

Study of Critical Success Factors and Impact of ERP Implementations for Warehouses in Sri Lankan Context

G C Dampahalage ¹ and P.T. R.S. Sugathadasa ²

Enterprise Resource Planning (ERP) concept is new to Sri Lanka and considered as a powerful tool for supply chain integration. Most of the third party logistics companies tend to implement various expensive ERP systems without any proper study of their impact and success factors which finally results the implementation an utter failure. This research is a study of the impact of ERP systems and their critical implementation success factors specifically done for the area of warehouse management and has two main objectives. First objective is studying the impact of an ERP system for the warehouse operation performance. This study is done by comparing the warehouse KPIs of after and before the ERP implementation. Second objective is to determine the critical factors that will distinguish between a successful and unsuccessful ERP implementation in a warehouse. The results that are obtained by the second objective can be directly used by the warehouse operators as a best practice for new ERP implementation projects and this information is commercially more valuable in the industry. Data collection was done using selected 15 warehouses for this research using two questionnaires which were answered by the managers, end-users of the system and the consultants of them. With the research the warehouse functions improved as a result of ERP implementation and 19 critical success factors for them were found out. This is the first successful research in Sri Lanka conducted in the areas of warehousing and ERP.

Keywords: Enterprise Resource Planning, warehouse operation performance

Authors Details:

1. Analyst at IFS, gishan@gishan.net
2. Senior Lecturer, Department of Transport & Logistic Management University of Moratuwa, ranils@uom.lk