

Offshoring of Enterprise Resource Planning (ERP) Implementations: Critical Success Factors in Germany's Perspective

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Abstract

Information Technology (IT) offshoring has benefits but is a difficult journey. Enterprise Resource Planning (ERP) has tremendous benefits but implementation is fraught with difficulties. IT offshoring and ERP together mean possibilities of immense benefits but the concomitant difficulties also increase manifold. This research is a step in understanding the intersection of IT offshoring and ERP better, with a specific focus on identifying the critical success factors. The paper focuses on identifying the critical success factors for offshoring of ERP implementations. The geography under consideration for this study is Germany. The offshoring location considered is India. The approach taken is a qualitative, exploratory approach. This paper analyses the evidence from thirty semi structured interviews conducted to understand and elicit the critical success factors for offshoring of ERP implementations. This analysis of interviews is further refined in a focus group discussion. The research concludes by identifying six number of critical success factors for offshoring of ERP implementations, namely communication & culture, offshoring partner, organization change management, people management, team skills and work & team distribution.

Keywords: Enterprise Resource Planning, Critical Success Factors, Offshoring, Germany