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**IMPACT OF ENTERPRISE RESOURCE PLANNING ON THE
IMPROVEMENT OF EMPLOYEE PRODUCTIVITY: A CASE
STUDY OF ABC APPAREL COMPANY**

**MASTER OF BUSINESS ADMINISTRATION
IN
MANAGEMENT OF TECHNOLOGY**

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University of Moratuwa
Sri Lanka
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STUDY OF ABC APPAREL COMPANY**

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The Dissertation was submitted to the Department of Management of Technology of the University of Moratuwa in partial fulfilment of the requirement for the Degree of Master of Business Administration in Management of Technology.

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January 2024

DECLARATION

I declare that this is my work. This dissertation does not incorporate without acknowledgement any material previously submitted for a degree or Diploma in any other University or institute of higher learning. To the best of my knowledge and belief, it does not contain any previously published material written by another person except where the acknowledgement is made in the text.

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ABSTRACT

As businesses increasingly adopt Enterprise Resource Planning (ERP) solutions to streamline and incorporate operations, understanding the specific impacts on employee productivity becomes crucial for organizational success. The study conducted a comprehensive case study methodology using correlational research, which employed a deductive, quantitative approach to analyze the transformative influence of ERP solutions on employee productivity within the setting of the ABC Apparel Company. A total of 132 respondents were randomly selected using a finite random sampling method to provide a representative sample. The study revealed that ERP adoption has a significant positive correlation with improved employee productivity, particularly in terms of factors such as ERP systems compatibility, ERP systems complexity, ERP systems efficiency, ERP best practices, training ERP systems, and empowerment on the ERP. These factors contribute to a more efficient workflow, fostering a proactive and informed workforce. The study found that as businesses continue to adopt ERP solutions, it is crucial to understand the specific impacts on employee productivity. However, the study also highlighted the potential drawbacks associated with ERP adoption, such as the IT productivity paradox, which suggests that investing in technology may not necessarily lead to increased productivity. Therefore, organizations must carefully consider the potential pitfalls and take appropriate measures to mitigate them before implementing ERP systems. To enhance the study's credibility, future research may consider exploring the potential drawbacks of ERP adoption in more detail and investigating the long-term effects of ERP adoption on employee productivity. Additionally, including qualitative data could provide a more nuanced understanding of employees' experiences and perspectives in the ABC Apparel Company. The research adds to the current pool of knowledge by offering a detailed examination of direct and indirect effects of ERP on employee productivity, grounded in a real-world organizational setting. As businesses continue to navigate the dynamic landscape of digital transformation, the findings from this case study provide practical implications for optimizing ERP systems to maximize the positive impact on employee productivity.

Key Words – ERP Systems, Employee Productivity, Business Performance, Apparel Industry, Technology Management

TABLE OF CONTENTS

LIST OF TABLES	viii
LIST OF FIGURES	ix
LIST OF ABBREVIATIONS	x
CHAPTER 1	1
INTRODUCTION	1
1.1 Background of Study	1
1.2 Identification of Research Problem	4
1.3 Research Questions	7
1.4 Objectives of the Study	7
1.5 Scope of the Study	8
1.6 Significance of the Study	8
1.7 Methodology	8
1.8 Thesis Outline	9
CHAPTER 2	10
LITERATURE REVIEW	10
2.1 Introduction	10
2.2 Apparel Industry in Sri Lanka	10
2.3 The Evolvment of the Company and Current Status	11
2.4 Enterprise Resource Planning (ERP) Systems	12
2.4.1 Overview of ERP Systems	12
2.4.2 Benefits of ERP Systems	13
2.4.3 ERP Systems Tailored for Apparel Industry	14
2.5 ERP in ABC Apparel Company	17
2.5.1 Objectives of ERP System Implementation in ABC Apparel Company	18
2.6 Importance of Employee Productivity in Organizational Success	22
2.7 Employee Productivity through ERP	23

2.8	ERP System and Business Performance	25
2.9	The Impact of ERP on Business Performance at ABC Apparel Company. 26	
2.10	Problem Justification.....	27
2.10.1	Application of ERP Systems.....	27
2.10.2	The IT Productivity Paradox.....	28
2.10.3	Research Issue.....	29
2.10.4	Factors Affecting Non-Improved Employee Productivity with ERP Systems 29	
2.11	Theoretical Framework	31
2.12	Chapter Summary	31
CHAPTER 3		32
RESEARCH METHODOLOGY.....		32
3.1	Introduction	32
3.2	Research Design	32
3.2.1	Deductive Research Design	32
3.2.2	Correlational Research Approach	33
3.2.3	Conceptual Framework of the Research	34
3.3	Development of Hypothesis	35
3.4	Operationalization	36
3.5	Validity and Reliability	37
3.5.1	Reliability.....	38
3.5.2	Validity.....	40
3.6	Population and Sample	44
3.7	Questionnaire Development	46
3.7.1	Demographic Factors	46
3.7.2	Dependent Variable.....	47
3.7.3	Independent Variables.....	47
3.8	Data Collection.....	48

3.9	Data Analysis Techniques	48
3.10	Chapter Summary	48
CHAPTER 4		49
DATA ANALYSIS		49
4.1	Introduction	49
4.2	Descriptive Analysis.....	49
4.2.1	Characteristics of Respondents	49
4.3	T- Test	54
4.3.1	Impact of Gender in Employee Productivity	55
4.3.2	Impact of Marital Status in Employee Productivity.....	56
4.3.3	Impact of Age to Response Rate.....	57
4.3.4	Impact of Higher Studies Level in Employee Productivity	58
4.4	Correlation Coefficient.....	59
4.4.1	Discussion of Correlation Analysis Results.....	61
4.5	Inferential Analysis	63
4.5.1	Regression Analysis.....	64
4.6	Hypothesis Testing	71
4.7	Discussion of Objectives	73
4.7.1	Objective 01	73
4.7.2	Objective 02	74
4.7.3	Objective 03	74
CHAPTER 5		76
CONCLUSIONS AND RECOMMENDATIONS		76
5.1	Introduction	76
5.2	Summary of the Study	76
5.3	Summary of the Findings	77
5.4	Conclusion.....	79
5.5	Recommendations	80

5.6	Limitations of the Study	81
5.7	Directions for Further Studies	82
	REFERENCES.....	84
	APPENDICES	95

LIST OF TABLES

Table 1 : Apparel contribution to the total merchandise exports Apparel contribution to the total merchandise exports.....	11
Table 2 : Hypotheses of research	35
Table 3 : Operationalization Table.....	37
Table 4 : Pilot Study Cronbach's Alpha Values	39
Table 5 : Interpreting KMO Measures	40
Table 6 : KMO and Bartlett's Test Results of the Study	41
Table 7 : Fact Analysis Results	43
Table 8 : Descriptive Statistics: Age.....	50
Table 9 : Descriptive Statistics: Gender	51
Table 10 : Descriptive Statistics: Marital Status	52
Table 11 : Descriptive Statistics: Education Level	53
Table 12 : Impact of Gender on Employee Productivity	55
Table 13 : Impact of Marital Status in Employee Productivity	56
Table 14 : Impact of Age to Response Rate.....	57
Table 15 : Impact of Higher Studies level in Employee Productivity	58
Table 16 : Correlations Coefficient Table.....	60
Table 17 : Regression Output.....	64
Table 18 : ANOVA Dependent Variable: Employee Productivity	64
Table 19 : Model Summary.....	65
Table 20 : Model summary to compute mediating effect	66
Table 21 : ANOVA table to compute mediating effect	66
Table 22 : Coefficients to compute mediating effect	67
Table 23 : Model summary to compute mediating effect	68
Table 24 : ANOVA table to compute mediating effect	68
Table 25 : Coefficients to compute mediating effect	69
Table 26 : Sobel Test Results.....	70
Table 27 : Hypothesis Testing Results.....	71

LIST OF FIGURES

Figure 1 : ERP Architecture.....	16
Figure 2 : Conceptual Framework.....	34
Figure 3 : Sample Size Calculation using G*Power	45
Figure 4 : Pie-Chart Age	50
Figure 5 : Pie-Chart Gender	51
Figure 6 : Pie-Chart Marital Status	52
Figure 7 : Pie-Chart Marital Status	53
Figure 8 : Impact of Age to Response Rate	57
Figure 9 : Impact of Higher Studies level in Employee Productivity	58
Figure 10 : Summary of regression coefficients for mediation analysis.....	70
Figure 11 : How to calculate Sobel Test in mediation analysis	70

LIST OF ABBREVIATIONS

Abbreviation	Description
ERP	Enterprise Resource Planning
BM	Business Meeting
IT	Information Technology
JV	Joint Venture
HR	Human Resources
SAP	System Applications and Products in Data Processing
SBU	Strategic Business Unit
NFPI	Non-Financial Performance Incentives