INVESTIGATING THE DETERMINANTS OF IMPLEMENTATION OF PACKAGED SOFTWARE IN SMES: A RESEARCH AGENDA

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Abstract: Globally, many new Small and Medium Enterprises (SME) start every year. Nearly 50% of them cease to exist in the first 3 years of business. Assuming that all SMEs desire growth, only 40% eventually survive beyond a decade. Majority of the firms do not have a long-term business strategy but focus on survival only. Change is planned when the business begins to fail due to not changing with the evolving market scenario. The firms which stay on to grow are the ones which have the ability to take risks and respond to the changing environment.

The SME sector of India is considered as the backbone of the economy, contributing to 45% of the industrial output, 40% of India’s exports, employing 60 million people, creating 1.3 million jobs every year and producing more than 8000 quality products for the Indian and international markets. With approximately 30 million SMEs in India, 12 million people are expected to join this workforce in the next three years, and the sector is growing at a rate of 8% per year. Government of India is taking different measures so as to increase the competitiveness of the SMEs in the international market.

Associated with the high growth rates, SMEs in India are also facing a number of problems like sub-optimal scale of operation, technological obsolescence, supply chain inefficiencies, increasing domestic and global competition, paucity of funds, change in manufacturing strategies and a turbulent market. In order to survive with such issues and continue competing with large and global enterprises, SMEs need to adopt innovative approaches in their working.

Today, a customized software like an Enterprise Resource Planning (ERP) system is considered as the entry price for running a business and for being connected to other companies, which eventually allows business-to-business electronic commerce. Many multinational companies restrict their business to only those companies that use the same ERP as them. SMEs which have MNCs as their clients need to consider ERP systems as a requirement to allow tighter integration with their bigger counterparts.

The paper discusses the quantifiable and non-quantifiable determinants of Technology Adoption essential for the success of a Packaged Software Solution, and its impact on the performance of individuals. Different technology adoption models have been assessed, and based on the literature review conducted - a research model has been proposed. The Research objectives and Methodology for conducting the research has also been articulated.

Keywords: SME, Software, ERP, Package Software, Critical Success Factors, Technology, Adoption models
Introduction
The global software market is a very dynamic business. In the early years of commercial use of computers, software systems were developed in-house using different development platforms. This resulted in software products being developed exclusively as unique systems for each organization with minimum standardization (Damsgaard and Karlsbjerg, 2010).

Subsequently, next phase of software evolution witnessed the growth of proprietary software systems, commonly known as “Packaged software”. Packaged software is a category of information system for which most implementations are identical and they are often termed as “template” or “core business model.” In other words, the critical business functionalities and processes in the software are common for all customers irrespective of the industry. Certain industries have specific add-on processes which are configured as per the requirements of the sector. The objective of packaged software was to achieve economies of scale. This was realized by developing a standard software product and thereafter selling it to different customers. The standardized processes benefitted software customers as transaction costs were lowered and risks of development were mitigated; as it was now possible to choose from a proven set of applications. As an added advantage for both software customers and vendors, standardization enabled to capture and black-box best practices by embedding them into the standardized components of the system. (Rangarajan and Tiwari, 2014)

Some of the standard software packages require minimal or no configuration before the customers start the usage, while other software packages provide basic features on the top of which specific functionalities required by the user can be configured or customized. Neela and Mein indicated that between 70-80 % of IT budgets are spent on system implementation and maintenance. Maintaining and running enterprise applications usually requires considerable amount of IT resources from underlying firms. (Neela and Mein, 2003)

Information Technology (IT) is used as a driver to impose major organizational changes. Changes driven by technology differ remarkably from organizational change projects. As addressed by Markus in 2004, change in technology is a major risk; employees may be unwilling or may resist use of the new technology and oppose it due to the deviations from the current work practices. This type of resistance is an obstacle that prevents large organizations from taking advantage of the potential benefits of an advanced technological implementation (Markus, 2004). Marakas and Hornik, hypothesized that whenever a new technology brought forward uncertain conditions and hence created a misalignment with an individual’s habits or experience, passive resistance and misuse will arise (Marakas and Hornik, 1996).

In India, most industries are labour intensive so any technology adoption is a big change and therefore an issue that may need timely intervention. Packaged software implementations in India have witnessed many failures as they trigger changes to the
business processes in order to be mapped to the standard software. With the packaged software vendors bringing in cheaper options owing to shorter implementation time frames, Small and Medium Enterprises (SME) are now seen as a potential area for sale. SMEs are culturally dependent on decisions of the owners or a group of individuals, so they have their own set of determinants which impact the implementation of a packaged software solution successfully.

It is evident from the literature that a majority of research has been carried out on the different aspects of technology adoption but limited work has been done in identification of technology drivers for packaged software solutions in SMEs in India. This research would make an endeavour to understand the perception, typical issues and challenges faced in adopting packaged software in Indian Small and Medium Enterprises and their linkages with performance of individuals working with them.

**Literature Review**

Literature Classification provides an outline on the areas in which review of literature has been conducted. The review of literature for this proposed research has been sub-divided as per figure below.

![Figure 1: Literature Classification for the proposed research](image)

Small and Medium Enterprises (SME) sector – A glance

The SME sector of India is considered as the backbone of the economy, contributing to 45% of the industrial output, 40% of India’s exports, employing 60 million people, creating 1.3 million jobs every year and producing more than 8000 quality products for the Indian and international markets. With approximately 30 million SMEs in India, 12 million people are expected to join this workforce in the next three years, and the sector is growing at a rate of 8% per year. Government of India is taking different measures so as to increase the competitiveness of the SMEs in the international market. There are several factors that have contributed towards the growth of Indian SMEs. They include funding SMEs by local and foreign investors, the new technology that is being used in the market is assisting SMEs add considerable value to their business, availability of various
trade directories and trade portals to help facilitate trade between buyer and supplier (EISBC, 2014).

As per the Ministry of Micro, Small and Medium Enterprises, the classification in the sector for micro, small and medium enterprises are based on the ceiling of investment are per the table below:

*Table 1: Investment Limit for MSME sector (Ministry of Micro, Small and Medium Enterprises)*

<table>
<thead>
<tr>
<th>Classification</th>
<th>Manufacturing Enterprises*</th>
<th>Service Enterprises**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro</td>
<td>Rs 2.5 million/ Rs 25 lakhs (USD 50,000)</td>
<td>Rs 1 million/ Rs 10 lakhs (USD 20,000)</td>
</tr>
<tr>
<td>Small</td>
<td>Rs 50 million/ Rs 5 crores (USD 1 million)</td>
<td>Rs 20 million/ Rs 2 crore (USD 40,00,000)</td>
</tr>
<tr>
<td>Medium</td>
<td>Rs 100 million/ Rs 10 crores (USD 2 million)</td>
<td>Rs 50 million/ Rs 5 crores (USD 1 million)</td>
</tr>
</tbody>
</table>

* Investment limit in Plant and Machinery. ** Investment limit in equipment’s

SME has been in focus for the Central Government. A fund allocation of Rs. 10,000 crores for start-up SMEs has been proposed in the 2014-15 national budget. Addressing the SME credit concerns in the country, the government has announced the formation of a venture capital fund to extend financial assistance in the form of equity, quasi-equity and risk-capital. Besides encouraging entrepreneurship in India, the move is aimed at eliminating investment related issues in the SME sector. (Union Budget of India, 2014-15). In addition, other initiatives have also been taken - a fund with an initial corpus of Rs 5,000 crores and anchored by two state-owned financial institutions, Life Insurance Corporation (LIC) and Small Industries Development Bank of India (SIDBI), an institution will be set up to provide funding for SMEs (Business Standard, 2014).

Associated with the high growth rates, SMEs in India are facing a number of problems like sub-optimal scale of operation, technological obsolescence, supply chain inefficiencies, increasing domestic and global competition, fund shortages, change in manufacturing strategies and a turbulent and uncertain market. In order to survive with such issues and continue competing with large and global enterprises, SMEs need to adopt innovative approaches in their working (Small and Medium Business Development Chamber of India, 2014).

Traditionally, Indian SMEs’ are plagued with internal operational inefficiencies due to high manual tasks and activities. In order to improve on the operational efficiency the sector is adapting and restructuring it to face competition from global players head-on. SMEs which embraced high technology, accepted norms of quality and competitiveness; continue to expand faster than the rest of the industrial economy (Aberdeen Report, 2009).

Globally, many new Small and Medium Enterprises’ (SME) start every year. Nearly 50% of them cease to exist in the first 3 years of business. Assuming that all SMEs desire
growth, only 40% eventually survive beyond a decade. Majority of the firms do not have a long-term business strategy but focus on survival only. Change is planned when the business begins to fail due to not changing with the evolving market scenario. The firms which stay on to grow are the ones which have the ability to take risks and respond to the changing environment (Levy and Powell, 2006).

**Packaged Software Solutions**

Packaged software solutions are a category of information systems for which most of the implementations are identical and they are often termed as “template implementations” or “core business model.” The main business functionalities and core processes in the software are similar for all customers, and certain select processes would need to be configured as per the requirements of the industry or the company. The package software industry is slated to register a CAGR of 6.3% for the period of 2010-15 with expected revenue of staggering USD 402.3 billion in 2014 (Melgarejo, Worldwide Software 2012-2015). Forrester reported that 63% of organizations want to buy or use or re implement packaged software in the future (Roe, 2011).

![Figure 2: Product Portfolio of Packaged Software Solutions with examples](image)

**Enterprise Resource Planning (ERP)**

Enterprise Resource Planning (ERP) – a term coined by the Gartner Group in the early 1990’s is an organization wide software system based on best business practices. It is defined as a customizable commercial software system, embedding best business practices, built on a modular structure which automates and integrates key business and management processes and information using a common database, providing real time seamless integration of information flow (Mabert, 2003).

ERP brings standardization across all critical organizational functions, facilitating better communication amongst departments. Organizations invest in an ERP endeavour to accomplish a number of objectives. All organizations want to benefit from ERP’s cross-functional integration and best-practice capabilities, modular structure; and its flexible and highly scalable architecture. They seek to achieve a wide range of benefits,

- Operational, eg. reduced operating costs, accurate demand forecasts;
- Managerial, eg improved decision making and enhanced resource management;
- Strategic, eg. support for business alliances, business innovations and cost leadership;
- IT infrastructure, eg. greater business flexibility; reducing costs; and
- Organizational benefits, eg assisting organizational change, facilitating business learning and empowerment (Ram and Swatman, 2008)

The world in which we do business is shrinking, and now nearly every enterprise is marketing and selling to customers across the globe, or are using parts or raw materials that are produced elsewhere. Most ERPs have multilingual capability, transacting in multi-currency and can recognize legal and tax reporting needs of different countries. The need for an integrated system had begun with the onset of Supply Chain Management, e-business and operations which calls for exchange of information with vendors and customers directly.

Today, an ERP system is considered as the entry price for running a business and for being connected to other companies, which eventually allows business-to-business electronic commerce. Many multinational companies restrict their business to only those companies that use the same ERP as them (Shehab, 2004). Small and Medium Enterprises (SMEs) which have MNCs as their clients need to consider ERP systems as a requirement to allow tighter integration with their larger counterparts.

Before ERP, different departments in an organization had their own software systems to fulfill their business requirements. This resulted in fragmentation of information, as all the needed information was stored independently in different systems of the business units, sales office and factories, often spread across the world. This made it difficult to get accurate information on time. In 1990s, globalization led to increased competition and companies, especially in the manufacturing sector realized the need for being more customers centric. Corporations had to move towards agile manufacturing, continuous improvement of business processes and business process reengineering. This has resulted in an integration of manufacturing with other functional areas like Accounting, Marketing and HR.

**Determinants of technology adoption in ERP**

Technology adoption is important because it is a vehicle that allows people to participate in a rapidly changing world where technology has become key to our lives. Individuals who cannot adopt will increasingly limit their ability to participate fully in the convenience and financial benefits associated with technology. Understanding the factors influencing technology adoption will help us in predicting and managing conditions under which an organization or an individual adapts.

In order to shortlist the technology adoption factors of an ERP usage, one needs to understand the success factors of an ERP implementation across all the phases of the implementation. Armed with this information we can assess individuals in the adoption process and support them as they move from the technology acceptance phase through to usage.
Critical Success Factors (CSFs) can be defined as factors which can impact the success of ERP implementation either positively or negatively. A perspective of finding CSFs is to identify factors which can create obstacles in the path of successful implementation process. As per the literature review different researchers based on their studies have identified different factors.

![Diagram of Critical Success Factors (CSFs) identified by select researchers]

**Figure 3: Critical Success Factors (CSFs) identified by select researchers**

Various papers were looked into to identify the Critical Success Factors in ERP Implementations. The top Critical Success Factors that have impact the all phases i.e. Pre-ERP implementation, during the ERP implementation and Post ERP implementation have been tabulated in the table below, citing the research paper where the CSF has been mentioned.
<table>
<thead>
<tr>
<th>Critical Success Factor</th>
<th>Author (Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training</td>
<td>Bingi, Sharma and Godla (1999), Aladwani (2001), Stratman and Roth (2002), Tarefadar and Roy (2003), Mandal and Gunasekaran (2003), Gargeya and Brady (2005), Olson and Zhao (2007), Woo (2007), Garcia-</td>
</tr>
<tr>
<td>Critical Success Factor</td>
<td>Author (Year)</td>
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<td>------------------------</td>
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</table>
Dezdar and Sulaiman (2009) adopted content analysis approach of extensive literature and developed the taxonomy of ERP implementation CSFs. The CSFs were grouped into three major environments of ERP system, organization and implementation success. These environments were further sub-divided into ERP technology, external expertise, project success, business success, ERP user and project. The list of CSFs suggested by Dezdar and Sulaiman (2009) is included below.

**Table 3: Critical Success Factor versus Degree of Importance**

<table>
<thead>
<tr>
<th>ERP Perspectives</th>
<th>Critical Success Factors</th>
<th>Importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stakeholders</td>
<td>Top management commitment</td>
<td>High</td>
</tr>
<tr>
<td></td>
<td>Project champion</td>
<td>High</td>
</tr>
<tr>
<td></td>
<td>Execution team</td>
<td>High</td>
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<tr>
<td></td>
<td>External advisory support</td>
<td>Medium</td>
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<tr>
<td></td>
<td>Vendor partnership</td>
<td>Low</td>
</tr>
<tr>
<td></td>
<td>Total end-user involvement</td>
<td>Low</td>
</tr>
<tr>
<td>Process</td>
<td>Business process design</td>
<td>High</td>
</tr>
<tr>
<td></td>
<td>Customization approach</td>
<td>Medium</td>
</tr>
<tr>
<td></td>
<td>Performance measurement and control</td>
<td>Low</td>
</tr>
<tr>
<td>Technology</td>
<td>Package requirements and selection</td>
<td>Medium</td>
</tr>
<tr>
<td></td>
<td>System testing</td>
<td>Low</td>
</tr>
<tr>
<td>Organization</td>
<td>Change management</td>
<td>High</td>
</tr>
<tr>
<td></td>
<td>Organization/ ERP communication</td>
<td>High</td>
</tr>
<tr>
<td></td>
<td>Business vision goals and objectives</td>
<td>High</td>
</tr>
<tr>
<td></td>
<td>Training and education</td>
<td>Medium</td>
</tr>
<tr>
<td></td>
<td>Organizational structure and culture</td>
<td>Low</td>
</tr>
<tr>
<td>Project</td>
<td>Project management</td>
<td>High</td>
</tr>
<tr>
<td></td>
<td>Budget – Cost parameters</td>
<td>Low</td>
</tr>
<tr>
<td></td>
<td>Time</td>
<td>Low</td>
</tr>
</tbody>
</table>

**Effects on Performance due to ERP Implementation**

Impact of ERP Usage on Business Performance and Financial Performance has been done in a few researches (Bazhair, Sanhdu, Alshareef and Filfilan, 2012), (Stefanou, Manthou and Tigka, 2013).

Organizational managers have a broad set of options to increase ERP usage within their organizations and assess the impact of such usage on outcomes such as productivity or performance gains. Indian SMEs are typically organizations having average employee strength of 75 individuals (Business Standard, 2013), so Individual Performance is critical along with organization performance; therefore our objective is to assess the impact of ERP usage on perceived individual performances. Towards this endeavour, we will use prior ERP usage research with Task Technology Fit (TTF) to postulate relationships linking ERP usage to perceived individual performance in organizations (DeNisi and Pritchard, 2009).
Organizations deploy IT or an ERP to facilitate organizational work and it is not intended to match users’ personal preferences or habits. Work Compatibility is the fitment of ERP to the organizational work only, and not to personal preferences or work habits. Like Perceived Usefulness and Perceived Ease of Usage, work compatibility is very much a perceptual construct as it is the perception of fit between IT/ERP and work that motivates employees to use the system, irrespective of the actual extent of fit (Sun, Bhattacherjee and Ma, 2009). Being perceptual in nature, it is named here as Perceived Work Compatibility.

Technology Adoption Models

In the field of Information Systems, researchers have found that information technology is underutilized in many organizations, causing economic loss to the businesses. This has resulted in, many technology acceptance theories and models being developed or used to study information technology acceptance. Some of the common models which were considered to be evaluated for this research were are briefly illustrated in the table below:

Table 4: Core Constructs identified for each model

<table>
<thead>
<tr>
<th>Model</th>
<th>Core Constructs</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Theory of Reasoned Action (TRA).</td>
<td>- Attitude</td>
</tr>
<tr>
<td>Fishbein and Ajzen (1975)</td>
<td>- Subjective Norm</td>
</tr>
<tr>
<td>Theory of PC Utilization.</td>
<td>- Job-fit</td>
</tr>
<tr>
<td>Technology Acceptance Model (TAM).</td>
<td>- Social Factors Conditions</td>
</tr>
<tr>
<td>Davis (1989)</td>
<td>- Complexity</td>
</tr>
<tr>
<td></td>
<td>- Affect Towards Use</td>
</tr>
<tr>
<td></td>
<td>- Facilitating</td>
</tr>
<tr>
<td>Theory of Planned Behaviour (TPB).</td>
<td>- Perceived Usefulness</td>
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<tr>
<td>Ajzen (1991).</td>
<td>- Perceived Ease of Use</td>
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<tr>
<td></td>
<td>- Experience</td>
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<tr>
<td></td>
<td>- Image</td>
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<tr>
<td></td>
<td>- Output Quality</td>
</tr>
<tr>
<td></td>
<td>- Demonstrability</td>
</tr>
<tr>
<td>Innovation Diffusion Theory (IDT)</td>
<td>- Relative Advantage</td>
</tr>
<tr>
<td>by Roger (1962) is adapted to Information</td>
<td>- Complexibility</td>
</tr>
<tr>
<td>Systems innovation.</td>
<td>- Trial ability</td>
</tr>
<tr>
<td>Moore and Benbasat (1991).</td>
<td>- Voluntariness of Use</td>
</tr>
<tr>
<td></td>
<td>*indicates Roger’s constructs</td>
</tr>
<tr>
<td>Motivational Model .</td>
<td>- Intrinsic Motivation</td>
</tr>
<tr>
<td>Davis, Bagozzi and Warshaw (1992)</td>
<td>- Extrinsic Motivation</td>
</tr>
<tr>
<td>Combined TAM and TPB (C-TAM-TPB)</td>
<td>- Perceived Usefulness</td>
</tr>
<tr>
<td></td>
<td>- Attitude</td>
</tr>
<tr>
<td></td>
<td>- Subjective Norm</td>
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</tbody>
</table>
### Model Core Constructs

<table>
<thead>
<tr>
<th>Model</th>
<th>Core Constructs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- System utilization</td>
</tr>
<tr>
<td></td>
<td>- Task characteristics</td>
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<td></td>
<td>- Technology</td>
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<td></td>
<td>- characteristics</td>
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<td></td>
<td>- Other’s use</td>
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<td>- Support</td>
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<td>- Self efficacy</td>
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<td>- Performance Outcome Expectations</td>
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<td>- Personal Outcome Expectations</td>
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<td>- Affect</td>
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<td></td>
<td>- Anxiety</td>
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<td></td>
<td>- Effort</td>
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<td>- Social Influence</td>
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<td>- Facilitating Conditions</td>
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<td></td>
<td>- Gender</td>
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<td></td>
<td>- Age</td>
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<td></td>
<td>- Experience</td>
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<tr>
<td></td>
<td>- Voluntariness of use</td>
</tr>
</tbody>
</table>

### Observations from Literature

Key observations identified from review of literature:
- The Indian SME sector contributes 45% of the industrial output and employs 60 million people
- There is an increased focus on SMEs by the Government of India
- In order to get rid of daily operational issues and increase automation, there has been a sudden requirement of SMEs to integrate and streamline their internal processes as a pre-requisite to remain competitive
- Inspite of ERP vendors now targeting the SME segment, the companies are still not clear of the offerings of an ERP and the steps needed to mitigate ERP adoption risks

### Research Issues

Perceptible research gap has been identified in the technology adoption of ERP in the SME sector in India. Some of the key gaps observed after literature review were:
- In recent years, only a few studies examining ERP systems in SMEs have been published in the Indian context
- Best to our knowledge, acceptance and use of ERP systems has not been yet studied in small- to medium-sized Indian enterprises. The aim of this study is to fill this gap.
- Limited work has been done globally on a comprehensive model that covers the reasons of ERP adoption and also links them to user performance within the same framework.

The main research question can be articulated as “Which are the critical determinants faced in the usage of an ERP (a packaged software solution) in Indian SMEs that are barriers to its adoption and also have an impact on performance?”
Sub research questions:

- Which are the technology adoption factors in an ERP Cycle which can improve the usage of ERP in an organization?
- What is the impact on Individual Performance due to the usage of the ERP System?
- What is the profile of the individuals and groups resisting change?
- What are the specific needs of these individuals and groups?

Research Objectives

The main objectives of this study will be to identify the critical factors that influence technology adoption of ERP in Indian SMEs.

This study is aimed at accomplishing the following objectives:

- Identify critical determinants faced by the users of packaged software solutions in Indian SMEs
- To validate empirically the proposed model, examining and assessing specific relationships between identified factors of ERP adoption and their linkages to individual performance.
- Identify the individuals that resist usage of a packaged software in an SME
- Future use of the proposed model in the academic and the corporate world

Methodology

Technology Acceptance Model TAM (Davis, 1989) is being proposed as the model for this research due to the following reasons:

- The Technology Acceptance Model (TAM) is one of the most widely used behavioural models in the information systems field. The model has been extensively used globally for ERP research. (Wang and Liu, 2005)
- Data analysis revealed that the TAM model does not hold for a few cultural orientations - low Uncertainty Avoidance, high Masculinity, high-Power Distance and high Collectivism seem to nullify the effects of PEOU and/or PU. India has been identified to be one of the countries where TAM model will hold good. (McCoy, Galletta and King, 2007).
- In all the research papers analysed Cronbach Alpha has been identified around 0.8.
A hypothesized model that represents the cumulative body of knowledge from TAM and ERP research has been conceptualized by synthesizing prior research.

Figure 4: Proposed SME ERP Model

Previous studies in other countries have exposed small number of factors which could influence ERP acceptance and usage in different phases of an ERP system lifecycle. A common reason for ERP failures can be attributed to users’ reluctance and unwillingness to adopt and use the implemented ERP system. In the current study, we aim to identify factors leading users to better use of their ERP system.

The goal of the research is to expand the basic TAM with more generic contextual factors and examine their influence on Readiness for Change, perceived ERP usefulness, perceived ERP ease of use and perceived Individual Performance. The original TAM Model (Davis, 1989) is well established and tested; a variety of extensions have been developed in different IT environments. Inspite of ERP complexities and ERP implementation failures, hardly any studies have been conducted in ERP acceptance in India.

Reasons for selecting proposed determinants
The factors for the TAM model were decided based on the literature review undertaken and focused expert opinion sought from some experienced IT and ERP professionals. The top barriers of adoption of technology of packaged software in a SME in India were identified as: low awareness of benefits of technology, poor infrastructure, poor communication, lack of skilled manpower, lack of top management support, reluctance to change, security and privacy issues.
Table 5: Variables for ERP Acceptance Model

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<td>Top Management support</td>
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<td>ERP Communication</td>
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<td>Readiness for Change</td>
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<td>Perceived Usefulness</td>
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Top Management/ Organisation support and ERP Communication are amongst the most important CSFs. In an ERP Implementation Readiness for Change is critical for all levels of management ie. the owners/ top management, middle and the lower management. Research has shown that in developed and developing countries "Readiness for Change" is the most important factor (Moohebat, Asemi and Jazi, 2010), so it has being considered as the key factor and linked to all the other factors. In India, belief in the system to fulfill all the functional expectations and the assurance of security is critical for the success of an ERP Implementation – hence Trust has been also considered as a determinant.

In any organization, ERP Performance is assessed from the organization performance of a company. SME with low employee strength are highly dependent on Individual Performance. In a study in China, Work Compatibility between IT and Organisation had an impact on Individual Performance. Perceived Work Compatibility and Perceived Individual Performance have been considered to assess the benefits from the ERP implementation as two additional factors (Sun, Bhattacherjee and Ma, 2009). (Dishaw and Strong, 1999).

**Conclusion**

A number of studies have been undertaken in the area of Packaged Software globally, but issues and problems typical to the SME segment in India; and their impact on the performance of the users has not been evaluated. In India, relatively limited work has been done in the research of determinants of technology adoption of users of ERP and also investigating the linkages of these determinants with performance of the organization or individual. This research aims to assess the impact of the key ERP adoption determinants and understand their effect on performance of individuals.
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