

ABSTRACT

The study offers important guidelines to companies implementing an ERP system and develops a coherent conceptual framework that thoroughly investigates the determinants of the effective implementation of an ERP system, thus, broadening the understanding on the issue. The main objective of the study was to assess the determinants of Enterprise Resource Planning (ERP) implementation by Small and Medium Enterprises (SMEs) which are listed as top 100 SMEs in 2017 by KPMG and Nation Media (Appendix III) with specific reference to Nairobi County. Four key specific objectives were addressed in the study: to evaluate the effect of information technology (IT) infrastructure on ERP implementation by SMEs in Kenya; to establish how technical skills contribute to the implementation of ERP by Small and Medium Enterprises; to assess the effect of financial capital on implementation of ERP by Small and Medium Enterprises; and to explore the influence of implementation partner on the ERP by Small and Medium Enterprises. The study was based on three theories:- Technological Acceptance Model, Diffusion of Innovations Theory and Information Systems Success Model. The study used both primary and secondary data. Target population was the Small and Medium Enterprises within the Nairobi County. The author applied judgmental procedure to select 10 SMEs within Nairobi County. Descriptive research design was used to answer the specific questions of the study. Primary findings have shown that IT infrastructure, cost of implementation and cost of personnel have a very strong relationship with ERP Implementation. The examination prescribes different organizations to prepare or prepare enough work force to execute ERP. Small and medium enterprises ought to likewise have a hearty IT foundation important to execute ERP.

