Best of Breed vs Best Practices
Beware: This also applies to vendors as well as technologies, systems, etc.

"What Do You Mean, I Don't Want Best of Breed?" Isn't this a totally rational position from the layman's perspective? We all want the best, assuming the price is not prohibitive. But much of the time, having "the best" is NOT in your best interest. Below this is addressed in two paradigms, one of say a hardware or technology purpose. The other being when choosing a vendor. These paradigm summaries are just that, brief explanatory notes of the concept… exceptions and situational details can make the discussion much lengthier. While on the surface the task is simple albeit time consuming, certain decisions will get the core of your business strategy.

The Vendor Paradigm of Choosing "Less Than the Best"
This starts with how you might define "best" of a vendor. The classic criteria is the mix of:
1. Vendor: The company i.e. history, financials, reputation, culture, etc.
2. Product: The vendor's product and its technological leadership, reliability, core competencies you define given the application.
3. Price: The vendor's pricing, depending on what this means to you i.e. initial price, maintenance costs, downtime costs, staff training needs, etc.

So now you've chosen "the best" vendor. But what does the preceding list completely miss? Its relationship with others in your space. Unless there are absolutely no interdependencies between vendors that'll impact your business, getting the "best" now has a very narrow meaning. Bu you don't need me to explain how a failure in one area can cripple an otherwise well-honed process in another. And as is typically the case when this happens, the others in the process are not likely to carry the other's slack even when they the ability.

Best Practice is looking at the environment in its entirety. Define those interdependencies. Understand which require keen attention vs which your company can easily withstand and cause only internal inconvenience. Are there some, where if managed uniquely, provide a competitive advantage in your marketplace? Are there some whereby virtue of strategic vendor selection and sourcing, you can reduce overall cost while simultaneously improving all relevant qualities? These are often all possible. See our article titled "Vendor Bundling Benefits" for more.

The <u>Product/Service</u> Paradigm of Choosing "Less Than the Best"

Here too, this starts with how you might define "best" of a product or service. The class mix, a simplified version of above:

1. Vendor
2. Product
3. Price

So, now you've chosen the best widget. None finer. Any company would be proud to own it and you're giving yourself a leg up. But, as asked in the Vendor analysis above, what does the preceding list completely miss? Those other widgets, systems, companies, etc. with which there is an interdependency.

In the largest of companies, the scale is present which justifies say the engineering staff to design around these challenges of interdependencies, to hire the coders to program the software around your unique needs. There are environments where due to a high degree of standardization and commoditization exist, choosing the best widget has little impact on interdependent components. An excellent example is for example a Michelin tire will work virtually anywhere because the wheel and tire have been with us for seemingly forever with standards abounding… interdependency variables are virtually eliminated. But these are the exceptions.

Best practice is looking at the environment in its entirety.