

UNIVERSITI TEKNOLOGI MARA

**STUDY ON CHANGE READINESS IN
THE SYSTEMS, APPLICATIONS AND
PRODUCTS (SAP) IMPLEMENTATION
AT INDAH WATER KONSORTIUM**

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ABSTRACT

Change management is one of important element in determining the success of project delivery. It usually initiated concurrently with the project implementation. Change management is to prepare users in advance to accept the end result of the project. Ineffective of change management program can cause the delay in delivery and in a worst case it can disrupt the project. People involve in the program of change must understand that change is emotional and it is a process. Many literature has studied the process and proposed a change model. There are also many professional articles provide lesson learned for successful of change management. However, the actual implementation is much dependent on the organization themselves. They might have different culture, policy and procedures and also size of the project to be handled. The program must be tailored to the organization. Assessment must be done to evaluate level of change readiness. This study explores the change readiness by using survey and interviews methodology. Quantitative and qualitative data gathered and analyzed to see the level of change readiness. Reason for resistance also identified from the qualitative information. Resistance existed in many areas such as project management, managing human resource, system usability, implementation phases and user awareness. Solution for these resistances discussed throughout this study. Overall findings and solution can be replicated in other organization or future project for better change management.

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CHAPTER 1

INTRODUCTION

This chapter provides information on this project study. It includes the background of study, issues and problem, questions and objectives, scope and the significance of this study. At the end of this chapter, it will give overall picture to clearly understand the area of project study.

1.1 Background of Study

We choose to study the change readiness in implementation of Systems, Applications and Products (SAP) at Indah Water Konsortium Sdn Bhd (IWK).

1.1.1 Definition of SAP

According to Online Business Dictionary, SAP is a German company who develop software products that enable businesses to track their customers and business transactions. SAP is a well-known product for their Enterprise Resource Planning (ERP) and also data management programs. SAP stands for Systems, Application and Products in data processing.

1.1.2 Legacy ERP System Replacement

Current ERP legacy system at IWK consists of Financial, Procurement and Maintenance module. It has been used since year 2004 and never upgrade. Starting from year 2012, a review was conducted by key users and found that a replacement of the legacy system would be beneficial over the long term instead of upgrading the system. The main reasons were because of decline in support from vendor over the