

"Cultural Intelligence" as a Concept to Apprehend Resistance to ERP Implementation

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“CULTURAL INTELLIGENCE” AS A CONCEPT TO APPREHEND RESISTANCE TO ERP IMPLEMENTATION

Research-in-Progress

Régis Meissonier

CRIISEA, Jules Verne University
Chemin du Thil
80000 Amiens, France
regis.meissonier@u-picardie.fr

Liette Lapointe

Desautels Faculty of Management
McGill University
1001 Sherbrooke Street West,
Montreal, QC, H3A 1G5, Canada
liette.lapointe@mcgill.ca

Emmanuel Houzé

IAE, Montpellier 2 University
Place E. Bataillon
34090 Montpellier, France
emmanuel.houze@univ-montp2.fr

Abstract

Our proposed research project aims at providing knowledge on how cultural misfits can be identified and managed throughout IS implementations. More precisely, our study aims at studying the role of cultural intelligence in managing ERP implementation, according to three analysis levels: national, organizational and local. From this perspective, we posit that ERP acceptance/resistance cannot be reduced to use behaviors taken at face value but that they must be analyzed considering their underlying cultural dimensions. By developing a theoretical explanation of ERP implementation using the concept of “cultural intelligence”, this research will contribute to extant theories of culture and resistance. It should also help managers to better deal with observed misfits between organizational values and IT project, so that it does not ultimately become an obstacle to user acceptance.

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Introduction

A large part of the extant literature defines information systems (IS) project success as a 'fit' (Strong and Volkoff 2010) between the organization and the information technology (IT) implemented, in terms for example of users' readiness to change (Kwahk and Lee 2008; Walczuch et al. 2007), new professional skills required (Besson and Rowe 2001; Newman and Westrup 2005), underlying managerial policies (Lim et al. 2005), organisational change management (Markus et al. 2000; McAfee 2007; Robey et al. 2002), or power distribution (Hart and Saunders 1997; Jaspersen et al. 2002; Markus and Robey 1983). Most of these studies have highlighted issues related to user assimilation of new business processes imposed by ERP (Robey et al. 2002). One key cause of misfit in IS implementation projects relates to underlying cultural differences, as perceived by users, between the values endorsed by actors (Walsham 2002) versus the ones instilled by the IS project (Leidner and Kayworth 2006). From this perspective, the IT to be implemented can thus be perceived as being inconsistent with the existing organizational culture (Markus and Robey, 1983) when it imposes a unique managerial paradigm (Wagner and Newell, 2004).

In reality however, culture is "fragmented" (Martin 2002) in the sense that a same object (a project, an event, etc.) can be interpreted in several different ways. Kappos and Rivard (2008) observed that some parts of an IS can be perceived as being consistent with the organizational culture, whereas other ones will be rejected by users. Ultimately, and despite potential disturbances caused by resistance, this kind of ambiguous situation allow for negotiations and evolution of the actors' attitudes and behaviors.

Our proposed research project aims at providing knowledge on how cultural misfits can be identified and managed throughout IS implementations. More precisely, to apprehend cultural misfits that relate to ERP implementation, we apply a "cultural intelligence" frame, which allows to understand how these cultural misfits translate into different user reactions and how these can be identified and managed. From this perspective, we posit that ERP acceptance/resistance cannot be reduced to use behaviors taken at face value but that they must be analyzed considering their underlying cultural dimensions.

By developing a theoretical explanation of ERP implementation using the concept of "cultural intelligence" (Earley and Ang, 2002), this research will contribute to extant theories of culture and resistance. From a practical perspective, the study should help managers to better deal with observed misfits between the organizational values and the IT project, so that it does not ultimately become an obstacle to user acceptance.

Literature Review

From an organizational perspective, ERPs are considered one of the most "disturbing" types of IT (Lee and Myers 2004) because they impose cross-functional business processes that are based on "best practices", typically originating from leader firms in America or Europe. In other words, an ERP imposes, especially in the case of a 'vanilla implementation', an epistemological posture that is linked to Western managerial practices. From a cultural perspective, and based on interaction theory (Joshi 1992), user resistance is to be expected in such situations as it stems from differences between the users' perceived values and the gain or loss associated with system implementation.

One way to aggregate the dominant schools of thought about organizational culture is using the twofold theoretical frame suggested by Bourdieu (1979). On the one hand, culture shapes behaviors (*structuralist approach*). On the other hand, the ways individuals behave also shape culture; hence, the culture of an organization is constructed by individuals according to their own culture (*constructionist approach*). According to Bourdieu's theory, organizational culture is a social construct. In the most part, IS research has considered culture from a structuralist perspective. IS researchers have studied the effects of national and organizational culture on diverse subjects like IT project development (Dube 1998; Ngwenyama and Nielsen 2003; Robey and Markus 1984), IT adoption (Hoffman 2000; Jarvenpaa and Leidner 1998; Karahanna et al. 2005; El Sawy 1985), IT acceptance and diffusion (Straub 1994; Straub et al. 1997), IT usage (Kappos and Rivard 2008; Vance et al. 2008), and benefits forms (Gold et al. 2001; Kanungo et al. 2001; Weber and Pliskin 1996). These studies were instrumental in identifying existing cultural characteristics of organizations and show their congruence – or lack thereof – with the IT implemented. However, these studies do not explain how such congruence can develop over time, despite apparent

differences or oppositions between the IT and the users' practices and culture.

To fill this research gap, we propose to use an alternative theoretical perspective emerging from anthropology and sociology in order to look at culture from a more process-oriented point of view (Reckwitz 2002). In management, Shenkar *et al.* (2008) proposed to replace the concept of “distance” by “friction” to highlight cultural asymmetries as configurations allowing actors to resist, negotiate, learn and assimilate apparent inconsistent *habitus*. Here, “frictions” are not negative conflicts that exist between individuals, but rather interactions likely to create a common understanding of their cultural differences. In IS, Walsham (2002) showed how IT have properties that shapes organizational culture over time. In other words, culture is less a straightforward organizational characteristic than an evolving social construct. This distinction is crucial to evacuate any static interpretation of culture, cultural differences and misalignment issues.

In this perspective, the concept of “cultural intelligence” has been put forth by an inter-disciplinary group (Earley and Ang 2002; Thomas and Inkson 2004) to express the capacity of actors to assimilate new cultural contexts. According to Earley and Ang (2002, p. 93), “cultural intelligence” embeds three dimensions. The *cognitive dimension* corresponds to the actors' needs to understand the fundamental values, beliefs and taboos of others. Such a learning process is, for a large part, based on tacit knowledge because actors are not always being aware of their cultural differences or are being reluctant to express them. The *motivational dimension* refers to the attitudes actors must have to cope with their cultural differences. It implies some personal qualities like curiosity, empathy and self-determining (Thomas 2006). The *behavioral dimension* corresponds to the actual feasibility of cross-cultural practices. It refers to the solution repository actors can create and use in order to reduce cultural bottlenecks, inconsistencies, or misunderstandings.

From a cultural intelligence perspective, cultural differences must not be amalgamated into a “fit – misfit” dichotomy. They are not *a priori* antecedents of an IT project acceptance or resistance; they are rather revealed and evolved during a project. Such an emerging or enacted (Weick 1988) take on culture allows overcoming a deterministic approach that would consider congruence between an IS and an organization as a function of the possible adaptation level of the first to the second. To date, the empirical research conducted using a “cultural intelligence” lens has had two main limitations. First, the studies are limited to the group level of analysis and have not been applied to a more holistic organizational level. Second, they have mainly focused on how groups of actors interact with respect to their cultural differences. There is a need to better understand how cultural intelligence, in an organization, is likely to develop following the implementation of a “disturbing artefact” such as an ERP. Indeed, information (Feldman and March, 1991), and the way information systems are designed (Robey and Markus, 1984) embeds a high symbolic value. If culture can influence IT adoption and IT usage (Karahanna *et al.*, 2005), conversely, IT can bring about cultural conflicts likely to lead to project abandonment (Meissonier and Houzé 2010). Recent empirical research (e.g. Rivard and Lapointe 2012) showed the importance of managers' responses in managing user resistance.

Using the “cultural intelligence” concept as a theoretical lens will allow analyzing both users' reactions and actions carried out by managers in order to accommodate perceived cultural inconsistencies during ERP implementation. More precisely, our study aims at filling the existing gap in the IS literature by studying the role of cultural intelligence in managing ERP implementation, and this according to three analysis levels:

1. *National level*: there are changes required because of the ERP implementation; these can be perceived as inconsistent with existing managerial practices, as shaped by the national culture. Linkages could be done with the concept of “cultural dimensions” of Hofstede (1991), or that of “basic assumptions” of Schein (1984).
2. *Organizational level*: there are changes required because of the ERP implementation; these can be perceived as inconsistent with existing managerial practices, as shaped by the organizational culture (because of its history, business sector, etc.). Linkages could be done with the “values” concept proposed by Schein (1984).
3. *Local level*: there are changes required because of the ERP implementation; these can be perceived as inconsistent with existing managerial practices, as shaped by the sub-groups' culture (because of their job, habits, etc., etc.). Linkages could be done with the “artefact” concept (Schein, 1984).

Methodology

For this study, a qualitative research design primarily based on semi-structured interviews has been deemed appropriate. Using a qualitative, grounded-theory approach, we will conduct three case studies in organizations that have recently and successfully implemented an ERP despite times of difficulties. Two main reasons justify this *a posteriori* research design. (1) The interest of interviewing project managers who are able to talk about their project management experience with insights. Indeed, user reactions (e.g. resistance) represent a complex process that is not always perceptible at the very moment it arises. Therefore, an *in situ* investigation would not have ensured that it would be possible to identify the actual cultural resistance manifested during ERP implementation. (2) The need to focus on firms that had succeeded to manage the resistance that emerged during the ERP implementation project. Indeed, an investigation done during the “pre-implementation” phase would not have allowed identifying the “effective” actions taken by managers.

To ensure some cultural diversity and in order to allow contrasting and comparing our data in our multiple case study design, we selected organizations based in three different countries: Eastwater (Thailand), Areva (France), and McGill (Canada). The intra-case and inter-case analysis will allow (1) comparing user reactions and cultural resistance toward ERP implementation in organizations based in countries that have contrasted cultures (Asia, Europe, North America); (2) investigating the way resistance has been differently managed from one organization to the other; (3) enriching the “cultural intelligence” concept by identifying how user resistance can be related to national, organizational and local culture. In other words, capturing cultural diversity with a multiple case study design cannot be achieved solely through the lens of one single factor (e.g. national culture or industry). Because organizational culture is an inter-related mix of national, organizational, business and group levels (Straub *et al.*, 2002), it was deemed appropriate to use a “maximum variation sampling technique”. Therefore, we selected organizations belonging to different business sectors, with different sizes, etc. This approach is considered suitable to capture “central themes or principal outcomes that cut across a great deal of participant or program variation” (Patton, 1990, p. 172).

At this point, some preliminary interviews have been conducted at Eastwater (Thailand). Because of the complexity of the organizational and social phenomena that are associated with our research objectives, we ensured to ask open-ended questions that would allow us to obtain an in-depth understanding of the situation (Boyatzis 1998; Eisenhardt 1989; Miles and Huberman 1984; Yin 1994). In January 2013, we conducted semi-structured interviews with three key actors of the ERP project: the finance director (n-1 level, member of the board of directors and director of the project) and two project managers. These interviews were conducted in English at Eastwater head-office in Bangkok. To sustain a dynamic discussion, the researchers alternatively asked the questions of the interview guide. To reduce potential cultural biases in the interpretation of the answers, they solicited the assistance of a native Thai researcher of Burapha University (south of Bangkok), who is an expert in cross-cultural management and Buddhist culture. The interviews were audio-recorded to facilitate data analysis. Notes were taken to record the verbal and nonverbal communication cues of all three informants. Data have been analyzed according to the standard methods for analysis of qualitative topics. The iterative analytical process was principally inductive and followed the Grounded Theory approach, which consists in the coding of open, axial and selective data and allows the rigorous analysis of qualitative materials, based on repeated “back-and-forth” between the chosen codes and the interview data. To reduce potential biases of misinterpretation, the researchers compared their notes to agree on a common signification of the collected data.

Preliminary Results

Eastwater is the Thai corporation that is in charge of water distribution across the whole country. The company has developed several activities related to water storage, treatment, quality expertise, infrastructure maintenance, etc. It was created in 1992 and totally belonged to the Thai government. Since then, Eastwater has sold part of it, but the state has remained the main shareholder. It is thus still a public corporation.

Initially, the company information system was based on specific IT solutions developed with popular

software like Cristal Report or Excel. As a consequence, there were issues related to data process redundancies. Lack of data integrity had an impact on the top managers' capacity for sound decision making. In addition, the growth of the business outside Thailand was yet another motive to adopt an IS solution consistent with the ones of potential partners, customers and suppliers. Eastwater thus decided to adopt the SAP solution in January 2011. This project was divided into two phases. The first one consisted into implementing the Accounting/Finance and Facility Management modules at the head-office and the five subsidiaries. These two modules were installed on three servers and replaced the existing software solutions. The second phase is planned for 2014 and will involve the implementation of additional modules: *Project Portfolio Management*, *Plant Maintenance* and *Business Intelligence*. The first phase of the project lasted one year with a budget of 55,4 Mbaths (approximately 1,8 million \$ USD or 1,4 million €). So far, more than 300 employees are using the SAP modules.

At the national level, Eastwater has been developing (with its 5 subsidiaries) its business by implementing water pipes in underprivileged areas of Thailand. At the international level, the company participates to cooperation projects with competitors of other Asia countries. The creation of the ASEAN common market in 2015 questions the new business boundaries of Eastwater. Given that one of our objectives was to analyze an organization located in a country whose national culture is expected to be at odds with the managerial philosophy of the ERP, we needed to select a country having traditions and values that are significantly different from the ones of Western countries. Among Asian countries, Thailand is probably the one having the most suitable characteristics to conduct such an analysis. Indeed, compared to other industrialized Asian countries like China, Vietnam or Japan, Thailand is one of the few having a homogeneous national culture, that of Buddhism. Muslim and catholic communities only represent 4.6% and 0.5% of the population. Buddhism exerts an important influence on Thai people both in their daily life and in the way they behave in private and/or professional contexts. Moreover, Thailand is the only South East Asian civilization never colonized by American or European countries. Thus, it has been less influenced than neighboring countries by Western culture.

At the organizational level, the main objective of the project was based on the need of Eastwater to have a financial and accounting system that would be more efficient and more useful for decision making. For this reason, the Accounting/Finance module implemented was a cornerstone of the first phase of the ERP project. Some task-oriented i.e. operational issues – most important user resistance – were recognized early on:

“In the five subsidiaries, the users were reluctant using SAP and preferred relying on Excel because of its flexibility. After the ERP modules being implemented, we observed during several weeks accounting documents were still made with Excel. We have been forced to carry out a huge data migration, that we had underestimated, to force users adopting the system. At the moment, 80% of the data of the prior systems has been moved to SAP database. So, it turns out to be the unique database that users have to cope with and to use”. (Project manager).

Our data revealed some of the main stumbling blocks encountered during the ERP implementation. As some of these stumbling blocks were clearly associated with the Buddhist culture of Eastwater, we did not settle for a “first level understanding” and we ensure we could decode the formal expressions of the interviewees. Indeed, Thai people are reluctant to talk about resistance or conflicts in the company. Moreover, at the beginning of the interview, we realized that our interlocutors feared that we would consider their corporate culture as a potential barrier to modernism and innovation. Additional discussions with the teacher-researcher of Burapha University were very useful to identify cultural underlying problems that had been expressed, at first glance, as purely functional or operational.

We do not pretend that we are here covering all the aspects that could have been considered about the culture of the company. We focused on the conflicting characteristics at the national, organizational and local levels of the organization and the symbolic values conveyed by the ERP.

It must be said that the Buddhist culture is totally embedded in the organization as a whole, to the point where Eastwater celebrates religious ceremonies. Two major principles of Buddhism in line with the research of Joungtrakul (2009) and Thanasankit (2002) were particularly useful to analyze the data. The first, called “Bunkhun,” explains the expected social behaviors of a person (altruistic dimension) and the second, called “Kreng Jai”, is centered on the individual himself (hedonistic dimension). These principles have been especially useful in analyzing a difficulty -also apparently purely operational- that concerned the budgetary control process. SAP imposes by default the need to put together a detailed financial budget

that has to be established before a project activity can be created. The project director revealed that most employees (middle managers and as well as executives) were not able to do so. This was less due to negligence or lack of rigor than to existing practices. From a Western managerial perspective, it might appear surprising to start a business project without a budget, even an approximately estimated one. Our analysis leads us to actually conclude that the difference lies in the way the concept of “project” is culturally considered. In Thailand, like in many Asian countries (Hofstede and Bond 1988; Hofstede 1991), the relationship to time is more long-term oriented than in Western countries. For example, starting a project with a supplier or a customer does not mean that there will be business transactions just because of a contract has been signed. Because relationships are long-term oriented, there is a kind of “trust period” before any significant economic transaction occurs (Joungtrakul 2004). This period can last several months before any resources and budget will be established. This period is totally different from a feasibility analysis and corresponds to privileged moments where people physically get acquainted and have discussions that do not strictly relate to the project. This exchange tends to be disconnected from economical and financial preoccupations but is necessary to establish the relation of dominance between both parts.

This dissonance toward time was also salient in job-tasks that relate to reporting processes. For instance, dashboards were provided by employees, without all required data. This inevitably raised problems of reliability of the reports created to support top managers’ decision making. The project director recognized that the most disturbing point for employees and users was the rapidity by which strategic decisions must now be made because of the growing competition. In addition, the board of directors made decisions more progressively, in several steps, and employees took more time to complete the required data. It was common to split data reporting over several board meetings; decisions were being made after several months only.

“We no more have time to waste with decision making processes. The challenge is having an immediate and complete access to data in order to decide quicker than we were used to do so far”. (Project director)

“Employees were used into establishing temporary documents based on approximate and incomplete calculations. Now, with SAP, they can't validate a process unless all the required details are typed. It is all or nothing! Now we can't afford making delayed decisions. As director, I need an instant access to Key Performance Indicators”. (Project director)

Change management has been carried out directly by the finance director (project director) and with his two project managers. The questions asked about the way the ERP had been adapted to the specific needs of the organization got answers that revealed that a mandatory standard implementation was imposed to users.

“At the outset, the decision was made to proceed to a 'vanilla implementation' like it is done everywhere around the world. This is why we decided to adopt SAP because of its leader position. Initially, I was not enthusiastic by the editor proposition because of the cost estimated. However, if in the middle-term we need to develop our business through partnerships, we must endorse standard processes. We are not here to change the world, but to be adapted to the world”. (Project director)

When asked about users' reactions when the ERP adoption decision was announced, the project director gave an interesting and surprising answer. He completed his argumentation with a non-verbal communication very illustrative of the hierarchical distance culture in the company.

“We chose key users among middle-managers only. We only took into account their demands. Lower-level employees don't have abilities to understand what the challenge is! We (ndlr: the top managers) only had to explain to them the company give a one million dollar tool to their disposal, and it was not for nothing! We are the “big ones” and they are the “small ones” (ndlr: he represents a form of a pyramid with his hands), and we must remind them. They said (ndlr: he looked to the sky and imitated an employee asking a question to a superior). 'Sir, why have we to work with this new software now?' (ndlr: he looked to the floor speaking to somebody below him). 'Hey! Now you have to work with SAP because it is the international standard and because we are telling you this is the right way”. (Project director)

If such a verbal and non-verbal communication could, at first glance, be shocking for Western people who

are used nowadays to less authoritarian relationships between managers and employees, the above answer needs to be further decoded. When this manager said that “low-level” employees are not able being involved in the project, it must not be considered as a sort of scorn toward social underclasses. Actually he is hinting at a “Phu Noi” (“little employee”) who has a strong aversion towards risk and situations where s/he is expected to be making decisions on behalf of a group. A case study (Joungrakul 2004) conducted in a Thai engineering company showed that hierarchical distance inhibited the autonomy of IS project teams whose members tended to rely on their superior for any potentially risky decision. At a same hierarchical level, it can be a delicate matter for a “key user” to decide on the appropriateness of system functionalities for all users.

The change management style at Estwater thus took the form of an authoritarian management style. It became obvious that the hierarchical distance related to the Buddhist culture played a significant role in the “vanilla” ERP implementation. SAP became the main IT system for 300 users in less than one year. However, our analysis of the Buddhist culture incites us not considering this situation as a form of enslavement of employees who fear sanctions or blames. Actually, and despite some personal dissatisfaction, users’ acceptance of the ERP was more related to the consideration given by employees to top managers. This point is akin to the “Bunkhun” (or “Katanyu”) principle of the Buddhism. “Bunkhun” is often translated as “thankfulness” and corresponds to the gratitude of Buddhists toward the ones providing help. Family members, professors, monks, elders, etc. represent the “building blocks of the moral order” (Niffenegger et al. 2006). One difference with the Western culture, is that those marks of respects taking the form of rituals in the daily life. The “Bunkhun” determines the behaviors that a person must exhibit depending on the person s/he talks to. For instance, when somebody is thanked for his/her help, his/her face must seem serious (“Phuu mee phrakun”) expressing s/he does not consider the other as being liable. Actually, inter-individual relations are structured according to the social categories: adults toward children, professors toward students, elders toward youth, etc. In function of their age, their social rank, their power, their instruction level, people are labelled as “big people” (“Phu Yai”) or “little people” (“Phu Noi”).

Professional relationships are also governed by these symbolic rules. As representative of power and professional experience, hierarchical superiors are considered “Phu Yai” and deserves similar gratitude from the part of the employees. The management style in Thailand can be considered as “family oriented” both in large and small firms. Managers are expected to behave as “good fathers”, paying attention to their employees (Komin 1990; Niffenegger et al. 2006). This status does not correspond to the hierarchical distance Hofstede observed in Western countries. A kind of moral obligation between the two categories shades the asymmetry. “Phu Yai” have to provide assistance and support to “Phu Noi” in exchange of these signs of respect. In other words, the legitimacy of a “Phu Yai” is tied to his social role as well as his hierarchical position.

Face-to-face communications play an important role in building and maintaining the social legitimacy of hierarchical superiors. Facial expressions are used to express negative feelings without being forced to verbalize them. Specialists of Thai culture report 13 different types of codified smiles expressing particular feelings (joy, sadness, annoyance, embarrassment, disagreement, etc.) (Holmes and Tangtongtavy 2000; Joungrakul 2004). This non-verbal communication is used to positively express both good and bad feelings and relates to the “Kreng Jai” Buddhist principle. “Kreng Jai” is considered as the most influential cultural characteristic on Thai people behaviours (Komin 1990). Often translated as “the respectful heart,” the “Kreng Jai” is synonym of politeness and respect. A person who would fall into the temptation of openly expressing anger or dispute would be self-dishonoured. With difference to Western culture, Thai people make no real difference between the ideas defended by a person and the person itself. In other words, explicitly criticizing a position or the choice of a person means making a judgement about that person. As a consequence, one challenge for Thai people is always “saving the face” when a conflict appears (with a person of a lower or higher social rank). The different forms of smiles used in face-to-face communications are parts of the information that interlocutors decode to perceive any consents or dissents.

At Eastwater the “assimilation” between the IS and the communication process revealed a problem of trust toward SAP. The process automation induced by the use of the ERP reduced face-to-face communications and private codified nonverbal communications. Moreover, information sharing using the IT was no more interpersonal but was actually the result of transparent cross-functional processes.

During our interviews, the project director revealed that this was creating a problem of legitimacy in communicating with superiors.

“There is a problem of user confidence in the ERP. Although we showed them that SAP is more sophisticated than the IT they had used, they are wary about the fact that the data to be entered on the electronic forms are effectively communicated to their hierarchical superiors system as they had did directly so far.” (Project manager)

Data revealed that the ERP was ultimately implemented and accepted despite apparent cultural incompatibilities. For the board of directors, the legitimacy of SAP rested in its standard IT business solution. For employees, the legitimacy of the project rested in the top manager sponsorship.

Discussion and Conclusion

This research is still very much “in progress” and the above results are linked to a very limited set of interviews that reflect solely the take of the managers. At the moment, we do not pretend to fully embrace the concept of “cultural intelligence”, which would require us to observe, over a longer period, how Western managerial practices imposed by the ERP emerge and coexist with the local business culture. However, our preliminary results are indicative that it can be possible to theorize on the role of cultural intelligence in explaining users’ reactions to ERP implementation and to better explain how such a change can be managed positively.

From a research perspective, our study will aim, using the lens of ERP implementation, at enriching the “cultural intelligence” concept put forth by Earley and Ang (2002). While it had been largely used in cross-cultural team analysis, we here apply the concept of cultural intelligence to apprehend the cultural changes that are involved in an ERP project implementation. At this point, our most salient results are about the way cultural values shared by employees were used as change management vectors, showing for example how the project director used the “Bunkhun” values to legitimate the ERP adoption and force users’ acceptance of the ERP. From this perspective, the Thai culture can be perceived as being paradoxical or ambivalent. On the one hand, its values seem not to be congruent with the ones involved by the ERP project. On the other hand, the strong respect of employees toward their “protectors” (e.g. top managers) paves the way to the adoption of such a Western cultural artefact. The legitimacy structure, where top managers dominate and trump users’ dissatisfaction, was conducive to a successful vanilla implementation. In other cultural contexts, one could imagine that the ERP would have been more customized to users’ needs in order to reach a consensus. Our preliminary results are in line with empirical research that did not find a significant negative effect national culture in ERP adoption (Krumbholz et al. 2000). Our case study actually expands the observations of Brown *et al.* (2002), Robey *et al.* (2002) who observed that a misfit between firm properties and IT project were not true obstacle to users’ acceptance. In other words, users’ acts of resistance should not always be considered as the opposite of IT acceptance (Van Offenbeek et al. 2012).

For practitioners, our empirical analysis highlights how ERP project managers can manage cultural misfits. The users’ dissatisfaction that was identified was, at first glance, functionally-oriented, which is in line with the ones often observed in the literature about resistance to ERP (Besson and Rowe 2001; M. L. Markus et al. 2000; Newman and Westrup 2005). At the same time however, the interviews suggested that this resistance was closely related to the cultural practices of the company in terms of management. They had their source in Buddhist values about (1) the relation to time and (2) the communication modes between individuals and especially between employees and top managers. These observations are in part consistent with empirical research highlighting the contradictions that an ERP project can induce on the ideological values of stakeholders (Bhattacharjee and Hikmet 2007; Bhattacharjee et al. 2008; Kohli and Kettinger 2004). One difference in the case of Eastwater however is the fact that resistance was less caused by the subcultures of different groups of employees than based on philosophical or religious values of the Buddhist culture as a whole. Another difference is that these values did not involve open conflicts, since these are considered a form of disgrace that is to be avoided in order to “save face”.

Once we will have completed data collection for our three case studies, we will analyze the way theories about culture respectively evolved at national, organizational and group levels in order to develop an integrative model of “cultural intelligence”. More precisely, we will strive to develop a culture-based

conflict/friction elimination process model and empirically validate it. We argue that these levels ought to be considered more as embedded than as mutually exclusive. We believe that such research will pave the way to richer and more significant theory development in an important research area for the IS domain.

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