

---

# A Study on Evaluation of ERP Training Effectiveness

**K.Sreehari,**

Associate Professor (IT), Siva Sivani Institute of Management, Kompally, Secunderabad

**Dr. Chandra Sekhar SF,**

Professor and Chairperson (HRM & Research), Siva Sivani Institute of Management, Kompally, Secunderabad

---

## **Abstract**

*In the recent times offering ERP courses for management students is on the rise despite involving enormous costs associated with the decision. As a result, there is a need for understanding the ROI by management of business schools. The most crucial issue is the methodology of conducting ERP course. Usually, such arrangements involve, negotiating a contract with the vendor who could offer such service and also conduct learning assessments. However, understanding the overall effectiveness of the ERP training is assumed to be of utmost concern for the decision makers. This premise is addressed in the present study while seeking responses of students who had gone through such course and were employed for six months after the course. Around 63 students who have undergone the training programme had participated in this study, responding to a structured online questionnaire containing questions pertaining to the effectiveness of ERP training. The results are quite surprising, particularly relating to trainer evaluation, learning evaluation and the usefulness of such training. The users have not perceived the curriculum of ERP training effective, but the resource persons were found very effective. On the contrary, the training inputs were found not having much utility value for the workplace. Implications are drawn from further training and evaluation of ERP programs.*

**Keywords:** Enterprise Resource Planning, Training Effectiveness, Utility of Workplace .

## **Introduction**

The success of an ERP programme in any organization is attributed to various factors, including the planning exercises, implementation methodologies, cost considerations and the like. However, evidence points to the fact that the training of the users of ERP has been considered as one of the most critical success factors for effective implementation of ERP (Bose, et.al, 2008; Vandai, 2008).

ERP is one of the crucial requirements for medium to large scale enterprise businesses. Its benefits undisputedly are - i) Enhancing productivity, flexibility and customer responsiveness, ii) Eliminate cost inefficiencies, iii) Ensure data consistency, iv) Extending business through internet (Karsak and Ozogul, 2009).

Thus, ERP helps in integrating all functions such as marketing, sales, quality, finance and supply chain management, human resource, materials management in a single database. In sum and substance, ERP system automates all business processes while placing them in standardized, useful formats for all the stakeholders of the business, including customer, supplier, distributor, managers, employees and the like (Olson, 2007).

An early introduction of ERP to the students of management education is often viewed with positive and negative opinions. After all theory instructions need complementing with practice orientation of skill building. Therefore, ERP training during the college time receives more support from all corners. Thus the offering of the course follows a classical approach in which design of a curriculum, identification of ERP technology, negotiating with vendors, sourcing ERP trainers, launching training program and conducting a final evaluation. In the present study the concern of evaluating ERP training and its outcomes forms the cardinal concern.

Despite the known benefits of training by and large, one of the most important benefits on evaluating training is that it "can serve as a diagnostic technique to permit the revision of programs to meet the large number of goals and objectives" (Mann and Robertson, 1996). Other benefits accrued by evaluating training affect decision making, particularly because evaluations can help decide between alternative training programs and to decide who should participate in future programs (Mann and

Robertson, 1996). Besides, it also helps in evaluating the effectiveness of the training in view of the fulfilment of the training objectives, the methodologies, the resource persons, and the utility of the training in the context of renewed organizational performance.

The curriculum of training includes customized modules offered to the users as per their needs. Therefore, the broad modules include, oracle financials, PeopleSoft (HR), Siebel CRM. The syllabus for each of the modules was developed by the faculty members of Oracle university. The faculty members of the university conducted the classes for all the students on the various modules. Training includes classroom instruction supplied by the ERP vendor who arranges the content from Web, interactive, and other distance learning courses. But in the case of training which is under study in this research had faculty members from the vendor who personally supervised the learning and evaluation of the students at the end of the training programme.

The present study has a twofold purpose. First, it intends to understand the end-user opinion about the effectiveness of training curriculum, resource persons followed by their views about utility of training in work place and secondly to analyze the effectiveness of ERP training according to the type of module chosen by the end user.

### The objectives

In view of the purpose of the study, the following objectives have been formulated

- i. To assess the effectiveness of ERP training as perceived by the learners

- ii. To analyse effectiveness of ERP according to the type of ERP training

### The Method

Using online web form for collection of data from the users of ERP training programme conducted, 120 students were contacted through emails in which the hyperlink which leads to the structured questionnaire seeking their views on effectiveness of ERP training that they had undergone, was included. The questionnaire consisted of three parts covering trainer evaluation, learning evaluation and the usefulness of such training. Only 64 students have responded to the structured questionnaire. The data collected from them were analysed in the light of the objectives of the study and the results are presented in the following sections. Application of inferential statistical tests is constrained by the objectives of evaluating the training programme without assuming variations across the subsets of the data. Therefore, means, standard deviations and percentages have been computed for each of the scale item reflecting the effectiveness of the training programme viz. the dimensions of effectiveness.

### The Results

The results of the study are presented in the order of the objectives to be addressed. Therefore, firstly the results pertaining to i) effectiveness of training curriculum, ii) effectiveness of resource persons and iii) utility at work place.

**Table 1**  
**Effectiveness of the Curriculum**

Sl. no	Questions	N	Mean	Std. Dev.	Percentage
1	Did this training class meet your expectations?	63	2.44	1.50	36.11
2	Was the level of instruction appropriate?	63	2.70	1.19	42.46
3	Was the length appropriate?	63	2.05	1.30	26.19
4	Did the class begin on time?	63	4.02	1.25	75.40
5	Was all of the equipment working properly?	63	3.14	1.44	53.57
6	How would you rate the manuals?	63	3.08	1.24	51.98
7	Was the training facility adequate?	63	2.43	1.30	35.71
8	What is your overall level of satisfaction with this training?	63	2.46	1.08	36.51

From Table 1, it is quite clear to note that among eight of the items reflecting effectiveness of the curriculum, one of the most perceived item is the commence of the class in time (75.40 per cent), followed by working of all the equipment properly (53.57per cent) and training manual being rated (51.98 per cent). Rests of the items reflect that the curriculum is not perceived effective by the participants of the training. For example, the

appropriate length of the training programme is less perceived (26.19per cent). Followed by the next less perceived item is “adequacy of the training facilities (35.71per cent), “level of instruction is appropriate” (42.46per cent). Surprisingly, the overall level of satisfaction with the training is not encouraging at all (36.51per cent).

**Table 2**  
**Effectiveness of the Resource Persons**

Sl.no	Statement	N	Mean	Std. Dev.	Percentage
1	Trainer has a thorough grasp of the subject	64	3.39	1.21	59.77
2	Organization of session by the trainer	64	1.08	1.70	2.00
3	Obvious preparation by the trainer	64	3.22	1.27	55.47
4	Style and delivery of the trainer	64	3.14	1.33	53.52
5	Trainer actively invites questions	64	3.09	1.23	52.34
6	Trainer answer the question posed	64	3.06	1.35	51.56
7	Responsiveness to group by the trainer	64	3.17	1.29	54.30
8	Individual help provided when needed	63	3.11	1.53	52.78
9	Trainer Producing a good learning environment	63	3.11	1.33	52.78
10	Trainer prepared for class	63	3.22	1.37	55.56
11	Trainer has a professional approach	63	3.08	1.56	51.98
12	Trainer provides time for follow-ups	63	2.81	1.35	45.24
13	The overall skills of the trainer	63	3.19	1.20	54.76

With regard to the effectiveness of resource persons, it is found from table 2 that participations perceived “trainers have a through grasp of the subject” (59.77%), followed by “trainer is prepared for the class” (55.56%), “trainers preparation for the class was obvious” (55.47%), “responsiveness to the group by the trainer (54.30%), “style and delivery of the training” (53.52%), “trainer actively

invites questions” (52.34), “trainer producing good learning environment (52.78%), and individual help was provided by the trainer (52.78%). However, the time for follow-up was not adequately provided by the training (45.24%). By and large, the results presented in the table indicate that the participants perceived the resource persons being very effective.

**Table 3**  
**Utility at Work Place**

Sl.no	Effectiveness	N	Mean	Std. Dev.	percentage
1	Job opportunities increased after training	63	1.89	1.21	22.22
2	Interview experience after training	63	1.94	1.19	23.41
3	Working on ERP at workplace	63	2.48	1.42	36.90
4	My workplace effectiveness after ERP training is	63	2.22	1.25	30.56
5	Overall experience of ERP training was	63	2.67	1.31	41.67
6	How will you put what you have learnt from the course into practice?	63	2.25	1.11	31.35

As regards, the usefulness of the ERP training programme at the workplace, it is found from the table that the answer is on the negative. In other words, the utility of the ERP training at work place seems rather not encouraging. For example, the job opportunities have not increased after training (22.22%), also interview experience has also not improved after the training (23.41%). There is also less opportunity to work on ERP at work place (36.90%). Besides, the training has not improved effectiveness of the workplace (30.56%). Lastly, the transfer of learning from ERP at workplace also seems dismal (31.35%). Though overall experience of ERP training is not very much encouraging yet a large percentage (41%) of it is useful in general to the participants of the study.

The findings of the study, though may not be much encouraging, suggest that an attempt to understand the effectiveness of the ERP programme conducted for the students have provided adequate lessons. Surprisingly, the curriculum was not perceived effective by the participants of the training programmer, yet they have peeved the effectiveness of the resource persons better. On the other side, the utility of the training at the workplace was also not perceived biter at all. Thus, there is need to understand the design of the curriculum in relation to the needs of the participants or is it that the needs of the participants were not met despite the curriculum was designed in consultation with the experts in the field of ERP and the faculty members who were

---

the resource persons endorsing the curriculum. Besides, why the training does seem not aligned with the realities of workplace. Could it be because the workplace itself is not ready for the transfer of learning from ERP training? Or there was not scope for ERP implementation at the workplace. Possibility of mismatch of the modules offered to the participants in relation to the modules implemented at the workplace. All of these issues need to be scrupulously addressed in the future decisions makers.

## Conclusion

Modern organizations have embraced information technology for all their business processes. Since the mushrooming of many vendors sealing IT solutions particularly in the ERP segment, there is a need for scrupulous regard on the part of the IT managers in adopting such technologies. One such technology is the ERP which is considered a superior solution to various decision making problems at the workplace. Successfulness of ERP is not attributed to the commitment of the top management or the involvement of the line management, but all across the world its success is attributed to the kind of training programmer conducted for the users of the technology. To that effect, the present study made a cursory attempt at understanding the effectiveness of training programme conducted for students pursued the programme. Though the results are not much encouraging as the students

perceived the effectiveness of the curriculum being not up to the mark, but the resource persons were found very effective and on the contrary, they did not find the utility of the training programme at their workplaces. All these call for revisiting the needs for offering such training programmes and the way such programmes need to be offered in future.

## References

1. Bose, I., Pal, R., Ye, A., 2008. "ERP and SCM Systems Integration: The Case of A Valve Manufacturer In China", *Information & Management*, 45, pp. 233–241
2. Karsak, E.E., Özođul, O.C. 2009. "An Integrated DecisionMaking Approach For ERP System Selection", *Expert Systems with Applications*, 36, pp. 660–667
3. Mann, S. & Robertson, I.T. (1996) What should training evaluations evaluate? *Journal of European Industrial Training*, 20(9), pp.14-20
4. Olson D.L., (2007), " Evaluation of ERP outsourcing", *Computers and Operations Research*, 34, pp. 3715- 3724
5. Vandai, R., 2008. "The Role of Organizational Knowledge Management In Successful ERP Implementation Projects", *Knowledge-Based Systems*,21, pp. 920–926