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Enterprise Resource Planning System (ERPS): Areas of Failure & Amendments Needed

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Abstract: Accounting Information Systems facilitate the automation of accounting information. The accounting information of an organization creates the foundation on which the entity's financial reports are generated. In spite of the fact that plenty of attention has been placed to the development and advancement of accounting professions in the developing countries, there has been very minimal emphasis placed in determining the implementation of accounting information systems. The main purpose of this research study is to examine the development of accounting information systems and the barriers that are experienced in developing nations, with a specific case study on Lebanon. The findings of the study established that the barriers include organizational structure, lack of technological advancements, poor training and education, and financial problems in the costly setting up of AIS. The strategies that organizations should take up include the training and education of managers and accountants within the organizations to gain competencies in carrying out accounting information systems, gain financial feasible contracts for setting up the systems and changing organizational structures to embrace advancements in technology.

Keywords: Accounting Information Technology, Organizational Culture, Barriers, Middle Managers Commitment, Organizational Structure, Financial Problem, Environmental Factors

I. INTRODUCTION

1.1 Background

An ERP system takes into account processes where a corporation, usually one that is a manufacturer, supervises and assimilates the significant parts of its business. The system assimilates different areas, for instance planning, procuring, marketing, finance, as well as human resources. An ERP system is delineated as an integrated software solution, characteristically offered by a vendor as a package that provides support to the smooth assimilation of all the information that flows through an organization, for instance, supply chain, financial, consumer, human resources, and accounting information (Wong et al., 2005). Imperatively, ERP systems permit complete accessibility to each significant process in the business by making data from each unit or department easily accessible to the user and the senior management. ERP also facilitates enhanced reporting and planning. Carrying out an ERP system implies that the organization has a sole, integrated system of reporting for each process. Through this single source of information, an organization's ERP system can freely create beneficial reports and analytics at any given point in time (Kumar and Suresh, 2006).

1.2 Statement of the problem

ERPS is a software used by organizations to properly manage their business functions. One use of ERPS is financial management. ERPS is used in the documentation of financial transactions, tracking different financial assets, evaluating the business current financial performance in comparison to organization financial goals. However, and although ERPS has brought some benefits to organizations using it, it still has some breakdowns. Accordingly, this article aims to identify the areas of failure and intends to find amendments to make ERPS more efficient.

1.3 Purpose of the study

The main purpose of this research study is to identify the areas of failure of ERPS and come up with the needed adjustments to the system.

1.4 Research Objectives

The research study will be guided by the following objectives:

1. Identify areas of failure of ERPS implementation in Lebanon
2. Identify amendments needs to develop an effective ERPS within Lebanese enterprises.

1.4 Significance of Study

It was cleared out that ERPS within Lebanese institution is not very effective. Accordingly, this study highlights the areas of ERPS failure and the amendments needed to make it more efficient and effective. This means that the significance of this research study is to enable the managers and organizations to maximize the benefits of ERPS and utilize it to achieve their organizational goals in an effective and efficient manners.

II. LITERATURE REVIEW

2.1 Introduction

This chapter provides insights on different areas of failures within ERPS based on other research studies. This chapter also introduces and discusses different amendments that can be done to make ERPS more effective.

2.2. Barriers to ERPS Implementation

There have been several cases of unsuccessful implementation of ERPS within organizations. The authors indicated that just about 70 percent of ERPS implementations failed to attain their forecasted benefits. The rate of failure in the implementation of ERPS is considerably high and the implications are detrimental to the organization (Wong, 2005). An ERP could have experienced failure as a result of numerous different criteria. These criteria comprise of lower levels of returns than anticipated, incapability of the ERP system to meet preset functional requirements, and crossing budget restrictions. Additional criteria for failure of ERP project failure include greater costs for maintenance and training, lack of properly set dates for development and deployment, inappropriateness working of the system and failing to meet the estimated expectations (Wong, 2005).

The ERP revolution has left organizational managers with a quid pro quo for choosing the system for their entities wherein the main objective of the firms is to be able to create business value from the investments made. This would come to be conceivable when the necessity of ERP would emanate internally within the organization or the external force would generate a circumstance where consumer emphasis or competition focus would necessitate the organization to adopt and implement a system which can assimilate the components of its business. Nonetheless, reasons for new ERP system can be dissimilar on the basis of the relative factors for each organization (Al-Fawaz, Eldabi, and Naseer, 2010).

There are different obstacles and barriers that stand in front of the adoption of the ERPS and lead those who depend on it to failure in its application.

2.2.1. Lack of Commitment and Dedication from Management

The lack of senior management's cooperation in the area of dedication to the ERP implementation, for instance, adequate financial assistance and human resource management, is deemed as one of the fundamental reasons of the failure of the ERP system. The failure of an ERP system can also be caused as a result of inadequate knowledge transfer to ERP vendors regarding the business from the senior managers. As a result of work overkill in the course of the implementation practice and internal resistance from the management, that is, inadequate commitment to the ERP implementation within a firm, brings about the failure of business processing system (Saqib et al., 2012).

Senior executives and managers, in spite of usually being the persons responsible for making the decisions to implement an ERP, are more often than not unaware of the magnitude and complexity of the project. This gives rise to a scarcity of resources in addition to time for the implementation of ERP. Devoid of adequate resources, the ERP is bound to fail. More often than not, top managers delegate the culpability of monitoring the project to lower level managers. Consequently, the senior executives do not have the authority to make significant decisions or alter prevailing business procedures. This diminishes the flexibility of the project and can bring about additional delays. The most successful ERP projects are shepherded by a member of the management team who has enthusiastically partaken in software selection and implementation endeavors.

2.2.2. Lack of Clearness on Functional Requirements

Preferred functionalities are usually not communicated well. At times, the buyers themselves are uncertain and hesitant of what they are in search for. This results in incessantly changing goals, objectives, and requirements. Whereas this might be tolerated to some degree, nonetheless extreme changes can bring about delays, bring about a rise in cost and also poor quality software. It is imperative for developers to assess and comprehend requirements prudently. Devoid of a clear notion of objectives, the software that is created has a likelihood of lacking alignment with the business goals. Devoid of a proper definition of what is sought after, the developers will not provide the software preferred capabilities. It is largely significant to make a well apparent and defined outline of the software. In accordance to Saqib et al. (2012), the lack of additional

endeavors in terms of collecting data regarding business processes of an organization can result to the failure of an ERP system. Taking this into consideration, it is largely significant that each and every ERP system specification ought not to be delineated in a hurry, rather a calm and unhurried approach can diminish the likelihood of disaster. Altering and dissecting of a program's instructions are undertaken subsequent to the ERP completion, based on the inadequacy of the system requirement specifications by the user or inadequate requirements that are provided by the user.

2.2.3. Insufficient Training

Each and every user of the ERP system has to be properly trained. These individuals need to be cognizant of all aspects of the system. Interrelations with the vendor execution tea ought to be motivated. Mishandling of the ERPS can result in a decline in the net income. Employees need to be trained and be made aware of the interfaces as well as functioning of the ERPS. It is imperative to note that employees are accustomed to carrying out tasks in isolation, whereas working on an ERP, every task can have substantial impacts on the business process as a whole. Therefore, it is pivotal to ascertain that employees are cognizant of the consequences of their actions.

In addition, an additional reason for failure concerning employee training takes into account teaching solely a small number of employees about the ERP system, and anticipating them to distribute and circulate the information. There is also the mistake of conducting training and education sessions about the system for departments in small groups. The major shortcoming of this approach is that it precludes employees from any department or business unit from developing a general and wholesome view of the system. Consequently, employees end up failing to perceive the manner in which the software assimilates and the prospective outcomes of their actions.

2.2.4. Unsuitable package selection

In the contemporary, ERPs are sold in the form of packages. This is to imply that the ERP can be split into smaller constituents and every one of them is purchased separately on its own. This facilitates customization or personalization for every implementation. Selecting the right package is pivotal. Buyers have to make certain that the selected package satisfies their requirements. Some of the key reasons for selecting the wrong ERP package comprise of the lack of knowledge and also the lack of clarity and transparency regarding functional requirements. At times, packages are selected erroneously owing to the reason that the features of the package are not properly understood. Notably, there have been situations whereby employees have selected particular packages as a result of successful implementations in previous jobs. The purchasers have to make certain that the vendor has the suitable package. Usually, the buyers are attracted by deceptive approaches only to come to the realization that an existing package has to be transformed comprehensively. In the event that the wrong packages are bought, they might not be suitable to the needs and requirements of the organizations or might process the tasks sluggishly.

2.2.5. Incompatibility with the Organization's Processes

Oddities with underlying business processes can adversely hamper ERP performance. These can be delineated as existent gaps between the software functions and the requirements of the organization. Imperatively, incompatibility emanates from poor and unclear understanding of underlying processes, not only for the ERP but also for the organization.

2.2.6. Resistance to Change

The implementation of an ERP system usually requires significant changes to the processes carried out within the organization and also employee attitudes and outlooks. Imperatively, ERP can bring about change to technical matters but also the goals and objectives of an organization. Changes may be carried out in reaction to external factors or be made to be in alignment with the longstanding objectives of the organization. This change has to reverberate all over the firm. Failure to change is very frequently the fundamental cause of ERP failure. Change management plays a pivotal role and ought to be assimilated during the initial phases of ERP planning.

Changes in employee attitudes are significant for ERP implementation. Resistance to change is a natural human inclination and more so employees usually perceive ERP implementations in a negative manner. An ERP system facilitates the automation of business processes and this customarily brings about loss of jobs. An ERP implementation cannot be fruitful devoid of real and extensive support from employees. There are numerous instances of ERP systems experiencing failure regardless of successful implementation. Employee training is plays an important role to achieve proper ERP implementation. They must be trained on not only how to utilize the system but the consequence of actions. They must be made aware to come to the realization of the manner in which the ERP system will assist the organization accomplish its goals and objectives. The best

practices of the ERP system cannot be efficaciously employed if the employees are lack motivation or lack knowledge. Numerous ERP projects have been considered as a failure as a result of lack of change management.

2.2.7. Return on Investment

Return on investment is fundamentally the summation of profit of an investment divided by the totality of the expenses, delineated in terms of percentages, usually over a span of three years. In overall, there is a view of business consultants that, they will generate returns on the investment on ERP instantaneously, but this view fails based on the fact that, implementing an ERP within an organization is a longstanding investment. More so, it can generate intangible benefits to the organization in longer points of view. The anticipation of the senior management from an ERP devoid of taking into consideration the intricacy and risks associated with the ERP system in its entirety gives rise to unrealistic expectations of users and project team (Saqib et al., 2012).

2.3. Proposed Alternatives, Recommendations and Guidelines that Limit the Risk of Failure of the ERPS

An ERP system is deemed to be a pillar of every organization based on the fact that the resources of multinational enterprises have significantly increased. As a result, a need emanates of a certain system that could overcome the challenges emerging in the management of such resources and business functionalities. The ERP systems are implemented in different areas of the organization having a proportion of success rates. The fundamental reasons of failure of an ERP within an organization comprise of commitments to the ERPS, lack of resources, internal and external resistance, in addition to miscalculation of ROI and others (Saqib et al., 2012). There are proposed alternatives or recommendations that can be carried out in order to limit the risk of failure of the ERPS.

2.3.1. Knowledge and Understanding

A recurrent theme concerning the failure of ERPS has been the lack of proper knowledge and understanding. A key recommendation for limiting the risk of failure of ERPS is undertaking well-educated decisions. This is particularly the case with top management of the organization, if they could educate themselves, obtain insight and commit to the project. It is recommended that top management should be cognizant of the prospective consequences of their actions. Inspiration, encouragement, support on top of sufficient resources are necessitated for any project having the magnitude and complexity of an ERP system. An additional recommendation is the involvement and assimilation of experts and consultants. The management of an organization should not get into the technical matters of en ERP. There are numerous competent consultants that can be contracted to provide thorough and meticulous information, a comprehension of the significance, challenges and necessitated resources ought to suffice. In addition, the management ought to make certain that they are cognizant of the processes underlying an organization. Sufficient measures ought to be carried out to facilitate successful ERP implementation (Ghosh, 2012).

2.3.2. Communication

Another key recommendation is proper communication. It is proposed that an organization ought to convey what is necessitated in a transparent and clear manner. The third parties including the vendors, ERP implementers and also the consultants ought to be cognizant of the goals and objectives of the organization. Efforts ought to be made to facilitate the adoption of an ERP in order to make it suitable to employees to as large an extent as conceivable. They ought to make certain that requirements are properly understood (Ghosh, 2012).

2.3.3. Training and Education

It is recommended that management should not be hasty in beginning to use the ERPS tool devoid of sufficient training to users and employees. In the present day, the contemporary ERP systems are being utilized by progressively more employees within an organization. Beyond the finance and accounting department of an organization, contemporary ERP systems also encompass other departments such as procurement, supply chain functions, compliance, customer relationships, sales together with several others. In the event that the system encompasses human resources, then fundamentally all personnel use the system. Training should be carried out to all personnel as a whole. This is largely for the reason that training a small number of users makes it largely challenging for users to get the training that they necessitate to comprehend the system and have positive first imprint when it becomes rolled out (Alhayek, 2017).

2.3.4. Undertaking Proper Change Management

Resistance to change should not always be perceived as a kind of enemy towards the organization. Rather, it ought to be perceived as an opportunity and a resource. Kotter (2007) also makes the same argument

in the sense that the fundamental reason as to why numerous managers do not succeed in change management is because they fail to realize and acknowledge that transformation is a process and not an event or one-time occurrence. Rather, it progresses through stages that build on one another and it can take numerous years. Kotter (2007) argues that it is imperative to comprehend the stages of change and the pitfalls that are distinctive to every stage in order to increase the chances of an effective and successful transformation within the organization.

It is recommended that managers should carry out and practice proper change management. It is exasperating for employees to come to their workplace as usual only to discover that their workflows and processes have been dramatically changed and transformed. Therefore, the suggestion for managers in order to avoid prospective failure is to start training employees on the new ERP system as early as possible and take into consideration the manner in which such a new system will impel them to learn new processes or tools. In addition, it is recommended that managers ought to make certain to address any issues or worries that employees might have. In a number of instances, it is advisable for senior managers to trail employees when they are finishing tasks that will be directly influenced by implementation, so as to better comprehend how their workflows will change. What is more, it is imperative for the managers to carry out change management suitably. Notably, implementations take time and therefore setting unrealistic timelines will generate even more difficulties. Therefore, top management should have faith in the implementation teams, especially when they provide a timeline.

2.4. Practical Application of ERPS in Framework of Financial Accounting

ERP systems advanced from advanced manufacturing technologies purposed at increasing the quality levels, decreasing inventory levels, enhancing customer service and augmenting flexibility in manufacturing. Transactions conducted under ERP systems are treated as part of inter-linked procedures that make up the business as a whole. These sorts of systems facilitate firms adopting them to automate and assimilate business processes, sharing of data across different departments and generate and gain accessibility to information in real-time setting (Spathis and Constantinides, 2014). The foundation of information system (IS) is conventionally deemed to be an accounting information system (AIS) assimilating transaction processing, reporting, as well as decision support. The key objective of any AIS is to provide accounting data and information to a wide range of both internal and external users. The accounting element is at the key of an ERP system, characteristically assimilating applications such as accounts receivable, general ledger, accounts payable, cash management, budgeting as well as cost control. Nonetheless, ERP systems provide firms with the capability of enhancing business processes through the assimilation of all the functional areas within a company. It is conceivable to assimilate both financial data and non-financial data (Spathis and Constantinides, 2014).

In accordance to research conducted by Booth et al. (2002), ERP systems have substantiated to be effective in the processing of accounting transactions and less effective in financial reporting and decision support In addition, the authors make the suggestion that ERP systems provide both the incentives and the ways for the adoption of newer accounting practices, for instance, balanced scorecards, activity based budgeting, and product lifestyle costing.

2.4.1. ERP System Amendments

Subsequent to the initial implementation of ERP systems, corporations are incessantly necessitated to make post-implementation amendments. These sorts of amendments comprise of maintenance, enhancement, together with upgrade activities.

2.4.1.1. Maintenance Activities

ERP maintenance alludes to frequent post-implementation activities necessitated to ensure that the ERP system is sustained. Any endeavor undertaken in maintaining an ERP system but which does not concentrate on augmenting or supplementing the system and which also is not a huge or negligible upgrade should be classified as maintenance. As a result, maintenance takes into account needs for support package or patches, continuing system in addition to bug fixes, and is characteristically targeted at minimal correction and additional adjustments as a result of legal changes. Overall maintenance activities are not characteristically anticipated to have substantial business and technical change effects (Oseni et al., 2017).

Maintenance activities are classified into numerous groups. For example, research carried out by Nah et al. (2001), the classifications of ERP maintenance can be split into six different categories including corrective, adaptive, perfective, preventive, user support, and also external parties. The main aim for corrective maintenance is to correct any errors or faults. Secondly, the main aim for adaptive maintenance activities is to take up changes in the data and processing settings. Thirdly, the aim of perfective activities is to facilitate better

performance, which also encompasses enhancive maintenance activities that comprise of changes as well as added extras to the functionality of the ERP system.

Similarly, the research conducted by Ng (2001) indicates that maintenance activities can also be categorized into client-side maintenance and vendor-side maintenance. On the one hand, client-side maintenance lays emphasis on maintenance requests instigated by the client and alludes to bug-fixes and help-desk requests. On the other hand, vendor-side maintenance takes into account the use of system patches, improvement of patches and online service system notes that provide updates on patches for the system.

2.4.1.2. Upgrade Activities

Upgrades can be delineated as packages that are provided by the vendor that comprise of significant new features and are slanted towards scope and version. Basically, the scope of an upgrade delineates the magnitude of implementation and is delineated in functional or technical terms. On one hand, technical upgrades facilitate the maintenance of the system in a version that is supported. On the other hand, functional upgrades allude to the functionality of new software that can result in business process improvement (Nah et al., 2001; Ng, 2001).

Research conducted by Oseni et al. (2017) delineates a technical upgrade as an upgrade that is carried out to shift the ERP system that is already implemented on to the most recent and up-to-date technology platform, devoid of the implementation of new functionality that have the ability to change user behavior or business procedures and practices. The inclusion of a technical upgrade is driven by the need to sustain a technological setup that has the ability to support necessitated change and is frequently not supplemented by any major variance in the core product or functions (Oseni et al., 2017). Taking this into consideration, technical upgrades have a likelihood of being supplemented by a high technical effect but minimal business impact.

On the other hand, a functional upgrade is carried out only for the main aim of attaining significant enhancements in addition to new functionality. According to Oseni et al. (2017), a functional upgrade is delineated as an upgrade that is carried out to propagate the business process functionality of a system that is already existent and it is more intricate than a technical upgrade and encompasses the adoption of new business processes on top of automation of processes that were previously not automated. What is more, functional upgrades are for the most part instigated as part of a line-of-business action different from the technical upgrades, which are frequently instigated by the organization's IT department. In actual fact, it is usually anticipated that functional upgrades will come first before technical upgrades and are anticipated to have both high business impact and also high technical change impact (Oseni et al., 2017).

2.4.1.3. Enhancement Activities

Enhancements are carried out to distinctively increase the performance of the system by additionally adapting the system to meet organizational requirements. The enhancements are anticipated to give rise to a high business impact. In general, enhancements take into account maintenance activities that are directed towards improving software. In the perspective of ERP systems, enhancements are deemed to be upgrades and add-ons and purpose to provide extra business functionality to the ERP system. What is more, a maintenance request is taken into consideration to encompass an enhancement request that is centered on the measure to which is makes a contribution to the organization's goals and objectives. In addition, enhancement endeavors also comprise of the design and implementation of the system's customization, on top of the creation or modification of user interfaces (Gable et al., 2001). Taking into account the high business involvement in enhancement tasks, Oseni et al. (2017) deem it that enhancement amendments ought to be treated and classified variously to maintenance amendments. These enhancements are linked to improvements instigated from both the side of the client and the side of the vendor

III. METHODOLOGY

3.1. Introduction

This chapter comprises of a discussion of the methodology of research that was applied in determining the results of this study. The elements covered in this chapter comprise of research design, study population, the sample size and sampling method in addition to data collection instruments utilized for data collection, validity and reliability of the research instrument, data analysis and presentation as well as ethical consideration.

3.2. Research Design

To address this object and identify areas of failure addressing a sample to represent the population was necessary therefore, a quantitative research was needed. Findings from the literature review identified the common areas of failures and the adjustments needed. Accordingly, a questionnaire was designed and collected over a sample of 170 employees who operate with ERPS. These employees provided information on the

problems they face when using ERPS. Using a 5 likert agreement scale respondents had to indicate their degree of agreement with statement related to failures and amendments. Later, data were entered into SPSS for analysis.

3.3. Population and Sample

Target population can be defined as a uniquely definite group of people, elements, events as well as set of items under a research study the target population in this study encompassed financial and accounting managers in corporations. This is because these are the persons within the organizations that are directly responsible for the establishment and implementation of accounting information standards. The scope of the study encompassed corporations operating in Beirut. It is imperative to note that there are several companies operating in Beirut and the number of financial and accounting managers is highly substantial. Taking into consideration the constraints in time and resources, a suitable research sample was necessary. In definition, a research study sample comprises of entities that are obtained from the target population with an aim of approximating the population characteristics. Basically, sampling facilitates the selection of elements from a study population so that the same conclusions can be made regarding the total population [15].

This research study employed the convenience sampling technique. This is a non-probability sampling method where the research participants are chosen owing to their convenient accessibility and proximity to the researcher. The research participants were chosen because they were easy to recruit for the research study and this technique was also advantageous owing to its fast and inexpensive approach. In total, 1 research participants were selected for the study.

3.4. Research Instrument and Data Collection

The research instrument is the tool the researcher uses to collect the required data [16]. In this study, questionnaires were considered to be the most ideal research instrument. A questionnaire is a technique for data collection that asks the subjects to provide either verbal or written responses to a particular set of questions. It is a fast, opportune and cost-effective method of gathering homogeneous data and information. Questionnaires can be utilized to gather information regarding knowledge, attitudes and experiences of subjects. Data was collected either in person, via email or via telephone.

3.5. Validity and Reliability

Reliability and validity are concepts that play a significant role in research as they assess the quality of research. They point out how properly a technique, method or particular test measures aspects. On the one hand, reliability takes into account the consistency of a measure whereas validity takes into account the accuracy of a measure. This research study employed Cronbach's alpha in order to measure for internal consistency, which takes into account assessing how closely associated a set of items are as a group.

3.6. Data Analysis

The gathered data was examined extensively and tested for completeness. The confirmed data was coded and thereafter keyed into Statistical Package for Social Sciences (SPSS). This statistical tool was utilized owing to the reason that it helped the researcher to organize and summarize the data to provide significant parameters, which are beneficial for data analysis. The analysis of data comprised the use of frequency distributions, percentages, correlation, means and standard deviation. Descriptive statistics was employed in presenting the research findings using bar graphs and tables. Subsequently, a summary of key findings and conclusions was provided so that the results of the study would be clearly understood.

3.7. Ethical Considerations

Abiding by the ethical guidelines is imperative when undertaking research, specifically in terms of official consent in addition to maintaining autonomy and anonymity of the research subjects [16]. Another important ethical consideration was participation. Imperatively, participation in the research study was completely voluntary and on the basis of informed consent. Basically, the research subjects were made aware of their choice and options of participating in the study and also the ability to withdraw their involvement at any given time they desired devoid of any repercussions. In addition, the research study was undertaken in line with the pertinent guiding principles on privacy and data protection. Research participants were not mandated to outline any personal information. Furthermore, personally recognizable particulars such as names of persons, organizations, and institutions were not incorporated in the final report. In conclusion, no financial inducements were provided to hearten participation in the research.

IV. RESULTS AND FINDINGS

4.1 Introduction

This chapter provides the results and findings of the research study on the development of accounting information systems and the barriers faced in developing nations. The research sampled all of the 150 selected accountants and managers working in organizations in Beirut, Lebanon.

4.2 Mean Test Results

A mean test was conducted to quantitatively delineate and summarize the collected information. Table.1 below presents the results of the mean test. Based on the findings, main barriers and areas of failures were concluded.

4.3 T- Test Results

Evaluating the work of the ERP system in the Lebanese financial accounting in the organizations that are used as a model for study in the public and private sectors, in order to judge their success or failure.

- Maximum mean is 3.48 (There is poor and inadequate information technology (IT) infrastructure)
- Minimum mean is 3.11 (High turnover rate of project team members)
- Overall mean is 3, 2754 (Evaluation of the implementation of the ERPS in financial accounting and audit.) Neutral

A description of the obstacles and barriers that stand in front of the adoption of the ERPS and lead those who depend on it to failure in its application.

Maximum mean is 3.43 (Insufficient time and resources in the application of ERPS.)

Minimum mean is 3.16 (Misfit between the ERPS and the company's business vision, goals and objectives.)

Overall mean is 3, 3079 (Detailing the obstacles and barriers that lead to failure in the application of the ERPS.) Neutral

Areas of failure in the application of the ERPS at the level of Lebanese organizations accredited in the study, and the technical and administrative reasons that lead to it.

- Maximum mean is 3.4 (Inadequate information technology infrastructure.)
- Minimum mean is 3.11 (Failure of top management's cooperation in terms of commitment to the ERP implementation.)
- Overall mean is 3.2613 (Identifying the areas of failure in the application of the ERPS.) Neutral

Evaluating the practical application of the ERPS in the framework of financial accounting in Lebanese private and public organizations through the models adopted in the form of the adoption of its ERPS and other alternative systems in the same field.

- Maximum mean is 3.90 (Increasing the flexibility of the company to respond to new market prospects.)
- Minimum mean is 3, 61 (Enhanced management controls.)
- Overall mean is 3.7601 (Evaluating the practical application of the ERPS in the framework of financial accounting.) Positive

To study the nature of the exceptions, amendments and changes adopted the Lebanese models of the ERPS in financial accounting and the circumstances and backgrounds that required it

- Maximum mean is 3.84 (The entire team needs to come to terms with all of the set requirements.)
- Minimum mean is 2.99 (F.1. The ERPS amendment is in line with internal strategic objectives.)
- Overall mean is 3.1929 (Studying the nature of the exceptions, amendments and changes adopted in the Lebanese models of the ERPS.) which is neutral

V. FIGURES AND TABLES

The following section presents the figures and tables of the results obtained from the data analysis:

Barrier	N	Mean
Lack of vision by middle managers in the organization to facilitate the development and implementation of ERPS	150	3.2400
There is lack of trust and faith amongst subordinates in the development and implementation of ERPS	150	3.3667
Organizations do not see value in the role of accounting systems, nor their significance in each phase of their decision-making and nationwide development plans	150	3.3905
There is a progressing development of accounting information systems (ERPS) in the organization	150	3.4000
There are outdated regulations and also there is the lack of proficient instructors	150	3.4000
The organizational culture in companies continue to prefer manual processes and procedures	150	3.4733
Organizational structure is one of the barriers to the implementation of ERPS in companies	150	3.5933
Lack of technological advancements hamper the development and implementation of ERPS	150	3.6467
There is poor training and education in regard to the use of accounting information systems	150	3.8400
Setting up ERPS within organizations is a costly undertaking	150	4.0000
Valid N (list wise)	150	

Table 1: Descriptive Statistics

The following section aims to address the following objectives:

1. Evaluating the practical application of the ERPS in the framework of financial accounting.
2. Studying the nature of the exceptions, amendments and changes adopted in the Lebanese models of the ERPS.

In order to fulfill these objectives a questionnaire was designed and filled by 140 respondents who operate with ERPS at different business institutions.

One-sample t-test is used to compare the **mean** of one sample to a known standard (or theoretical/hypothetical) mean (μ), which is in our case equals to 3.5.

If the p-value is inferior or equal to the significance level 0.05, we can reject the null hypothesis and accept the alternative hypothesis. In other words, we conclude that the sample mean is significantly different from the theoretical mean.

If the p-value is greater than the significance level 0.05, we can accept the null hypothesis and reject the alternative hypothesis. In other words, we conclude that the sample mean is **not** significantly different from the theoretical mean.

Table 2- Descriptive Statistics: Section B

Variable	Mean	Std. Deviation	Std. Error Mean
B.1.Vague concept of the nature and use of the ERP system from the perspective of the users	3.32	1.28	0.11
B.2. Impracticable expectations from top and senior management concerning the ERP system	3.16	1.28	0.11
B.3. The existence of resistance to change from the users	3.41	1.21	0.10
B.4. There is poor and inadequate support from top management	3.12	1.31	0.11

B.5. There is poor and inadequate consultant effectiveness	3.36	1.29	0.11
B.6. There is poor and inadequate information technology (IT) infrastructure	3.48	1.23	0.10
B.7. There is poor and inadequate knowledge transfer	3.27	1.33	0.11
B.8. Insufficient training and lack of awareness on all aspects of the system	3.29	1.30	0.11
B.9. Improper package selection and lack of clarity regarding functional requirements	3.26	1.33	0.11
B.10. Reliance on end users feedback	3.39	1.02	0.09
B.11. Quitting of stakeholders during the implementation	3.19	1.19	0.10
B.12. Having a tight and stringent project schedule	3.46	1.13	0.10
B.13. Excessive dependence on heavy customization	3.44	1.11	0.09
B.14. Having a misfit between the ERP system and the organization as a whole	3.18	1.26	0.11
B.15. There is poor and inadequate infrastructure	3.26	1.21	0.10
B.16. Lack of competent IT staff within the company	3.27	1.30	0.11
B.17. Poor selection of the ERP system	2.98	1.24	0.10
B.18. Failure of making ERP a priority	3.28	1.35	0.11
B.19. Lack of a proper implementation plan	3.27	1.31	0.11
B.20. High turnover rate of project team members	3.11	1.36	0.11
B – Evaluation of the implementation of the ERPS in financial accounting and audit.	**3.28**	**0.98**	**0.08**

Table 2: T-Test

VI. CONCLUSION

Based on the analysis of the results (arranged from data analysis of the respondents), it can be inferred that there are several gaps in technological advancement both at organization level and employee level. Organizations are reluctant to implement ERPs in their system owing to the non-availability of trained staff. Moreover, staff considers ERP implementation may also make them obsolete. Accordingly, they also create hindrances in implementation of ERPs system into their organization.

Furthermore, if we analyze the structures of Organizations in developing countries, majority of the organization are not willing to adopt ERPs system owing to the financial investment required to incur in its implementation. Moreover, owing to non-availability of technical expertise firms end up adopting an ERP that is not user friendly and staff are stuck-up with usage of the ERP. Resultantly, the capital intensive project becomes a sunk cost for business. Moreover, since the Top Management is involved in development of ERP structure therefore, they considers or idealize to include major customization into ERP system structure. That also creates problems for the end-users since they are unable to handle the customized system. Moreover, owing to the customization the installed system cannot be handled by other IT technicians and only the installed engineers are required to handle the system (which in times of any issue may lead to business disruption). Businesses, majorly in developing world are reluctant to implement ERP system because they do not want to have any business or operational disruptions in their business. An employee too considering their obsoleteness also creates hindrance in smooth operability of ERP system which ultimately results in making this system a problem creator instead of value addition agent. Based on the literature review and respondent's feedback, it can be inferred that businesses in order to derive maximum benefits out of the ERP system should follow following mechanism which are poised to bring positivity to their approach:

Middle Managers should be involved in customization and implementation of ERP system. Primary reason for involvement of Middle Manager is owing to the fact that they are the real expert of business

processes and are handling the processes for considerable time frame. Moreover, owing to their level of tier they are also involved in coordination and communication with lower level staff more frequently. Therefore, if they are involved in implementation phase, they may be handling the lower level staff queries more efficiently and effectively. Moreover, since they also know the problem areas in business processes therefore, any customization request on their part must be entertained since, that customization would assist businesses in gaining added advantage.

It is pertinent to mention over here that businesses are required to give confidence to their lower level employees that implementation of ERP system is for the collective benefits of all involved in the organization. Moreover, it is worth mentioning that this confidence building measure would assist organization in having effective implementation of ERP system. Moreover, maximum benefits of the system could be deduced by involving all tiers of the organization.

Businesses must also try to develop competency and capacity of its workforce enabling them to effectively utilize the ERP system. Learning programs should be implemented. Moreover, customize train-the-trainer like program are also suggested to be included wherein, expert employees are required to impart training of the system to other team members. Rewards may be linked with these trainings which would ultimately assist an organization to fetch maximum benefits of ERP system. Businesses may also develop a culture of transformation in the organization wherein, processes are required to be transformed keeping in view the ERP system benefits. This would ultimately bring a culture of transformation in the Organization.

It is worth mentioning that based on the data analysis it has been understood that there is a clear mis-fit between the employees and the organizations. Organizations are not involving their employees in ERP implementation while employees are not welcoming ERP system as they have not been briefed over the benefits the system could bring to them. Therefore, concept of inclusive leadership is required to be implemented in Lebanese firms wherein, top leaders are required to involve all the tiers of organization in developing and implementing ERP structure. Moreover, inclusive leadership shall also be assisting in a uniform approach throughout the organization along with developing organizational level synergy amongst all. Business as a continues development procedure may adopt training programs wherein employees are required to attend and gain trainings on reaping the maximum benefits out of the implemented ERP System in the organization.

On the review of the above discussion it could be stated that amendments are necessary for the proper understanding and usability of the ERP system for the users. Different statistics have been calculated and available in the above chapter and on the basis of these statistics we can make the conclusion regarding the necessary amendments for ERP system within the organizations in Lebanon. First variable selected in the above chapter is that amendments in the ERP system are in line with the requirements of the organizations. On the basis of this variable sample has been collected and analyzed by applying different statistical tools and techniques.

While analyzing the statistics and after the review of their results it could be concluded that test value of the sample has been selected as 3.5 and on the basis of the value we can conclude that hypothesis will be rejected because upper value is lower than the test value. Therefore, the statement those amendments are required and these are inline within the internal strategic objectives of the organizations. Second variable states that every team have to come the set of requirements band they have to fulfil it this hypothesis is also rejected because the confidence interval percentage is lower than the selected hypothesis time value of 3.5. Customization needs are also not according to the requirements and these also need to be in line with the requirements. This statement has also been selected as a variable in the above chapter and this variable is tested. There results of the statistical analysis states that hypothesis is rejected because amount of percentage is lower than the test value. This leads towards the results that customization needs also need to fulfil with requirements and according to the expected requirements.

Stakeholders of the organizations have accepted the scope of the ERP system and they are satisfied with the performance of the software. According to the results from the selected sample it could be observed that hypothesis will be rejected because its value is lower than the test value. There are some barriers in the way of operations of the system and adoption of ERP system within the organization these barriers could be cleared by the adoption of such amendments. Amendments are necessary in the system if we need the perfect implementation of the system in the organization and only then it will generate the required outputs if we analyses the system and make the amendments according to the requirements.

While reviewing the stats it could be observed that maximum mean, while 3.43 then it states that resources are not enough for the implementation of ERP system therefore amendments in the system are considered compulsory so that it may operate according to our requirements and generate the desired results according to the given information to the system.

So we can finally state that amendments are required in the system to make it standardize across all the units of the business and link them with system so that a centralized approach could be achieved. Second major

step is to train all the users of the system so that they may easily interact with the system and understand the features of the system easily. During the amendments it should be taken care that new type of customer facing services needs to be formatted. More system controls need to be implemented which strengthen the system as well as enhance its features. Flexibility of the system also needs to be increased so that it could operate in the given situation and produce the desired results according to the given information. Accounting applies needs to be integrated so that every unit is linked with each other.

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