

Adoption of Enterprise Resources Planning (ERP) In Indonesian Manufacturing Companies

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ABSTRACT

Enterprise resources planning (ERP) is an automation technology with a systems approach that supports and manages business activities. ERP is the result of the development of information systems for material requirements planning (MRP) and MRP II. Information sharing activities in the supply chain become more accurate and real-time with ERP. ERP's adoption improves organisational performance in managing information, products, and financial flows (Su & Yang, 2010). Previous studies (AL-Shboul, 2018; Ilin, Ivetić, & Simić, 2017; Junior, Oliveira, & Yanaze, 2019; Mayeh, Ramayah, & Mishra, 2016; Rajan & Baral, 2015; Ram, Corkindale, & Wu, 2014) have discussed ERP's adoption, but unfortunately they could not explain the level of adoption in detail. Most researchers have only investigated ERP's adoption based on the use of ERP, regardless of the number of modules used. Conceptually, ERP has five modules, the more of the complete modules that are used, the higher the adoption level is. Consequently, the adoption rate should not be limited to one module, but it is necessary to know how many modules are adopted. Therefore, this research offers an answer to the lack of literature that discusses the level of adoption based on the number of ERP modules.

Keywords: Technology; supply chain; enterprise resources planning (ERP); adoption; manufacturing companies.