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The purpose of this paper is to examine the effect of business strategy to firms performance with the influence of ERP implementation and organizational capability as intervening variables. Different from prior study, this study was done in manufacturing entities that listing on IDX. This reasearch is based on cybernetic control theory, resource based view and dynamic capabilities theory.

The results of this paper reveals empirically that ERP implementation can enhance companies performance in Indonesian manufacturing firms however the result can't reveals empirically that prospektor as business strategy can enhance ERP implementation and companies performance.

The results also show that prospektor as business strategy can significantly enhance companies performance indirectly through mediation effect of organizational capability. This paper contributes to the manajement accounting literature, investors, and manajers by providing insight usefullness of ERP implementation in the context of sustainable firms.

Keyword : enterprise resource planning, ERP, prospektor, defender, strategi bisnis, kapabilitas organisasi, firms performance.