Critical Success Factor For Implementation Of Enterprise Resource Planning System (ERP) Survey Bumn Companies In Bandung

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Abstract: This study was conducted to determine the influence management commitment and change management to the implementation of ERP. Where the ERP system is a computerized system that allows the management of all resources in the base organization's overall enterprise. Mc. Leod, (2008: 15) (Romney, 2012: 56). The usefulness of this research is to develop science and problem solving. The results showed that there was a significant effect of management commitment and change management to the implementation of the ERP system. Meanwhile, if viewed from the side of the relationship, there is a strong relationship between management and change management commitment to the implementation of the ERP system.

Keywords: Commitment management, change management, ERP systems.

1. Introduction

Information system is a component in an organization and is a tool that can provide information to all interested parties. Information system is a component of the organizational components - components of the information system is also essentially a component of the organization (Azhar Susanto, 2013: 62). In its development, computer-based information system is a set of hardware and software designed to transform data into useful information (Bodnar and Hopwood, 2006: 6). Further suggested by Bodnar that there are several types of information systems that utilize the computer system of electronic data processing (EDP), the data processing system (DP), Management Information Systems (MIS), Decision Support System (DSS / DSS), Expert System (ES), Executive Information System (SIE) and the last accounting information systems (AIS). System data processing (DP) / transaction, Management Information Systems (MIS), Decision Support System (DSS / DSS), these three systems are developed without a master plan. The emergence of this system in response to different needs. (Mc. Leod, 2008: 15). Enterprise resource planning system (ERP System) is a computer-based system that enables the management of all resources in the company on the basis of the entire organization. (Mc. Leod, .2008: 15). Enterprise Resource Planning as an integrated set of programs that provide support for core organizational activities such as manufacturing and logistics, finance and accounting, sales and marketing, and human resources (Aladwani M, 2001: 266).

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Ehiie and Madsen (2005) defines ERP system as an integrated software solution that includes a wide range of business processes that enable the company to gain a holistic view of the business enterprise. An ERP system allows the integration of functions, the business division in 2 things: 1) the exchange and flow of information, 2) the integration of various business functions such as accounting, finance, human resources, operations, sales, marketing, customer information and even collects, processes, and storing data and providing information for managers and outside parties who need it. Likewise, according to Azhar Susanto (2010: 233) that the purpose of ERP is to integrate information across the enterprise organization and remove the relationship between computer systems are expensive and ineffective. Some of the phenomena that occur in connection with the commitment of management, change management, system implementation. The impact of the system that is not integrated more and more time needed to process the data, decision-making becomes slow and it will inhibit the growth of the company in the future. (Berry Karlis, GM Finance IT and PT. Avesta Continental Pack, 2011). Additionally Hermawan Hosein, Chief Technology Officer Sinaremas Securities (2011) suggests, network quality in this country has been unable to keep pace, resulting in frequent occurrence of data packet loss and network degradation is not conducive to a transaction that requires punctuality as securities trading through e-trading system. There are still many small banks to manipulate the financial statements (window dressing) and for the major banks there is also a financial statement manipulation (window dressing). Said Budi Rohadi, Deputy Governor of Bank Indonesia (2010). This research was conducted at the state-owned enterprises (SOEs) whose activities serve services. This is done because of the many phenomena that exist in the state-owned enterprises (SOEs), while the property owned by the state was quite large. According to Dahlan, the performance of SOEs to be highlighted. Among them, with total assets of Rp 2,500 trillion penetrated almost, turnover is only Rp 100 trillion. Dividends paid even less, around Rp 28 trillion. Meanwhile, he is suspicious, unproductive state-owned assets was definitely a big number. Former Director of the State Electricity Company estimates amounts to trillions of dollars. (Dahlan Iskan, 2011).
2. Statement of the problem
Based on the description that has been stated previously, the formulation of the problem is how big Effects of management commitment and change management to enterprise resource planning systems implementation / Enterprise Resource Planning (ERP).

3. Objective of the study
In relation to the previous formulation of the problem, the study aims to obtain findings influence top management commitment and change management to enterprise resource planning systems implementation / Enterprise Resource Planning (ERP).

4. Literature Review
Sistem Enterprise Resource Planning (ERP)
Many experts define or provide an understanding / definition of Enterprise Resource Planning System (ERP). Enterprise resource planning system (ERP System) is a computer-based system that allows the management of all the resources of the company on the basis of the entire organization. Mc. Leod, (2008: 15) (Romney, 2012: 56). Enterprise resource planning system is a system that creates a set of highly integrated systems, which can lead to many business benefits, (Stair & Reynolds, 2010: 356). Enterprise resource planning (ERP) is a model of an information system that enables organizations to automate and integrate core business processes. (James A. Hall, 2011: 31). Gelinas (2008: 33) argues that the Enterprise Resource Planning System is a software package can be used for the core systems needed to support the system enterprise support system companies. Ellen F. Monk and Bret J. Wagner, (2009: 1) argues that Enterprise Resource Planning (ERP) programs are core software used by companies to coordinate information in every area business.ERP (pronounced "ERP") program helps to managing enterprise wide business processes, using a common database and a management reporting tool.

Management commitment
Organizational commitment is a sense of identification, engagement, and loyalty expressed by an employee / management of the company (Ivančevich, et.al, 2008: 184), (Luthan 2011: 148) employee commitment to the organization is one of the working attitude, which reflects how one's feelings (likes or dislikes) to where he worked. (Robbins, 2006: 229). Top management's commitment to contribute to the implementation of information systems with the participation of top management and middle management in the formulation of objectives and describes the application of information systems as a form of active participation of top management and middle management (Englund & Bucero 2006: 8) Top management's commitment to contribute to the implementation of information systems with the participation of top management and middle management in the formulation of objectives and describes the application of information systems as a form of active participation of top management and middle management (Englund & Bucero 2006: 8). Top management commitment and support: top management's willingness to provide the necessary resources and authority to the successful implementation of the project .. (Hemanth K. Mukkamala 2013: 265)

5. Objectives of ERP system
ERP system implementation
In applying / implementing ERP systems will certainly use the guidelines, guidelines that are used are called module and this is what will determine whether the implementation of the ERP system has been implemented in accordance with the guidelines / the module. According to Ellen F. Monk and Bret J. Wagner (2009: 28) The basic function of each module are as follows: 1) Sales and Distribution (SD) 2) Materials Management (MM) 3) Production Planning (PP). 4) Quality Management (MQ). 5) The Asset Management (AM). 6) Human Resources (HR). 7) Project System (PS). James A. Hall, (2011: 31) argues Enterprise resource planning (ERP) is a model of an information system that enables organizations to automate and integrate core business processes. ERP package sold to the client organization in modules that support standard processes. Some common ERP modules include: Asset Management, Financial Accounting, Human Resources, Industry-Specific Solutions, Maintenance, Production Planning, Quality Management, - Sales and Distribution, - Inventory Management. Romney (2012: 57) argues Typical ERP Modules include; Finance (general ledger and reporting system), Human resources, Order to cash (revenue cycle), Pay for Purchases (expenditure cycle), Manufacturing (production cycle), Project management - cost, customer relationship management - sales and marketing, System tools - a tool to build a master data file. Azhar Susanto, (2010: 234) The advantage of using the system (software) ERP either directly or indirectly is to increase efficiency, improve the integrity of the information for better decision.
making and meningkatkan speed of response to customer demand. Romney (2012: 57) argues that an ERP system, with a centralized database, providing significant advantages:

- An ERP system providing an integrated, large enterprise, a single data display organization and financial situation.
- Data is entered / captured or typed only once.
- Management gains greater visibility in all areas of the company and greater monitoring capabilities.
- Organizations gain better control acces. An ERP can consolidate multiple permissions and security models into a single data access structure.
- Procedures and standardized reporting across all business units.
- Customer support increased since the advent of employees can quickly access commands, available inventory, shipping information, and details of past customer transactions.
- Manufacturing receives new orders in real time, and automation of manufacturing processes leading to increased productivity.

According to O’Brien (2011: 324) The ERP system can generate significant business benefits for the company. Many other companies have discovered the value of key business in the use of ERP in some basic ways:

- Quality and efficiency. ERP creates a framework to integrate and enhance the company’s internal business processes that result in significant improvements in the quality and efficiency of customer service, production, and distribution.
- Cost reduction. Many companies reported a significant reduction in transaction processing costs and hardware, software, and IT support staff compared with legacy systems that are not integrated replaced by their new ERP system.
- Helps decision-making. ERP provides vital cross-functional information on business performance quickly to managers to significantly improve their ability to make better decisions at the right time throughout the business enterprise.
- The activity of the Company. Many departments implement an ERP system unused.
- Limiting functional business processes, information systems, and information resources.

**Management Commitment**

According to Chalk, David N., (2008: 3-5) Measurement of management commitment are: 1 steer 2 approved, and. Measure 3. Distinguishes commitments to three indicators, namely: 1) affective commitment, emotional feelings for the organization and the belief in its values. 2) normative commitment to stay with the organization for moral reasons or etika.3) ongoing commitment, the perceived economic value of sticking with an organization when compared with leaving the organization. (Meyer & Allen, 1997) (Karadal 2008), (Snape et al 2008) (Robbins 2011).

**Change Management**

Gibson, (2012: 498) describes the planning and management of change in a systematic process of introducing a new structure, behavior, and technology to achieve the goal. According to Hedman and Kalling (2002) change is a change in the time that is refreshing and may involve costs. Change management is very important and it starts from the beginning of the project and continues throughout the project life cycle. Organizational culture and structural change must be managed (Falkowski et al, 1998), including changes in people, organizational and cultural change (Rosario, 2000;. Nat et al, 2001). There is a need to realize the difference between organizational culture and geographical perspective, so it is important to understand the characteristics of the business and the need for a culture conducive to change.

7. **Influence of management commitment and change management on implementation ERP system.**

Research conducted by Bhatti, (2008: 10), and Solomon Ainin Dezdar Shahin, (2012: 23), the main finding of this analysis is that the project management, business process re-engineering, user training, change management, top management support, effective communication, teamwork, engagement, consultants’ user involvement and clear objectives found to be essential to the process of ERP implementation. Both the acquisition and implementation of processes to share five common factors: top management support, effective communication, teamwork and composition, user involvement and the use of consultants. Christopher (1999: 33), the result is that the analysis is performed in Threads and Stato cases revealed that, in addition to standard project management CSFs such as top management support and clear business vision, factors specific to the implementation of such legacy systems, ERP strategy, change business processes, and ERP software configurations have an important influence on the implementation process and results. Top management support is widely used among the critical success factors, attention is needed in the implementation of the project, because the project approval is dependent on them. Their commitment is also necessary because it ensures a smooth change management and launch systems. (Bingi, 1999;. Buckhout et al, 1999;: Well et al, 2001;. Al-Mashari et al, 2003). The involvement of top management not only while the entire project, their involvement is limited after they have purchased the ERP system, allocate the necessary resources and put a different team and consultants. The project team has a virtually free hand in the implementation process and requires the project to be completed within the period imposed by top management (Woo, 2006). Successful change management can drive the process of implementation of the positive dimensional for an organization to obtain the benefits provided by the system, where the lack of adequate change management strategies can lead to failure or negative influence on the process of ERP implementation. Shellybrown (2009), Syed If tikhar et al, (2011: 294) Oana Velcu Research, (2007: 1316) From several previous studies that have described the researchers tried to create a framework of thought. Framework that can be presented in this study is the commitment of management, change management has an influence on the implementation of the ERP, can be described as follows in Figure 1
8. Methodology
This type of research is verification and explanatory or causal nature, as this study aims to determine what and how much the factors thought to affect a variable in order to test the hypothesis (Mudrajat Koncoro, 2007: 12). Operationalization of variables can be done by looking at the dimensions of the commitment of management, change management and implementation of Enterprise Resource Planning (ERP). As defined by the concept, operationalization of variables is an act of formulation variables to the development of indicators attached to these variables. The dimensions of each variable is the dimension of the existing management commitment in this study is affective commitment, continuous, and normative. Dimension variables used in the management of change is structural, behavioral and technology. Dimension variables used in the implementation of the ERP system is a module that is used in the ERP system and the advantages of ERP systems. The indicators in this study were measured using an ordinal scale based on the Likert scale. Sugiyono (2008: 133) that further describe His answer of each item using a Likert scale instrument has a gradation from very positive to very negative, so the answer will be given a score by means of: (a) strongly agree / very high / always / very positive will be given a score of 5; (b) agree / high / often / positive, will be given a score of 4; (c) less agree / moderate / sometimes / neutral, was given a score of 3; (d) do not agree / low / almost never / negative, will be given scores 2, and (e) strongly disagree / very low / never / very negative, given scores 1. The population is a whole group of people, events, or the interest of researchers who want to investigate. The sample is a portion of the population, the sample consists of a number of selected members of the population (Uma Sekaran, 2006: 121). Based on this definition, the study sample population and the entire population is the company is state-owned enterprises (SOEs) in the city of Bandung. While the unit of observation (observation) or respondents consisted of: (1) marketing manager / sales, (2) production manager, (3) financial managers, (4) human resources manager (5) managers of information systems / IT. In order to ensure that the measure is both logically made, the thing to do is analyze the item responses to the questions reveal a variable, then the reliability (reliable) and validity (validity). (Sugiyono, 2008: 199). To obtain the results of the study in accordance with the purpose of research, then conducted two types of analysis is descriptive analysis to explain karakteristi variables studied in order to support problem-solving to obtain advice operationally. Verification analysis was then performed by using path analysis (path analysis) in order to answer the problem formulation, and answer the hypothesis. To determine whether or not the effect between dependent and independent variables through intervening variables, it is necessary to test the hypothesis. Testing the hypothesis proposed using statistical hipoteses.

9. Conclusion
Step by step in the research from the discovery of the phenomenon, make the formulation of the problem, looking for information for the study of literature, make hypotheses, and data taking and processing to ultimately generate discussion of research results. Furthermore, from a series of activities, the authors draw the following conclusions:

1. The first hypothesis is that there are significant commitments proposed by the Management dimensional affective commitment, continuance and normative commitment to the implementation of ERP systems with dimensions of operational modules of ERP systems and ERP systems excellence. Statistical tests showed that the significant effect of management commitment to the implementation of the ERP system, thus it can be stated that the first hypothesis is accepted and can be confirmed by the data. While the relationship between management commitment to implementasi ERP system is strong, but the relationship management commitment to the quality of accounting information is not strong because it only reaches the value of 0.196.

2. The second hypothesis put forward is that there is the influence of the structural dimension of change management, and technology attitudes towards the implementation of ERP systems with dimensions of operational modules of ERP systems and ERP systems excellence. Statistical tests showed that the management changes significantly influence the implementation of the ERP system, thus it can be stated that the second hypothesis is accepted and can be confirmed by the data. While the relationship between change management with strong implementasi the ERP system, but the relationship with the changes of management accounting information quality is not strong because it only reaches the value 0.301.

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