Chapter 4

How Does Socio-Technical Approach Influence Sustainability? Considering the Roles of Decision Making Environment

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Abstract

Aim/purpose: the current study explains the mediation of ERP in the role of a socio-technical approach and decision-making with firms' sustainable performance. *Background*: despite the existence of existing literature on success and failure factors of ERP, the current work highlights the impact of socio-technical factors and decision-making environment on ERP success. Additionally, the weak research work regarding the mediation of ERP is addressed here in this study and has tried to fill the mentioned gap. *Contribution*: the most important contribution of the study is assessing the mediating role of the ERP system in the linkage of decision-making environment and socio-technical factors. Moreover, the work contributes by examining the moderation of organizational culture while relating the socio-technical environment and ERP system. *Findings*: the study finds that there is a significant role of ERP as a mediator while relating socio-technical elements and the decision-making environment; however, we do not find any significant moderation of organizational culture in the linkage of ERP system and socio-technical elements. *Impact on Society*: the societal implication of the study is that it provides a reference for the firms having the same cultural characteristics while using ERP to overcome the issue of pollution in Iraq.

Keywords: organizational culture, socio-technical approach, decision-making environment, ERP system, sustainable performance

1. Introduction

Many multinational companies came in agreement with Iraq in the mid of 2009 in which they were required to work for sustainable performance and keep the focus on improving environment and standard of living for locals by refraining from what they were previously focusing, i.e., only profit. After this agreement, Iraq agreed to issue licenses for various multinational companies, so they can work for the exploration and production of oil and gas. Now, foreign oil companies in Iraq are seeking for "sustainability." There was very little investment in the Iraq oil industry before this agreement was signed in 2009. Iraq canceled her contracts