



**THE CONTRIBUTION OF ENTERPRISE RECOURSE
PLANNING (ERP) SYSTEMS IN ENHANCING THE
EFFICIENCY OF HUMAN RESOURCES
DEPARTMENT**

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Dissertation

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Abstract

The objective of this study is to examine the contribution of Enterprise Resource Planning (ERP) systems in enhancing the efficiency of Human Resources department. Of late the number of organization implementing ERP in the hope of increasing the effectiveness of their HRDs is on the rise. This has promoted the need to carry this study with the objective of establishing if indeed ERP improves HRD.

The study employed a qualitative methodology that involved undertaking a critical and comprehensive literature review on the past studies on this topic. The literature review provided important theoretical understanding on how ERP is implemented and how it increases. In addition, two case study companies, Camelin Décolletage Industries (CDI) and Motorola were examined. These two companies had adopted ERP and provided information on how ERP had impacted HRD operations.

The findings of this study have shown that ERP when successfully implemented greatly improves the effectiveness of HRD. ERP enhances all aspects of HR management that include Compensation Management, Performance Management, Time Management, Recruitment Management, Human Resource Planning, and Training Management. There is also improvement in communication and sharing of information. In general, ERP is able to transform HRD and increase its effectiveness. However, this requires that when ERP is implemented, all critical success factors have to be observed, particularly involvement and participation of employees.

The study concluded that ERP contributes in enhancing the efficiency of Human Resources department. However, the study as well recommends that employees should be involved a lot in ERP implementation and the organization has to clearly understand ERP and observe all the critical success factors to achieve expected effectiveness.

Keywords: ERP, HR department, Human resources, Critical Success factors.