

What's Better for You: A Single-Vendor ERP or a Best-of-Breed ERP?

Higher education institutions generally have two options when it comes to selecting an ERP: a single-vendor system or a best-of-breed approach. Each approach has its strengths and weaknesses, some of which may be more important to you than others. Below, we offer a side-by-side comparison between a single-vendor ERP or a best-of-breed approach.

Why Choose a Single-Vendor ERP?

PROS

- ✓ **Reduced Complexity**
Solutions from a single vendor are often written using the same code, allowing offerings to be pre-integrated. This can simplify implementations and reduce the need for integration software.
- ✓ **Unified Data Source**
A single-vendor ERP will most likely leverage a central data repository, enabling teams across campus to access consistent, unified information.
- ✓ **Standardized System**
A single-vendor ERP ensures that everyone on campus leverages the same systems. This can improve productivity by minimizing redundancies as well as deviations in processes.
- ✓ **Consistent User Experience**
Most systems across a single-vendor ERP will use a common interface to create consistent user experiences. This can reduce training, improve user adoption, and boost ease of use.
- ✓ **Lower Long-Term Costs**
Initial costs for a single-vendor solution may seem high, but there are more options for lower long-term costs. Not only will there be fewer licensing fees, there will also be lower costs associated with training, implementation, and integration.

Why Choose a Best-of-Breed ERP?

PROS

- ✓ **Wide-Ranging Functionality**
Best-of-breed ERPs allow you to pick and choose the systems, solutions, and functionalities your campus needs. As a result, you will often get a more feature-rich environment that some single-vendor ERPs don't offer.
- ✓ **Greater Flexibility**
The modular tech stack behind a best-of-breed approach means you can upgrade or replace technology as you wish, rather than be forced to upgrade entire systems.
- ✓ **Broad Vendor Expertise**
Because best-of-breed systems often comprise market-leading offerings from multiple vendors, those vendors will likely be well versed and experienced in their specific domains. As a result, you may get broad, highly specialized support.
- ✓ **Option for Lower Costs**
With a best-of-breed approach, you will not be forced to pay for systems that you do not need. This means you can potentially get away with a slim ERP that costs less than an end-to-end system from a single vendor.

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Below, we highlight some of the drawbacks of both options, showcasing factors like integration challenges, stacking costs, data silos, and vendor management complexities.

Why Consider Avoiding a Single-Vendor ERP?

CONS

✗ Vendor Lock-In

Going with a single-vendor ERP can limit your availability to cherry pick the ideal solutions that certain departments or users may want.

✗ Limited Functionality

While single-vendor ERPs are comprehensive, some might not offer the same level of functionality that best-of-breed solutions do.

Why Consider Avoiding a Best-of-Breed ERP?

CONS

✗ Integration Challenges

Integrating best-of-breed technologies can be complex and time-consuming because each system may contain its own data format and customizations.

✗ Stacking Costs

With a best-of-breed ERP, you will likely need to juggle multiple licenses, implementation fees, maintenance and support costs, and customizations that can pile up.

✗ Data Silos

Even with a successful integration, data silos can persist in best-of-breed ERPs, which means information might not flow seamlessly between systems. This can negatively impact collaboration and data-informed decision-making.

✗ Complex Vendor Management

In a best-of-breed environment, you need to manage multiple vendors and contracts. As a result, it can be difficult to get support and challenging to balance and maintain so many relationships.

✗ Training Challenges

With no uniform design or user experiences across software components, you will likely need to train users on multiple systems within a best-of-breed ERP.



Scan the QR code for more information.