ELSEVIER

'Best' for whom?: the tension between 'best practice' ERP packages and diverse epistemic cultures in a university context

Erica L. Wagner[a,*], Sue Newell[b,c]

[a]School of Hotel Administration, Cornell University, 340 Statler Hall, Ithaca, NY, USA
[b]Bentley College, Waltham, MA, USA
[c]Royal Holloway College, University of London, London, UK

Available online 28 January 2005

Abstract

The idea that so-called 'best' business practices can be transferred to organizations when they purchase enterprise resource planning (ERP) software packages is a major selling point of these packages. Yet recent research has illustrated a gap between the espoused theory of a best practice solution and the theory-in-use experienced by those who install software with such a design. As researchers begin to examine the difficult process by which organizations recast the best practices model handed down to them by consultancies and software vendors in an effort to make the software 'work for them' in practice, it is equally important that we begin to understand the reasons that such a gap exists. To this end, we analyze the strategic partnership between a multinational software vendor and a university who together designed a 'best practice' ERP package for the higher education industry. Through the theoretical lens of 'epistemic cultures' we argue that in organizational contexts made up of more than one epistemic culture, the use of a best practice model will be problematic because, by definition, the model mandates one epistemological position through the software design. This is counter to a university's loosely coupled organizational form.
© 2004 Elsevier B.V. All rights reserved.

* Corresponding author. Tel.: +1 607 255 7257.
  E-mail address: elw32@cornell.edu (E.L. Wagner).

1. Introduction

Increasingly, contemporary organizations are choosing to purchase standard software products that are designed based on business practices that have been deemed the most appropriate for achieving organizational goals. This so-called 'best practice' model has a long history (Newell et al., 2000) and is currently popularized in the form of enterprise resource planning (ERP) packages, arguably the most popular business software of the last 15 years (Robey et al., 2002). ERP products offer the integration of business processes and functions across the organization based on a way of working deemed 'the best' for particular industries by software vendors, management consultants and industry-based experts (Lee and Lee, 2000; Shanks and Seddon, 2000). Organizations adopting ERP software need to configure the software to meet their local needs but are encouraged to adopt the 'vanilla system' (that is without modifications) since the 'best' industry practices are supposedly embedded in this standard configuration. These 'best' practices are typically designed with a software company working in a partnering relationship with a key industry customer to develop a package to meet the unique requirements of a particular industry. In this paper we focus on the university sector.

Despite the popularity of ERP packages, recent research has illustrated a gap between the espoused theory of a best practice solution and the theory-in-use experienced by those who install software with such a design (Shanks and Seddon, 2000; Robey et al., 2002). As researchers begin to examine the difficult process by which organizations recast the best practices model handed down to them by consultancies and software vendors in an effort to make the software 'work for them' in practice (Willcocks and Sykes, 2000), it is equally important that we begin to understand the reasons why such a gap exists. In this paper we argue that the reason for this gap is in part due to the best practice design itself which limits different theories of work from flourishing within a single organizational context. We use the concept of epistemic cultures (Knorr-Cetina, 1999) to explore the diversity of practices within a university context. We pose the research question: is it possible to identify a standard 'best practice' in a context characterized by users from diverse epistemic cultures? In considering this question, we focus on intra-organizational diversity, rather than inter-organizational diversity that has been the previous focus of 'best practice' critiques (e.g. Clark and Staunton, 1989).

Szulanski (1996) considers the challenges of transferring best practices *within* organizations from a knowledge perspective. He identifies a number of factors, including the inability of the recipient to absorb the best practice based on their world view, an absence of 'knowing why' something is to be done in a particular way, and finally a difficult relationship between the parties involved in the transfer. However, this study does not provide an explanation for why such knowledge-related barriers occur nor does it offer guidelines for handling such impediments. The results from our case analysis highlight how the context of practice influences what is 'best' such that a single organizational 'best practice', as promoted within ERP packages, is problematic. We conclude that while software vendors recognize the industry context as influencing the appropriate 'best' practice design of an ERP system, they fail to acknowledge how the contextual specificity within an organization makes it difficult if not impossible to meet all users' needs with a standard organizational solution.