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ASSESSMENT OF ERP IMPLEMENTATION READINESS IN SKPD INDRAMAYU REGENCY USING PEOPLE PROCESS TECHNOLOGY (PPT) MODEL AND PLS-SEM METHOD

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ABSTRACT

The implementation of e-Government in Indonesia is crucial for enhancing public service quality and efficiency, yet local governments face significant challenges. This research analyzes the readiness for Enterprise Resource Planning (ERP) implementation in Regional Apparatus Work Units (SKPD) of Indramayu Regency, utilizing the People Process Technology (PPT) model and Partial Least Squares Structural Equation Modeling (PLS-SEM) for data analysis. The study aims to assess the influence of human resources, processes, and technology on ERP readiness. Data were collected through questionnaires and interviews with five SKPD agencies, focusing on the critical dimensions of readiness. The findings reveal that the people variable significantly affects ERP implementation readiness, while process and technology variables show very weak effects. This suggests that optimizing human resources is essential for successful ERP adoption. Recommendations include enhancing training programs, improving business process alignment, and focusing on technological readiness through targeted skill development and security audits. The implications of this research provide valuable insights for local governments in planning and managing ERP implementations more effectively, addressing existing constraints, and enhancing organizational readiness. By focusing on these areas, local governments can better support the successful adoption of e-Government initiatives, ultimately improving service delivery and operational efficiency in the public sector.

KEYWORDS e-Government, GRP, ERP, Structural Equation Modelling (SEM), PPT Model

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INTRODUCTION

The development of information technology in the 21st century has brought significant changes in various aspects of life, including in the government sector (Sudirman & Saidin, 2022a, 2022b; Sussy & Vicente, 2021; Utami & Widarjo, 2022; Widodo & Kusnan, 2023). In Indonesia, the central government has long encouraged the implementation of e-Government to improve efficiency, transparency, and quality of public services. Presidential Instruction No. 3 of 2003 concerning National Development Policies and Strategies e-Government is one of the important milestones in this effort. However, the implementation of e-Government in Indonesia cannot be separated from various challenges, especially at the local government level which is still struggling with limited resources and infrastructure (Angguna, 2015; Cortés-Cediel et al., 2023; Damanik & Purwaningsih, 2017; Mensah et al., 2020; Pertiwi et al., 2021; Suherman, 2020; Sumarna, 2024).

Implementation e-Government in developing countries, including Indonesia, often face significant obstacles. Some studies show that more than 60% of initiatives e-Government in developing countries experience failure or do not achieve the expected result (Malodia et al., 2021; Mensah et al., 2022; of Economic & Affairs, 2022a, 2022b; Ordiyasa, 2015; Uwizeyimana, 2022; Worku, 2016). Factors such as budget constraints, low internet penetration, and lack of human resource readiness are the main obstacles (Novita, 2016; Silalahi et al., 2015; Widodo & Kusnan, 2023). In this context, local governments often face major challenges in adopting new technologies and adapting their business processes to support more modern and efficient operations.

Indramayu Regency is one example of a local government district that has tried to implement the concept of e-Government through the application of Government Resource Planning (GRP). GRP is an ERP concept that has been modified and designed to integrate various government functions, from planning, financial management, to public services, with the aim of improving efficiency and transparency (Saputra et al., 2021; Susanto, 2018). However, based on the results of surveys and interviews, the implementation of ERP in Indramayu Regency still faces various obstacles, such as suboptimal application integration, gaps in the readiness of human resources, and inadequate technological infrastructure. These constraints show that even though technology is available, organizational readiness in adopting and operating such systems is still a major challenge.

This research focuses on analyzing the readiness for implementing Enterprise Resource Planning (ERP) in several Regional Apparatus Work Units (SKPD) in Indramayu Regency, utilizing the People Process Technology (PPT) model and

Structural Equation Modeling (SEM) method to assess readiness across human resources, business processes, and technology dimensions. The study aims to identify specific areas needing intervention to ensure successful ERP implementation, providing valuable insights for local governments in planning and managing ERP more effectively. The findings offer recommendations to overcome existing constraints and strengthen organizational readiness, thereby supporting the successful adoption of e-Government at the local level. This research contributes to the literature on ERP implementation in the public sector, highlighting challenges and opportunities unique to local governments. Notably, it targets the local government context, addressing challenges that have been less explored in e-Government and ERP literature. The application of the PPT model provides a comprehensive framework to evaluate readiness, emphasizing the interaction between human resources, processes, and technology. Additionally, the use of Partial Least Squares Structural Equation Modeling (PLS-SEM) with RStudio enhances the robustness of the analysis, distinguishing it from earlier studies that may have employed simpler methods. The research employs tailored empirical data collection methods, including questionnaires and interviews specific to the SKPD context, ensuring relevance to current conditions. Finally, the study presents actionable recommendations for improving ERP implementation, particularly in training and process optimization, filling a gap in practical implications noted in previous research.

RESEARCH METHOD

This study develops a conceptual model to evaluate the electronic readiness (e-readiness) for ERP implementation across five SKPDs in Indramayu Regency, focusing on three key dimensions: people, process, and technology. The analysis employs the Structural Equation Model (SEM) to explore the relationships between these dimensions and their influence on implementation readiness. The research adopts the Design Science Research Framework established by Hevner and later adapted by Vom Brocke et al., emphasizing its relevance to information systems. This framework aligns with the intersection of people, organizations, and technology, making it an appropriate choice for assessing the readiness of information technology innovations in this context.

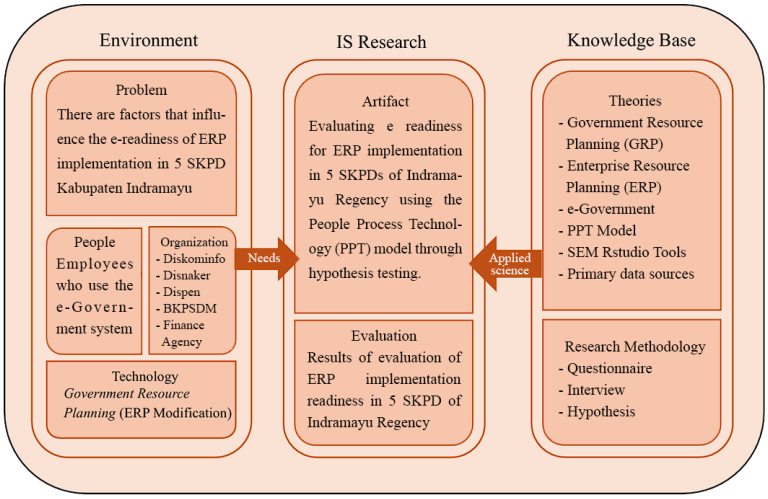

Figure 1. Conceptual Model

According to Hevner, the conceptual model of Figure 1 can be divided into 3 main parts, namely Environment, Information System IS Research, and Knowledge Base. The environment element aims to define the problem space in which the phenomenon of interest is located. The environment consists of people, organizations, and technologies that exist or are planned. In this research, for the placement of environmental elements, employees who use the e-government system in the people section; 5 SKPD agencies of Indramayu Regency, namely the Communication and Information Office, the Manpower Office, the Education Office, the Personnel and Human Resources Development Agency, and the Regional Finance Agency in the organization section; and, the system of e-Government which is a modified ERP (Government Resource Planning (GRP)) in the technology section. The IS Research element will define the stages carried out in the research, which are related to the analysis and evaluation stage of the readiness of ERP implementation in 5 SKPDs of Indramayu Regency. The Knowledge Base element is a knowledge base that provides raw materials for IS research, such as basic theories and research methodologies. The basic theory that will be used is related to ERP, GRP, e-Readiness, e-Government, PPT Model, and Structural Equation Modeling (SEM) as the method used in this study to evaluate the readiness of ERP implementation in 5 SKPDs of Indramayu Regency. The tools used are Rstudio with ver 2024.04.01+748 with the seminr package. The research methodology in data collection is to conduct interviews and distribute questionnaires to 5 SKPDs of Indramayu Regency as representatives to assess and analyze the readiness of ERP implementation.

This study examines the relationship between independent (exogenous) and dependent (endogenous) variables in assessing ERP implementation readiness for Indramayu Regency's e-government system. The dependent variable is ERP implementation readiness, which is influenced by three independent variables: people (human factors), process (organizational procedures), and technology (IT infrastructure). In Structural Equation Modeling (SEM) terms, these independent variables represent the exogenous factors that potentially impact the endogenous

variable of ERP readiness, which in turn affects the success of the e-government system implementation. The research aims to analyze how these key variables—people, process, and technology—collectively influence ERP adoption preparedness within government agencies (SKPDs).

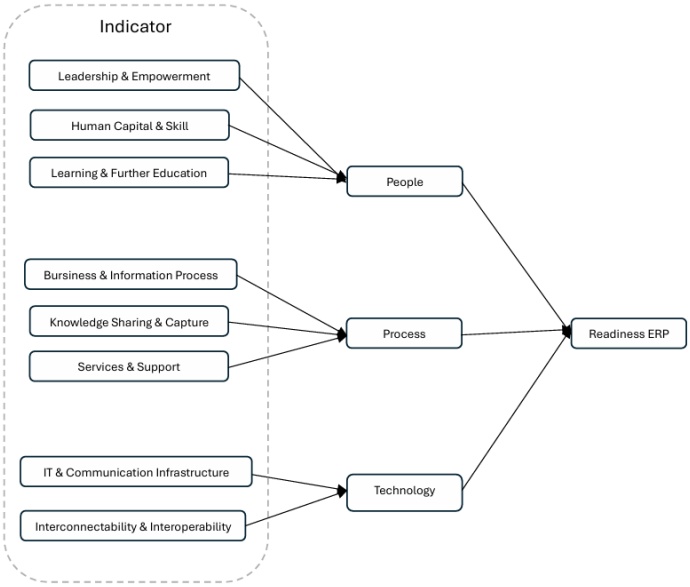

Figure 2. PPT Research Model with Indicators

Each variable is independent, has indicators that vary to form a construct. The indicators used in this study have been determined by Ghafoori related to e-readiness in the PPT Model. The following is an explanation of each indicator of the PPT Model, namely:

Table 1. Model PPT Indicator

No	Variable	Indicator	Information
1	Browse	Leadership & Empowerment	The role and support of the leader or management in encouraging and empowering employees to adopt new technologies (ERP) and more efficient business processes.
		Human Capital & Skill	The level of skill and competence of employees in the organization, as well as efforts to develop skills through training and education.
		Learning & Further Education	Continuing training programs and additional education provided by the organization to improve the knowledge and skills of employees.
2	Process	Business & Information Process	Clarity and regularity of business processes within the organization, including standard operating procedures (SOPs) and workflows.

No	Variable	Indicator	Information
		Knowledge Sharing & Capture	Knowledge sharing practices between employees and mechanisms for documenting and accessing relevant knowledge.
		Services & Support	The support provided by the organization, including technical assistance services and the resources necessary to support day-to-day operations.
3	Technology	IT & Communication Infrastructure (Technology)	Availability of adequate hardware and software to support information technology operations in the organization.
		IT & Communication Infrastructure (Reliability)	The reliability and stability of IT and communication infrastructure used in the organization to ensure operational continuity.
		Interconnectability & Interoperability	The ability of existing information technology systems to connect and cooperate with other systems in the organization, thus ensuring seamless and efficient integration.

Source: (Ghafoori, 2009)

The author determines 3 (three) hypotheses from H1 to H3. The hypothesis made by the author is as follows.

H1: People will have a positive and significant influence on the readiness of ERP implementation.

H2: Process will have a positive and significant effect on the readiness of ERP implementation.

H3: Technology will have a positive and significant effect on the readiness of ERP implementation.

The data collection technique used in this study is the distribution of questionnaires with a Likert scale type of 4 points ('1[STS]';' 2[TS]';' 3[S]'; and '4[SS]'). This questionnaire was distributed by targeting nonprobability sampling samples, namely purposive and snowball sampling. The purposive method is sampling to deliberately select certain respondents or sample elements based on criteria relevant to the research objectives. And snowball sampling is to expand the scope of the target sample because the data obtained is not enough for research purposes. So that in this study, the questionnaire was successfully distributed to 5 SKPDs of Indramayu Regency using two ways, namely physically in the form of a questionnaire questionnaire and also digitally using the google form tool.

In this research, the PLS-SEM analysis method was employed using Rstudio to conduct Structural Equation Modeling (SEM). The analysis involved several stages, starting with importing data, where researchers ensure the dataset aligns with the model's indicator names and is free of missing values. Next, a research

model is created using the plot() function to visualize the designed model through the estimate_pls() function. The measurement model phase assesses internal consistency and validity by evaluating combined reliability, indicator reliability, Average Variance Extracted (AVE), and discriminant validity using cross-loading or the Heterotrait-Monotrait Ratio (HTMT). Subsequently, the structural model stage involves calculating construct scores to determine variance inflation factors (VIF) for collinearity issues, evaluating relationship significance through path coefficients and t-statistics, and finally assessing the model's explanatory strength via the determination coefficient (R^2).

RESULT AND DISCUSSION

Fornell-Lacker Criteria

Table 2. Results of FL Criteria Value Data Processing

	PEOPLE	PROCESS	TECHNOLOGY	READINESS ERP
PEOPLE	0.823			
PROCESS	0.365	0.785		
TECHNOLOGY	0.173	0.651	0.794	
READINESS ERP	0.721	0.261	0.079	0.863

In Table 2, it shows the validity of discrimination measured using the Fornell-Larcker Criteria theory. The validity of discrimination is calculated from the square root of the AVE, where each validity value of each construct is PEOPLE (0.823), PROCESS (0.785), TECHNOLOGY (0.794), and READINESS ERP (0.863). From the validity value mentioned, the correlation of other constructs in the column of each construct has a lower value than the square root of the AVE. For example, the value of PEOPLE is 0.823, while the correlation value of other constructs in the construct column (PEOPLE) is lower than the square root value of AVE people. And this applies to other constructions. Based on the explanation above, it can be concluded that the PEOPLE, PROCESS, TECHNOLOGY and READINESS ERP indicators have discriminatory validity. The alternative measurement that can strengthen the calculation of the Fornell-Larcker Criteria theory, namely by using the Heterotrait-Monotrait Ratio (HTMT).

Heterotrait-Monotrait Ratio (HTMT)

Table 3. Results of HTMT Value Data Processing

	PEOPLE	PROCESS	TECHNOLOGY	READINESS ERP
PEOPLE				
PROCESS	0.390			
TECHNOLOGY	0.182	0.897		
READINESS ERP	0.755	0.276	0.074	

Table 3 is an alternative to the Heterotrait-Monotrait Ratio (HTMT) to calculate the validity of the discrimination of each construct. The HTMT value of each construct can be said to have a discriminatory validity of no more than 0.85 or 0.90. Based on Table 3 above, it shows that the value of each construct has a value that is below 0.85 or 0.90. This indicates that each construct is not the same as the others, as it has discriminatory validity and the calculation of the FL-Criteria is acceptable.

Structural Model: Stages of Assessing Collinearity Problems in Structural Models

Assessing the problem of linearity can use the calculation of the Variance Inflation Factor (VIF) value, where each VIF value < 3 is not a critical problem. Values that are between 3-5, the problem of collinicity is not critical, and the value of >= 5 is a problem of critical collinearity.

Table 4. Results of VIF Value Data Processing

Variable	VIF Value	VIF minimum limit	Information
PEOPLE	1.163	< 3	No colliery issues
PROCESS	1.958	< 3	No colliery issues
TECHNOLOGY	1.750	< 3	No colliery issues

In Table 4, the VIF calculation used is the score of a construct from the predictor construct in the structural model. Each predictor construct produces a VIF value of < 3, meaning that all predictor constructs have no collinearity issues.

Structural Model: Stages of Assessing the Significance and Relevance of Structural Model Relationships

Relevance of Path Coefficients

In terms of relevance, the path coefficients are generally between -1 and +1, with coefficients closer to -1 indicating a strong negative relationship, and those closer to +1 indicating a strong positive relationship. A path coefficient value above +1 or below -1 is unacceptable. And if the coefficient has a value close to 0, the two related constructs have a very weak relationship that is not significantly different from 0. The purpose of the path coefficient is to show the relationships between the constructs expressed in the hypothesi (Musianto, 2002; Sugiyono, 2019).

Table 5. Results of Path Coefficient Data Processing

Hypothesis	Variable	Path Coefficient	Information
H1	PEOPLE → READINESS ERP	0.716	Strong positives
H2	PROCESS → READINESS ERP	0.051	Weak positive
H3	TECHNOLOGY → READINESS ERP	-0.077	Weak negatives

Table 5 is the test result of the bootstrapping method. Table IV-15 describes the path coefficient values of each predictor variable. In the relationship of PEOPLE → READINESS ERP (H1), it has a very strong positive direction among other variables with a value of 0.716 or 71.6%. The PROCESS → READINESS ERP (H2) relationship has a weak positive direction with a path coefficient value of 0.051 or 5.1%. And the TECHNOLOGY → READINESS ERP (H3) relationship, has a weak negative direction with a path coefficient value of -0.077 or 0%. Of the 3 hypotheses assumed, only H1 had a strong positive relationship. While H2 has a very weak inter-construct relationship and H3 has a weak negative inter-construct relationship.

Test of Significance on T-Stats

Table 6. Results of Significance Test Data Processing

Hypothesis	Variable	T-Stat Limit	T-Stat	Information
H1	PEOPLE → READINESS ERP	> 1.960 [21]	15.480	Significant
H2	PROCESS → READINESS ERP		0.646	Insignificant
H3	TECHNOL-OGY → READINESS ERP		-0.828	Insignificant

According to Hair et al. (2021), the t-value (t-stat in bootstrapping) must > 1,960 for two interrelated constructs to be declared to have a significant effect (Hair Jr et al., 2016; Henseler et al., 2014). In table 5, the correlation of H1 meets the minimum limit of the t-value with a t-stat value of 15,480. So the two constructs of H1 have a significant effect. Meanwhile, the t-stat values of H2 and H3 are 0.646 and -0.828, where if the t-stat values of H2 and H3 are assumed as x, then $x < 1.960$. So it can be concluded that the assumption that the hypothesis of H2 and H3 does not reach the minimum limit that has been determined, then the two constructs of H2 and H3 do not have a significant effect.

Assessing the Total Effect

In addition to the level of significance seen from the t-value (t-stat), the relevance of the significant relationship also needs to be reviewed. Regarding the level of relevance of a significant relationship, the value of the minimum path coefficient is 0.2 and ideally greater than 0.3 to express a meaningful relationship (Ghozali & Latan, 2015; Niel Ananto et al., 2022).

Table 7. Results of Total Effect Data Processing

Hypothesis	Variable	Minimum Limit	Total Effect	Information
H1	PEOPLE → READINESS ERP	> 0.2	15.480	Meet
H2	PROCESS → READINESS ERP		0.646	Not Compliant
H3	TECHNOL-OGY → READINESS ERP		-0.828	Not Compliant

Based on Table 7, the total effect that reaches the minimum limit of > 0.2 is only H1. Meanwhile, H2 and H3 do not meet the standardized value of the total effect. This shows that the path coefficient value that has been computed by the bootstraps method and the t-value (t-stat in bootstraps) has an accurate final result. So it can be concluded that H1 has a significant effect, H2 and H3 do not have a significant effect (does not state a strong correlation.

Structural Model: Stages of Assessing the Power of Explanation for the Model Coefficient of Determination R^2

The next step is to check the determination coefficient () of the endogenous construct. represents the variance described in each endogenous construct. Ranges from 0 to 1 with general guidelines of 0.75, 0.50, and 0.25 can be considered strong, medium, and weak values $R^2R^2R^2$.

Table 8. Results of Value Data Processing R^2

Variable	R^2	Adjusted R^2
READINESS ERP	0.523	0.516

Based on Table 8, it is stated that the value of the determination coefficient (R^2) of the variable Readiness is 0.523. This value shows that 52.3% variability in the endogenous (dependent) latent variable of READINESS ERP can be explained by the exogenous (independent) latent variables in the model, namely "PEOPLE", "PROCESS", and "TECHNOLOGY". According to Hair et al. (2021), the value of () of 0.523 can be categorized as moderate (moderate). This means that the model has moderate strength in explaining the variability of the observed data. As for R^2adjusted $R^2$is a version that has been adjusted for the number of independent variables in the model. This value provides a more accurate picture of the model's ability to explain data variability by considering the complexity of the model. Based on Table IV-17, the value R^2adjusted $R^2$by 0.516 or 51.6 %, indicating moderate strength in explaining the variability of READINESS ERP. Then it can be concluded that the value of R^2 and adjusted R^2 which is in the medium category

according to Hair et al. (2021), model People Process Technology (PPT) has moderate strength in explaining the readiness of ERP (readiness of ERP implementation.

Analysis and Discussion of Hypothesis Results

Results of Hypothesis Test 1

The first hypothesis proposed is as follows.

H_0 : People will not have a significant influence on the readiness of ERP implementation

H_1 : People will have a positive and significant effect on the readiness of ERP implementation**.**

Table 9. Results of PEOPLE Variable Data Processing on ERP READINESS

Hypothesis	Relationship	Path Coefficient	Value T-Stat	Information
H1	PEOPLE > READINESS ERP	0.716	15.480	Accepted

Based on Table 8, the value of the path coefficient of the first hypothesis (H1) is 0.716 or 71.6%, which shows that the path coefficient of H1 has a very strong positive influence between the relationship of two constructs (PEOPLE → READINESS ERP). The t-stat value in the table has a function to see whether or not a hypothesis is proposed. The t-stat value of H1 is 15,480 where if assumed as x, then x > 1,960. This states that H1 is significant. Therefore, it can be concluded that the first hypothesis (H1) is acceptable because it has strong evidence about the significant influence of people on the readiness of ERP implementation.

In the results of this hypothesis, the variable Browse the larger the variable readiness ERP will also get bigger. So that when described, several indicators that make up the variables of people (Browse), such as leadership & empowerment, human capital & skill, and learning & further education increase, the greater the readiness (readiness) ERP implementation. Various significant factors such as leadership or top management have awareness and also want to be involved in adopting a new system, namely ERP formed in the government system (e-government), employees who can understand the cross-functional processes between HR, finance, and purchasing processes, as well as the adaptation of employees themselves from programs provided by the agency that lead to increased employee performance. This is supported by previous research by Soja (2017), that problems that can affect the implementation process are the lack of awareness and involvement of the agency/organization itself, the lack of understanding of employees in operating the system properly, and the adaptation of employees to the new system (Andika & Hasugian, 2020).

Results of Hypothesis Test 2

The second hypothesis proposed is as follows.

H_0 : Process will not have a significant influence on the readiness of ERP implementation
H_1 : Process will have a positive and significant effect on the readiness of ERP implementation

Table 10. Results of PROCESS Variable Data Processing on ERP READINESS

Hypothesis	Relationship	Path Coefficient	Value T-Stat	Information
H2	PROCESS → READINESS ERP	0.051	0.646	Rejected

Based on Table 10, the value of the path coefficient of the second hypothesis (H2) is 0.051 or 5.1%, which shows that the path coefficient of H2 has a very weak positive influence between the relationship of two constructs (PROCESS → READINESS ERP). The t-stat value in the table has a function to see whether or not a hypothesis is proposed. The t-stat value of H2 is 0.646 where if assumed as x, then x < 1.960. It can be stated that H2 is insignificant. Therefore, it can be concluded that the second hypothesis (H2) is rejected and requires an improvement in process factors in order to significantly affect the readiness of ERP implementation. This is reinforced by the notes obtained from the questionnaire information column, that business processes related to ERP have not been implemented in several divisions in the SKPD, especially in the Communication and Information Service. So it is necessary to make improvements to business processes so that they are more aligned and integrated in real-time.

The results of this path coefficient value are similar to previous research by Wijaya et al., on process variables. The value obtained for the process variable in the previous study was 9.40% and emphasized the need for a structured readiness assessment to increase the success rate (Aziza & Rahayu, 2019; Septiawan et al., 2023a, 2023b).

Results of Hypothesis Test 3

The third hypothesis proposed is as follows
H_0 : Technology will not have a significant influence on the readiness of ERP implementation
H_1 : Technology will have a positive and significant effect on the readiness of ERP implementation

Table 11. Results of TECHNOLOGY Variable Data Processing on ERP Readiness

Hypothesis	Relationship	Path Coefficient	Value T-Stat	Information
H3	TECHNOLOGY → READINESS ERP	-0.077	-0.828	Rejected

Based on Table 11, the value of the path coefficient of the third hypothesis (H3) is -0.077 or 0%, which shows that the path coefficient of H3 has a very weak negative influence between the relationship of two constructs (TECHNOLOGY → READINESS ERP). The t-stat value in the table has a function to see whether or not a hypothesis is proposed. The t-stat value of H3 is -0.828 where if assumed as x, then x < 1.960. This states that H3 is insignificant. Thus, it can be concluded that the third hypothesis (H3) is rejected because it does not have a significant influence of technology on the readiness of ERP implementation.

Based on the results of the interviews that have been conducted, the existence of technology in the SKPD of Indramayu Regency is already available, but there are several things that are missed from the priority scale. Such as having advanced technology, namely a encryption tool for the Communication and Information Service, but it cannot be used because there are no employees who are able to operate the technology. Meanwhile, at the same time, Diskominfo also needs more computers to support the success of ERP implementation for e-Government. In addition, SKPD Indramayu needs to improve adequate computer network infrastructure with a bandwidth of more than 100MB, system security of each SKPD, and compatibility (the ability of two different systems to work together without any problem obstacles) between the ERP system and the existing system.

Recapitulation of Hypothesis Results

The recapitulation of hypothesis results is a re-presentation of the results of a hypothesis that has been tested concisely and clearly. The followed recapitulation of the hypothesis results that have been obtained from the results of data process used the SEM method with Rstudio tools.

Table 12. Recapitulation of Hypothesis Results

Hypothesis	Relationship	Path Coefficient	Value T-Stat	Information
H1	PEOPLE → READINESS ERP	0.716	15.480	Accepted
H2	PROCESS → READINESS ERP	0.051	0.646	Rejected
H3	TECHNOLOGY → READINESS ERP	-0.077	-0.828	Rejected

Table 12 is a recapitulation of the results of the hypothesis that is explained in a concise and detailed manner. Thus, it can be concluded that:

a. Hypothesis 1: People have a positive and significant effect on the readiness of ERP implementation.
   Remarks: Hypothesis 1 is accepted.
b. Hypothesis 2: Process has a positive and significant effect on the readiness of ERP implementation.

Remarks: Hypothesis 2 is rejected.

c. Hypothesis 3: Technology has a positive and significant effect on the readiness of ERP implementation.

Remarks: Hypothesis 3 rejected

Proposed Recommendations

People on the readiness of ERP implementation

Here are the recommendations that the author can propose to optimize the people aspect. Recommendations that can be proposed, namely:

1) **Continuing Training Program** for HR skills. The existence of a continuous training program can help and provide opportunities for employees who find it difficult to adapt to new technologies or systems. Especially for employees who are very old, it will be very difficult to adapt if there is no continuous training program. As a form of reciprocity, agencies can provide certification for employees who have completed ERP training.
2) **Hold cross-departmental brainstorming sessions** . Hold a brainstorming session to provide a space to share ideas about the use of ERP implementation.
3) **Strategies for change management, and provide space for discussion and feedback sessions**. Strategies need to be updated with every situation and condition. Agencies/organizations can reorganize and develop strategies so that changes in management become more structured. In addition, discussion and feedback sessions can be held as a forum that accommodates all criticisms, suggestions, and opinions from SKPD employees.

Process for ERP implementation readiness

In the process aspect, significant improvements are needed because the results of the hypothesis test state that it only has a small effect on the readiness of ERP implementation. Therefore, SKPD requires a review of the existing processes in each SKPD. Recommendations that can be proposed, namely:

1) **Review and optimization of business processes**, can help align business processes with ERP implementation in organizations. By conducting reviews and remapping, it can identify possible redundancies, delays or unnecessary complexity, which can then be simplified to obtain more effective and efficient business processes. When reviewing business processes, it is a good idea for SKPD to conduct an analysis between the current business process and the business process of ERP implementation. So that it can identify which areas are not out of sync and need to be improved.
2) **Increased collaboration and communication between departments** can help encourage divisions that have not yet implemented business processes related to ERP. So that business processes between departments can be integrated with each other, and all data and information needed can be accessed and managed effectively.
3) **Evaluate and Adjust the Process** Periodically. Reviewing and remapping business processes can trigger some significant changes. Therefore, after

further monitoring of business processes, it is good for updated processes to be monitored periodically. If business processes are still not effective and efficient, more detailed adjustments need to be made.

Technology for ERP implementation readiness

In terms of technology, the recommendations that can be proposed are as follows:

1) **Training and development of human resources on technology**. Based on descriptive statistical data on study programs/departments, the background of SKPD employees is more in the non-information technology field than in the field of information technology/information systems. So, SKPD needs to improve basic and advanced skills in the field of technology so that all employees can more effectively use existing devices and systems. In addition, SKPD needs to identify and train employees who have potential to operate special tools, such as encryption tools and other special technologies. Another suggestion is that SKPD can recruit experts who are more experienced in the technology.
2) **Improved system security**. SKPD can conduct an agenda in the form of periodic security audits to identify, analyze, and evaluate the security systems in the organization. The purpose of this security audit is so that SKPD can carry out early prevention by checking for gaps, vulnerabilities, and security risks in existing systems. In addition, by holding this audit, SKPD can re-ensure that existing security policies, procedures, and controls have been implemented effectively.
3) The way to improve system security is by implementing strong security protocols such as data encryption, updated firewalls, and strict access policies to protect data and systems.
4) **Compatibility of ERP system with SKPD system**. ERP implementation needs to be adjusted to the existing system in SKPD. Organizations/agencies need to conduct an in-depth analysis to ensure that the ERP system can be integrated and run well with the existing system. Collaboration and collaboration with ERP vendors can help SKPD customize ERP solutions to be more compatible with existing infrastructure.
5) **Priority and project management**. SKPD requires a clear scale of technology project priorities, where organizations can focus on the most urgent needs such as network and computer infrastructure first before moving on to more complex system implementations. In addition, a suitable strategy is necessary for change management to ensure that all employees understand and accept the technological changes that will be implemented.

CONCLUSION

The analysis of ERP implementation readiness at SKPD Indramayu Regency reveals that the people variable significantly influences readiness, while the process

and technology variables show very weak effects. This indicates the necessity for SKPD to focus on optimizing human resources, as their potential plays a crucial role in successful ERP implementation. Improvements are needed in the process aspect to enhance alignment with ERP systems, emphasizing the importance of reviewing and optimizing existing business processes and fostering inter-departmental collaboration. Additionally, technological readiness must be bolstered through targeted training for employees, especially those from non-technical backgrounds, and regular security audits to mitigate risks. Future research should explore longitudinal studies to assess the long-term impact of training, as well as strategies for process optimization and project management practices to enhance ERP effectiveness in the public sector. This comprehensive approach aims to better understand the factors affecting ERP readiness and implementation.

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