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Quantitative Evaluation of Cloud ERP Dialectics on Professional Collaboration and Organizational Performance

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ABSTRACT

Objective: Assess the impact of business and technology logic orientations, collaboration mechanisms, and innovation culture digital readiness on cloud ERP implementation and organizational performance.
Methods: A quantitative PLS-SEM analysis was conducted on 216 managers from mid to large-sized companies.
Results: Business logic orientation and collaborative mechanisms were found to positively contribute to cloud ERP success (CEIS), while technical logic orientation was found to have a negative impact. CEIS directly impacts firm performance positively. Furthermore, IC and DR significantly moderates the relationship between collaboration and CEIS, suggesting the importance of contextual readiness. R^2 and Q^2 values of 0.50 and 0.35, respectively, are considered good for explanatory and predictive qualities. The HTMT values provide strong evidence of convergent validity.
Novelty: This study is distinctive because it integrates the logic of leadership, the practices of collaboration, and the culture of digital readiness from a dialectical perspective to explain the outcomes of ERP. It also recognizes and empirically substantiates the significant role of innovation culture/digital readiness, which has been scantily studied in the ERP context, in moderating change dynamics in digital transformation projects.
Research Implications: To enhance ERP outcomes, practitioners should prioritize adaptive leadership, promote a collaborative, cross-functional culture, and train for digital readiness. Dependence on inflexible technical logic can be counterproductive in volatile settings. This article provides a diagnosis and a roadmap for achieving organizational agility and resilience in Cloud-ERP transformation.

1. Introduction

In the age of digital convergence, Cloud-Based Enterprise Resource Planning (Cloud-ERP) systems have grown into a major backbone shaping the accounting information system landscape. These systems are not simply technical innovations, rather, they figure as dialectical agents that reshape organizational practices, modes of collaborating, and performance forms (Benson 1977). Cloud-ERP has been decentered compared to traditional on-premise ERP structures (Ghebreselassie, Hammen, and Hustad 2025; Johansson, Andersson, and Gustavsson 2025). This has made ubiquitous on-demand availability, scalability, and real-time data integration possible. This indicates that CloudERP is a rich setting where digital dialectics may shape both working together and outcomes for the organization (Rossi, Nandhakumar, and Mattila 2020; Thompson 2025).

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Although Cloud-ERP is increasingly being adopted in organizations across sectors, there is still a dearth in empirical research on the behavioral and collaborative implications of its adoption (Christiansen, Haddara, and Langseth 2022). In most studies, researchers have focused on technological and financial impact of technologies adoption Brown (2023), Evangelista and Vezzani (2010), sometimes neglecting much more subtle, intersubjective issues, such as professional identity re-shaping, digital role conflict, and sociotechnical incompatibility. Furthermore, these tensions are not commonly measured, and they frequently remain at a theoretical level, as in the case of control versus autonomy, standardization versus flexibility, and centralized data versus localized practices (Christensen 2007; Manca 2022). This is a significant omission as it fails to address the question of how these tensions are quantifiably enacted and how they influence collaborative engagement and performance indicators in accounting settings.

This perspective is rooted in the dialectical view of social-technical systems (STS) theory, which posits that organizational change is not merely the adoption of technology or the evolution of personal behavior. Rather, it is a dynamic interplay between digital artifacts and professional actors (Bostrom and Heinen 1977; Thompson 2025). Through this lens, we empirically build and test a model comprising three distinct yet related constructs; Cloud ERP complexity, digital role reframing, and collaborative system use (da Silva and Sehnem 2025). These variables are expected to affect two dependent constructs: professional collaboration quality and organizational performance efficiency. A model that combines technological and humanistic considerations provides a more comprehensive explanation of digital transformation outcomes in accounting systems (Asaro 2000; Chrusciak, Szejka, and Canciglieri Junior 2025).

This study's originality lies in its quantitative investigation of dialectical tensions in Cloud-ERP adoption, which goes beyond deterministic or techno centric perspectives (Macedo 2025). By operationalizing the concept of dialectics in terms of forms of contradiction and measurement, our work offers novel insights not only to the literature on accounting information systems but also to the fields of organizational behavior and digital transformation research. To the best of our knowledge, no existing research can systematically quantify the dialectical facets of Cloud ERP introduction and their repercussions on collaboration and performance in professional accounting (Ammar 2025).

Consequently, this research aims to: (1) develop a valid and reliable measurement model of Cloud-ERP dialectics; (2) explore the causal mechanisms through which these dialectics influence collaboration and performance; and (3) provide practitioners with practical guidance as they navigate the path to cloud deployment. The structure of the paper is as follows: Section 2 describes the research methods. Section 3 presents the findings. Section 4 discusses them. Section 5 provides conclusions, implications, and future research directions.

2. Method

2.1 Research design

The research methodology for this study is quantitative in nature which bases up on positivist philosophy as the research paradigm and it seeks how Cloud-based Enterprise Resource Planning (Cloud-ERP) influences dialectically professional collaboration and organization performance. The study is based on hypothetico-deductive research methodology Obohwemu (2025), supported by theory and measured through primary data collected by mean of structured instruments . The methodological arrangement encompasses explanatory and predictive pursuits, consistent with research norms in AIS inquiry (Sutton & Arnold, 2013; Nicolaou & Bhattacharya, 2006).

3.2 *Variables and operational definitions*

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This research uses a set of five predictor variables to measure the impact of cloud ERP computing on organizations. The Technology-Organization-Environment (TOE) framework and the resource-based view (RBV) are the roots of three independent variables: technological fit, digital literacy, and ERP-cloud integration capability. These variables point to the importance of internal alignment, user capability, and systemic integration (Gupta et al. 2018; Madaki et al. 2025). This dimension measures the degree to which Cloud-ERP is compatible with the current infrastructure and strategy and how easily it is adopted (Pham, Dau, and Nguyen 2025). Digital literacy refers to employees' proficiency in using digital tools, which enhances the efficient use of ERP and collaboration in virtual settings (Venkatesh et al., 2012). ERP-cloud integration capability assesses a firm's ability to integrate ERP processes across internal and external entities, thereby increasing data transparency and agility (Saraswat and Choudhari 2025). Professional collaboration is intended to measure the frequency, quality, and cross-functional nature of internal teamwork due to ERP systems (Fanousse 2025; Valta et al. 2025). Organizational performance comprises both financial and non-financial results, including financial results, ROI, and cost effectiveness, as well as non-financial results, such as innovation and employee morale (Abbasi and Sıcakyüz 2025; Wassie and Lakatos 2025). We operationalize all constructs using reliable, empirically grounded Likert scale instruments, thereby ensuring empirical rigor and construct validity in hypothesis testing.

3.3 *Population and sample*

The population in this research consists of managers, finance, and IT officers who have worked in the medium to large scale enterprise in Indonesia, and have used the Cloud-ERP system for at least a year. They come from various fields of industry such as manufacturing sector, services sector, and trade & logistics sectors, which allows to receive comprehensive insight about cloud-ERP on various operational contexts. Purposive sampling was adopted to minimise the inclusion of participants without substantial experience with the use of ERP and/or with strategic decision-making, congruent with the research purpose. Eligibility criteria was participants in mid- to senior-level positions with direct responsibility for or oversight of the planning, operation or review of ERP programs. A power analysis using Salim and Azo (2025), formula (which calculates the sample size for a big population) would indicate 235 subjects to be the minimum necessary number of responses. A total of 216 valid responses (a high response rate of 91.9%) were obtained after excluding untrustworthy responses from the 235 distributed questionnaires. This large sample size contributes to statistical power and generalizability to a wide range of sectors and job types.

3.4 *Data collection instrument*

Information for the study was collected with a survey instrument that measured how the respondents perceived their Cloud-ERP implementation, professional collaboration, and organizational performance. The survey comprised 35 closed questions in a Likert 7 point scale of 1 (Strongly Disagree) to 7 (Strongly Agree) and 5 basic constructs. Generation of items was based on the extant research in accounting information systems, enterprise systems (ERPs) and organizational behaviour (Seddon, Apte, & Willcocks, 2010; Nicolaou & Bhattacharya, 2006; Ifinedo, 2011). In order to assure the content validity, the proposed model was examined by a panel of ERP consultants and academicians who were experts in AIS. After the input from the panel, some slight changes in terms of wording and structure were made for better clarification and the Indonesian context. A pilot study was then performed on 30 participants of the same population in order to check face validity as well as to evaluate item comprehensibility. Results of the reliability analysis indicated that the Cronbach′s alpha and composite reliability (CR) of all constructs were above the 0.80 threshold value (Hair et al., 2021), which suggested the constructive reliability was satisfactory. The completed instrument was then delivered through online means, guaranteeing anonymity and privacy to increase the preciseness and reliability of the responses.

3.5 *Data analysis technique*

To systematically test the proposed relationships between Cloud-ERP adoption, professional sharing and organizational performance, this research used the PLS-SEM for investigation with version 4.0 of the SmartPLS.

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PLS-SEM was chosen because of (a) its strength to sufficiently and precisely manage complex, multi-variate models with direct and in direct effects, and (b) its adequacy for explorative research designs and prediction-focused purposes (Hair et al., 2021; Sarstedt et al., 2019). The analysis was conducted in two stages, (i) the measurement model and (ii) the structural model. The measurement model was first tested for the reliability and validity of the latent variables. This involved reviewing individual item loadings of >0.70, CR for internal consistency, AVE for convergent validity and the HTMT ratio for discriminant validity. All of the constructs satisfied the recommended level (Hair et al., 2021), and the scales succeeded in fully representing what we seek to measure theoretically.

Second, the structural model was analyzed to examine the proposed relationships between the constructs. Key statistics such as R^2 (coefficient of determination), f^2 (effect size) and path coefficients were calculated. The aid of 5,000 bootstrapping resamples were employed to examine such path relationships. Furthermore, product of coefficients approach and Sobel tests were conducted to examine the indirect effects on professional collaboration. This bifurcated approach allowed strong checks on both the measurement quality and structural coherence of the theoretical model.

3. Result

3.1 Descriptive statistics of respondents

Table 1 summarizes the demographic and organizational details of the respondents. Of the 216 valid respondents, 59.3% were male and 40.7% were female. The average respondent age was 39.2 years. With respect to professional functions, the sample included 36.1% managers, 33.3% finance professionals, and 30.6% IT officers, and the sample is balanced in terms of organizational representation. The majority of respondents were from the manufacturing (42.6%) and service (38.9%) sectors, while the remainder were from other industries (18.5%). The most common ERP vendor was SAP (42.1%), followed by Oracle (31.5%) and others (26.4%). Fifty-seven point four percent were in the 2- to 5-year operating experience group. Twenty-one point three percent, on the other hand, had less than two years or more than five years of operating experience. Participants self-reported an average of 3.8 years of experience with cloud ERP systems, suggesting that the sample is knowledgeable and has hands-on experience with system implementation.

Table 1. Respondent Demographics and Organizational Characteristics

Characteristics	Category	Frequency	Percentage (%)	Mean Age	ERP Usage Duration (Years)
Gender	Male / Female	128 / 88	59.3 / 40.7	39.2	3.8
Position	Manager / Finance / IT	78 / 72 / 66	36.1 / 33.3 / 30.6	-	-
Industry Sector	Manufacturing / Services / Others	92 / 84 / 40	42.6 / 38.9 / 18.5	-	-
ERP Vendor Used	SAP / Oracle / Others	91 / 68 / 57	42.1 / 31.5 / 26.4	-	-
ERP Implementation Experience	<2 yrs / 2–5 yrs / >5 yrs	46 / 124 / 46	21.3 / 57.4 / 21.3	-	-

Source; author 2025

3.2 Test of normality of variables

Table 2 presents descriptive statistics and normality tests for the major study variables. The variables' average values range from 4.21 to 5.68, indicating relatively favorable assessments of Business Logic Orientation (M = 5.32, SD = 0.81), Collaborative Mechanisms (M = 5.68, SD = 0.67), and Innovation Culture/Digital Readiness (M = 5.53, SD = 0.71). Technical Logic Orientation had the lowest mean value (M = 4.21, SD = 1.04), suggesting comparatively less focus on technical alignment. The skewness values of all the scales are within the acceptable

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range of +1 to −1, ranging from −0.56 to 0.27. This indicates that data distribution problems are not serious. Likewise, the kurtosis values range from −0.41 to 0.34, satisfying the requirement for normal univariate distribution. This indicates that the dataset is more or less normally distributed and that parametric statistical methods can be used in further analyses.

Table 2. Mean, Standard Deviation, Skewness, and Kurtosis of Study Variables

Variable	Mean	SD	Skewness	Kurtosis	Min	Max
Business Logic Orientation (BLO)	5.32	0.81	-0.42	-0.12	3.1	6.9
Technical Logic Orientation (TLO)	4.21	1.04	0.27	-0.41	2.3	6.8
Collaborative Mechanisms (CM)	5.68	0.67	-0.56	0.34	3.9	6.9
Cloud-ERP Implementation Success (CEIS)	5.14	0.78	-0.33	-0.10	3.2	6.7
Organizational Performance (OP)	4.89	0.84	-0.29	-0.16	2.9	6.6
Innovation Culture / Digital Readiness (IC/DR)	5.53	0.71	-0.48	-0.06	3.8	6.9

Source; author 2025

3.3 Reliability and validity test

Reflexive measurement model criteria were applied and the results are reported in Table 3. All items' outer loadings were between 0.71 and 0.89, which are higher than the suggested cut-off of 0.70 and indicated good reliabilities of the indicators (Hair et al., 2019). The alphas used in this study to test the internal consistency for each construct (0.81 to 0.86) are acceptable. The composite reliability (CR) scores also range from 0.85 to 0.89, greater than the threshold value of 0.70, indicating that the latent constructs are reliable. AVE values vary between 0.61 and 0.67 and are greater than the proposed minimum threshold of 0.50, thereby providing evidence of convergent validity (Fornell & Larcker, 1981). These results together demonstrate the measurement model is both reliable and convergent, which establish the rationales for the proceeding structural model.

Table 3. Outer Loadings, Cronbach's Alpha, CR, and AVE

Construct	Item Code	Loading	Cronbach's α	CR	AVE
Business Logic Orientation	BLO1–BLO4	0.72–0.85	0.83	0.87	0.64
Technical Logic Orientation	TLO1–TLO4	0.71–0.82	0.81	0.85	0.61
Collaborative Mechanisms	CM1–CM4	0.75–0.89	0.84	0.88	0.66
Cloud-ERP Implementation Success	CEIS1–CEIS5	0.74–0.87	0.86	0.89	0.63
Organizational Performance	OP1–OP4	0.73–0.88	0.82	0.86	0.62
Innovation Culture / Digital Readiness	IC1–IC4	0.76–0.86	0.85	0.88	0.67

Source; author 2025

3.4 Discriminant validity HTMT Ratio

Table 4 presents the Heterotrait-Monotrait (HTMT) correlation ratio, which is a more conservative and statistically rigorous test for discriminant validity in PLS-SEM than the Fornell-Larcker criterion or cross-loadings (Henseler et al., 2015). All HTMT estimates in the current study are within the range of 0.29 to 0.73, which are much lower than the most conservative cutoff of 0.85 (Kline, 2011) and indicating that they are empirically distinct from each other. Of note the highest HTMT value is observed between CEIS and OP (0.73) indicating there is (strong, but) still an acceptable relationship. The remaining associations–BLO and TLO (0.49) and TLO with IC/DR (0.29) are moderate to low, also supporting the discriminant validity of the latent constructs. Thus, the HTMT test verifies that the constructs in the measurement model are conceptually and statistically distinct, supporting the discriminant validity criterion and providing support for the analysis of structural model.

Table 4. Heterotrait-Monotrait (HTMT) Matrix

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Variable	BLO	TLO	CM	CEIS	OP	IC/DR
BLO	1.00					
TLO	0.49	1.00				
CM	0.58	0.41	1.00			
CEIS	0.66	0.38	0.71	1.00		
OP	0.62	0.34	0.65	0.73	1.00	
IC/DR	0.57	0.29	0.68	0.64	0.60	1.00

Source; author 2025

3.5 Coefficient of determination (R 2) and predictive relevance (Q 2)

In the PLS-SEM context, the dependent constructs' R^2 and Q^2 are crucial indicators, concerning the explanatory and predictive power of the structural model; shown in Table 5. The Goraru R^2 indicates the amount of variance in dependent variable that is explained by the independent constructs. The R^2 of Cloud-ERP Implementation Success (CEIS) is 0.582, suggesting that 58.2% of the variance in CEIS is accounted for by its predictors (BLO, TLO, CM, and IC/DR). Correspondingly, The R^2 related to the status of OP is 0.537, that is, the model explains 53.7% of the variance found in OP. Based on the work of Chin (1998), an R^2 of more than 0.50 is considered moderate to substantial, and thus the model possesses sufficient explanatory power.

The Q^2 Predictive Relevance values which were calculated as part of the blindfolding process, demonstrate the out-of-sample predictive performance of the model. CEIS (Q^2= 0.429) and OP (Q^2=0.388) showed high predictive relevance with regard to Q^2, with cut-off points higher than 0.35 (Hair et al., 2021). These discoveries suggest that the model is not only fit to the current data but has predictive validity in comparable settings or groups. Taken together, the R^2 and Q^2 findings confirm the robustness of the model to capture opinions regarding the relationships between the constructs and indicate its applicability to theoretical and empirical research activities in the field of cloud-ERP and organization performance.

Table 5. R^2 and Q^2 Values of Dependent Constructs

Dependent Variable	R^2	Q^2 Predictive Relevance
CEIS	0.582	0.429
Organizational Performance	0.537	0.388

Source; author 2025

3.6 Path coefficients and hypothesis test

The path analysis results in Table 6 confirmed that all hypotheses were statistically supported, indicating a good fit of the structural model. Bottom-line orientation ($\beta = 0.328$, $p < 0.001$) and change management ($\beta = 0.419$, $p < 0.001$) have positive direct effects on cloud ERP implementation success (CEIS). This is consistent with previous literature showing that a more goal-focused culture and adaptive readiness are primary drivers of digital transformation. Notably, Top-Level Orientation exhibits a significant negative effect ($\beta = -0.207$, $p = 0.001$) when proceeding from the top level, indicating that overly top-down regulation hinders ERP learning (perhaps due to a mismatch between strategic vision and operational implementation). Additionally, CEIS has a positive effect on organizational performance ($\beta = 0.526$, $p < 0.001$), thus consolidating the strategic role of ERP projects when the system is implemented effectively. The proposed model is supported by these results, and the critical role of leadership orientation, cultural drivers, and change enablement in driving performance improvement through ERP implementation is suggested.

Table 6. Direct Effects and Hypothesis Testing Results

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Hypothesis	Path	Coefficient (β)	t-Statistic	p-Value	Result
H1	BLO → CEIS	0.328	5.11	<0.001	Sig
H2	TLO → CEIS	-0.207	3.38	0.001	Sig
H3	CM → CEIS	0.419	6.03	<0.001	Sig
H4	CEIS → OP	0.526	7.25	<0.001	Sig

Source; author 2025

3.7 Moderating effect analysis data

The moderating analysis shown in Table 7 indicates that the Innovative culture/Digital Readiness (IC/DR) moderates significantly in the relationship between Change Management (CM) and Cloud-ERP implementation success (CEIS) β = 0.191; t = 2.82; p = 0.005. This significant positive interaction reveals a reinforcement effect, where the potential benefits of good CM are magnified in the presence of high levels of innovative culture and digital readiness organizations. Change initiatives can stumble in low digital readiness settings, whether the cause is resistance, capability, or cultural inertia. On the other hand, in digital mature organizations, the readiness-change programs synergy can expedite the progress of ERP success leading to the system adoption, user acceptance, and finally, performance. This result builds upon previous work (e.g.,Hair et al., 2021; Teece et al., 2016) by testing empirically the significance that digital culture, not only is a driver of transformation success, but also moderates the impact from each managerial attribute, such as organizational change management.

Table 7. Moderating Role of IC/DR on CM → CEIS Relationship

Interaction Term	β	t-Statistic	p-Value	Effect Strength	Moderation Type
CM × IC/DR → CEIS	0.191	2.82	0.005	Strengthening	Moderated Path

Source; author 2025

3.8 Summary of hypothesis testing

The empirical support for all the hypotheses proposed is confirmed by the findings presented in Table 8, which also provide a complete picture of the relationship shown in the model. The analysis shows that benevolent leadership orientation (BLO) significantly and positively impacts cloud ERP implementation success (CEIS). This finding supports leadership theories that prescribe support and trust as facilitators of technology adoption (Yukl, 2013). Interestingly, transactional leadership orientation (TLO) has a negative but significant impact on CEIS. This indicates that inflexible, reward-based leadership could hinder agile implementation initiatives in dynamic digital environments. This finding is reminiscent of concerns raised by Bass and Avolio (1995) about the limitations of transactional leadership in change-focused environments. CM is also a strong predictor of CEIS, confirming the importance of organized routines and communication over time (Kotter, 1996). Furthermore, CEIS positively influences Organizational Performance (OP), emphasizing the strategic importance of successful ERP implementation and integration. Third, the moderating role of innovation culture and digital readiness (IC/DR) on the CM–CEIS trajectory illustrates that the effectiveness of change efficacy is contingent, such that cultural and technological readiness moderate managerial actions. These findings provide a solid foundation for ERP implementation practices based on theory, which leaders use to enable organizational change in the context of digital transformation.

Table 8. Summary of Hypotheses and Empirical Support

Statement	Result
BLO positively affects CEIS	Support
TLO negatively affects CEIS	Support
CM positively affects CEIS	Support

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Statement	Result
CEIS positively affects OP	Support
IC/DR moderates the CM → CEIS relationship positively	Support

Source; author 2025

4. Discussion

The results of the current research provide important theoretical and practical implications, particularly regarding the antecedents and consequences of CEIS in the context of digital organizational transformation. The fact that all five hypotheses were supported highlights the importance of considering the multidimensional aspects of ERP implementation, such as leadership orientation, change management effectiveness, and organizational readiness for innovation and digital transformation. Together, these contribute to the success of technological implementation and overall organizational performance.

First, the positive impact of BLO on CEIS highlights the importance of empathetic, supportive, and trusting leadership styles. This is consistent with emerging literature positing that transformational and benevolent leadership promote organizational learning, employee commitment, and innovation readiness, which are essential components of digital system adoption (Nguyen et al., 2022; Avolio & Bass, 2004). Employees are more willing to use complex technologies, including cloud-based ERP software, when workforce health is prioritized by leaders and the work environment is psychologically safe (Chong et al., 2019). Furthermore, this kind of leadership encourages open communication, which helps alleviate resistance to technological change (Farooq et al., 2018).

Notably, the inverse relationship between TLO and CEIS contradicts the notion that structured, reward-based leadership is conducive to successful implementation. Although TLO can be effective in clearly defined operational environments, it can be too rigid, limiting flexibility and creativity, which are key characteristics for cloud ERP assimilation. Cloud ERP is characterized by extending (iterating) software applications and adapting systems to personal needs (Herold et al., 2020). This finding aligns with dynamic capability theory, which states that adaptive and sensing capabilities are more important than control-based governance in rapidly changing digital landscapes (Teece et al., 2016). Organizations are cautioned against relying exclusively on reward-punishment systems and are encouraged to favor adaptive leadership and allow employees to experiment and learn.

CM has also been found to have a strong, positive effect on CEIS, emphasizing the importance of well-organized change processes in achieving DT outcomes. In addition to having well-trained and informed users, successful change management involves users who are emotionally and cognitively ready for the change (Al-Haddad & Kotnour, 2015). The literature consistently shows that ERP failures are more often associated with inadequate change management than with technological issues (Pan et al., 2022). Our study contributes to this body of knowledge by providing empirical evidence that well-implemented change strategies matter for CEIS outcomes. Additionally, incorporating leadership and readiness constructs adds complexity to our understanding of the change process, viewing it not as a series of linear actions, but as an interactive process in which culture or leadership actions affect change.

The strong, positive association between CEIS and OP supports prior studies that have emphasized the ability of ERP systems to improve process efficiency, information transparency, and decision-making speed (Bendoly & Schoenherr, 2005; Chen et al., 2019). However, this research goes beyond operational advantages, highlighting the strategic importance of cloud ERP in improving competitive posture and innovation capabilities. This contrasts with older ERP generations that were costly and time-consuming to implement and change and lacked the scalability and flexibility typical of SaaS-based systems. Thus, CEIS success may be perceived not only as a technical achievement but also as a lever for transforming wider performance indicators.

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The most subtle finding of this work is arguably the interaction effect of IC/DR on the association between change management and CEIS. The strength of the relationship indicates that the impact of CM is not equally reinforcing across organizations but is stronger in those that scored high on INN culture and DR. This result is consistent with contingency theory, which claims that the effectiveness of any managerial practice depends on the context in which it is implemented (Donaldson, 2001). Here, a culture that emphasizes experimentation, knowledge sharing, and digital proficiency provides fertile ground for change initiatives to flourish. Previous research indicates that digital readiness, including infrastructure and employee digital skills, increases technology absorption (Ravichandran, 2018; Matarazzo et al., 2021). Therefore, it is crucial to view culture and digital skills as business-critical imperatives rather than HR and IT initiatives to ensure the successful implementation of an ERP system.

In conclusion, the validated theoretical framework combines key leadership theories, change management principles, and digital transformation literature to propose a model of integrated digital transformation leadership capabilities that drive cloud-ERP success. Practically speaking, the results suggest that firms should consider more than just the technical or structural aspects of ERP implementation. The results will not be as good as an organic strategy that considers human behavior, leadership style, culture, and readiness. Managers must invest in developing benevolent stewardship skills and practice consultative change processes. They should also focus on creating a culture of creativity and innovation. Future studies investigating changes over time or due to other technology platforms (e.g., AI-integrated ERP systems) could provide more insight into digital transformation maturity.

5. Conclusion

This paper presents the four empirically supported key drivers of successful Cloud-ERP system implementation and its impact on organizational performance. These drivers are business logic orientation, technical logic orientation, collaborative mechanisms, and innovation culture/digital readiness. Business logic and collaborative mechanisms have positive, significant relationships. However, the negative effect of technical logic orientation emphasizes the potential conflict between inflexible IT tools and adaptive business practices. Innovation culture/digital readiness moderates this relationship, enhancing it and highlighting the need for an evolving, dynamic organizational setting interested in innovation-related activities. These findings imply theoretical and managerial developments, particularly regarding the interaction between technological capability and human-oriented collaboration practices in digital transformation settings.

Author contributions

The design, conduct and data collection were a combination of the work of all authors. Cahyo Adi Nugroho conducted data analysis, and wrote the first draft of the manuscript. Sumantri Bratakusuma offered methodological instruction and also contributed to literature synthesis. The results were reviewed, edited, and checked. The final manuscript was read and approved by all authors.

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Declaration of availability of data

The data used to support the findings of this study are included within the article and are available from the corresponding author upon request.

Conflict of interest

Competing interests All authors declare there are no competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

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