes forthright expenses as additionally contended by. ERP system is a bunch of business applications or modules that coordinates different business measure units of an undertaking, like the monetary, HR, stock, buying, and assembling units.

ERP systems are significant applications in data systems and bookkeeping. Numerous Saudi Arabian organizations have embraced ERP systems or comparable coordinated systems to decrease operational expense, to improve seriousness, and to adjust to the difficulties of a troublesome business climate, for example, in. Research on facilitated, on-reason, and service-oriented ERPs has developed dramatically absurd decade. In the present study, the ERP systems are isolated into two main classes: conventional and service-oriented ERP systems. The customary ERP system is recognized as facilitated and on-premise arrangements. In this paper, there is a need to explore the critical success factors that benefit of service-oriented ERP systems over customary ERP systems, like sizable expense investment funds and the upgrade of upper hand. The detriments are introduced in this paper too. The individual benefits and inconveniences of service-oriented ERP over on premises are characterized into benefits, expenses, constraints, and dangers. This research expects to explain the design of drivers for cost saving that are empowered by service-oriented ERP.

1.1 Important Role of SMEs

SMEs have been assuming crucial part in the economy of nations on the planet. They contribute significantly to the public economy and work (Alshawi, Themistocleous and Almadani, 2004; Seethamraju, 2015). SMEs in Saudi Arabia are no exemption for this as they have very vital significance (Bhawarkar and Dhamande, 2012). The commitments incorporate the influence of assembling area furthermore, country's GDP essentially. They can contribute in the trade advancement through equilibrium of installment accounts.

Not at all like enormous scope associations that may prompt disparities regarding pay and riches, SMEs help in equivalent dissemination of riches and pay. In addition, small areas expansion in giving freedoms to an enormous number of business visionaries. They can likewise help in delivering scant capital for gainful use. Additionally, the component of hazard is low in SMEs and the asset work should be possible in terms of generally enormous number of labor force (Hashi, 2019). SMEs can be of two sorts essentially. The main class is the conventional house businesses like coir enterprises, crafted works also, town businesses while the subsequent class is current SMEs. The previous is for the most part disorderly and oriented in semi metropolitan and rustic regions. They may not need power worked hardware and need less speculation and technology. Notwithstanding, they are essential in giving work, at any rate low maintenance, to enormous number of populaces in a country. Those SMEs are prepared to do providing fundamental items that can be

devoured by masses and even they can be sent out. The last on the other hand are generally huge in size of labor force and enterprise. There are limited scale areas that will have explicit commitments (Hashi, 2019).

1.2 SMEs and Technology Adoption

Current SMEs misuse technology advancements through Technology selection. The Arabian SMEs have been endeavoring to utilize advances for improving profitability (Bhawarkar what's more, Dhamande, 2012). To the extent utilization of new advances is concerned, SMEs have been on the raise of late with the appropriation of technology (Ruivo, 2013). In the assembling particularly like drugs there has been expanded utilization of advancements and current gear for improving profitability (Woo, 2007).

1.3 Enterprise Resource Planning (ERP) in SMEs

Enterprise Resource Planning (ERP) alludes to a coordinated what's more, cross – useful system that helps in dealing with all activities of an organization (Al-Mashari, 2002). ERP system is pine to numerous undertakings across the globe (Alshawi, Themistocleous and Almadani, 2004). Of late there has been zeroed in research on the ERP implementations in SMEs. They are discovered to be exceptionally intricate and dangerous for implementation in enterprises (Aloini, Dulmin and Mininno, 2007). Rather than utilizing separate application for each office, it is better plan to have ERP implementation that drives all functionalities in an incorporated design (Alshawi, Themistocleous and Almadani, 2004). There are numerous ERP results of various sellers and Their use across the world reflects recurrence. (Ehie and Madsen, 2005). SAP is found to be exceptionally acclaimed with a greater number of implementations and furthermore recurrence of utilization. As there is development in business, there is need for ERP technology that will drive home productivity and efficiency in operations.

There have been customizations in ERP implementations to meet the size and sizes of tasks in various associations (Baker and Yousof, 2017). This is a significant explanation which makes ERP implementation in SMEs is conceivable. Besides, ERP implementations streamline by and large implementation of associations (Ash and Burn, 2003). ERP systems help in business congruity with information and application accessibility, adaptability and dependability. This will empower undertakings to be genuinely aggressive in business (Nijaz what's more, Moon, 2009).

1.4 The advantage of ERP Service

The interest for ERP systems dependent on assistance system arrangements is firmly connected with a push to improve the business worth of IT ventures. Likewise, SaaS is a conveyance model that empowers end-client associations to utilize application programming on request or as needed through Internet-based administrations.

SMEs in Saudi Arabia will execute ERP applications to computerize their business measures, yet they are compelled by significant expenses and dangers of the implementation. The proposed blend of ERP with the SaaS model is a suitable alternative for these associations since they need to contribute less. In addition, they limit hazards with the alternative to quit utilizing it whenever. Dissimilar to other on-premise ERP systems that require establishment, ERP administration introduced in this examination doesn't need a while for sending. The application is used by customers in a few minutes by enrolling their organization and administration client profiles.

ERP administration isn't restricted to a solitary PC or organization. Truth be told, administration clients can get to the application from anyplace whenever and get a similar data. Subsequently, re-bit workers can in any case share work and thoughts and download a similar business report. This help is favorable for enterprises by getting to the system in just two stages, profile and administration client creation. Administration clients can dispatch the system with no mediation from administration head. A past report on accessible ERP systems announced that clients at first solicitation to dispatch the system. A reaction is then produced dependent on client circumstance. Notwithstanding, this reaction require months. Thusly, the client may pick to disparage another supplier or lose interest in executing the system.

With ERP administration, administration clients can initiate the portable form utilizing cell phones outside the working environment without requiring programming establishment. The information stays secure regardless of whether the client gadget is lost or taken. Henceforth, it altogether diminishes the chance of

business interference because of equipment or programming issues. ERP administration is an exceptionally huge, complex, furthermore, multilingual ERP administration application that is worked by utilizing administration system advancement device. To increment customer trust, a component to permit the customers to download the information is fused. The information is in heterogeneous designs, like CSV, HTML, XLS, PDF, and RTF; to alleviate the danger of information misfortune. ERP administration system works from inside the information base which permits the applications to scale to meet the biggest client networks.

Overall organizations are building vigorous intranet and web to convey applications. Accordingly, uses of ERP administration can be scaled to fulfill the high requests of customers. The uses of ERP administration system are reinforced through the joining security highlights, for example, verification and approval plans; and meeting state assurance administration. Consequently, ERP administration clients can focus on gathering business targets. ERP administration upholds numerous security models, for example, lightweight index access administration favorable to tools and single sign-on help, through the current data set, client accreditations, or altered security. ERP administration is sent as a safe assistance organization instrument for any other online applications through inserting administration stack. ERP administration system is consistently beneficial, robust, and secure in spite of staying an open system. Moreover, ERP administration upholds any cutting-edge web administration innovation apparatuses like APEX, XML, AJAX, JavaScript, jQuery, HTML, WSDL, Cleanser, and CSS. The foundation of ERP administration system fits and incorporates with the innovation principles of the assistance designers. ERP administration improvement apparatus solidifies business work processes through web administration business measure implementation language (WS-BPEL) on a level plane and in an upward direction. It all things considered carries out a full arrangement or empowers the client to incorporate individual exclusive systems rationale to increment the serious edge of organizations in the market by making the administrations as a solitary business work process. ERP administration system creates nature of administration data to help recognize and resolve bugs through prompt criticism during administration failure. Consequently, any issues can be tended to rapidly and precisely. Administration clients log bugs into the system and give ideas through quick criticism. The system considers this criticism as extra information passage by the client and notes the meeting state, timestamp, also, client climate. Some points of benefits are mentioned in details as follows:

1.4.1 Custom Reporting

The capacity to make custom reports, on a timetable or on the fly, is incredible. Huge companies depend on answering to follow KPIs across the whole association. On the off chance that one office or usefulness falls behind, you'll see proof in the numbers. Nevertheless, you can't deliver helpful reports without a framework for lodging and arranging all that data. For instance, there's basically no real way to realize what amount of time it requires for materials to manage the assembling cycle beginning to end in the event that you're not following everything from stock admission, through creation, on to transportation and conveyance. An ERP arrangement gives a solitary climate to get-together and lodging information, making it conceivable to produce reports that obviously show where you're now effective and where there's opportunity to get better.

1.4.2 Cost Reduction

Powerful ERP implementation will quite often reduce authoritative expenses. At the point when representatives have fewer manual cycles to overload them, they'll be allowed to take on more creative, productive undertakings. That, however work processes all the more without any problem. Turnaround time diminishes and your creation capacity goes up. For organizations with stock prerequisites, ERP arrangements set out the freedom for another sort of reserve funds as stock administration. An ERP framework can help gauge interest for explicit materials, decline overload, and track ongoing stockpile. At the point when production network the executives runs easily, your whole association benefits.

1.4.3 Automated Workflow

Human mistake is unavoidable. It's likewise one of the greatest proficiency holes in most association. The more regularly your business cycle depends on an individual to reappear a similar information, for instance, the more presented you are to expected deferrals and issues. Mechanizing information stream makes it undeniably more outlandish that human blunder will bring about missed requests, stock incidents or miscommunication. At the point when your business works similar to a well-orchestrated symphony, clients get a reliably solid encounter and worker fulfillment gets a lift. The constructive outcomes of both are dramatic supporters of development.

1.4.4 Scalable Production

At long last, ERP brings a game-changing degree of versatility to business measures. In the event that an organization depends on manual cycles for request satisfaction, how will the representatives respond if there's a development flood? How might they deal with double the volume they're acclimated with? How probably does it appear to be that significant undertakings will escape everyone's notice as the group scrambles to consider every contingency? While a critical expansion in volume will cause developing torments for any business, ERP can extraordinarily diminish the effect. The computerization alone will take a large part of the weight off representatives while ensuring a strong record of work process. That liberates your most significant asset – your kin – to deal with all the other things. The benefits of fusing an ERP arrangement are significant. Also, cloud arrangements make it more reasonable than any other time in recent memory for organizations, all things considered, to outfit that power.

2. Literature Review

2.1 Perspectives of Small and Medium Enterprises and Technology

Kamakura et al. (2012) learned about SMEs with regards to internationalization and accentuated the requirement for utilizing advances to work all around the world and spreading into new showcases quicker. With technology selection, they believed there is a lot of degree to work a business at global level. Development in SMEs is fundamental for extensive development in business. Be that as it may, they discovered a few hindrances to development in SMEs. Which incorporates public emotionally supportive networks, charge weight, laws and guidelines, admittance to financing and rivalry decency (Shu et al., 2012). Open advancements in SMEs and enormous enterprises (Spithoven et al., 2012) and advancements in SMEs with market direction and pioneering direction are discovered (Zortea-Johnston et al., 2012).

2.2 Openings and Growth

The Micro and Small Enterprises (MSEs) Sector proceed to be an energetic area of the Arabian economy. This area has reliably enlisted a higher development rate than the remainder of the mechanical area. About 6000 items going from conventional to innovative things are being produced by the small enterprises in Saudi Arabia. After horticulture, the MSEs area gives the most extreme openings for both independent work and occupations in the country. The small enterprises area in Saudi Arabia holds incredible potential for additional extension and development later on. In certainty, the work capability of the area is not coordinated by some other area of the economy.

2.3 Effects of Globalization in SMEs in Saudi Arabia

With the advancement and globalization of the Saudi Arabian economy, the small undertakings in Saudi Arabia have exceptional openings, from one perspective, face genuine difficulties. While admittance to worldwide market has offered a large group of business openings as new objective business sectors, conceivable outcomes to abuse mechanical benefit, and so on, the difficulties in this interaction have streamed essentially from their size of activity, innovative out of date quality, failure to get to institutional credit and extreme rivalry in advertising. The Government of Saudi Arabia is completely mindful of the difficulties of globalization and has taken fitting measures for setting up the Micro and Small Enterprises (MSEs) to meet the difficulties of advancement and globalization. Taking a perspective overall circumstance, the Government has set up a few measures to assist small undertakings with turning out to be universally serious. These incorporate projects for technology upgradation, advancement of bunches of such businesses, making security free bank credit accessible up to US \$1,50,000, making mindfulness among these enterprises concerning related issues, and so forth The Ministry of Micro, Small and Medium Enterprises (MSME) in Saudi Arabia too leading workshops on different parts of WTO, Antidumping, IPR, and so forth to sharpen the MSEs business visionaries and different partners about the reasonable effect of progression what's more, globalization. The Micro Small and Medium Enterprises Improvement (MSMED) Act has been figured as a reaction to the long-standing interest of the SME sector, the rising need to give a legitimate structure to address the formative worries of what is worldwide known as "small what's more, medium undertakings". The Act, Inter-alia, gives the first-since forever legitimate structure to work with the advancement and improvement of miniature, small and medium undertakings, which contains both assembling and services substances. It

characterizes 'medium enterprises' interestingly furthermore, tries to incorporate the three levels of these undertakings, specifically, miniature, small and medium. Foundation of explicit Funds for the advancement, improvement and improving seriousness of these enterprises, notice of plans/programs for this reason, reformist credit arrangements and practice, more powerful instrument for moderating the issues of deferred installments to MSEs, and so on are a portion of different highlights of this Act. This combined with a normal enactment on Limited Liability Organization is required to prepare for more noteworthy corporatization of the Small and Medium Enterprises-along these lines upgrading their admittance to value and different assets from the markets of these items with regards to the worldwide standard.

2.4 Technology Perspective of Enterprises

Appropriation of Software as a Service (SaaS) by SMEs has relationship with basic factors that prompted ERP implementation in SMEs (Seethamraju, 2015; Chang et al., 2012). Undertaking planning rehearses concerning ERP implementation in SMEs is concentrated by Tasevska et al., (2013). The issues relating to huge scope implementation of ERP in SMEs are investigated by Upadhyay et al. (2010). The degree of acknowledgment of ERP in SMEs is engaged by Adam et al. (2011). Critical failure elements of ERP implementation in SMEs are the focal point of Ganesh and Mehta (2010) while the effective implementation of ERP in SMEs is the research found by Safavi et al. (2014). From the writing, it is perceived that ERP implementation in SMEs is as yet a progressing cycle and much exploration is expected to discover realities and make proposals for the quicker implementation of ERP in SMEs.

3. Success Factors of ERP Implementation

This section gives various elements that lead to fruitful ERP implementations in SMEs. From the writing it is perceived that there are sure factors which upholds fruitful implementation of ERP.

3.1 Organizational Factors

ERP implementation needs solid responsibility from association and have solid change the executive's program in presence of individuals with enhanced culture in the association. When there is hierarchical responsibility, it prompts positive effect on the implementation interaction. There will be viable service of underlying and social changes at association level and labor force level (Rosario, 2000). It is additionally found in the failure cases that when there is spending invaded, the executives cut the expenses engaged with future trainings. Accordingly, it is fundamental to include end-clients while planning plan and implementation of ERP system. Smooth progress is conceivable with compelling change the executives' systems (Holland and Light, 1999).

3.2 Upper Management Support

Leadership is given by top service which is vital for the achievement of ERP implementation. Asset portion furthermore, need to ERP implementation project need support from high level service. Senior service can visualize issues assuming any and make essential strides proactively (Sheuet et al., 2004).

3.3 Minimum Customization

ERP systems have numerous product modules. Appropriately, associations need to adjust their business cycles to abuse programming modules with industry best practices prompting least customization. The reasoning behind enormous scope customization of ERP system may deliver it disabled (Rosario, 2000). Organization's vision and plan ought to think about full usage of ERP programming. There requirements to quantifiable objectives and planning should be there with hazard the executives' strategies set up. Benchmarking rehearses are to be utilized to have advantages of ERP implementation (Al-Mudimighet al., 2001). Simultaneously project the board and its ID of achievements and basic ways to progress is vital and also very dynamic observing of enterprise implementation (Somers and Nelson, 2001).

3.4 Communication

Correspondence should be compelling to unveil progress every now and then to all partners. Timetable and implementation system should be unequivocal. Numerous researchers believed that ERP implementation is made all things considered unified or decentralized. This choice is likewise urgent. In light of this choice expense will be impacted. There are unexpected expenses related with ERP implementations. Subsequently, spending should be adaptable and ought to not have suppositions and hypotheses (Al-Mudimighet al., 2001).

3.5 The Selection of ERP System

There are numerous ERP bundles from various sellers. Determination of ERP bundle is significant. The ERP programming that adjusts well to the cycles of association should be chosen. Choosing specialists and looking after relationship with them is to be given significance. An outer and master expert is a need for fruitful ERP implementations. The expert requirements to give adequate Information Transfer (KT) to the association to increment dependence and upgrade likelihood of progress (Motwaniet al., 2002). Aside from the abovementioned, as indicated by Skibniewski et al. (2008), ERP achievement factors incorporate planning, preparing, top service support, programming determination measure, investment, counseling abilities and counseling support. ERP implementation achievement likewise relies upon cost, time, implementation and advantages (Hong and Kim, 2002). ERP implementation challenges incorporate insufficient change the board, absence of responsibility from top service, more customizations, misalignment, absence of adequate preparing and absence of comprehension of business needs (Momoh, Roy and Shehab, 2000). There are 11 variables for fruitful implementation of ERP. They incorporate collaboration, support from top service, marketable strategy and vision of association, viable correspondence, project the executives, project champion, use of heritage systems, change the board, BPR, improvement and investigating, checking and assessment (Kuang, 2001). As indicated by Charm (2007), achievement factors incorporate top service, project the board, measure change, schooling and preparing what's more, correspondence. The elements influencing achievement in ERP implementation in SME incorporate attribute of SME, the board and its information, items and services, vision and participation, assets and account (Philip, 2010). As indicated by Leyh (2014) critical success factors incorporate ERP system arrangement, ERP system tests, authoritative readiness for ERP, project the board, support from top the board and client preparing.

4. Failure Factors of ERP Implementation

ERP implementation in SMEs is a difficult errand which includes individuals to manage pre and post implementation. The SME which needs ERP implementation needs to fare thee well of powerful change the executives' enterprises at each period of it. Awesome correspondence, the executives and preparing are fundamental. Numerous elements may impact failure of ERP implementation. The variables might be many related with inside staff sufficiency, preparing and change the executives. There are explicit variables that are distinguished for failure of ERP implementations. They incorporate worker obstruction, absence of responsibility from high level service, lacking preparing. Worker Resistance is a significant factor as any project comes up short if work force is not taught about their seen benefits. Appropriate correspondence, preparing and association of workers is fundamental. The service additionally needs to give employer stability to workers as the representatives will have misguided judgments and attempt to oppose or damage the enterprises of ERP implementation. Absence of responsibility from high level service is another factor for failure. The reasoning behind this is that without full support from the executives, the ERP implementation results in numerous issues. Clearing worker questions, guaranteeing position security and clarifying advantages of ERP system should be possible by the executives successfully. Deficient preparing and education also cause failure of ERP implementation. As the work power establishes broadened culture, legitimate preparing furthermore, schooling can assist them with understanding the requirement for implementation and use of it after implementation. Various individuals need distinctive degree of preparing and supervisors need to have such projects to guarantee information move as one size doesn't good for all. Be that as it may, everybody needs to have ERP nuts and bolts, need for robotization and the cycles associated with it other than including in change the executives. At the point when representatives are definitely not completely mindful of the new system, they wonder whether or not to utilize it or they can't utilize it ideally. This can prompt failure of the ERP system as the clients are not prepared well. Another factor is deficient necessities definition. At the point when necessities are unmistakably expressed, the implementation group will do it in like manner. Since ERP system is perplexing, insufficient assets is another factor for failure. The implementation is time taking, protracted and causes a lot of cost to association. Regularly the normal financial

plans may not be adequate and there may be covered up and sudden expenses. This must be kept in mind when financial plan is apportioned, and assets are to be oriented. Expenses, financial plans, labor needs, and foundation are to be assessed accurately adjacent to having possibility plans to guarantee achievement of ERP implementation. Programming bundles and business measures incompatibility is another reason for failure. There is helpless fit between what association needs and what is being executed. At the point when the cycles in the association are solid and there is no ideal bundle in ERP, at that point it is vital to have customization. Notwithstanding, customization is regularly mistake inclined furthermore, exorbitant undertaking. Accordingly, it is essential to pick fitting ERP bundle from right merchant. Unreasonable assumptions as for ROI is one more factor for failure of ERP. Despite the fact that ERP system improves profitability significantly, it is needed to have reasonable assumptions on return on initial capital investment. Wonders can't be anticipated from ERP except if the organization has its projected development and client possibilities. Choice of ERP bundle is another factor for failure. When the best appropriate bundle isn't chosen, it will cause numerous implementation and customization issues and ultimately lead to failure. Subsequently, it is fundamental to guarantee that there is best fit between association measures and the ERP bundle. Such ERP programming need to satisfy the essential requirements of an association. As referenced above, broad customization, prompts failure of the system. When there is over-customization, it adds more expense and time and will keep causing issues in future adaptations. Such system at last makes it progressively expensive and troublesome. Change management is quite possibly the most affecting elements. In the event that there is no sufficient system set up for change the board, it prompts failure of ERP implementation. At the point when change the board isn't finished with standard methods, it will cause representatives to speculate and carry on against the implementation of ERP. As for hefty customization likewise change the board turns out to be very complex in future. That will be an issue to association as it brings about challenges to manage more up to date forms of ERP programming in future. The ERP implementation needs to support advancing business needs. The reasoning behind this is that, there may be changes to be fused in future and Business cycles might be exposed to change.

5. Technical challenges in ERP implementation

There are numerous conceivable specialized difficulties recognized in the writing. The difficulties remember trouble for customization, utilitarian intricacy in ERP programming, application the executive's intricacy included, issues with absence of help from merchants, multi-seller intricacy identified with programming, equipment and advisors, coordinating with inheritance systems, security concerns, deficient IT foundation and issues related with interconnecting practical systems (Kamhawi, 2008).

Conclusion and Future Scope

ERP implementation in SMEs is found proper when the SMEs have viable IT foundation and data systems to abuse. Other than it is fundamental to follow industry best practices. ERP arrangements are discovered to be more helpful at the point when full scope of its services is utilized across association. There has been expansion in the use of ERP in SMEs. However, it is perceived from the writing that a large portion of the ERP implementations are not fruitful. This paper has examined through auxiliary exploration and gave bits of knowledge on progress factors, failure factors and effect of ERP implementations. Applicable variables of ERP implementations incorporate authoritative responsibility, full support from high level service, BPR with least customization, correspondence methods, of ERP bundle choice and sufficient preparing and change compelling the board. ERP failure factors incorporate representative obstruction, absence of lacking responsibility from high level the board, lacking preparing and schooling, deficient necessities definition, lacking assets, incongruence between association business measures and ERP programming, ridiculous assumptions on ROI. It is found that numerous ERP modules are not adaptable to changing and developing business measures. It is also argued that the benefits of ERP implementation system are considered as more appropriate for SMEs in Saudi Arabia than for large enterprises. In this manner, ERP administration framework is viewed as an appropriate choice for SMEs in Saudi Arabia. Apparently, nobody has yet built up an ERP administration system in Saudi Arabia. An ERP system that works well today may require significant upgrade in future.

References

- ✦ Alshawi, S., Themistocleus, M. And Almadani, R. (2004), “Integrating Diverse ERP Systems: A Case Study”, *The Journal of Enterprise Information Management*. 17 (6),454-62.
- ✦ Seethamraju, R. (2015). Adoption of Software as a Service (SaaS) Enterprise Resource Planning (ERP) systems in Small and Medium Sized Enterprises (SMEs). *Information Systems Frontiers*, 17(3), 475–492.
- ✦ Pedro Miguel Fernandes Ruivo. (2013). A Technology Diffusion Perspective of Enterprise Resource Planning Across European Small and Medium Enterprises: From Determinants to Use to Value, 1-159.
- ✦ Woo, H.S. (2007), “Critical Success Factors for Implementing ERP: The Case of a Chinese Electronics Manufacturer”, *Journal of Manufacturing Technology*, 18(4). 431-42.
- ✦ Sayeed Hashi (2019). Role of Small and Medium Enterprises in Economic Development. Retrieved From: <https://www.linkedin.com/pulse/role-small-medium-enterpriseseconomic-development-saeed-hashii>.
- ✦ R.M. Bhawarkar And DR. L.P. Dhamande. (2012). Exploring Enterprise Resource Planning (ERP) System Outcomes in Indian Small and Medium Enterprises (SME’s). *International Journal of Engineering Research & Technology*. 1 (4), 1-8.
- ✦ Adjarayusuffaremu, Arfan Shahzad And Shahizan Hassan. (2018). Determinants of Enterprise Resource Planning Adoption on Organizations’ Performance Among Medium Enterprises. *Log Forum*. 14 (2), 245-255.
- ✦ Al-Mashari, M. (2003), “Enterprise Resource Planning (ERP) Systems: A Research Agenda”, *Industrial Management & Data Systems*, 103 (1), 22-7.
- ✦ Aloini, D., Dulmin, R. And Mininno, V. (2007), “Risk Management in ERP Project Introduction: Review of the Literature”, *Information & Management*, 44 (6),547-67.
- ✦ Andrej Zach. (2012). ERP System Implementation in Small and Medium-Sized Enterprises. Faculty of Economics and Social Sciences, 1-197.
- ✦ Ash, C. And Burn, J. (2003), “A Strategic Framework for the Management of ERP Enabled E-Business Change”, *European Journal of Operational Research*, 146(2). 374-94.
- ✦ Bajgoric, N. And Moon, Y.B. (2009), “Enhancing Systems Integration by Incorporating Business Continuity Drivers”, *Industrial Management & Data Systems*, 109 (1).74-97.
- ✦ Basu, R., Upadhyay, P., Das, M. C., & Dan, P. K. (2012). An approach to identify issues Affecting ERP Implementation in Indian SMEs. *Journal of Industrial Engineering and Management*, 5(1). 1-22.
- ✦ Carrington M Mukwasi and Lisa F Seymour. (2014). The Growing Trend of Small to Medium-Sized Enterprises Adopting Enterprise Resource Planning Systems: An Analysis of Business Cases in Zimbabwe and South Africa. *Journal of Emerging Trends in Economics and Management Sciences*. 5 (7), 138-145.
- ✦ Chang S-I, Yen D.C, Ng C S-P, and Chang W-T (2012). An Analysis of IT/IS Outsourcing Provider Selection for Small- and Medium-Sized Enterprises in Taiwan. *Information & Management*, 49(5), 199–209.
- ✦ Christian Leyh (2014). Critical Success Factors for ERP Projects In Small and Medium-Sized Enterprises – The Perspective of Selected German SMEs. *Proceedings of the 2014 Federated Conference on Computer Science and Information Systems*. 1181–1190.
- ✦ Chung, B.Y., Skibniewski, M.J., Lucas, H.C. Jr And Kwak, Y.H. (2008), “Analyzing Enterprise Resource Planning System Implementation Success Factors in the Engineering-Construction Industry”, *Journal of Computing in Civil Engineering*, Vol. 22 (6).
- ✦ Costa C. J, Ferreira E, Bento F, and Aparicio M, (2016). Enterprise Resource Planning Adoption and Satisfaction Determinants. *Computers in Human behaviour*, 63, 659–671.
- ✦ Davenport, T.H. (1998), “Putting the Enterprise into the Enterprise System”, *Harvard Business Review*, 76(4). 121-31.
- ✦ Dr. Khalid A. Fakeeh, Junaid Qayyum And Aiman J. Albarakati. (2014). Enterprise Resource Planning on Cloud for Small and Medium Sized Business. *International Journal of Computer Science and Mobile Computing*. 3 (10), 571 – 583.
- ✦ Dr. Mathew Philip. (2010). Factors Affecting Business Success of Small & Medium Enterprises (SMEs). *Sri Krishna International Research & Educational Consortium*. 1 (2), 1-15.

- ✚ Dr. S.Y. Patil. (2018). Enterprise Resources Planning in Small and Medium-Sized Enterprises: An Overview. *A National Research Journal*. 2 (2), 1-8.
- ✚ Ehie, I.C. and Madsen, M. (2005), “Identifying Critical Issues in Enterprise Resource Planning (ERP) Implementation”, *Computers in Industry*, 56. (6), 545-57.
- ✚ Elbertsen, L., Benders, J. and Nijssen, E. (2006), “ERP Use: Exclusive or Complemented?”, *Industrial Management & Data Systems*, 106 (6). 811-24.
- ✚ Evansnjihia. (2014). The Effects of Enterprise Resource Planning Systems on Firm’s Performance: A Survey of Commercial Banks in Kenya. *International Journal of Business and Commerce*. 3 (8), 120-129.
- ✚ Gurpreet Singh, Manpreet Singh Manna and Gurpreet Singh Bhasin. (2013). A Study of Impact of ERP and Cloud Computing in Business Enterprises. *Proceedings of the World Congress on Engineering and Computer Science*. 1, 1-4.
- ✚ Hallikainen, P., Kimpimaki, H. and Kivijarvi, H. (2006), “Supporting the Module Sequencing Decision in the ERP Implementation Process”, *Proceedings of the 39th Hawaii International Conference on Systems Sciences*, Washington, DC.
- ✚ Hallikainen, P., Tuominen, M. and Kivijarvi, H. (2009), “Supporting the Module Sequencing Decision in the ERP Implementation Process– An Application of the ANPMethod”, *International Journal of Production Economics*, 119 (2), 259-70.
- ✚ Helo, P. (2008), “Expectation and Reality in ERP Implementation: Consultant and Solution Provider Perspective”, *Industrial Management & Data Systems*, 108 (8). 1045-59.
- ✚ Hong, K. And Kim, Y. (2002), “The Critical Success Factors for ERP Implementation: An Organizational Fit Perspective”, *Information & Management*, 40. 25-40.
- ✚ Huang, M., Wang, J., Yu, S. And Chiu, C. (2004), “Value-Added ERP Information into Information Goods: An Economic Analysis”, *Industrial Management & Data Systems*,] 104 (8). 689-97.
- ✚ Joseph Bhekizwedlodlo. (2011). Enterprise Resource Planning in Manufacturing SMEs in the Vaal Triangle. 1-124.
- ✚ Kamhawi, E.M. (2008), “Enterprise Resource Planning Systems Adoption in Bahrain: Motives, Benefits, And Barriers”, *Journal of Enterprise Information Management*, 21(3), 310-34.
- ✚ Yousef Khaleel, Riza Sulaiman, Nazlena Mohamed Ali and Mohdsyazwanbaharuddin. (2011). Analysis of Enterprise Resource Planning System (ERP) in Small and Medium Enterprises (SME) of Malaysian Manufacturing Sectors: Current Status and Practices. *Jurnalteknologi Maklumat & Multimedia*. 10, 13- 20.
- ✚ Siti Shafrahshahawai, Kamarul Faizal Hashim and Rosnahidrus. (2014). Enterprise Resource Planning adoption among Small Medium Enterprises (SME) in Malaysia. *Knowledge Management International Conference*, 1-6.
- ✚ Koh, S.C.L., Simpson, M., Padmore, J., Dimitriadis, N. And Misopoulos, F. (2006), “An Exploratory Study of Enterprise Resource Planning Adoption in Greek Companies”, *Industrial Management & Data Systems*, 106 (7). 1033-59.
- ✚ Mahadevan supramaniam, Azween Abdullah and Ramachandran Ponnann. (2014). Cost Analysis on ERP System Implementation amongst Malaysian SMEs. *International Journal of Trade, Economics and Finance*. 5 (1), 1-5.
- ✚ Yusuf, Y., Gunasekaran, A., and Abthorpe, M. S. (2004). Enterprise Information Systems Project Implementation, *International Journal of Production Economics*, 87(3), 251–266.
- ✚ Manouchehrjofreh, Khadijehjahanian, Afsanehbahrami, Teymour Jabbari, Katayounalimardani, Mostafa Mardi and Behzad Divsalar. (2013). The Role of Enterprise Resource Planning (ERP) for Small and Medium Enterprises (Smes). *Research Journal of Applied Sciences, Engineering and Technology*, 5 (7), 2317-2320.
- ✚ Markus, M.L. and Tanis, C. (2000), “The Enterprise Systems Experience from Adoption to Success”.
- ✚ Michelle Carol Antero. (2015). A Multi-Case Analysis of the Development of Enterprise Resource Planning Systems (ERP), *Business Practices*, 1-360.
- ✚ Miguelbuleje. (2014). The Impact of Enterprise Resource Planning Systems on Small and Medium Enterprises. *Nova Southeastern University Nsuworks*, 1-150.
- ✚ Mohammad Bany Baker and ZawiyahYousof. (2017). Factors Influencing Knowledge Sharing in Enterprise Resource Planning System usage in Small and Medium Enterprises. *Journal of Theoretical and Applied Information Technology*. 95 (8), 1-10.

- ✚ Muscatello, J.R., Small, M.H. and Chen, I.J. (2003), “Implementing Enterprise Resource Planning (ERP) Systems in Small and Midsize Manufacturing Firms”, *International Journal of Operations & Production Management*, 23 (8). 850-71.
- ✚ Themistocleus, M. and Irani, Z. (2001), “Benchmarking the Benefits and Barriers of Application Integration”, *Benchmarking: An International Journal*, 8 (4). 317-31.
- ✚ Nah, F.F. and Lau, J.L. (2001), “Critical Factors for Successful Implementation of Enterprise Systems”, *Business Process Management Journal*, 7 (3). 285-96.
- ✚ Päiviiskanius. (2009). Risk Management in ERP Project in the Context of SMEs. *Engineering Letters*, 1-8.
- ✚ Rao, S.S. (2000), “Enterprise Resource Planning: Business Needs and Technologies”, *Industrial Management & Data Systems*, 100 (2).
- ✚ Rubina Adam, Paula Kotzé and Alta Van Der Merwe. (2011). Acceptance of Enterprise Resource Planning Systems by Small Manufacturing Enterprises. *International Conference on Enterprise Information Systems*, 1-10.
- ✚ Rubina Adam, Paula Kotzé and Alta Van Der Merwe. (2011). Acceptance of Enterprise Resource Planning Systems by Small Manufacturing Enterprises, 229-238.
- ✚ Scott, J.E. And Kaindl, L. (2000), “Enhancing Functionality in an Enterprise Software Package”, *Information and Management*, 37. 111-22.
- ✚ Selajdinabduli. (2013). Effective Human Resource Management in Small and Medium Size Enterprises in The Republic of Macedonia. *International Journal of Academic research in Economics and Management Sciences*. 2 (2), 1-15.
- ✚ Tarn, J.M., Yen, D.C. and Beaumont, M. (2002), “Exploring the Rationales for ERP and SCM Integration”, *Industrial Management & Data Systems*, 102 (1). 26-34.
- ✚ Tasevska, F., Damij, T., and Damij, N. (2014). Project Planning Practices Based on Enterprise Resource Planning Systems in Small and Medium Enterprises — A Case Study from the Republic of Macedonia. *International Journal of Project Management*, 32(3), 529–539.
- ✚ Tsamantanis, V. and Kojetsidis, H. (2006), “Implementation of Enterprise Resource Planning Systems in the Cypriot Brewing Industry”, *British Food Journal*, 108 (2). 118-26.
- ✚ Vosburg, J. and Kumar, A. (2001), “Managing Dirty Data in Organizations Using ERP: Lessons from A Case Study”, *Industrial Management & Data Systems*, 101 (1). 21-31.
- ✚ Wbraker Lane Austin. (2013). How Does the ERP Impact Small and Medium Businesses, 1-1?
- ✚ Yolande Smit. (2012). A Literature Review of Small and Medium Enterprises (SME) Risk Management Practices in South Africa. *African Journal of Business management*, 6(21). 1-8.
- ✚ <https://www.ccstechnologygroup.com/erp-advantages-smbs/>