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ERP Human Resource Management Readiness Framework Integrating Prioritization, Roadmaps, Risk Mitigation, McKinsey 7S

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***Abstract*—Enterprise Resource Planning (ERP) for Human Resource Management (HRM) is widely adopted to improve operational efficiency, data accuracy, and decision-making. However, successful implementation depends on organizational readiness. Previous studies have examined ERP readiness using various frameworks; however, quantitative ERP HRM readiness assessments remain limited, few studies prioritize organizational readiness factors, and integrated pre-implementation frameworks combining readiness assessment, implementation recommendations, roadmaps, and risk mitigation are still lacking. Therefore, this study proposes an integrated ERP HRM readiness assessment framework based on the McKinsey 7S Framework that quantitatively evaluates organizational readiness, prioritizes areas for improvement, and translates the assessment results into implementation recommendations, a phased ERP implementation roadmap, and risk mitigation strategies. A mixed-methods approach was employed through questionnaires and interviews. Data were collected from 30 employees using 22 indicators measured on a five-point Likert scale. Validity testing confirmed that all indicators were valid, and the overall Cronbach's alpha of 0.942 indicated excellent reliability. The readiness assessment showed that all seven dimensions were classified as Ready, with average scores ranging from 4.51 to 4.62. Structure achieved the highest readiness score, 4.62, while Skills achieved the lowest, 4.51. Interview findings identified challenges related to manual attendance recording, payroll processing, and fragmented employee data management. The results indicate that the organization is ready for ERP HRM implementation. This study contributes by proposing a structured ERP HRM readiness assessment framework, introducing a readiness-factor prioritization approach across the McKinsey 7S dimensions, and providing an integrated set of implementation recommendations, a roadmap, and risk-mitigation strategies.**

***Index Terms*—ERP; Human Resource Management; McKinsey 7S; Organizational Readiness.**

I. INTRODUCTION

Enterprise Resource Planning (ERP) for Human Resource Management has become an important solution for organizations seeking to manage employee information, attendance, payroll, and other HR activities through a single integrated system. By streamlining administrative processes and providing accurate, real-time information, ERP can improve operational efficiency and support better decision-making [1]. However, successful implementation depends not only on the technology itself but also on the organization's readiness to adapt to new processes and ways of working [2]. Therefore, assessing ERP readiness is essential for identifying organizational strengths, potential challenges, and areas for improvement before implementation begins.

Although ERP offers significant benefits for Human Resource Management, many organizations still face challenges. ERP implementation is not easy to carry out. Around 70% of ERP implementations fail to achieve the expected results due to various factors such as a lack of organizational readiness, insufficient training, and resistance to change [3]. Organizational readiness is an important factor that must be considered before ERP implementation, because, without adequate readiness, the implemented system will not function optimally [4].

Furthermore, the organization currently faces several challenges in managing its human resources. Employee attendance is still recorded manually, increasing the risk of data inaccuracies and administrative inefficiencies [5]. Payroll calculations rely on manual attendance recaps, making them time-consuming and error-prone. In addition, employee information is not fully integrated into a centralized system [6], limiting data accessibility and complicating monitoring and reporting. These issues can reduce operational efficiency and hinder timely decision-making. Therefore, an integrated ERP solution is needed to streamline HR processes,

improve data accuracy, and enhance overall organizational performance.

Previous studies have widely examined ERP implementation readiness using various frameworks, such as the McKinsey 7S [4] or Critical Success Factors [7]. However, many studies focus on ERP implementation in general business functions and place greater emphasis on technological and operational aspects. Several studies have specifically investigated organizational readiness for ERP implementation within the Human Resource Management function. A Turkish study primarily examines the relationship between organizational readiness and technology acceptance variables, and does not assess ERP readiness from a holistic organizational perspective using the McKinsey 7S Framework [8]. While the PT HLM study also explored ERP HRM readiness using qualitative focus group discussions and identified key organizational factors that support implementation, it did not quantitatively measure the readiness level of each dimension or determine which factors required the greatest improvement [4].

Therefore, three research gaps remain. First, quantitative organizational readiness assessments specifically for ERP HRM implementation remain limited. Second, previous studies provide limited support for prioritizing organizational readiness factors that require managerial attention before ERP implementation. Third, existing studies rarely integrate readiness assessment results with implementation recommendations, deployment planning, and risk mitigation into a unified pre-implementation framework.

To address these gaps, this study proposes a structured ERP HRM readiness assessment framework based on the McKinsey 7S model. Unlike previous studies, the proposed framework not only quantitatively evaluates organizational readiness but also prioritizes areas for improvement across the seven organizational dimensions. Furthermore, it translates the assessment results into implementation recommendations, a phased ERP implementation roadmap, and risk mitigation strategies within a unified decision-support framework. The novelty of this study lies in integrating quantitative readiness assessment, readiness factor prioritization, implementation planning, and risk mitigation into a single framework to support ERP HRM implementation.

Accordingly, this study aims to assess organizational readiness for ERP implementation in the Human Resource Management function using the McKinsey 7S Framework. By evaluating the alignment of strategy, structure, systems, style, staff, skills, and shared values, the study identifies organizational strengths, prioritizes areas for improvement, and provides implementation recommendations to support successful ERP HRM adoption.

II. METHODS

A. *Proposed Framework*

The proposed ERP HRM Readiness Assessment Framework is shown in Fig. 1. The framework consists of four sequential stages: (1) Input, (2) Readiness Evaluation Model, (3) Readiness Factor Prioritization, and (4) Practical Implications. It provides a structured approach for assessing organizational readiness, identifying improvement priorities, and generating implementation recommendations, an ERP roadmap, and risk mitigation strategies to support ERP HRM implementation.

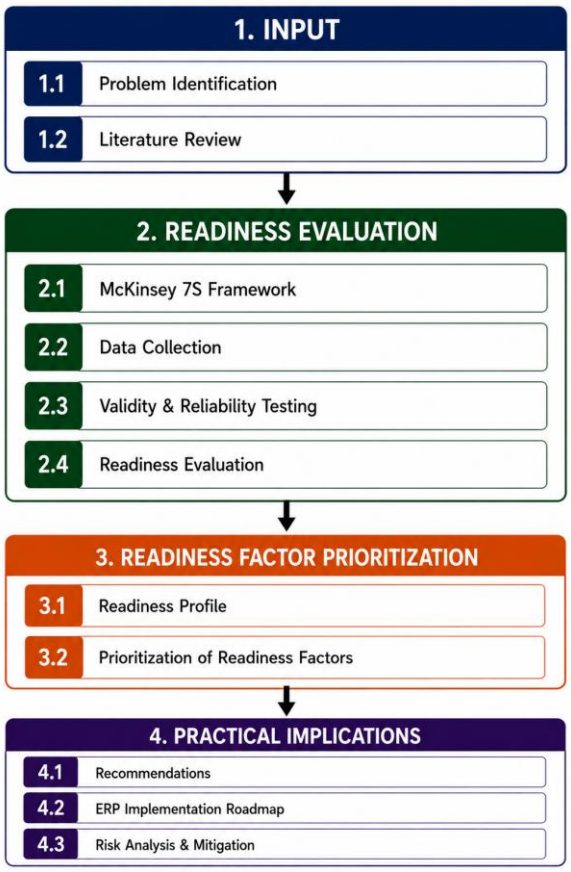

Fig. 1. Proposed ERP HRM Readiness Assessment Framework

B. *Input*

The research is conducted at RP Company, an Indonesian Food and Beverage Company. Current HRM processes rely heavily on manual procedures for attendance recording, payroll calculation, and employee data management, resulting in inefficiencies, increased risk of errors, and limited data integration. These challenges highlight the need for an ERP system and motivate the assessment of organizational readiness before implementation. The

literature review stage involves reviewing prior studies and theories on ERP, Human Resource Management, organizational readiness, and the McKinsey 7S Framework. The purpose is to establish a theoretical foundation, identify research gaps, and develop indicators for assessing organizational readiness for ERP implementation.

C. *Readiness Evaluation Model*

In this stage, the research instrument was developed based on the seven dimensions of the McKinsey 7S Framework, as shown in Fig. 2. The Framework is a model used to assess whether an organization is ready for change or improvement initiatives, such as ERP implementation [9]. It consists of seven interconnected elements: Strategy (the organization's plan to achieve its goals), Structure (how roles and responsibilities are organized), Systems (the processes and technologies used in daily operations), Style (leadership and management approach), Staff (employees within the organization), Skills (the knowledge and capabilities of employees), and Shared Values (the core beliefs and culture that guide organizational behavior). By evaluating these seven elements together, organizations can identify their strengths, weaknesses, and areas that need improvement to ensure a successful ERP implementation.

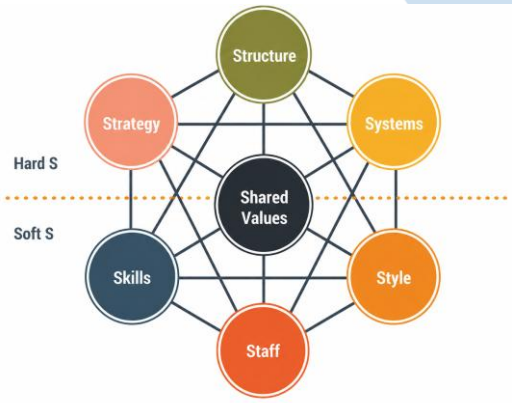

Fig. 2. McKinsey 7S Framework

The McKinsey 7S Framework was selected because it provides a comprehensive assessment of organizational readiness by evaluating seven interconnected elements: Strategy, Structure, Systems, Style, Staff, Skills, and Shared Values [10]. Unlike frameworks that focus primarily on technology or project success factors, McKinsey 7S examines both hard elements (strategy, structure, and systems) and soft elements (leadership, people, competencies, and organizational culture), which are critical for successful ERP implementation [2]. Since ERP adoption involves significant organizational change, this framework is well-suited to identify strengths, weaknesses, and alignment among organizational components, thereby providing a holistic view of readiness before implementation.

"Three steps were taken to ensure the final questionnaire was based on theoretical explication and applicable in our study. In Step 1, ERP and Organizational Readiness indicators were selected from validated studies identified in the literature. In Step 2, each indicator was mapped to one of the seven dimensions of the McKinsey® 7S model (Strategy, Structure, Systems, Style, Staff, Skills, and Shared Values) to achieve a comprehensive representation of organizational readiness constructs and to eliminate redundant or unrelated indicators. In Step Three, selected indicators were re-rendered in terms of HRM processes used in our case organization (i.e., time, attendance, payroll, employee information) and ERP adoption. In Step Three, any conceptually similar indicators were merged into a single item, and redundant questionnaire items were eliminated. As a result of this process, we developed an instrument comprising 22 questionnaire items, as shown in Table I, that provides an adequate representation of all 7 dimensions of the McKinsey 7S Models and contains relevant, clear, and appropriate content for assessing ERP HRM readiness. As the questionnaire was taken from previously validated tools, no formal expert opinion was provided about its adaptation. Nonetheless, the tool used in the readiness evaluation underwent Pearson Product-Moment Correlation testing to assess construct validity and Cronbach's Alpha to assess internal consistency before its implementation. The questionnaire applies a 5-point Likert scale [11].

TABLE I. QUESTIONNAIRE INDICATORS

No	Code	Questionnaire Item	Source
1	STG1	The organization has a clear HR management strategy that supports its business objectives.	[4]
2	STG2	Current HR strategies effectively support employee performance.	[4]
3	STG3	Organizational strategies are aligned with operational requirements.	[4]
4	STG4	The organization has a plan to develop systems supporting ERP implementation.	[12]
5	STR1	Roles and responsibilities within the organization are clearly defined.	[4]
6	STR2	Coordination and communication among departments are effective.	[4]
7	STR3	The organizational structure supports ERP implementation.	[4]
8	SYS1	HR procedures and workflows are well documented.	[13]
9	SYS2	An integrated ERP system is perceived to improve work effectiveness.	[13]
10	SYS3	Technology is utilized	[13]

No	Code	Questionnaire Item	Source
		effectively in attendance and payroll processes.	
11	STY1	The organization promotes a supportive work culture.	[14]
12	STY2	Management is open to employee feedback and suggestions.	[14]
13	STY3	Leadership actively supports organizational change and ERP adoption.	[14]
14	STA1	The organization has sufficient human resources to support operations.	[15]
15	STA2	Employees perform their responsibilities effectively.	[15]
16	STA3	Employees are ready to adapt to ERP implementation.	[15]
17	SKI1	Employee competencies match job requirements.	[14]
18	SKI2	Employees understand their roles and responsibilities well.	[14]
19	SKI3	Employees are capable of learning and using ERP technology.	[14]
20	SV1	Employees understand the organization's core values.	[4]
21	SV2	Organizational values encourage innovation and change.	[4]
22	SV3	Employees are committed to achieving organizational goals.	[13]

This study employed purposive sampling, a non-probability sampling technique in which respondents were selected based on specific criteria relevant to the research objectives. The sample consisted of 30 employees directly involved in operational and Human Resource Management (HRM) activities and expected to be affected by the future ERP implementation. This technique was chosen because these employees possess the knowledge and experience necessary to evaluate organizational readiness, existing HR processes, and potential challenges associated with ERP adoption. Therefore, purposive sampling ensured that the collected data were relevant and capable of providing meaningful insights into the organization's readiness for ERP implementation. Since ERP HRM implementation will directly affect employees' daily activities, respondents from various operational functions were included to assess their perceptions of organizational readiness, support for change, and preparedness for ERP implementation. Recent methodological studies emphasize that there is no universal minimum sample size for survey research. Instead, the required sample size depends on the study design, population size, statistical precision, and analytical method [15]. Because the organization consisted of only 32 employees, this study prioritized maximizing population coverage and obtained responses from 30 employees (93.75% of the total population), resulting in near-census coverage and minimizing the potential for non-response bias.

Instrument quality was evaluated using Pearson Product-Moment Correlation and Cronbach's Alpha, as the objective of this study was an organizational readiness assessment rather than theory testing or model development [16]. The product-moment correlation formula (1) is used for validity testing, in which an item is considered valid if its correlation coefficient (r-count) exceeds the critical value (r-table) [17].

$$r_{xy} = \frac{N\Sigma xy_{-(\sum x)}(\sum y)}{\sqrt{(N\Sigma x^2 - (\sum x)^2(N\Sigma y^2 - (\Sigma y)^2)}} \quad (1)$$

Reliability testing was conducted to evaluate the internal consistency of the questionnaire items using (2). In this study, a Cronbach's Alpha coefficient greater than 0.60 was considered to indicate acceptable reliability [18].

$$r_{11} = \left(\frac{n}{n-1}\right)\left(1 - \frac{\sum \sigma_t^2}{\sigma_t^2}\right) \quad (2)$$

The mean score calculated using (3) from the dimension assessment determines the readiness level status. A score of 1.00–2.00 indicates the organization is not ready; 2.01–3.00 indicates lower readiness; 3.01–4.00 indicates moderate readiness; and 4.01–5.00 indicates the organization is ready for ERP implementation. These alignment rules provide a practical basis for measuring an organization's consistency in guiding ERP system implementation. The readiness-level classification in this study is similar to that of Firdaus et al. [18], with minor 203 overlapping scoring intervals and enhanced understanding of the readiness levels.

$$\bar{X}_d = \frac{\sum_{i-1}^{m_d} X_{di}}{m_d} \quad (3)$$

D. Readiness Factor Prioritization

A radar chart displays the mean scores for organizational readiness across the McKinsey 7S dimensions. According to the 7S framework, organizational change will be successful only if all these dimensions are aligned [19]. In this research, the alignment was measured by the Readiness Classification Criteria. If the dimensions were classified as Ready, this would demonstrate strong alignment throughout the organization. Moderate alignment exists when more than half of the dimensions are classified as Ready, and the rest are classified as Moderate Readiness. Weak alignment exists when one or more dimensions are classified as Lower Readiness or Not Ready, and is reflected in lower readiness scores for those dimensions [20].

In this study, organizational alignment is assessed using Readiness factor prioritization, which ranks the readiness scores of the seven McKinsey 7S dimensions to determine improvement priorities prior to ERP HRM implementation. The priority ranking was established by ordering the mean readiness scores for each of the McKinsey 7S dimensions from lowest to highest [21]. Lower scores indicate higher implementation priority, while higher scores indicate lower priority due to greater organizational readiness.

The readiness score is calculated by taking the mean readiness score for each of the 7 McKinsey 7S Dimensions and ranking them from lowest to highest. The first three dimensions (lowest scores) were considered the Improvement Priorities, as they will require the greatest management attention before the ERP (HRM Implementation) begins. The medium-ranked dimension (midpoint) is considered to be in the Maintain Category and has a satisfactory level of readiness for ERP implementation; thus, it should continue to be maintained and monitored. The three upper-ranked dimensions (highest scores) were considered to be the Organizational Strength dimensions and represent the strengths of the organization that should be maintained during the implementation of the ERP.

E. Practical Implication

Recommendations were developed by systematically translating the readiness assessment results into improvement actions [22], as shown in Table II. The recommendation is based on an analysis of the key findings during data collection.

TABLE II. READINESS CLASSIFICATION AND RECOMMENDATION TABLE

Score	Recommendation
1.00–2.00	ERP implementation should be postponed.
2.01–3.00	**Correction**: The organization should address critical gaps identified in the readiness assessment.
3.01–4.00	**Improvement**: The organization may begin ERP preparation while implementing targeted improvements in dimensions with lower readiness scores.
4.01–5.00	**Action**: The organization is ready to proceed with ERP implementation. Efforts should focus on executing a phased implementation roadmap.

The ERP Implementation Road Map was created by combining the readiness assessment findings with the ERP implementation life cycle [23]. First, we analyzed the readiness and prioritization data to identify which organizational capabilities required more management attention. Second, we matched our prioritized readiness factors to each phase of the ERP implementation process to determine when each organizational capability should be addressed. Thirdly, based on our readiness assessment findings, we broke down all implementation activities into five phases (i.e., project preparation, system analysis and design, development and data preparation, testing and training, deployment, and finally, post-implementation evaluation).

Risk analysis was conducted by identifying potential implementation risks from the organizational readiness assessment results, interview findings, and existing organizational conditions [24] The identified risks were subsequently grouped into six categories: human resources, skills, data, technology, management, and operational risks [3],[13],[15]. Each risk was then evaluated for its potential impact on ERP HRM implementation, and appropriate mitigation strategies were formulated by drawing on ERP implementation best practices reported in previous studies.

III. RESULTS AND DISCUSSION

A. Profile of Respondents

Data were collected through interviews and the distribution of questionnaires. The questionnaires were distributed to 30 employees involved in operational and Human Resource Management (HRM) activities. At the same time, interviews were conducted with key personnel responsible for HRM and operations to gain a deeper understanding of the organization's current conditions and ERP implementation needs. Data were collected between March 9 and March 16, 2026. Table III presents the respondents' profiles. Most respondents were male (66.7%) and aged 18–30 years (70.0%). The largest job group was waiters (40.0%), followed by chefs and bartenders (20.0% each).

TABLE III. RESPONDENT'S DEMOGRAPHIC PROFILES

Demographic Profiles	Composition	Frequency	Percentage (%)
Gender	Male	20	66.7
	Female	10	33.3
Age	18–30	21	70.0
	31–40	5	16.7
	41–50	1	3.3
	51+	3	10.0
Job Posisiton	Chef	6	20.0
	Bartender	6	20.0
	Cashier and Administration	2	6.7
	Waiter	12	40.0
	Cleaning Service	4	13.3

B. Interview Findings

The interview results with the HR Manager revealed several challenges in the current HRM processes. Employee attendance is still recorded manually because the previous fingerprint system is no longer functioning properly, leading to inefficiencies

and an increased risk of inaccurate records. Payroll processing is also performed manually from attendance recaps, making it time-consuming and error-prone. In addition, employee information is not managed in a centralized system, leading to difficulties with data retrieval, monitoring, reporting, and decision-making. These findings indicate that the existing HRM processes are not fully integrated and highlight the need for an ERP system to improve operational efficiency, data accuracy, and information accessibility.

C. *Validity and Reliability Testing Results*

All questionnaire items were found to be valid, as shown in Table IV, because their r-count values exceeded the r-table value of 0.361 (degree of freedom = 28, n = 30, α = 0.05, two-tailed). This indicates that each indicator accurately measures the intended construct within the McKinsey 7S dimensions. Therefore, all 22 questionnaire items were deemed appropriate for assessing organizational readiness for ERP HRM implementation.

TABLE IV. VALIDITY TEST RESULTS

Factor	Code	r-count	r-table	Result
Strategy	STG1	0.746	0.361	Valid
	STG2	0.871	0.361	Valid
	STG3	0.725	0.361	Valid
	STG4	0.912	0.361	Valid
Structure	STR1	0.687	0.361	Valid
	STR2	0.835	0.361	Valid
	STR3	0.926	0.361	Valid
Systems	SYS1	0.852	0.361	Valid
	SYS2	0.875	0.361	Valid
	SYS3	0.651	0.361	Valid
Style	STY1	0.865	0.361	Valid
	STY2	0.933	0.361	Valid
	STY3	0.597	0.361	Valid
Staff	STA1	0.788	0.361	Valid
	STA2	0.823	0.361	Valid
	STA3	0.721	0.361	Valid
Skills	SKI1	0.861	0.361	Valid
	SKI2	0.595	0.361	Valid
	SKI3	0.902	0.361	Valid
Shared Values	SV1	0.870	0.361	Valid
	SV2	0.870	0.361	Valid
	SV3	0.805	0.361	Valid

All McKinsey 7S dimensions achieved Cronbach's Alpha values greater than 0.60 as shown in Table V, indicating that the questionnaire items are internally consistent and reliable. Therefore, the instrument can be considered dependable for measuring organizational readiness for ERP HRM implementation.

TABLE V. RELIABILITY TEST RESULTS

No	Factor	Cronbach's Alpha	Reliability Level
1	Strategy	0.809	Reliable
2	Structure	0.733	Reliable
3	Systems	0.703	Reliable
4	Style	0.729	Reliable
5	Staff	0.656	Reliable
6	Skills	0.684	Reliable
7	Shared Values	0.792	Reliable

The reliability test results for all questionnaire items using Cronbach's Alpha produced a value of 0.942 across 22 statement items. This value indicates that the questionnaire instrument has a very high level of internal consistency. In other words, each statement in the questionnaire provides stable, closely related measures of the constructs being assessed. Therefore, the questionnaire used in this study is highly reliable and suitable as the basis for subsequent data analysis.

D. *Readiness Assessment Results*

Higher mean scores reflect greater organizational preparedness for successful ERP adoption. Table VI shows the results of the McKinsey 7S Strategic Readiness Survey with SD = Strongly Disagree, D = Disagree, N = Neutral, A = Agree, and SA = Strongly Agree. The results indicate that all McKinsey 7S factors achieved average scores ranging from 4.51 to 4.62, placing them in the Ready category for ERP implementation. The highest readiness score was observed in the Structure factor (4.62), followed by Staff (4.61), Style (4.59), Systems (4.58), Strategy and Shared Values (4.56), while Skills obtained the lowest score (4.51). Overall, the findings suggest that the organization possesses adequate organizational structure, management support, systems, employee readiness, competencies, and shared values to support successful ERP implementation.

TABLE VI. MCKINSEY 7S STRATEGIC READINESS SURVEY

Code	SD	D	N	A	SA	Mean	Std. Dev.
STG1	0	0	3	9	18	4.50	0.682
STG2	0	0	1	8	21	4.67	0.547
STG3	0	0	1	6	23	4.73	0.521
STG4	0	3	2	7	18	4.33	0.994
Average Score and Status						4.56	Ready
Code	**SD**	**D**	**N**	**A**	**SA**	**Mean**	**Std. Dev.**
STR1	0	0	0	8	22	4.73	0.450
STR2	0	0	3	9	18	4.50	0.682
STR3	0	0	0	11	19	4.63	0.490
Average Score and Status						4.62	Ready
Code	**SD**	**D**	**N**	**A**	**SA**	**Mean**	**Std. Dev.**
SYS1	0	1	3	7	19	4.47	0.819
SYS2	0	1	1	10	18	4.50	0.731
SYS3	0	0	0	7	23	4.77	0.430
Average Score and Status						4.58	Ready
Code	**SD**	**D**	**N**	**A**	**SA**	**Mean**	**Std. Dev.**
STY1	0	0	3	7	20	4.57	0.679
STY2	0	0	1	12	17	4.53	0.571
STY3	0	0	0	10	20	4.67	0.479
Average Score and Status						4.59	Ready
Code	**SD**	**D**	**N**	**A**	**SA**	**Mean**	**Std. Dev.**
STA1	0	3	0	9	18	4.50	0.682

STA2	0	0	1	11	18	4.57	0.568
STA3	0	0	0	7	23	4.77	0.430
Average Score and Status						4.61	Ready
Code	**SD**	**D**	**N**	**A**	**SA**	**Mean**	**Std. Dev.**
SKI1	0	0	2	11	17	4.50	0.630
SKI2	0	0	0	9	21	4.70	0.466
SKI3	0	3	2	7	18	4.33	0.994
Average Score and Status						4.51	Ready
Code	**SD**	**D**	**N**	**A**	**SA**	**Mean**	**Std. Dev.**
SV1	0	0	3	11	16	4.43	0.679
SV2	0	0	0	11	19	4.63	0.490
SV3	0	0	2	7	21	4.63	0.615
Average Score and Status						4.56	Ready

E. Readiness Profile

Fig. 3 shows a visualization of the Readiness Profile, where each of the seven McKinsey 7S dimensions stands with relatively high scores - all mean scores for all dimensions were between 4.51 and 4.62 on the readiness scale, indicating that the organizational elements are well aligned to support ERP HRM implementation.

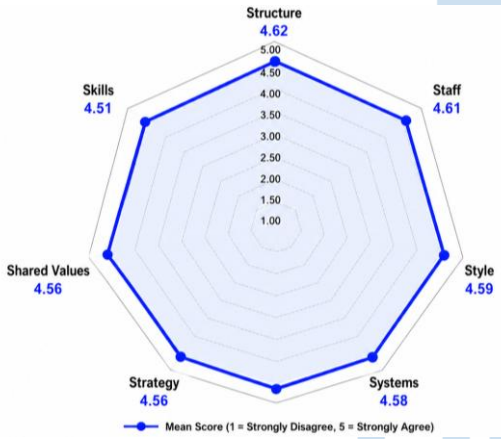

Fig. 3. McKinsey 7S Readiness Assessment Score Radar Chart

F. Prioritization of Readiness Factors

The readiness factors were ranked in ascending order by their mean readiness scores. Lower scores reflect higher priority for improvement. Skills were the highest priority (4.51). The next priorities were Strategy and shared values (4.56), Systems (4.58), Style (4.59), and Staff (4.61), and the lowest priority was Structure (4.62). All six dimensions were classified as Ready. The results for the Prioritization of Readiness Factors are shown in Table VII. Although all dimensions were classified as Ready, the ranking represents a relative comparison rather than a measure of poor performance. Lower-ranked dimensions are prioritized because they have relatively lower readiness than the others, while higher-ranked dimensions represent strengths to be maintained. This enables management to focus improvement efforts without overlooking the organization's overall high level of readiness.

TABLE VII. PRIORITIZATION OF READINESS FACTORS

Rank	Dimension	Score	Category
1	Skills	4.51	Improvement Priority
2	Strategy	4.56	Improvement Priority
2	Shared Values	4.56	Improvement Priority
4	Systems	4.58	Maintain
5	Style	4.59	Organizational Strength
6	Staff	4.61	Organizational Strength
7	Structure	4.62	Organizational Strength

G. Recommendation

Recommendations developed from the findings of this evaluation focused solely on the Improvement Priority and Maintain dimensions of the 7S model, as they offer the greatest potential to enhance the organisation's preparedness for the ERP HRMS implementation, as shown in Table VIII. While the results show that all sub-dimensions are in the "Ready" state, the lower-Importance sub-dimensions should receive more managerial time than the "Maintain" sub-dimensions, which should receive constant monitoring. Both Organisational Strengths should be maintained and used to support a successful ERP HRMS Implementation, and should not be improved further. ERP and IT training will equip employees with the skills needed to perform their jobs; phased implementation will enable organizations to align ERP with their organizational goals; cultural reinforcement will foster collaboration and adoption of new technology; and the development of an integrated HRM system will replace fragmented, manual processes. The goal of the recommendations provided here is to increase organizational readiness, reduce implementation risks, and support the successful implementation of ERP HRM.

TABLE VIII. RECOMMENDATIONS BASED ON PRIORITIZATION OF READINESS FACTORS

Factor	**Key Findings**	**Recommendations**
Skills	ERP implementation requires employees with adequate ERP and IT competencies.	Improve employee capabilities through ERP training and strengthen basic information technology competencies.
Strategy	A clear ERP implementation strategy is required to support operational efficiency and future business growth.	Develop a phased ERP implementation plan based on operational needs.
Shared Values	Successful ERP implementation requires a culture that supports technology adoption, collaboration, and organizational commitment.	Build a work culture that reinforces discipline, responsibility, teamwork, and technology adoption.
Systems	ERP implementation requires integrating HR	Develop an integrated HRM system covering

	processes to replace fragmented manual procedures.	attendance, employee data, payroll, and scheduling, supported by an adequate IT infrastructure.

H. Roadmap

The roadmap, as shown in Table IX, indicates when these competencies are developed throughout the life cycle of an ERP system. Strategic direction and organizational commitment are set during project preparation; business process alignment occurs during the analysis and design phase; System Configuration & Data Quality is achieved through development and Data Preparation; and User Competency is developed through testing and training. Deployment is focused on System Adoption, and Post Implementation Evaluation is focused on Continuous Improvement. Therefore, the road map translates the readiness assessment into an actionable implementation plan, helping organizations reduce implementation risks and increase their chances of successfully adopting ERP HRM. The proposed six-month timeline is intended as a practical reference rather than a fixed schedule. It represents a typical duration for completing the major ERP HRM implementation phases in a small- to medium-sized organization. The actual timeline may be adjusted according to organizational size, project scope, resource availability, and implementation complexity.

TABLE IX. ERP HRM IMPLEMENTATION ROADMAP

Phase	Activities	Expected Output	Timeline
Preparation	Establish an ERP project team, define the project scope, allocate the budget, and communicate the project objectives.	Project charter and implementation plan.	Month 1
System Analysis and Design	Analyze HR business processes, define system requirements, and configure ERP HRM modules.	Business process mapping and system design.	Month 2
Development and Data Preparation	System customization, employee data cleansing, and data migration preparation.	Configured ERP system and validated master data.	Month 3
Testing and Training	Conduct system testing, User Acceptance Testing (UAT), and employee training.	Tested the system and trained users.	Month 4
Go-Live and Implementation	Deploy the ERP HRM system and monitor system performance.	Operational ERP HRM system.	Month 5
Evaluation and Continuous Improvement	Evaluate implementation outcomes and address identified issues.	Performance evaluation report.	Month 6

As shown in Table X, the ERP implementation risk analysis identified six major risk categories: human resources, skills, data, technology, management, and operational risks. The most critical concerns include employee resistance, limited ERP knowledge, data migration issues, and system integration challenges. To minimize these risks, the company should implement change management initiatives, provide training and technical support, perform data validation and system testing, ensure continuous management commitment, and adopt a phased deployment strategy. These mitigation actions can improve the likelihood of a successful ERP HRM implementation.

Each identified risk will have at least one related organizational capability required for the successful implementation of the ERP HRM system. The risk of human resources and skills has been found to be critical, since your workforce's acceptance of the new system and their ability to use it are vital to ensuring the successful implementation and use of your organization's system. The data and technology risks stem from common technical problems organizations frequently encounter during data migration, system integration, and ERP deployment. The management risks highlight the importance of sustained leadership commitment throughout implementation, while the operational risks reflect the potential for temporary disruptions in business operations as organizations transition from manual processes to an ERP-based system. Finally, for each identified risk, we propose a risk mitigation strategy that organizations can use to reduce its potential negative effects and increase their chance. The purpose of this risk analysis is to identify potential implementation risks and propose mitigation strategies based on the readiness assessment results, rather than to quantitatively prioritize project risks using formal risk assessment techniques such as FMEA or Risk Matrix. The benefits of a successful ERP HRM implementation.

TABLE X. ERP IMPLEMENTATION RISK ANALYSIS

Risk Category	Potential Risk	Impact	Mitigation Strategy
Human Resources	Employee resistance to new work processes.	Delayed adoption and reduced system utilization.	Conduct change management and user training programs.

Risk Category	Potential Risk	Impact	Mitigation Strategy
Skills	Limited ERP knowledge among employees.	User errors and inefficient system usage.	Provide ERP training and technical support.
Data	Incomplete or inaccurate employee data during migration.	Data inconsistency and reporting issues.	Perform data validation and data cleansing before migration.
Technology	System integration issues.	Operational disruption and data synchronization problems.	Conduct comprehensive system testing before go-live.
Management	Lack of continuous management support.	Reduced project commitment and implementation delays.	Establish regular project monitoring and executive sponsorship.
Operational	Temporary productivity decline during transition.	Reduced operational efficiency.	Implement phased deployment and provide user assistance.

I. Discussion

Fig. 3 shows that all seven dimensions of the McKinsey 7S model were rated above 4.50. This means that the organization is in a strong state of readiness on all dimensions and is aligned to implement the ERP HRM system. Structure had the highest readiness score (4.62), indicating a clear delineation of roles and responsibilities, effective coordination among entities, and a sound organizational structure that serves as a solid foundation for ERP adoption. While the Skills dimension scored the lowest (4.51), employees are still rated as ready; they have the least competency in using the systems, and rate the use of information technology as the lowest priority among all dimensions. Therefore, the organization will benefit from implementing a competency-based ERP Training Program prior to ERP implementation to maximize the benefits of the strong Structural Readiness for ERP HRM implementation. The paper's findings align with prior studies on the organizational aspect of enterprise resource planning (ERP) readiness. It goes beyond the scope of prior readiness studies by providing a quantified measure of organizational ERP readiness through the readiness score, prioritized readiness factors with implementation recommendations, and a single decision framework for use as an implementation roadmap. The proposed research framework would assess an organization's readiness and provide management with guidance on which specific areas to prioritize for improvement before implementing an ERP system.

The comparison in Table XI shows how this research builds on the previous studies about McKinsey 7s as they relate to how ready the organization is for an ERP, because it includes the quantitative measurement of the readiness, the prioritization of the readiness factors, recommendations for how to implement, a roadmap for implementing an ERP, and risk analysis and mitigation, all in one framework. By having all of these within one framework, organizations can not only determine what their level of readiness is, but also know what their areas of higher priority are to improve, and they can convert the results of the readiness assessment into the actual steps to implement the ERP system.

TABLE XI. COMPARISON WITH OTHER FRAMEWORKS

Capability	Masfi [25]	Cahayadi [4]	This Study
McKinsey 7S framework	✓	✓	✓
Quantitative readiness assessment	✗	✗	✓
Qualitative exploration	✗	✓	✓
Validity & reliability testing	✓	✗	✓
Readiness score for each 7S dimension	✗	✗	✓
Readiness prioritization/ranking	✗	✗	✓
Readiness profile	✓	✓	✓
ERP implementation recommendations	✗	✓	✓
ERP implementation roadmap	✗	✗	✓
ERP Implementation Risk Analysis and Mitigation	✗	✗	✓

The proposed roadmap for ERP implementation and the risk mitigation strategies are important in two ways: they translate the results of the readiness assessment into actionable implementation items. The roadmap was systematically derived by mapping the prioritized readiness factors to the ERP implementation life cycle, while the risk analysis was developed by integrating the readiness assessment results, interview findings, and evidence from previous ERP implementation studies. Therefore, both outputs are directly grounded in the proposed readiness assessment framework rather than being developed independently. While the readiness assessment identifies an organization's current strengths and areas for development, the roadmap provides a systematic sequence of steps that will guide the organization through each implementation process. Risk mitigation strategies assist organizations in identifying potential risks, such as employee resistance, inadequate ERP competencies, poor data migration, and integration issues among systems, before these risks negatively

impact project success. Thus, the suggested Framework serves as an effective decision-making tool for managers, enabling them to identify and rank areas for improvement based on available readiness scores, allocate resources more efficiently, and prepare the organization for implementing the ERP HRM system.

IV. CONCLUSION

This research used the McKinsey 7S model to determine if the company was prepared to implement an ERP Human Resource Management system. The results demonstrated that all seven elements of the model were deemed to be in a state of Readiness, indicating an excellent foundation for moving forward with the creation of an ERP system within the organization. Of these elements/constructs of the 7S Model, Structure had the highest Readiness score; therefore, an organization with well-defined roles, effective communication, and a clear organizational chart is in place to support the implementation of ERP HRM. Although Skills received the lowest Readiness score of all the elements of the 7S Model, they still met the criteria for being considered Ready. This indicates that additional training on the ERP system and user development programs to enhance staff skills beyond current levels is likely to contribute to the overall success of implementing the ERP system and achieving business objectives.

Additionally, the results suggest that aligning all seven dimensions of the McKinsey 7S Model creates an optimal environment for successfully deploying an ERP HRM system within an organization. Interviews revealed inefficiencies in employee attendance tracking, payroll processing, and records management – all of which required a more integrated HRM system. Therefore, based on these findings, the organization is ready to implement the ERP HRM system with expected improvements in operational efficiency, data accuracy, interdepartmental collaboration, and decision-making capabilities. The study will also provide the organization with recommendations on implementing the ERP system, an ERP implementation roadmap, and ways to mitigate risks, ensuring the adoption process is structured for sustainable results.

The study presents three main contributions. The first contribution is that the study presents a comprehensive ERP HRM Readiness Assessment Model developed using the McKinsey 7S Framework to assist organizations in evaluating their Readiness prior to implementing an ERP System. The second contribution of the study introduces a method for prioritizing readiness factors that identifies organizational strengths and the same seven dimensions of the McKinsey 7S model, enabling more effective resource allocation. The third contribution of the study is that it uses the readiness assessment results to recommend implementation activities, a phased implementation plan, and risk mitigation strategies, thereby providing organizations with a pragmatic decision-support framework in the pre-implementation phase.

This study has some shortcomings. It is executed at a single organization, and the results have therefore been obtained from a fairly small sample of 30 individuals. As a result, there may be limitations on the generalizability of the results. In addition, the study relied exclusively on the McKinsey 7S Framework to assess readiness for an ERP implementation, but no post-implementation measurement was conducted. Future research should clearly involve both a larger population and multiple organizations to establish a much broader basis for generalization, to explore the use of the McKinsey 7S Framework in combination with other ERP readiness frameworks, and to use the proposed framework to measure the level of readiness for an ERP implementation during the process of implementing an ERP system across multiple types of organizations.

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