11. Global Deployment of Enterprise Systems in MNC:
Exploring the Importance of Intercultural Social Knowledge

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Abstract
This study investigates an instance of global enterprise systems (ES) deployment in the context of a multinational corporation (MNC). Based on an in-depth case study, we highlight a specific type of knowledge relevant to such context i.e., intercultural social knowledge. Such knowledge is particularly pertinent when members involved in the ES project come from different cultures, which makes conflicts arising from cultural differences likely. Evidence of how cultural differences introduced issues to an ES deployment project is presented. Specifically, the study finds that being open to cultural diversity may help members to tolerate cultural differences, but it may not be sufficient to ensure smooth collaboration of the team. Intercultural social knowledge may be needed to provide the guidance of how one should react when faced with these issues. Additionally, intercultural social knowledge may also be helpful to ES deployment team’s interactions with the relevant external parties such as the vendors. This paper may serve to sensitize managers of global ES deployment projects the importance of intercultural social knowledge. Implications are also suggested for how such knowledge can be better leveraged to improve intercultural project collaboration.

Keywords: Intercultural social knowledge, national culture, organizational culture, enterprise systems deployment, multinational corporations

Introduction
With the globalization trend of market and competition, large multinational corporations (MNCs) are turning to enterprise systems (ES) to fulfill their information needs (Davenport 2000). ES represents a unique class of information systems (IS) that are characterized by their information commonality and integration (Davenport 2000). They are commercial software packages designed to standardize, streamline, and integrate information flow throughout an organization, which entail financial and accounting, supply chain, human resource, product, and customer information (Markus and Tanis 2000). The capabilities of ES suit MNCs’ needs to efficiently capture, manipulate, distribute, and employ real-time information from different locations to achieve competitive advantage (Doz et. al. 1997).

Despite the promising benefits, the deployment of ES is known to be a lengthy, complex, and failure-prone process (Ko et. al. 2005). Martin (1998) reported that more than 90% of ES deployment projects were either late or over-budget, with considerable number of them ended in failure (see also Markus and Tanis 2000; Shanks et. al. 2000). The complexity of ES deployment may be even more prevalent for MNCs, particularly when such projects need to be rolled out at a global scale (Krumbholz et. al. 2000). Compared to local companies, MNCs face various constraints imposed by geographic distance, cultural
diversity, linguistic differences, and the conflicting demands of various host governments (Gupta and Govindarajan 1991). These constraints faced by MNC often manifest themselves in the collaboration of cross-cultural teams assembled to perform tasks spanning geographic boundaries and units (Buckley et. al. 2005), one such example being global ES deployment. MNC thus presents a particularly interesting context for the investigation of ES deployment. As Gupta and Govindarajan (1991) note, the greater complexity of the MNC as a network of transactions makes it a particularly rich context for theoretical and empirical endeavors.

In this paper, we examine a specific type of knowledge, called intercultural social knowledge, and its importance in a global ES deployment project that involved members from diversified national cultures; as well as external organizations (i.e., vendors). Social knowledge in general refers to knowledge held by individuals, or groups of individuals, that enables them to interpret, understand, and predict the general patterns of behavior of other individuals and groups (Buckley et al. 2005; Tolbert 1988). Intercultural social knowledge may be seen as a specific type of social knowledge that allows one to interpret, understand, and predict the patterns of behaviors of individuals or groups who are from different cultures. Our findings in general underscore the importance of intercultural social knowledge in facilitating team collaboration in MNC’s ES deployment.

Conceptual Background
The role of culture in IS deployment has received growing attention from both researchers and practitioners alike (e.g., Evaristo 2003; Ford et al. 2003; Watson et al. 1994). Cross-cultural research in IS has looked into the influence of culture at the level of national, organizational, and individual. Of these, culture at the national and organizational levels have been of particular interest in cross-cultural research contexts that spans geographical and organizational boundaries (e.g., Evaristo 2003; Cavaye and Christiansen 1996; Shore and Venkatachalam 1995). Global ES deployment projects in MNC that involve members from different countries as well external organizations (e.g., vendors) represent a research context that calls for the consideration of culture at both the national and organizational levels.

National Culture
National culture is the collective mindset that distinguishes people of one nation from another (Hofstede 1997). The influence of national culture on human decisions and practices is clearly established in the management literature (Earley 1993; Tan et al. 1998). IS research has also indicated the importance to consider national culture in ensuring IS implementation success (e.g. Montealgre 1997; Jarvenpaa and Leidner 1998). A number of frameworks have been proposed to study national cultures, such as Hall (1976), Hofstede (2000), and Triandis (1982). Among others, Hofstede’s (2000) dimensions of national culture are probably the most widely cited in cross-cultural IS research (see Ford et al. 2003 for a discussion). Hofstede (2000) delineates national culture into the dimensions of power distance, uncertainty avoidance, individualism, masculinity, and long term orientation. Previous research in geographically distributed teams, where members come from different countries, have highlighted the need to consider national cultures in studying collaboration of such teams. For instance, DeSanctis et al. (2001) reported that diversity in a geographically distributed team (e.g., in experience and expertise) may be a major strength that contributes to the effectiveness of such team. However, researchers also note the substantial management challenge in resolving cultural issues often observed in these teams (Qureshi and Zigures 2001; Martinson and Davison 2003). As global ES deployment in MNC typically involves members from different countries (i.e., headquarter and foreign subsidiaries), national culture is expected to be a salient factor that affects the collaboration of such project.
Organizational Culture
Organizational culture is a broad concept that has been given a wide range of conceptualizations. However, most scholars agree that it is the basis upon which organizational actions are constructed and enacted (Alvesson 1987; Ngwenyama and Nielson 2003). For instance, Louis (1981) views organizational culture as the tacit, shared, and coherent understandings among members about who and what matters; and how, what, and why things get done as they do. Others (e.g., Mahler 1997; Schein 1985; Smircich 1983) view organizational culture as a set of social structures that include symbols, values, and assumptions which influence organizational actors’ collective sense making of what constitute organizational realities. Organizational culture has been widely investigated in IS research on its influence on IS implementation (Doherty ad Doig 2003).

In the context of ES deployment in MNC, organizational culture may facilitate or inhibit cross-cultural collaboration of the ES project team. Specifically, an organizational culture that is receptive to diversity of culture may increase members’ tolerance and empathy towards issues arising from cultural differences. Such value and mindset are deemed to be necessary in developing an effective level of synergy for cross-cultural team collaboration (Dubé and Paré 2001). Additionally, as ES deployment project involves external organizations such as vendors, it may be imperative to understand the differences in organizational culture between the organization itself and these external organizations. An understanding of such differences may help ensure smooth collaboration with the external organizations during ES deployment and to maintain long term relationships with them.

Intercultural Social Knowledge and Global ES Deployment in MNC
Related to the two levels of culture discussed above, we posit that intercultural social knowledge will be of particular relevance to the context of ES deployment in MNC. Intercultural social knowledge is derived from the notion of social knowledge (Buckley et al. 2005). Social knowledge is defined as “knowledge held by individuals, or groups of individuals, that enables them to interpret, understand, and predict the behavior of other individuals and groups”, and such knowledge “can pertain to individuals or groups either within a single country or between different countries (or locations).” (Buckley et al. 2005, p.49). In this study we employ the term “intercultural social knowledge” to highlight our specific focus on social knowledge that is related to the differences in cultures, particularly across nations as well as organizations (i.e., national culture and organizational culture).

Although related, intercultural social knowledge is different from the concepts of national or organizational culture. While the later are a set of collective understandings and values within a nation or a firm (Hofstede 2000), intercultural social knowledge is the tool to interpret, understand, and predict the behaviors of others who are from different national or organizational cultures (Buckley et al. 2005). For instance, an organization may have a culture that values differences, and understand such differences as essential to provide the requisite intellectual stimulations for idea generations. However, the organization may lack the specific knowledge to deal with such differences e.g., between itself and another partnering organization effectively (i.e., intercultural social knowledge). Another example is provided by Buckley et al. (1995), in which a Western manager may not share the same national or organizational culture with his/her Asian colleagues in the foreign subsidiaries. However, with the relevant intercultural social knowledge, s/he is able to understand how his/her Asian colleagues think, and develop appropriate actions to resolve any issues that arise from the cultural differences.
While national and organizational cultures have been consistently highlighted in research related to MNC and distributed teams, the concept of intercultural social knowledge has received much less attention (Buckley et. al. 2005). Dubé and Paré (2001) note, “tolerance, empathy and the desire to discuss potential conflicting situations with an open mind are all necessary for members of a global virtual team [distributed teams that rely heavily on technologies for communication and collaboration] to develop an effective level of synergy.” However, we posit that being tolerant and having an open mind may not be sufficient to ensure smooth cross-cultural collaboration -- relevant intercultural social knowledge is required to effectively deal with the potential cultural differences. Therefore, this paper aims to provide a concrete illustration of how such knowledge may help in the cross-cultural collaboration in the MNC context for ES deployment.

Research Methodology

Case Study Methodology
This research was designed as an in-depth single case study to generate qualitative data for analysis. Our case concerns the deployment of an ES called Centralized Retail Information Management System (CRIMS) (a pseudonym) in a large MNC. According to Yin (2003), the case study strategy is most suitable when the research involves the ‘why’ or ‘how’ questions. Our objective was to explore how the presence or lack of intercultural social knowledge may implicate the deployment of an ES in the context of MNC. To best allow one to understand the nature and complexity of the phenomenon under study, we examined the case in its natural setting by employing the approach advocated by Yin (2003).

Data Collection
The primary source of data was 11 semi-structured interview conducted during February and March 2006. These interviews were conducted in 3 stages. The first stage involved a series of preliminary interviews with the local deployment manager of the CRIMS project in the country where this research was conducted. The interviews served to provide an initial understanding of the project, and allowed us to refine the focus of our study as well as expedite the process of identifying the key stakeholders involved in this project. The second stage involved the collection of information from secondary data, which include project description documents, planning documents, progress tracking and report documents, and workshop documents. The process allowed us to deepen our understanding of the project obtained from our first informant. The third stage of data collection involved face-to-face and teleconferencing interviews with the identified stakeholders who assume different roles in the CRIMS project (see Table 1). This is important in obtaining a more holistic and comprehensive understanding of the project. Due to the distributed nature of the project collaboration in which members came from different countries, most of the interviews were conducted through teleconferencing calls. Each interview was conducted by at least two of the researchers with one interviewee at a time and lasted from around 40 minutes to 2 hours. The interview notes were reviewed for consistency with secondary sources of data available, so that “triangulation” of findings could be made to increase the reliability and validity of results (Dubé and Paré, 2003; Yin, 2003).
Table 1. Data Collection Sources
(POS - “point of sales”; BOS - “back office system”)

<table>
<thead>
<tr>
<th>Primary Source: Interviews</th>
<th>No. of interviews conducted (means)</th>
<th>Involvement in the ES deployment project</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interviewee</strong></td>
<td><strong>Designation</strong></td>
<td><strong>Global deployment manager</strong></td>
</tr>
<tr>
<td>Global deployment manager</td>
<td>1 (teleconference)</td>
<td>Oversaw the ES deployment worldwide</td>
</tr>
<tr>
<td>Global deployment team leader</td>
<td>1 (face to face)</td>
<td>Oversaw the project deployment at a Asia Pacific level and report to the deployment manager</td>
</tr>
<tr>
<td>Global deployment team member</td>
<td>1 (face to face)</td>
<td>Assigned to Asian Country B from the headquarter to facilitate the local deployment of CRIMS</td>
</tr>
<tr>
<td>POS solution team member</td>
<td>1 (teleconference)</td>
<td>Worked in POS solution team to develop and roll out POS solution</td>
</tr>
<tr>
<td>BOS solution team member</td>
<td>1 (teleconference)</td>
<td>Worked in BOS solution team to develop and roll out BOS solution</td>
</tr>
<tr>
<td>Local deployment manager in Asian country A</td>
<td>3 (face to face)</td>
<td>Involved in the roll out of CRIMS in Asian Country B for 6 months so as to prepare for the future CRIMS deployment in Asian Country A</td>
</tr>
<tr>
<td>Local deployment manager in Asian country B</td>
<td>1 (teleconference)</td>
<td>Oversaw the local CRIMS deployment in Asian country B</td>
</tr>
<tr>
<td>Local deployment team member in Asian Country B</td>
<td>1 (teleconference)</td>
<td>Worked under the local deployment team manager in Asian Country B to roll out the CRIMS project</td>
</tr>
<tr>
<td>Member in technical solution team</td>
<td>1 (teleconference)</td>
<td>Involved in preparing the standard operation system environment for CRIMS</td>
</tr>
</tbody>
</table>

Secondary Sources
- Project description documents; Planning documents; Progress tracking and report documents; Workshop documents

Case background
The focal organization that initiated the ES deployment project operates at a global scale and has retailing operations worldwide. In view of the outdated legacy point of sales (POS) system and the need to obtain more accurate sales data of the retailing operations, the focal company decided to replace the current POS system with a new one. A further assessment of business needs led to the decision to extend the project scope to integrate the POS system with a new back office system (BOS), and head office system (HOS). The POS system captures the transaction data of sales at the retailing sites, of which some are operated by the organization’s business partners. The data is then transmitted to BOS for record keeping and reporting purposes. The BOS in turn transmits the data to the HOS at the regional headquarters. HOS is a centralized system to captures all the transaction data in the region to facilitate regional retail management and forecasting. The resulting integration of the three systems was termed CRIMS.
The business driver of the overall CRIMS project is primarily the need to exert better control and audit of sales at the retailing sites that are not wholly owned by the focal company. These sites are either partially or totally operated by retailers according to certain agreements between the focal company and the retailers. Many of the retailers use their own POS system to track sales at their sites. Due to the disparate systems used by different retailers (and in different countries), it was difficult for the focal company to obtain accurate and timely sales data, and this makes the collection of royalty from the retailers potentially erroneous. There were also issues in accurately transmitting the data to the back office and subsequently to head office for general auditing and management purposes. There is thus a need to implement a CRIMS solution that seamlessly integrates POS with the BOS and HOS. Additionally, the purpose of the CRIMS is also to develop a scalable, cost effective, and sustainable business solution that leverages on standardized enterprise software for the company’s future retail operations expansion.

In deploying the CRIMS, it was decided by the management that pilots would be first conducted in Asian country A (where this study was conducted) and Asian country B before it was deployed in other countries that involved in the project. A project team was formed that comprised POS and BOS solution teams from the company headquarter led by a global deployment team leader, who in turn reported to a global deployment manager. The BOS solution team was also responsible for integration of the BOS solution with HOS. Under the global deployment team leader and manager were also the technical and financial teams. The technical team provides the technical infrastructures and training support required for the CRIMS; whereas the financial team provides information needed that is related to the company’s retail and accounting requirements and processes. The POS, BOS, technical, and financial teams work with the respective software vendors and collaborate with each other to come up with an integrated CRIMS solution. In each country where the CRIMS would be deployed, a local deployment team was also assembled to roll out the CRIMS in their host country. Members in the project team came from a variety of countries that include US, Canada, New Zealand, and Asian country A and B. Figure 1 displays the project team structure.

**Phases of the CRIMS Project**
At the time of data collection, the CRIMS project has been rolled out in Asian country B and is about to be deployed in the Asian country A. Collecting data in the midst of the ES deployment allows us to capture the dynamics of the team interactions during the ES deployment process (Kirsch 2004). Figure 2 shows the major events in the CRIMS deployment project before the data collection.

**Project kick-off**
The agreement to start the CRIMS project was signed off by both the company headquarter and the Asian country B local subsidiary in October 2004. The project kicked off in March 2005 with a workshop arranged for managers in the local subsidiary. During the workshop, the key stakeholders discussed about deployment preparation for the CRIMS project and the resource requirements associated with the deployment. External consultants were engaged in the project during this phase. One of the external consultants was tasked with the role of global deployment team leader.

**Requirement collection**
All members from the relevant solution teams met in Asian country B in March 2005 to gather project requirements. The meeting was also meant for the solution team members to familiarize themselves with the local rules and regulations that necessitate adjustments to be...
made for the system development. The solution team members were also encouraged to interact with employees from the local subsidiary to obtain exposure to the local culture.

System development

The requirement document for the CRIMS project was signed off in June 2005. The POS and the BOS teams then proceeded to work separately on the POS and BOS solutions with their respective vendors according to the stated requirements. Once the development was completed, the solutions underwent a series of testing, which included compatibility test of the POS and BOS solutions, until they were ready to be rolled out.

Project pilot

The global and local deployment teams together rolled out the newly developed system at one of the selected sites. At the same time, the local deployment team was assigned the responsibility to train local employees and to ensure their compliance with the system. After the first pilot, the responsibility to roll out the system to other pilot sites was relinquished to the local deployment team. On the other hand, the solution teams shifted their focus to Asian country A and assessed how the experience learnt from the deployment in Asian Country B can be transferred. After each of the pilot, the deployment team would hold a “look-back” session that involved all the solution teams and local teams to discuss about the lessons learnt and the possibilities of improvement for future system deployment at other sites.

Post project pilot

After the piloting of the new CRIMS, the headquarter called for a meeting in November 2005 in Asian Country A to review previous work accomplished and to come up with a roadmap for future plan. It was decided that the deployment of the new CRIMS in Asian Country A to be rolled out soon, and the system deployment in other countries was put in plan as well.

Figure 1: Structure of the CRIMS Project Team
Data Analysis

Yin (2003) recommends the use of a general analytic strategy to define priorities for what to analyze and why. In this study, we focused on the manifestation of intercultural social knowledge and related concepts (i.e., national culture and organizational culture) during the project collaboration process of the ES deployment in the focal MNC. A case study database as suggested by Yin (2003) was created to organize the data for analysis. Important quotes gathered from examining the interview notes were documented. This was conducted to “bring in the voice of participants in the study” (Creswell 1998, p. 170) such that “an external observer can reach an independent judgment regarding the merits of the analysis” (Dubé and Paré, 2003, p.625). Several in-depth discussions on the preliminary analysis of the case were also carried out among the researchers involved in the interviews. This helped to produce a more balanced view and added richer perspectives to the analysis.

Hiccups in the Beginning of Project Collaboration due to Cultural Differences

There were some minor hiccups related to cultural differences in the beginning of the project collaboration. These issues seem to occur primarily between the Western and Asian members. Particularly, the issues arose due to the difference in anticipated chain of command (i.e., how a command is being passed along to reach the intended recipient) and the mismatches of expectations about the behaviors and meanings communicated by members from different national cultures.

The Asian members group seems to have a more hierarchical chain of command than their Western counterparts. A Western informant noted the difficulty to put messages across to their Asian counterparts at times, quoting the difference in anticipated chain of command as the culprit. The informant recounted instances where a task was communicated to members in the local team but the tasks was not performed. He later realized that it would be better to go through the chain of command by communicating the task to the local team’s person-in-charge, and wait for him to pass the command to the respective member. This is in contrast to his familiar way of “going directly to the right person”. Consequently, some time had been spent in the waiting process to get certain tasks accomplished. This finding is consistent with Hofstede (2000) in his study on national cultures, in which Asian countries are found to generally have a higher power distance (i.e., more power levels and inequalities) than the Western countries.

Another issue has to do with the misunderstanding of meanings communicated. An informant provided an example to this issue: “I have been working with people from [a
particular Asian country], many times when I told them we need to do something, they will say yes … but at the end of the day it doesn’t happen. And it’s not because they don’t want to do it, it’s just that they understand [it] differently… they have a particular culture of being very obliging, for everything they will say ok, ‘yes’. But for us, when we say yes, we will really do it... [However], this in their culture is acceptable”. The incident surfaced the differences in meanings communicated between different cultures, even for a simple “yes”. Additionally, it was noted that the Asian members were not comfortable in bringing up certain issues (e.g., problems in the project) during a meeting, but preferred instead to talk about them after the meeting. In contrast, the Western members were more open towards discussion of such issues during a meeting. The Western members expected their Asian counterparts to speak openly and would feel puzzled why the Asian members did not put the message across during the meetings.

While these issues might have escalated to a more acute level, this did not seem to happen. It appeared that members in the project team have a high tolerance toward such cultural differences, which might have mitigated the potential conflicts to certain extents.

**Organizational Culture that Values Diversity may help, but not Adequate to Guide the Resolving of Issues arising from Cultural Differences**

Prior to the CRIMS deployment project, there was a culture in the focal company that values and promotes cultural diversity. The Asian Country A’s local deployment manager explained, “The policy of the company is a diverse one, to them the company is the world”, “I think in our company, diversity is 100%... In fact, encouraging diversity is a culture in our company”. The company’s values on cultural diversity were also observed in the secondary sources of documents that we gathered. The existence of such organizational culture is the result of management’s emphasis on diversity and their active initiatives to shape the culture. One of the measures taken to institute the culture is through employees’ performance evaluation plan. Each year employees in the focal company need to provide an action plan consisting of certain number of items on how they will improve their own diversity exposure in the coming year, such as taking a course in foreign language. Other measures that were taken by the company to encourage the appreciation for diversity include the setting up of a Website that contains information about the different cultures and societies in the company.

The existence of organizational culture that is receptive to cultural diversity might have mitigated, at least partially, the tensions that arose due to the cultural differences. Particularly, it has helped members in the project to be more tolerant towards such differences. An informant agreed that management’s initiatives to encourage diversity have been helpful: “… [The diversity initiatives] reinforce that we are different, so that when we work, we realize that there are a lot of things which we cannot assume”. It drew attention of members to the differences that exist among the different cultures and pay particular attention to them when they work together. However, such organizational culture that is open to diversity could not totally alleviate the issues arising from cultural differences. More importantly, it did not provide the guidance needed to resolve the mentioned issues, particularly in how one should react when faced with these issues. This is where the intercultural social knowledge might play an important role.

**Intercultural Social Knowledge to Help Resolve Cultural Differences**

Along the project collaboration, members learnt about the intercultural social knowledge that is required to resolve issues arising from cultural differences. Related to the difference in power distance, the informant who mentioned the difficulty to convey instructions to their Asian counterparts has learnt that he need to first go through the supervisor of the target
member to effectuate his instructions. The informant explained, “I experienced the cultural
differences with the folks in [the Asian country] here. It is a more hierarchical society, so I
got to learn that …” Another informant shared the intercultural social knowledge that was
learnt with respect to this difference, “I learnt that to get someone to work on something, it
may be more appropriate to ask his supervisor first. Or I have to say it differently, like ‘I need
this done, can you go to your supervisor to ask if you could do that’.”

With respect to the mismatches in expected behavior and meanings communicated,
the relevant members have also learnt to cope with such issues more tactfully (i.e., the
intercultural social knowledge to deal with the differences). An informant provided a casual
example to illustrate the difference in the meaning of “yes” and how a better interpretation of
its meaning can be made and derived: “We found things like if you just say ‘do you want
some coffee?’ A person may say ‘yes’. But then if you were to ask him ‘do you want a coffee
or tea?’ They may actually say ‘tea’. Because we did not include tea in the first question, they
would just say ‘ok, coffee’”. The “yes” in this instance may mean ‘since there is no other
option, I am fine with coffee, although that is not what I wanted’. This is echoed by another
informant, who shared her observation that a sharp and firm “yes” means her colleagues in a
particular Asian country agree with something, but a short and soft “yes” could mean “no, I
don’t agree but I understand where you are coming from”. The first informant concluded, “So
… you have to go other ways to double check [whether] the thing has been done, or do they
understand that this has to be done. And to them it also took some time for them to realize
that what we would like them to complete means really ‘must do’”. Related to the tendency
to remain silence for Asian members during the meetings, one of the Western informants
commented that the silence displayed by the Asian members does not mean that they have
nothing to say: “[The experience] helped me to understand that maybe when someone is
silent, I need to follow up with them in private. This is so that they can speak their mind
because they may not feel comfortable in the meetings.”

Overall, the learning of the intercultural social knowledge has helped members in the
team to manage schedule, expectations, and relationships better.

**Intercultural Social Knowledge May also Help in Interactions with the External
Parties**

In the context of ES deployment project, it seems that the importance of intercultural social
knowledge is not limited to only within the project team collaboration. The knowledge was
also found to be important to the team’s interactions with external parties i.e., the vendors.
Due to the differences in organizational culture of the focal company with the vendors, there
were some mismatches in expectation in the beginning. Noted by a solution team member
who needs to interact with the vendors frequently, “A lot of time, I find that we made an
assumption that our vendors [will do things in our way], spin on the dime and do something
for us… it’s actually another diversity issue”. She further commented that understanding the
specific differences of the vendors’ cultures from theirs may serve to avoid misunderstanding
and improve two-way communications and relationships. In this aspect, the social knowledge
of intercultural differences for ES deployment should also encompass cultures of different
organizations that involve in the project (i.e., the focal organization and the vendors in this
case).

**Discussion**

**Theoretical Implications**

In this study we demonstrate the relevance of the notion of social knowledge (Buckley et al.
2005) to a contemporary IS phenomenon – the impetus to implement ES in MNC. In
particular, we examine such knowledge with a particular focus on intercultural differences (i.e., national and organizational cultures in this study), and demonstrate the importance of this type of knowledge in ensuring smooth collaboration of ES deployment in MNC. We also illustrate the difference of intercultural social knowledge from national and organizational cultures through the case presented. Specifically, while an organizational culture that is receptive to cultural differences may lead one to be more tolerant towards the differences, intercultural social knowledge provides the tool to interpret, understand, and predict the behaviors of others. Accordingly, one can then devise appropriate actions to alleviate issues arising from the cultural differences. Previous studies have devoted much less attention to such knowledge in the MNC (Buckley et al. 2005) and distributed team contexts. Our study highlights the importance to consider intercultural social knowledge in these contexts.

**Practical Implications**

The findings from this study may provide insights to practitioners who are engaging in global ES deployment projects that involve members from different cultures. It highlights the importance of intercultural social knowledge in ensuring a smooth collaboration in such project teams. Specifically, intercultural social knowledge may provide the guidance for members to more tactfully handle issues that arise from cultural differences, as discussed in the case analysis section.

In light of the importance of intercultural social knowledge, there are a number of possible measures to leverage on such knowledge that the practitioners may consider. First, someone who is well-versed in intercultural social knowledge may be tasked to lead the project team. His or her knowledge of the potential differences among cultures and how such differences can be handled may be of great help to the project team collaboration. Practitioners may also consider holding a session prior to project kick-off that involves all the members to openly discuss about any potential cultural differences among the members. A systematic evaluation of the different cultures in the project team (using a framework such as the one by Hofstede (2000)) may also be conducted and the differences communicated to all the members. This may serve to sensitize the members the existence of such cultural differences, so as to minimize misunderstanding and mismatches in expectations. However, it should be noted that some of the intercultural social knowledge may not be apparent in the outset, and requires ongoing interactions to realize and learn it (e.g., the meaning of “yes” to different cultures). In such case, management may try to create more opportunities for socialization among the members so as to let them “discover” and learn such knowledge.

Whenever possible, learning of the intercultural social knowledge along project collaboration should be transferred to members involved in the subsequent phases (e.g., in other local teams in this case). The earlier the social knowledge is transferred, the more easily the other types of transferred knowledge are assimilated (Buckley et. al. 2005). Several mechanisms may be considered in order to achieve this. Apart from formal mechanisms such as having meeting sessions to share about cultural difference and the ways to handle them, informal ways such as through rich person-to-person contact may also provide an effective means of transferring the intercultural social knowledge (Buckley et. al. 2005). One of the measures employed by the focal company was to arrange for the local deployment manager in Asian country A to involve personally in the pilot deployment of CRIMS in Asian country B so as to learn the relevant intercultural social knowledge and transfer it to his country.

At a macro level, MNC’s management could consider a number of ways to cultivate intercultural social knowledge in the organization as a whole. For examples, the headquarter may practice short-term international “grafting” of individuals (Huber 1991) in its subsidiaries in different countries. The use of international personnel placement and
exchanges between the foreign headquarter and the subsidiaries may also be helpful. These
efforts are consistent with the suggestion by Dubé and Paré (2001) to provide cultural
training to team members prior to cross-cultural team collaboration. With respect to this
recommendation, we suggest such training to put intercultural social knowledge as one of the
 emphases.

Specific to ES deployment projects, the importance of intercultural social knowledge
may also apply to the external parties e.g., vendors. Practitioners may try to acquire social
knowledge of the cultural differences between the company and the relevant external parties
so as to ensure smooth collaboration and good relationships with them in the long term.
Lastly, efforts can be put into documenting, in detail, the intercultural social knowledge that
had been learnt from a global ES deployment project so that it may benefit similar projects in
the future.

Limitations and Future Research
There are several limitations with this study. First, the single case design disallows
comparison across cases to be made that may help demonstrate the influence of variability in
context (Dubé and Paré, 2003). Future research may look into MNC’s ES deployment
projects of similar or contrasting natures to investigate the potential variations in findings that
are due to the different contexts employed. Second, we rely on teleconferencing as the
primary means of data collection, which may result in the loss of contextual richness that is
required to better understand a situation compared to face-to-face interactions (Daft et al.
1987). Third, while this study highlights the importance of intercultural social knowledge to
global ES deployment projects, it does not explicate how such knowledge is acquired and
created during the ES deployment process. Future research may look into the mechanisms for
the creation and acquisition of intercultural social knowledge during ES deployment. Despite
these limitations, this study may serve to provide insights and implications to intercultural
collaboration in MNC’s ES deployment.

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