

Effectiveness of ERP on Supply Chain Management Performance: Exploratory Findings from Quick Service Restaurants in Riyadh

Roshan, M. S. M.¹ and Shamil, M. M. M.²

Adaptation of ERP is done by many industries for their SCM so that quick service restaurants operators, although heavy investments are made to acquire these software applications, yet their effectiveness is not evaluated. It is essential to study how effective this software on SCM. This article examines from an empirical study to investigate the effectiveness of enterprise resource planning (ERP) on supply chain management (SCM) from quick service (QSR) restaurants in Riyadh.

The nature of study is such that of exploratory, theory-building research thus a Delphi study is an appropriate research design. Study was conducted with 22 supply chain executives attached to Quick Service Restaurant (QSR) industry from local and international chains presence in Riyadh. Findings from this exploratory study are threefold. First, there is an issue with integration of ERP with supply side functions such as integration of activities between suppliers and restaurant networks, secondly these is a limitation posed by ERP on SCM to the activities such as customization and new product developments. Thirdly and finally, the inflexibility of the system that doesn't support in dynamic and changing supply chain needs. The finding of the study contributes to ERP solution providers to focus on their development that can produce much more suitable software solutions that industry needs and similarly QSR operators to know the limitations, shortcomings, and positive side of the software.

Keywords: *Supply Chain Management (SCM), Enterprise Resource Planning (ERP), Information Systems (IS), Financial Information Systems (FIS), Quick service restaurant*

¹ Faculty of Graduate Studies, University of Kelaniya, Sri Lanka [msroshan1981@gamil.com]

² Department of Commerce and Financial Management, Faculty of Commerce and Management Studies, University of Kelaniya Sri Lanka [shamil@kln.ac.lk]