Managing Institutional Logics and Corporate Social Performance in a Case Study of Impact Sourcing

A thesis submitted to The University of Manchester for the degree
of
Doctor of Philosophy
in the Faculty of Humanities

2015

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Table of Contents

Chapter 4: The Role of Institutions and Corporate Social Strategy in Impact Sourcing 107

Final word count: 66,170 words

List of Figures

List of Tables

List of Acronyms

ITO   Information Technology Outsourcing

BPO   Business Process Outsourcing

ICT   Information and Communication Technology

IS   Information Systems

CSR   Corporate Social Responsibility

CSP   Corporate Social Performance

CSS   Corporate Social Strategy

AJK   Azad Jammu and Kashmir

MIT   Massachusetts Institute of Technology

IL   Institutional Logics

CA   Capability Approach

LAN   Local Area Network

PRIDE   Poverty Reduction through Information and Digital Employment

BoP   Bottom (base) of the Pyramid

US   United States of America

USD   United States Dollar

NGO   Non-Government Organisation

NASDAQ National Association of Securities Dealers Automated Quotations

EHR   Electronics Health Record Systems

SaaS   Software as a Service

MIS   Management Information Systems

ERP   Enterprise Resource System

Abstract

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Degree Title: Doctor of Philosophy
Thesis Title: Managing Institutional Logics and Corporate Social Performance in a Case Study of Impact Sourcing
Date: 2015

This thesis examines the viability of impact sourcing in commercial outsourcing arrangements. Impact sourcing is an outsourcing practice that has the potential to create social value by providing outsourcing jobs to marginalised individuals who have limited opportunities to work. This thesis focuses, in particular, on exploring management and impact assessment aspects of impact sourcing at institutional, organisational, and individual levels of analysis. In doing so, the thesis borrows concepts from management and development studies, making it a multidisciplinary study.

The research draws on concepts of competing institutional logics to investigate how the social and commercial orientation of impact sourcing can be managed by outsourcing organisations. Furthermore, it uses the concepts of institutional logics and corporate social strategy to understand how the challenges of local institutional contexts influence the implementation of impact sourcing and how outsourcing organisations could manage these challenges to ensure that the social and economic value creation objectives of impact sourcing can remain intact. The thesis also focuses on impact assessment of impact sourcing to evaluate the social welfare impact on outsourcing employees by applying the Capability Approach concept from development studies and corporate social performance (CSP) concepts from the management literature.

The research adopts an interpretive single case study of a US-based publicly listed outsourcing organisation providing healthcare IT and BPO services to the US healthcare industry from its two offshore-outsourcing centres in Pakistan. The case study organisation practises impact sourcing through one of its offshore-outsourcing centre in the small, earthquake affected district of Azad Jammu and Kashmir, Pakistan. The findings are reported in three empirical articles. The key theoretical contribution of this research to the study of impact sourcing is threefold. First, the global outsourcing organisations practising impact sourcing are complex in nature because of various actors located at different locations having different social and economic interests. Thus, the outsourcing organisation needs to adopt a 'collective response strategy' to satisfy the competing demands of the social and commercial orientations of impact sourcing. Second, commercial outsourcing organisations require additional investment of resources and culturally sensitive management practices to implement impact sourcing in marginalised communities. These are required not only to create social value through impact sourcing, but also to remain commercially viable, as both social and economic value creation components are interlinked. Third, the most novel contribution of the research is to propose a model to assess the impact of impact sourcing by incorporating both organisational and employee perspectives to evaluate the social welfare outcomes for the employees.

This thesis offers significant contributions to the study of institutional logics. It illustrates that competing logics may not be uniform across all sub-units of global organisations; there may be enclaves where different logics influence at different intensities. The thesis identifies that institutional orders in society are intertwined; the institutional logic derived from an institutional order may be influenced by other institutional orders existing in the society. The research also contributes to the study of CSP by focusing on people and society in its outcome measurement.

Declaration

I declare that no portion of the work referred to in the thesis has been submitted in support of an application for another degree or qualification of this or any other university or other institute of learning

Copyright Statement

The working papers, based on this research study, that have been presented in conferences or workshop are listed below:

Conference Papers

Malik, F., Nicholson, B. & Morgan, S. (2013a). Assessing the Social Development Potential of Impact Sourcing. Proceeding of SIG GlobDev Sixth Annual Workshop. Milano, Italy.

Malik, F., Nicholson, B. & Morgan, S. (2013b). Towards a Taxonomy and Critique of Impact Sourcing. The 8th International Conference in Critical Management Studies. Manchester, United Kingdom.

Malik, F., Nicholson, B. & Morgan, S. (2015). Evaluating Impact Sourcing: a Capabilities Perspectives from a Case Study in Pakistan 13th International Conference on Social Implications of Computers in Developing Countries. Negombo, Sri Lanka.

Malik, F. & Nicholson, B. (2015). Interplay of Competing Institutional Logics: The Case of Socially Sustainable Global Outsourcing. Academy of Management. Vancouver, Canada.

Nicholson, B., Malik, F., Morgan, S. & Heeks, R. (2015). Exploring Hybrids of Commercial and Welfare Logics in Impact Sourcing. 13th International Conference on Social Implications of Computers in Developing Countries. Negombo, Sri Lanka.

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Acknowledgements

A general perception about a Ph.D. is that it is a lonely and long research journey on a bumpy road. However, my experience has been the complete opposite. For me this Ph.D. is the most interactive, socialised and joyful experience of my life. This amazing learning experience would not have been possible without many people who have supported me throughout in this journey. My heartiest thanks go to the University of Manchester for their generous financial support in the form of a Presidential Doctoral Scholarship. I am really grateful to my supervisors, Prof. Brian Nicholson and Dr. Sharon Morgan, for their support. This Ph.D. work would have been impossible without their continuous guidance. I really feel indebted to two persons, Mr. Sulman Hassan and Syeda Uzma Gardazi, for their assistance in sorting out my fieldwork. I want to appreciate the AlphaCorp's management for providing me access to do my fieldwork. I am grateful to all research respondents for their time; their support and their hospitability during fieldwork, which are unforgettable. I want to extend my thanks to my annual review committee members and the anonymous reviewers who provided feedback on my research articles and contributed to improving them.

I want to say special thanks to my parents and siblings, Tania, Wahaj, Javeria, and Wasmia, whose constant encouragement and faith in me have helped me to accomplish whatever I have. During my three-year stay in Manchester, I have met with many sincere friends who are just a phone call away whenever I need any kind of help. Thank you Raiha, Naheed, Fatima, Hiba, Zainab, Fakhra.

My acknowledgement would not be completed without saying a very big thanks to my lovely MBS Ph.D. clan: Azimah, Lia, Tamana, Ersa, Ambrin, Agoos and Arbi, thank you folks for listening to my non-stop Ph.D whinge and offering me advice. Trust me, you all are the most beautiful part of this Ph.D.

Dedication

To my beloved grandparents

(Malik Mahram Khan, Noor Bhari, Malik Allah Yar Khan and Imtiaz Begum)

and their amazing children

(Shahnaz Akhtar, Ghazala Yasmin, Samina Malik, Shahina Malik, Amir Mansor, Malik Zafar Iqbal and Malik Javed Iqbal)

Whenever I try to find a definition of unconditional love, my mind couldn't think of anyone other than these beautiful souls.

Chapter 1: Introduction

1.1 Overview of the Chapter

This chapter introduces a research study on impact sourcing presented in this thesis. It discusses background literature to place the study in a wider theoretical context and identifies the knowledge gaps that are used to formulate the research questions, which this study attempts to answer.

The chapter is structured as follows. The next section presents an overview of the thesis and also provides an explanation of the main concepts that are used throughout this thesis. A brief review of impact sourcing research background and how this relates to the rationale of this research study is discussed in section 1.3. The subsequent section identifies knowledge gaps in the impact sourcing literature and also specifies the research questions formulated to fill these knowledge gaps. The final section explains the thesis structure, including short summaries of the three articles that comprise this alternative-format thesis.

1.2 Overview of the Thesis

This study aims to investigate the viability of impact sourcing practice for commercial outsourcing arrangements. Impact sourcing is an emerging phenomenon in global outsourcing industries – in particular, information technology outsourcing (ITO) and business process outsourcing (BPO) (Burgess et al. 2015; Sandeep and Ravishankar 2015a). Impact sourcing is claimed to be a 'win-win' strategy for all outsourcing stakeholders because of its capability to create social and economic value (Accenture 2012; Monitor 2011). It can create social value by contributing to the social welfare of marginalised individuals, who have limited access to employment opportunities, through providing them with digitally enabled outsourcing work (Carmel et al. 2014). Moreover, it can create economic value in parallel for the outsourcing organisation by utilising the untapped educated human resources available within marginalised communities (Carmel et al. 2014; Monitor 2011). The social and economic value creation potential of impact sourcing highlights its dual social and commercial orientation (Sandeep et al. 2013).

Whilst impact sourcing is claimed to be a viable outsourcing business model having both a social and commercial orientation, the literature predominately approaches it as a development practice, focusing on either public-sector or donor-supported outsourcing

practices (Heeks and Arun 2010; Lacity et al. 2014) or the impact sourcing practices of outsourcing organisations established with a social welfare mission – either social enterprises or for-profit social enterprises (Madon and Sharanappa 2013). This might be the reason behind the significantly optimistic literature related to the social value creation potential of impact sourcing (Lacity et al. 2014; Monitor 2011). Further, a few recent studies have identified the possibility of tension between the social and commercial orientation of impact sourcing and acknowledged the need for further research to explore impact sourcing practices in different outsourcing business models, institutional contexts and geographical regions (Sandeep and Ravishankar 2015a), as well as its effect on various outsourcing stakeholders (Carmel et al. 2014). Responding to calls of these researchers, this thesis particularly examines the management and social impact assessment aspects of impact sourcing in a commercial (for-profit) outsourcing arrangement by focusing on institutional, organisational and individual levels of analysis. The commercial outsourcing arrangements include private sector outsourcing business models (e.g., private limited or public limited outsourcing organisations) that implement impact sourcing as part of their corporate social responsibility (CSR) (Malik et al. 2013b).

This study adopts a multidisciplinary approach, borrowing concepts from management and development studies to address the knowledge gaps in an impact sourcing literature that is still in infancy (Carmel et al. 2014; Sandeep and Ravishankar 2015a). The research study focuses on two key issues that are addressed through the three articles comprising this thesis: first, management aspects of impact sourcing, which incorporates institutional and organisational levels of analysis and further offers insights into two sub-issues. The first sub-issue this thesis investigates is how the social and commercial orientation of impact sourcing can be managed in commercial (for-profit) outsourcing arrangements. To examine this issue, the thesis looks at concepts of competing institutional logics from the management literature (Battilana and Dorado 2010; Thornton and Ocasio 2008). These concepts are discussed in the third chapter. The second sub-issue this study focuses on is related to the implementation of impact sourcing practice in local, marginalised communities. It focuses on identification of institutional challenges existing in the local context and discusses how these challenges can be addressed by the outsourcing organisation to achieve the social value creation objectives of impact sourcing. This sub-issue is examined using concepts from the

theory of institutional logics (Thornton et al. 2012) and corporate social strategy (Husted and Allen 2011), which are explained in detail in Chapter four of this thesis.

The second key issue this research study investigates is related to impact assessment of impact sourcing. Drawings on the concepts of corporate social performance (CSP), from management literature (Wood 2010), and Capability Approach (CA) from the development literature (Sen 1999), as explained in Chapter five, this thesis proposes a model to assess impact of impact sourcing in terms of effects on the well-being of the marginalised individuals. Thus, the thesis focuses on an individual level of analysis.

The main concepts that will be used throughout in this thesis are summarised in Table 1.

Table 1: Definitions of the Main Concepts

Concept	Definition
Global Outsourcing	In information systems literature, global outsourcing is a process where delegation of work is contracted to an external entity or third party organisation, called the outsourcing service provider or outsourcing organisation, physically located at a different location (Brown and Wilson 2005; Lacity et al. 2008; Oshri et al. 2011).
IT Outsourcing (ITO)	IT outsourcing is a process of sourcing IT services through a third party: for example, LAN management, helpdesk and data centres, web services, software development, networking services (Lacity et al. 2011b).
Business Process Outsourcing (BPO)	"The management of one or more specific business processes or functions (e.g., procurement, finance, accounting, human resources, asset or property management) by a third party, together with the information technology (IT) that supports the process or function" (Halvey and Melby 2007, p.1).
Offshoring	Oshri et al. (2011) define offshoring as "a relocation of organisational activities (e.g. IT, finance and accounting, back office, human resources) to a wholly owned subsidiary or an independent service provider in another country" (p. 4).
Outsourcing Organisation	The organisation that provides IT and/or business process outsourcing services is called an outsourcing service provider or outsourcing organisation (Goo et al. 2009; Lacity et al. 2008).
Outsourcing Client	The organisation that send its work to be performed by an outsourcing service provider or outsourcing organisation is called outsourcing client (Lacity and Willcocks 2008).
Impact Sourcing	"A practice of hiring and training marginalised individuals to provide information technology, business process, or other

	digitally enabled services who normally would have a few opportunities for good employment" (Carmel et al. 2014, p. 401).
Social and Economic Value Creation	The phenomenon is called social and economic value creation when a business strategically utilises its resources, policies and processes for the betterment of people and society along with its traditional objectives of business progress. Many terms are used in the management literature to refer to the social and economic value creation concept, for example, shared value creation (Porter and Kramer 2011), triple bottom line (Elkington 1998), doing well by doing good (Falck and Heblich 2007), and dual value creation (Emerson et al. 1999).
Corporate Social Responsibility (CSR)	The responsibility of business to contribute beyond the economic returns to shareholders. It incorporates responsible business behaviour in society and considers the good of other stakeholders, such as citizens, employees, government, and other communities (Carroll and Buchholtz 2011; Matten and Moon 2008)
Marginalised Individuals	People who are treated as insignificant because of income, education, race, religion, gender, sexual orientation, disability, location or other criteria (Carmel et al. 2014).
Social Welfare	Social welfare represents the well-being of people and communities; it can offer an effective response to current social issues (Midgley 1995).
Impact Assessment	Impact assessment is a process of assessing the consequences of any action or project which is related to individuals, organisations, and macro-social systems (Becker and Vanclay 2003).
Institutional Logics	"The socially constructed, historical patterns of material practices, assumptions, values, beliefs, and rules by which individuals produce and reproduce their materials subsistence, organise time and space, and provide meaning to their socially reality" (Thornton and Ocasio 2008, p.804).
Corporate Social Strategy (CSS)	Corporate social strategy is an organisational plan or strategic choice to pursue social and economic value creation objectives efficiently. It involves strategic allocation of resources and social actions of the business as a strategic choice of the firm not an obligation (Bowen 2007; Husted and Allen 2007; Husted et al. 2012).
Corporate Social Performance (CSP)	Corporate social performance is considered as 'CSR in practice' and involves measuring aspects of social responsibility of the business. It comprises the set of business activities which focus on social impact and outcomes for society, stakeholders and the business itself (Clarkson 1995; Salazar et al. 2012; Sethi 1975; Wood 1991).
Capability	Capability approach has emerged as a theoretical framework in development studies that offers a set of conceptual tools to assess

Approach (CA)	change in society in terms of individual well-being and social development. The capability approach is based on the core concepts of taking development as a freedom to achieve well-being through improved capabilities (Robeyns 2005; Sen 1999).

1.3 Research Background

The Rockefeller foundation coined the term 'impact sourcing' as part of its Poverty Reduction through Information and Digital Employment (PRIDE) programme focused on harnessing the global outsourcing sector for creating work opportunities for people living at the bottom of the pyramid (BoP), 'bottom of the pyramid' refers to the largest socio-economic marginalised group of 4 billion people who live on less than $2 per day (Prahalad and Hart 2002). In December 2011, the Rockefeller Foundation organised an international impact sourcing conference, titled 'Impact Sourcing: an Emerging Path to Sustainable Job Creation?' which brought together impact sourcing key stakeholders on one platform. The conference aimed to discuss the employment challenges faced by marginalised communities and discussed how IT and business process outsourcing could help to reduce these challenges and improve their livelihoods by providing sustainable employment opportunities (Rockefeller Foundation 2011).

Since 2011, the concept of impact sourcing has been receiving considerable attention in practitioner research (Accenture 2013; Avasant 2012; Monitor 2011). The Rockefeller Foundation has sponsored a series of research studies to encourage the growth of the impact sourcing and to attract different stakeholders' attention towards the social and economic value creation potential of global outsourcing (Accenture 2012; Avasant 2012; Monitor 2011; William Davidson Institute 2013). Monitor's (2011) report, 'Job Creation through Building the Field of Impact Sourcing', is a pioneer research study that attempts to highlight various impact sourcing operational models for practical implementation. It defines the impact sourcing phenomenon as follows: "impact sourcing employs people at the bottom of the pyramid, with limited opportunity for sustainable employment, as principal workers in business process outsourcing centres to provide high-quality, information-based services to domestic and international clients" (p. 2).

The prior practitioner studies focused on estimating the size, scalability, growth, potential markets, and key operational models of impact sourcing (Avasant 2012; Monitor 2011). According to their estimates, impact sourcing can generate USD 4.5 billion revenue, which is 3.8 percent of the total BPO industry revenue (USD 119

billion) and has the potential to reach approximately USD 20 billion in 2015, which will be 11 percent of the estimated BPO industry revenue (USD 178 billion). By employing 144,000 marginalised individuals in different regions, impact sourcing provides USD 1.2 billion of total BPO revenue directly to the impact sourcing employees in the form of earned income. This is estimated to reach more than USD 10 billion in 2015, creating 780,000 impact sourcing jobs (Monitor 2011). Avasant (2012) reports an impact sourcing market size of 561,000 employees, which is substantially larger than the previous estimate provided by Monitor's (2011) estimate of 144,000 employees. Moreover, the study provides a projected impact sourcing revenue figure of over USD 55.4 billion by 2020.

These high forecasted revenue figures and job creation estimates of impact sourcing may raise sustainability concerns for the impact sourcing phenomenon (Heeks and Arun 2010; Sandeep and Ravishankar 2015b). It is argued that not all outsourcing activities, involving developing countries and the global east, would claim to be impact sourcing (Carmel et al. 2014; Lacity et al. 2012). The literature have highlighted the challenges associated with potential outsourcing clients who may confuse impact sourcing organisations with charity (Sandeep and Ravishankar 2015b; Lacity et al. 2012). These clients may be reluctant to outsource work to the impact sourcing organisations, operating in remote and rural areas, due to operational challenges existing at these locations (Lacity et al. 2011b). The sustainability concerns related to social aspects and the promise of high revenue generation identify a need to define the boundary of impact sourcing phenomenon.

The former concept of impact sourcing was based on providing sustainable work opportunities to people who have limited income, to uplift socio-economic conditions in the developing region (Avasant 2012; Monitor 2011). Accenture (2012) uses the term *disadvantaged individuals* for impact sourcing beneficiaries and extends the impact sourcing focus from developing countries (e.g. India, Kenya, Cambodia, Laos) to developed countries as well; for example, people living in remote areas of Native America.

A majority of extant studies asserts that nature of outsourcing work tends to be less-skilled and labour intensive BPO tasks, such as, call centre, support helpdesk, data entry, voice and audio transcription, data conversion, and online sales, which can easily be learnt through ICT facilities and proper training (Gino and Staats 2012; Monitor 2011;

William Davidson Institute 2013). Accenture (2012) broadened the scope of impact sourcing work by using the general term 'outsourcing' instead of restricting to the discussion to business process outsourcing activities. Accenture (2012) claims that the wide availability of effective IT training, e.g. the Massachusetts Institute of Technology (MIT) open courseware, government ICT skills improvement initiatives, and employees' awareness about latest IT skills, are changing the trend and leading to the inclusion of ITO activities in impact sourcing (Accenture 2012; Lacity et al. 2012). Furthermore, Carmel et al. (2014) include outsourcing and insourcing of IT, business process and digitally enabled services to employ marginalised people who would normally have few opportunities for good employment. Their definition of marginalised people is not restricted to poverty; people may be marginalised because of race, religion, gender, sexual orientation, disability, location or any other criteria (ibid.).

The studies highlight various drivers of impact sourcing growth in different regions. For example, India has a very well-established BPO market which shows a strong trend of shifting to rural areas because of high cost pressure in cities (Lacity et al. 2012; Monitor 2011). Availability of educated and skilled human resources, good telecom and transportation infrastructure, and public sector support in remote areas are identified as key drivers of impact sourcing (Avasant 2012; Monitor 2011). The limited impact sourcing studies report optimistic findings highlighting the improvement in personal, professional, economic, social, empowerment, political and technological well-being of the marginalised outsourcing employees (Heeks and Arun 2010; Lacity et al. 2014; Madon and Sharanappa 2013).

The above discussion sets the scene for the impact sourcing phenomenon, predominately making use of professional reports. It gives the impression that the impact sourcing phenomenon has been gaining significant attention in practitioner research (Accenture 2013; Monitor 2011). However, the basic concept of impact sourcing – social and economic value creation through global outsourcing – has already been a subject of debate in academic literature under different titles, for example: social outsourcing (Heeks and Arun 2010); corporate social and environment responsibility in global outsourcing (Babin and Nicholson 2009); social IT outsourcing (Madon and Sharanappa 2013); and rural or remote outsourcing (Lacity et al. 2011a). However, recent academic studies have attempted to establish collective knowledge to advance these concepts by using the impact sourcing term (Carmel et al. 2014; Lacity et al. 2012; Malik et al. 2013a; Malik et al. 2013b; Sandeep and Ravishankar 2015b).

Whilst the literature agrees that the impact sourcing phenomenon is at an early stage in terms of academic research, with limited studies available for theoretical understanding (Carmel et al. 2014; Sandeep and Ravishankar 2015b), the social and economic value creation concept applied in impact sourcing is significantly well-researched and theoretically developed in the management literature. Debate concerning the ethical responsibility of businesses to contribute to the betterment of society originated in the third decade of the 20th century (Berle 1931). A consensus exists among a large group of management scholars that if a business strategically plans and implements its activities, it may become a source of social welfare by utilising its resources and expertise for the benefit of the society. Furthermore, it can still remain commercially viable to create economic value (Elkington 1998; Emerson et al. 1999; Falck and Heblich 2007; Porter and Kramer 2006). Drawing on a conceptual base similar to that of social and economic value creation, impact sourcing is claimed to be a 'win-win' strategy for the outsourcing organisation, clients, employees and marginalised community (Carmel et al. 2014; Monitor 2011).

1.4 Knowledge Gaps and Research Questions

This section briefly highlights the knowledge gaps in the impact sourcing literature that motivated this research study. The detailed literature review informing each article is presented in the respective chapters included in the latter part of this thesis.

Due to the nascent stage of research, a significantly large field is open for researchers to study various dimensions of impact sourcing. In addition, the available academic and practitioner literature has pinpointed various issues that require the attention of theoretical and practical implications of researchers to impact sourcing.

The social and economic value creation potential of impact sourcing has been discussed in many studies (Madon and Sharanappa 2013; William Davidson Institute 2013). However, the majority of the impact sourcing studies focus on examining impact sourcing practices implemented by social enterprise, for-profit social enterprise or government-supported social outsourcing initiatives. Although Heeks and Arun (2010) identify the sustainability challenges due to dependency on government or funding agencies of outsourcing practice aiming to create social value, the existing literature significantly positions the impact sourcing phenomenon as a development initiative rather than an outsourcing business strategy to create social and economic value (Heeks and Arun 2010; Lacity et al. 2014; Monitor 2011). Thus, there is a broader knowledge

gap in the impact sourcing literature related to the impact sourcing phenomenon as practised by private sector outsourcing organisations.

The social and economic value creation potential of impact sourcing is in line with the 'doing well by doing good' approach of social responsibility that supports the interaction of the social and economic value creation goals of the business (Emerson et al. 2003; Falck and Heblich 2007; Porter and Kramer 2011). However, the social and economic value creation discourse has also been criticised by many management and development scholars (Devinney 2009; Friedman 1970; Levitt 1958). Opponents argue that the terms ethical and social responsibility are non-existent in business dictionaries; rather, these concepts are imposed on businesses (Van Luijk 1991). They believe that social value creation objectives can weaken business performance and profitability (Henderson 2005) because they ask businesses to work against their natural role and genetic makeup (Devinney 2009). They emphasise the incompatibility between social and economic value creation (Banerjee 2008; Edwards 2008) and are suspicious of the social agendas of businesses, considering these as part of their public relations or publicity agendas (Banerjee 2008; Christian Aid 2004; Edwards 2008). They criticise businesses for wearing social welfare 'masks' to legitimate their dominance, activities, and power systems and allow them to avoid strict government-imposed regulations (Matten et al. 2003).

Hence, considering these pessimistic views about the social and economic value creation objectives of the business and the significantly optimistic impact sourcing literature assuming it to be a 'win-win' strategy – mainly due to the recent focus on social enterprise and government-supported impact sourcing initiatives – there is a need to examine the viability of impact sourcing practice for completely commercial outsourcing arrangements. Thus, the overarching goal of the research is to examine how impact sourcing is managed in commercial (for-profit) outsourcing arrangements.

The existing, highly optimistic impact sourcing studies in the literature reflect a number of assumptions. The literature claims that impact sourcing is a 'win-win' strategy for all stakeholders, including employees, clients and the outsourcing organisation (Madon and Sharanappa 2013; Monitor 2011). It supports the assumption that all stakeholders of impact sourcing share unitary support for the social and economic value creation objectives of impact sourcing. The global outsourcing studies highlight that provision of low cost and high quality outsourcing services provided by highly skilled outsourcing

employees are main motivations behind the outsourcing decisions of the clients (Lacity et al. 2010; Lacity et al. 2011b). This is apparently paradoxical with impact sourcing's social value creation objective, which emphasises on hiring marginalised individuals who might not have professional experience or sufficient ICT skills (Malik et al. 2013a). A few recent studies have also acknowledged the possibility of a paradox between the social and commercial orientation of impact sourcing (Sandeep and Ravishankar 2015a).

Bringing outsourcing work to marginalised communities, particularly in rural and remote areas of developing countries, may not always be a cost effective option for outsourcing organisations. There is evidence in the academic literature that various local contextual and resource challenges can be faced in rural or remote areas of developing countries, for example, additional costs incurred due to electricity supply backups or the cost of maintaining a backup connectivity link, and also the possibility of non-cooperative behaviour of the local community or conservative social norms that do not appreciate these kind of ICT initiatives (Avgerou 2008; Heeks 2002; Sahay and Walsham 1996; Sandeep et al. 2013; Schware 2009). Very little is known about how commercial outsourcing organisations can manage these challenges associated with satisfying the various demands of social and economic value creation of impact sourcing as well as institutional constraints existing in the local context.

These knowledge gaps inform the first research question of this study:

Research Question 1: What challenges do commercial outsourcing organisations face when implementing impact sourcing and how can these challenges be mitigated?

The first research question is divided into two sub-questions. The first sub-question focuses on managing social and commercial orientation, while the second examines the management strategy for dealing with institutional constraints – existing in the local context – in the implementation of impact sourcing.

Research Question 1a: How do outsourcing organisations manage the demands of social and commercial orientation of impact sourcing?

Research Question 1b: Does local context influence impact sourcing? What strategies could the outsourcing organisations adopt to manage the challenges existing in the local context?

The few extant studies of impact sourcing have assessed the social impact of impact sourcing and suggest a multidimensional view of social value creation beyond income and skill improvement (Heeks and Arun 2010; Lacity et al. 2014; Madon and Sharanappa 2013). However, none of these studies performed a detailed evaluation of the impact of impact sourcing on marginalised outsourcing employees in a complete commercial outsourcing arrangement. Carmel et al. (2014) point out this knowledge gap and state, "… however, the IS and strategy literatures to date have not examined thoroughly the impact of impact sourcing on the key stakeholder, the employee, i.e., the people whose lives are presumably changing as a result of impact sourcing. We see this gap as our primary call for future research"(p. 399).

Responding to this research call, this study posits second research question:

Research Question 2: How does impact sourcing contribute to the social welfare of outsourcing employees? How can its impact be assessed?

1.5 Thesis Structure

This research study is presented in alternative format thesis, which is a common practice in the Accounting and Finance division of Alliance Manchester Business School. The alternative format thesis includes three publishable articles that are interrelated within a single research project, but can be read as stand-alone papers. After data collection, I decided to write working papers to refine the empirical findings and submitted them to various scholarly platforms for peer review. I wanted to get extensive feedback on the empirical findings and theorisation to improve the quality of the research outcome. As mentioned earlier, this research project draws on concepts from multiple disciplines to examine the impact sourcing phenomenon. The purpose was to obtain guidance to position the research outcome in terms of related literature and to refine the research contributions. During the manuscript building process, it was realised that this research project would be better suited to presentation in an alternative format thesis as the study outcome could be disseminated properly in three publishable working papers. Thus, a formal request – accompanied with an alternative format thesis proposal – was submitted to the school and permission was granted to present an alternative format thesis. The approval letter is attached as Appendix 1.

Furthermore, academic manuscript writing skills and developing a portfolio of publications are important for a Ph.D. student who aims for an academic career.

Following an alternative format thesis route has helped me to improve these key academic skills; I also anticipate an accelerated publication process following this Ph.D. because three standalone articles – included in the thesis – are ready to submit for publication in academic journals.

The articles are co-authored with Ph.D. supervisors – the first two articles (paper 1 and paper 2) are co-authored with the main supervisor and the third article is co-authored with both the main and second supervisors. However, I – as a Ph.D. student and first author – took the lead in drafting all three articles and undertook the work on the literature review, theoretical framework, data collection and data analysis for each paper. The co-authors contributed in providing guidance in crafting the articles and extensive feedback after critically reviewing multiple versions of the manuscripts.

The thesis adopts a qualitative research approach and is written in first person form (Creswell 2009). It uses 'I' to narrate the individual approach and 'we' for the collective approach reflecting the co-authorship in articles. The US English style was originally followed in the first article, presented at the Academy of Management 2015 conference, and also in the third article, as it was targeting a US journal for publication. However, in this thesis all text is converted into British English style for the sake of consistency, as articles are unpublished working papers as yet.

The thesis is organised into six chapters. The first chapter introduces the thesis, background research, knowledge gaps, key research questions, thesis structure and a summary of the three articles.

Chapter two explains the research design developed to conduct this research study. It describes the epistemological stance, ontological world view, research approach, and research methods used in the study. A brief description of a pilot project and detailed account of the main study (interpretive case study) are included in the latter sections of the chapter. It also presents step-by-step detail of the data collection and data analysis processes. A discussion to evaluate the credibility of research study is included in final section.

Chapters three, four, and five present the empirical findings of the research study in three articles, which are written to meet academic peer-reviewed publication requirements. Each article contains an introduction, research question, literature review, theoretical discussion, research methods, data collection, data analysis, empirical

findings, and discussion and conclusion sections. While each article answers unique research questions and adds a different theoretical contribution, they all broadly contribute to the unified research theme of management and assessment of impact sourcing in commercial outsourcing arrangements. These articles adopt an interpretive qualitative research approach, use empirical data from same case study and have a similar impact sourcing research literature base. Hence, the articles contain some overlap areas. Summaries of all the three articles are presented in Tables 2, 3, and 4, respectively.

Chapter six concludes the overall research study. It revisits the research questions and summarises the key research findings. Finally, the theoretical contributions and practical implications of the Ph.D. project are discussed in the last sections.

The relationships between the main research study and two key research questions addressed in the three articles are depicted in Figure 1.

Table 2: Summary of First Empirical Article

Interplay of Competing Institutional Logics: The Case of Impact Sourcing	
Research Objective	The paper explores the management of tensions and challenges to incorporate competing social responsibility and market logics in achieving social and economic value creation objectives of impact sourcing. It helps to understand how social and commercial orientation of impact sourcing can be managed in global outsourcing.
Research Question	• How do outsourcing organisations manage the competing social responsibility and market logics of impact sourcing?
Methods	The paper adopts an interpretive single case study of a US and Pakistan based public-listed global outsourcing organisation serving the US healthcare industry and practicing impact sourcing at a marginalised, earthquake affected small district of Pakistan. Data was collected through semi-structured interviews and field work observation.
Theoretical Approach	The paper draws upon prior literature on competing institutional logics to explore the management of competing social responsibility and market logics of impact sourcing.
Research Findings	The findings show that global outsourcing organisation practicing impact sourcing adopts a collective management strategy of decoupling, combining, compromise and selectively coupling to satisfy the multiple demands of competing social responsibility and market logics. Additionally, it highlights that competing institutional logics may have compatible and conflicting components at the same time and both need careful management. The findings suggest that market and social responsibility logics of impact sourcing may not be uniform across sub-units of the outsourcing organisations located at different institutional context.
Research Contribution	This research contributes to the study of impact sourcing and challenges the assumption in the literature that impact sourcing organisations are unitary and consensus exists amongst all organisational actors to support the social and economic value creation objectives. The study identifies enclaves of competing institutional logics where competing logics influence at different intensity across the whole organisation.
Practical Implications	This study helps to guide new start-ups and existing for-profit global outsourcing organisations aiming to implement impact sourcing to satisfy the ethical arguments. It guides them to achieve the actual 'win-win' benefits by managing the demand exerted by social and commercial orientation of impact sourcing.

Table 3: Summary of Second Empirical Article

The Role of Institutions and Corporate Social Strategy in Impact Sourcing	
Research Objective	The motivation for this paper lies in the implicit assumption in the current literature that the beneficiaries of impact sourcing will unilaterally welcome its intervention. The study explores how the unique features of local institutional contexts may affect impact sourcing practice. It highlights the role of corporate social strategy in mitigating these institutional challenges.
Research Questions	• How does local context influence impact sourcing? • How is the corporate social strategy shaped by constraining institutional logics?
Research Methodology	A single interpretive case study research design has been adopted to answer the research questions. Primary data was collected through semi-structured interviews and field notes.
Theoretical Approach	The theoretical base of this article draws upon concepts of institutional logics and corporate social strategy from the management literature. The defining characteristic of institutional logics is a premise that society is an inter-institutional system, consisting of a set of multiple and contradictory interdependent institutional logics derived from different institutional orders.
Research Findings	The study highlights institutional challenges of community, family and professional orders existing in the local context where the case study organisation has implemented impact sourcing. It also presents the findings related to resource allocation and management practices of AlphaCorp as a corporate social strategy to address these institutional constraints.
Research Contribution	This research contributes to the growing body of literature exploring social and commercial viability of the impact sourcing practice. It acknowledges that institutional challenges may not only restrict the potential of impact sourcing to create social value, but can also harm economic value creation. Thus, it is argued that social and economic value creation are inter-related and should be considered collectively when defining the CSS of an impact sourcing organisation. It also contributes to the study of institutional logics. The institutional logics of different institutional orders in a society are intertwined. An institutional logic of an institutional order may influence or derived from other institutional orders existing in the society.
Practical Implications	The study has practical implication for impact sourcing managers. For a successful impact sourcing implementation, impact sourcing organisations may need to allocate additional resources and the management practices should be congruence to local social and cultural norms.

Table 4: Summary of Third Empirical Article

Can Impact Sourcing Address Social Issues? Toward a Human-centred Corporate Social Performance Assessment	
Research Objective	This study aims to assess the impact of an impact sourcing practice, which focuses on social issue of inequality and contributing to reduce gender exclusion in global outsourcing labour market. It also proposes a theoretical model to assess the impact of impact sourcing.
Research Questions	• Can impact sourcing contribute to addressing social issues? • How can corporate social performance (CSP) outcome of an impact sourcing practice be assessed?
Methodology	Interpretive, qualitative case study methods were used including semi-structured interviews, field notes and participants observation techniques for data collection. Data was collected over seven months (September 2013 to March 2014); 78 semi-structured interviews were undertaken.
Theoretical Approach	The article extensively draws on corporate social performance concepts from management literature to unpack the social impact assessment aspects in this impact sourcing case study. The article also borrows Sen's Capability Approach concepts from development studies to fill the knowledge gaps in impact sourcing and CSP literature.
Research Findings	The analysis reports improvement in personal, professional, educational, and economic capabilities of the marginalised outsourcing employees. Some negative impacts are also encountered on the socialisation and networking capabilities of the marginalised outsourcing employees.
Research Contribution	This article contributes to the study of impact sourcing and highlights why it is important to assess the social value creation impact of an impact sourcing practice. It argues that negative implications of impact sourcing practice may also require careful management in cases of traditional societies, especially in conventional societies that have strong family, cultural and religious traditions. The paper contributes a theoretical model to assess the human-centred CSP outcome, which for this particular case study is applied for impact assessment of the impact sourcing. The novelty of the model is the CSP outcome assessment approach; mapping expected and acknowledged CSP impacts on beneficiary stakeholders' capabilities.
Practical Implications	It helps the impact sourcing managers to understand how corporate social performance of outsourcing organisations practicing impact sourcing can be assessed. It may help practitioners to carefully implement impact sourcing practice to reap maximum social welfare benefits.

Global Outsourcing - Impact Sourcing Literature

Impact Sourcing
(Outsourcing practice with social and economic value creation objectives)

Research Study Focus

Management aspects of impact sourcing (managing social and commercial orientation and local contextual challenges)

Evaluation aspects of Impact Sourcing (Impact assessment)

Management Literature

Competing institutional logics concepts

Corporate social strategy & institutional logics concepts

Corporate social performance concepts

Development Literature

Sen's Capability Approach concepts

Research Questions

How do outsourcing organisations manage the competing social responsibility and market logics of impact sourcing?

How does local context influence impact sourcing? How is the corporate social strategy shaped by constraining institutional logics?

Can impact sourcing contribute to addressing social issues? How can CSP outcome of an impact sourcing practice be assessed?

Research Outcome: Three Articles

Article 1: Interplay of Competing Institutional Logics: The Case of Impact Sourcing

Article 2: The Role of Institutions and Corporate Social Strategy in Impact Sourcing

Article 3: Can Impact Sourcing Address Social Issues? Toward a Human-centred Corporate Social Performance Assessment

Theoretical Contributions

- To the study of impact sourcing
- To the study of institutional logics

- To the study of impact sourcing
- To the study of corporate social performance

Practical Implications

Practice of impact sourcing

Figure 1: Structure of the Research Project

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Chapter 2: Research Design

2.1 Overview of the Chapter

This chapter presents the research design to examine the research gaps identified in the previous chapter. It aims to discuss the actual process that has been followed to conduct the research study. "Research designs are plans and procedures for the research that span the decisions from broad assumptions to detailed methods of data collection and analysis" (Creswell 2009, p. 3). The selection of a research design for any research study is based on research problem and the researcher's personal experience. According to Creswell (2009), the research design includes decisions about the researcher's worldview, assumptions for the study (philosophical approach), strategies of inquiry (research approach), and methods of data collection and analysis (research methods). Figure 2 presents a snapshot of the research design adopted in this case study.
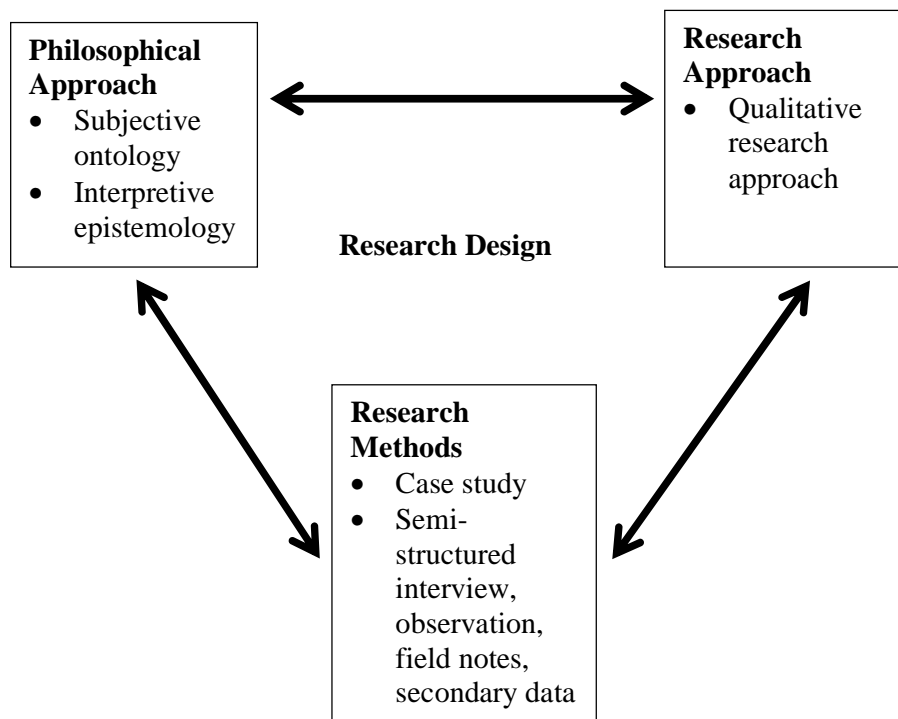
Figure 2: Framework for Research Design. (Adopted from Creswell (2009))

This chapter is organised as follows. First, it discusses the existing philosophical approaches in social science research and demonstrates the appropriateness of selecting an interpretive approach for this study. The next section presents an explanation of existing research approaches and provides a justification for selecting a qualitative approach. This study adopts an in-depth case study as a research method to examine the research problem, which is discussed in section 2.4. A brief overview of the pilot

project is included in the subsequent section. A detailed account of the main study is presented in the final section, which includes details of data collection through semi-structured interviews and field notes, personal fieldwork reflections, data analysis and evaluation of the research study by applying Klein and Myers (1999) principles for evaluating and conducting interpretive in-depth field studies.

2.2 Selection of a Philosophical Approach

Researchers have different philosophical foundations or paradigms based on a set of beliefs concerning how they view and interact with the world (Lincoln et al. 2011). The philosophical foundation consists of ontological and epistemological perspectives of creating knowledge, which are necessary to specify how to view the world (ontology) and how to acquire the knowledge (epistemology) about the particular research inquiry (ibid.). This helps to select the appropriate research approach and methodology to conduct research by specifying the degree of involvement with or detachment from the research problem (Rubin and Rubin 2011). In information systems (IS) studies, the purpose of the philosophical foundation is to critically examine the underlying assumptions and theoretical constructs to understand the research (Walsham 1995). The next section briefly discusses the ontological and epistemological perspectives existing in information systems studies and then justifies the philosophical foundation that underpins this research study.

2.2.1   Ontology

Ontology is defined from philosophical perspectives as 'the science or study of being' (Blaikie 2000, p.8). Ontological assumptions are related to individual beliefs about the (non-)existence of social reality. Bhaskar (2008) divides ontological assumptions into philosophical and scientific ontology. The philosophical assumptions refer to the philosophical account of a sense of the nature of world, whereas the scientific ontological assumption includes the assumptions of any scientific theory about the sense of particular entities and processes. Different scholars view social reality differently, and these views underpin their research approach to exploring the social world (Grix 2002). Searle (1995) describes as the situation thus: "since our investigation is ontological, i.e., about how social fact exists, we need to figure out how social reality fits into our overall ontology, i.e., how the existence of social facts relates to other things that exist?" (p.5).

The literature discusses two ontological positions. Objective ontology believes that the social and physical world exists independent of the human beings, while subjective ontology asserts that social reality exists only through human actions (Orlikowski and Baroudi 1991). The objective assumption states that social phenomena and their meaning exist regardless of any social actors. However, social actors are necessary to create social reality in the case of subjective ontology. This study adopts subjective ontological assumptions to study impact sourcing arrangements. This research involves multiple people at different organisational levels, thus, the ontological assumptions support the existence of multiple perspectives and explanations of the social reality. The subjective ontological beliefs view the social reality of the impact sourcing phenomenon as evolving through the interaction of individuals and groups.

2.2.2   Epistemology

Epistemology is a branch of philosophy related to the theory of knowledge embedded in the social world (Crotty 1998). The epistemological assumptions are concerned with what constitutes knowledge and how knowledge is obtained (Grix 2002).

Theory of knowledge is constructed through justification, evidence and supporting reasons (Bernecker and Dretske 2000). Epistemology provides the philosophical perspectives to define criteria for the construction and evaluation of valid knowledge about a particular phenomenon. It establishes the relationship between researcher and the research phenomenon, informing the methodology regarding how knowledge of the social world can be obtained (Hirschheim et al. 2004). In IS research, three epistemological positions have been discussed: positivist, interpretive, and critical realism (Chen and Hirschheim 2004; Hirschheim 1992; Myers and Avison 2002; Orlikowski and Baroudi 1991). The next sub-section discusses these epistemological positions.

2.2.2.1 Positivist Approach

The positivist approach is one of the oldest and most extensively applied philosophical approaches in information systems research (Oates 2005; Orlikowski and Baroudi 1991). It relies on adopting the scientific methods of natural science in social science research (Lee 1991). The key assumptions associated with a positivist approach are: the researcher and research phenomenon are independent of each other; the researcher view of the research problem is objective; social reality is measured as quantifiable facts; and the derived knowledge must have a single, fixed meaning irrespective of the researcher

(Hirschheim and Klein 1992; Remenyi et al. 1998). Hence, the main characteristics of positivist research are reductionism, repeatability, and refutability (Neuman 2014).

Orlikowski and Baroudi (1991) summarise the general criteria of positivist research as emphasising the formation of a formal proposition comprising quantifiable variables, and hypothesis testing of the sample population (Myers and Avison 2002). Thus, positivist research creates knowledge through a hypothetic-deductive approach where empirical evidence serves primarily to verify theories (Popper 2005).

Although scholars endorse the success of the positivist approach, they also point out its inadequacy to consider subjectivity (Hirschheim and Klein 1992). They assert that the role of detached and neutral researcher may restrict applicability to the human-created contextual dimension of social reality in social science research (Myers and Newman 2007; Ngwenyama and Lee 1997).

2.2.2.2 Interpretive Approach

The interpretive approach is another epistemological position that has emerged to satisfy the subjectivity concerns in social science research (Lee 1991). It assumes that people interact with the world around them and create meaning within their social reality (Myers and Newman 2007). Interpretive studies reject the 'factual' and 'objective' (positivist) nature of the research inquiry where social reality exists irrespective of the human actors (Maxwell 2005). Interpretive researchers attempt to understand research phenomena in relation to the meanings research participants assign to them (Crotty 1998).

Interpretive approaches to theory of knowledge have been gaining acceptance in information systems studies since the 1990s (Hirschheim and Klein 1992; Trauth and Jessup 2000). An interpretive approach is adopted to create deeper contextual understanding of the research phenomenon in its natural setting where the researchers' a priori understanding should not be imposed (Myers and Avison 1997; Orlikowski and Baroudi 1991; Walsham 1995). Klein and Myers (1999) believe that knowledge of social reality is gained through social constructions of language, shared meaning, consciousness, documents and artefacts. Hence, these scholars assert that an interpretive approach is important to understand organisational and human aspects of information systems research

2.2.2.3 Critical Realism

Critical realism is a relatively new epistemological assumption that has also been gaining acceptance in information systems research as a third philosophical approach (Hirschheim 1992; Myers and Avison 2002; Orlikowski and Baroudi 1991). Roy Bhasker, the founder of the critical realist approach, justifies the critical realist ideology as allowing researchers to identify the extent to which the social world can be studied in the same way as natural science (Bhaskar 1979). Critical realism believes that knowledge and social reality exist in any social phenomenon regardless of the researcher's awareness, but need to be discovered, transformed or re-structured through human interaction (Bhaskar 1979). Critical realists argue that there are different kinds of knowledge existing, independent of the researcher, in various overlapping social contexts that endorse the positivist approach. Critical realism also believes that interaction of human actors is required to transform or restructure that knowledge, supporting an interpretive approach (Bhaskar 2008). They accept that language is a tool for understanding the world, but nonverbal aspects of how meaning is transformed are also equally important for gaining knowledge (Sayer 1992). These assumptions position critical realism as standing in the middle of both positivist and interpretive perspectives. Critical realist scholars advocate multiple research methods to triangulate the research results.

Several IS scholars have encouraged adopting a critical realist approach to study complex information systems phenomenon (Dobson 2001; Howcroft and Trauth 2004; Mingers 2004; Wynn Jr and Williams 2012). However, they also suggest a cautious approach because it is relatively a new approach in information systems and limited studies have provided guidance for conducting and evaluating critical realist based empirical studies.

2.2.3   Rationale of Choosing Interpretive Philosophical Approach

This study adopts the epistemological assumptions of the interpretive approach and subjectively studies impact sourcing practices in the global outsourcing industry. The study involves understanding the impact sourcing phenomenon through organisational and human aspects, which requires gaining knowledge through experience of the organisational actors, such as company managers and marginalised outsourcing employees. The research aims to explore the phenomenon in its natural setting (Walsham 1995), which includes cultural and contextual aspects, to capture complex dimensions of the outsourcing organisations practicing impact sourcing.

An interpretive epistemological approach allows us to interact with research participants to account for multiple perspectives of social reality (Myers and Avison 2002), which supports the in-depth knowledge creation required for an emerging research phenomenon with limited theoretical understanding. Thus, the interpretive approach is an appropriate philosophical worldview to examine impact sourcing, which is a recently emerging research phenomenon.

The literature discusses some limitation of the interpretive approach. These concerns include restricting the researcher's prior understanding about the phenomenon, and the risk of including researcher bias in subjective knowledge building (Blaikie 2000; Neuman 2014). Furthermore, two different researchers may interpret the same phenomenon differently, which raises the challenge of generalisability in interpretive research. However, IS scholars assert that interpretive findings can be transferred and applied to other similar contexts (Klein and Myers 1999; Walsham 2006). An explanation of how the credibility of interpretive research has been ensured in this interpretive study is presented in the latter sections of this chapter.

2.3 Selection of a Research Approach

In social science research, three types of research approaches are adopted to investigate the research problem: quantitative, qualitative and mixed methods (Creswell 2014). Initially, the quantitative and qualitative research approaches were considered as two discrete approaches in social science research. The recent business and management literature asserts that although these two approaches imply different perspectives to investigate the research phenomenon, they should not be viewed as opposite or dichotomies (Neuman 2014; Newman and Benz 1998). Hence, the third research approach, mixed methods, is a relatively new research approach that resides between the quantitative and qualitative approaches (Creswell 2009). Quantitative, qualitative and mixed methods approaches are also termed strategies of inquiry (Creswell 2009) in business and management literature, and are research methodologies that provide procedural directions in a research design (Mertens 1998). The selection of an appropriate research approach to explore a research phenomenon depends upon the research question, nature of the research problem, availability of existing research, and expected research outcome (Creswell 2014).

2.3.1 Quantitative Research Approach

The quantitative research approach in social science is adopted from the natural sciences, where it originally involved complex experiments including many variables to support scientific enquiries (Creswell 2014). In social science, the quantitative research approach involves statistical procedures in the investigation of social and human problems, and is based on quantifying and validating relationships between variables to test theories (Neuman 2014). The quantitative approach searches for cause and effect relationships in quantitative data. It adopts a deductive approach for hypothesis testing and relies on numerical evidence generated from relatively large randomly chosen data samples (Bryman and Bell 2015). This general philosophical view links the quantitative research approach with objective ontological and positivist epistemological assumptions (Creswell 2009; Maxwell 2013).

2.3.2 Qualitative Research Approach

The qualitative research approach enables the researcher to study social and cultural aspects through the personal experiences of individuals (Bryman and Bell 2015; Maxwell 2005). It is used to study complex research problems that cannot be explored in isolation from their human and social context (Creswell 2014). This approach can be adopted in exploratory research when there is little known about the research phenomenon (Denzin and Lincoln 2011). The qualitative research approach allows the researcher, through his or her interaction with the research context, to study multiple participants' perspectives and to interpret the associated social meanings (Silverman 2006). It generates rich textual empirical data to support theory building (Urquhart 2013). The qualitative research approach is typically associated with a subjective and interpretive world view of social reality (Creswell 2014; Silverman 2006). However, IS scholars have also argued that a qualitative research approach can adopt any philosophical assumptions, for example, positive, interpretive or critical realist, depending upon researcher's philosophical view point (Myers 2013; Myers and Avison 1997).

2.3.3 Mixed Methods Research Approach

Mixed methods is a research approach that combines the philosophy and methods of both quantitative and qualitative research approaches (Creswell 2014). Scholars believe that linking qualitative and quantitative research approaches allows researchers to collect richer and stronger evidence to address complex research problems (Yin 2014). The mixed methods research approach integrates qualitative and quantitative research

approaches for theory building and theory testing, respectively, in a single project (Creswell 2014; Miles and Huberman 1994). The selection of a mixed methods approach depends upon the nature of research problem and researcher's own preference (Bryman and Bell 2015). It is suggested to consider cost, time, appropriateness and practicality concerns in selecting a research approach to avoid poorly conducted research. Bryman and Bell (2015) emphasise that there is no point in collecting a huge amount of data just for the sake of satisfying the myth that more is better.

2.3.4   Rationale of Choosing Qualitative Research Approach

This research study employs a qualitative research approach for three main reasons: first, impact sourcing is an emerging research domain and the research problem that this study seeks to explore is relatively under researched (Flick 2014). The lack of existing theoretical material related to managing institutional challenges and evaluating impact of impact sourcing requires an exploratory qualitative research approach to generate the empirical insights needed to satisfy the requirement, due to unknown variables, of theory building before theory testing can take place (Creswell 2014; Neuman 2014). Second, the nature of the research problem requires a multiple perspectives enquiry at individual, institutional and organisational levels through the in-depth experiences (Easterby-Smith et al. 2012; Walsham 2006) of marginalised outsourcing employees and their managers. Therefore, the qualitative research approach is appropriate for this study. Third, the study requires the exploration of a research problem in conjunction with contextual detail (Maxwell 2013; Myers 2013) to understand the social and cultural influences on impact sourcing. Table 5 presents a checklist summarising the reasons for choosing a qualitative research approach for this thesis.

Table 5: Checklist for Qualitative Research Approach

Key Characteristics of Qualitative Research Approach	Research Approach Adopted in this Study
Takes contextual conditions into account.	In this research study, it is difficult to avoid social and contextual influences because management and assessment aspects of an impact sourcing initiative cannot be explored in isolation from context.
The main research objective is to empirically explore grounded theory, instead of testing what is already known.	Due to the emerging research domain, the research problem lacks existing theoretical understanding and cannot be reduced to variables for theory testing. Hence, the main research objective is to generate theoretical insights.
Incorporating multiple participants' perspectives and multiple level of design.	The research study takes into account the subjective multiple perspectives of outsourcing employees and managers at individual, organisational and institutional levels of analysis.
Reflexivity of the researcher and the research	The study requires the researcher's presence in the field and constant interaction with research participants to gain in-depth theoretical insights about impact sourcing practices. For this study, the researcher's subjectivity and reflection on the field work (interpretation) need to be an explicit part of the research and knowledge building process.
Variety of approaches and methods for data collection.	This study is not based on unified theoretical and methodological concepts. It relies on rich empirical and textual data gathered through multiple data collection methods, for example semi-structured interviews from employees, managers and executives, informal observation and communication during fieldwork, and consulting archival documents and online resources.

Source: Adapted from Flick (2014).

2.4 Selection of a Research Method

Research methods are established procedures used to conduct a research inquiry (Bryman and Bell 2015). In social science, various research methods – supported by quantitative and qualitative research approaches – are used to study research problems (Blaikie 2000; Creswell 2014). Surveys and experiments are commonly used research methods in the quantitative research approach. A survey supports gathering quantitative

information about trends, individual preferences, events, expectations, attitudes and opinions of a large population through random sampling for finding patterns in data (Straub et al. 2004). A survey can be conducted through postal mail and email, websites, over the phone, or in person. Experiments are the investigation of cause and effect to determine if a specific hypothesis influences the observed outcome (Creswell 2014). Experiments take place in a more controlled environment where the researcher can manipulate the independent variable to measure the dependent variable (Benbasat et al. 1987).

In this section, I briefly discuss a few broad categories of qualitative research methods to justify the appropriateness of the research method selected for this study. Narrative research, ethnography, grounded theory, and case study are frequently used research methods in a qualitative research approach (Creswell 1998; Flick 2014).

Narrative research is a method used in qualitative research to study the lives of individuals by listening to their various life stories. The information is interpreted and then retold or narrated by the researcher to present a combined narrative view of the data (Clandinin and Connelly 2000).

Ethnography is the study of culture or social groups, rooted in the field of cultural anthropology (Creswell 1998). In this approach, the researcher stays at the research site over a prolonged period of time and embeds him/herself within the research context to better achieve social and cultural insights into the phenomenon under study. The data is primarily collected by the researcher's observations and interviews in a flexible process of responding to the lived realities encountered during field work (Silverman 2011).

Grounded theory attempts to discover abstract theory of process and actions grounded in a particular phenomenon or situation (Urquhart 2013). Strauss and Corbin (1990) explain grounded theory as 'a qualitative research method that uses systematic set of procedures to develop an inductively derived grounded theory about a phenomenon' (p.24). It involves multiple stages of data collection without any preconceived concepts to establish the interrelationship of different categories containing information for theory building (Charmaz 2014).

Case study is another commonly used research method in qualitative research approaches (Stake 1995). A case study approach can also be applied in quantitative and mixed method research approaches. As Benbasat et al. (1987) explain, 'a case study

examines a phenomenon in its natural setting, employing multiple methods of data collection to gather information from one or a few entities (people, group, or organisations)' (p.370). Case study is a method of empirical inquiry that facilitates the investigation of a contemporary phenomenon (e.g. a programme, an event, individuals, actions) within its social context (Eisenhardt 1989; Yin 2014). It is a desirable research method for an in-depth exploration of a complex social phenomenon when the boundaries between the phenomenon and its context are not very clear (Yin 2014). It relies on multiple sources of information collected using multiple methods, for example, interviews, observations, focus groups, audio-visual material, or archival document analysis (Creswell 1998). Single or multiple case studies can be used depending on the requirements of the research problem (Stake 1995; Yin 2014). A single case study is suitable for a revelatory/extreme/unique case (Eisenhardt and Graebner 2007; Yin 2014) and is appropriate in a situation when very little theoretical insight is available into the phenomenon under study (Dyer and Wilkins 1991). In contrast, a multiple case study supports comparison between different cases for theory building, testing and generalisation (Eisenhardt 1989).

2.4.1   Rationale of Choosing Case Study

This research adopts a single case study research method to explore the impact sourcing phenomenon. Impact sourcing is a complex phenomenon having both social and business orientation but no clear boundaries, and therefore cannot be studied in isolation from the social context. The 'how' research questions defined in Chapter one also support the appropriateness of a case study research method for this thesis (Yin 2014). Table 6 presents a checklist summarising the elements that support the rationale of choosing a case study as a research method for this study, following from the interpretive epistemological stance and qualitative research approach (Walsham 1995).

Table 6: Checklist of Choosing Case Study

Key Characteristics of Case Studies	Research Approach Adopted in this Study
Research study in natural setting.	The case study was conducted at three centres of the case study organisation in the US and Pakistan. The influences of social and cultural aspects were also considered.
Multiple means of data collection.	Primary data were collected through semi-structured interviews and observation. Additionally, websites and archival documents were also consulted to collect secondary data.
Intensive study of the complexity of unit.	This research studies the complex interaction of individuals, institutions and organisations in an impact sourcing practice.
Suitable for exploration and knowledge building process.	The study attempts to explore the management and assessment aspects of social and commercial orientation of impact sourcing to develop the initial theoretical understanding of this less researched area.
Focus on contemporary events, no experimental control or manipulation.	The study is conducted inductively, where findings are collected without experimental control. The main focus is to capture the phenomenon through what is currently occurring, for example, assessing capabilities of marginalised outsourcing employees through their recent functional abilities.
The researcher's integration with derived results.	The research problem requires an inductive and interpretive approach, where the subjectivity of the researcher is also involved.
Possibility to change case study site and data collection methods as investigation proceeds.	Initially, AlphaCorp's offshore-outsourcing centres in Pakistan were the agreed case study sites in the fieldwork plan. During fieldwork, the need to include a US perspective was realised to get a holistic picture of the phenomenon. For example, after its listing on the stock exchange during the fieldwork, how can the organisation manage market demand?
Useful in the study of 'why' and 'how' questions.	The research investigation focuses on process rather than quantities, which is demonstrated by the 'how' research questions stated in the introduction chapter.

Source: Adapted from Benbasat et al. (1987).

2.5 Pilot Study

At the time of starting this Ph.D. study in 2012, the impact sourcing concept had been recently introduced. Thus, limited studies were available to assist in understanding the phenomenon. The need for a pilot study was recognised to gain a better understanding of the phenomenon and to identify the current research issues. A pilot study was conducted in August 2013 to test the research approach, research methods and data collection tools.

A fundamental challenge was to locate impact sourcing organisations for the case study as it was not clear how to recognise whether an outsourcing organisation can be considered an impact sourcing organisation. I reviewed available academic literature and practitioner reports to understand what type of IT and BPO organisations could be considered as impact sourcing organisations. As a first step, I prepared a list of outsourcing companies mentioned as impact sourcing service providers in research reports, academic studies and online articles. The initial list included less than 15 companies, the majority of which were located in India. One reason for the impact sourcing organisations list including a majority of Indian IT and BPO centres may be that the impact sourcing phenomenon was initially considered as synonym for rural outsourcing – widely practised in India (Lacity et al. 2012). After creating the initial list, I started contacting these impact sourcing organisations through emails to get access for conducting the pilot study. Two companies responded and I purposefully selected Harva for three reasons. First, I was more interested in examining the impact sourcing phenomenon in a commercial, completely for-profit outsourcing arrangement, rather than a social enterprise. Second, the organisation was a women-based rural BPO operating at multiple locations; and I anticipated obtaining multiple-perspective empirical data from different locations for the detailed case study (main study) following the pilot study. Third, I found it a unique case (Eisenhardt and Graebner 2007) as the company hired rural women having high school-level education and trained them to perform BPO jobs. Many of them had never seen a computer before joining the company.

The data was collected through semi-structured interviews. Due to travel constraints, ten interviews were conducted through Skype with outsourcing employees, managers and the CEO of the company. The interview questions covered company background, effect on capabilities of rural women after getting the opportunity to work in an impact

sourcing organisation, challenges and/or opportunities of operating in a rural area, and the constraints of getting a job in an outsourcing organisation. Additionally, the company website and press releases were also consulted as a secondary data source. I used Sen's capability approach as operationalised by Robeyns (2005) as a lens to analyse the pilot project findings. Further discussion about the Capability Approach and reasons to use this concept are included in Chapter five. The pilot study supported the appropriateness of the research design (interpretive research philosophy, qualitative research approach, and case study research method) for this study. It identified social norms, local context, institutional influence, and commercial and social orientation of impact sourcing as key issues that could be explored in the main study. The pilot project findings were summarised in an academic paper format, which was submitted and published in proceedings of the SIG GlobDev sixth annual workshop, 2013 (Malik et al. 2013). The feedback received during the blind review process was helpful to prepare for the main study.

2.6 Main Study

This section summarises the experience of obtaining access to conduct the main study, strategy to select the case study organisation, data collection, data analysis, reflection on the fieldwork experience, and evaluation of the credibility of the research study.

2.6.1   Getting Access for Fieldwork and Selection of the Case Study

As discussed in the pilot study section, my intention was to continue with the pilot project case study organisation for the main study. My physical presence at the case study sites in India was necessary to collect data to conduct the main study; however, due to political tension between Pakistan (the researcher's home country) and India, it was realised that the visa application could take a longer time to process. Using professional connections with the outsourcing industry in Pakistan, I was successful in gaining access to two outsourcing organisations practising impact sourcing. Both organisations were revelatory/unique cases (Eisenhardt and Graebner 2007; Yin 2014). One accessible option was a large US-based public listed company (a private limited company at the start of data collection) providing IT solutions and medical transcription and billing services to the healthcare IT industry in the US through its two offshore-outsourcing centres in Pakistan. AlphaCorp (a pseudonym) established its first offshore-outsourcing centre in the capital of Pakistan, Islamabad, with 35–40 employees in 2002. The company grew and now more than 1000 employees are working in the US and two

offshore-outsourcing centres in Pakistan. In 2009, AlphaCorp established a backup offshore-outsourcing centre in a remote, mountainous district of the Azad Jammu and Kashmir (AJK) state of Pakistan. Along with business objectives, some social objectives were in play behind this location decision to operate in a small district of AJK. In 2005, a deadly earthquake had destroyed the infrastructure and socio-economic condition of that district (Planning and Development Department - AJK 2013). The natural disaster resulted in thousands of causalities and injuries. A massive human migration toward nearby metropolitan cities resulted. The social objective of operating in that small district of AJK was to contribute to socio-economic activity in the region by creating employment opportunities for educated youth, particularly females who had few employment options and constrained by local conservative norms (Rehman and Azam Roomi 2012). The social and commercial orientation of the AJK centre of AlphaCorp made it as an impact sourcing centre. The details of AlphaCorp are summarized in Table 7.

Table 7: AlphaCorp's Organisational Detail

AlphaCorp	
Locations	US (2002) Islamabad, Pakistan (2002) AJK, Pakistan (2009)
Total number of employees	More than 1000
Number of employees in AJK centre	Around 200
Outsourcing services	IT outsourcing services: web-based, desktop, and mobile based healthcare solutions BPO services: Transcription and medical billing
Revenue	32.5 Million USD
No of clients	930 medical practices covering 40 states in the US
Legal status	Listed on NASDAQ stock exchange

Again, I purposefully chose (Cassell and Symon 2004) AlphaCorp for the main study. AlphaCorp is a commercial for-profit organisation that could allow examination of the competing components of social and commercial dynamics of impact sourcing. Compared to the other available case study option, it is a large outsourcing organisation and I could get enriched theoretical insights in a single case study by gathering a

sufficiently large amount of data to capture multiple perspectives of various research participants according to the study needs. The operational model of AlphaCorp is depicted in Figure 3.
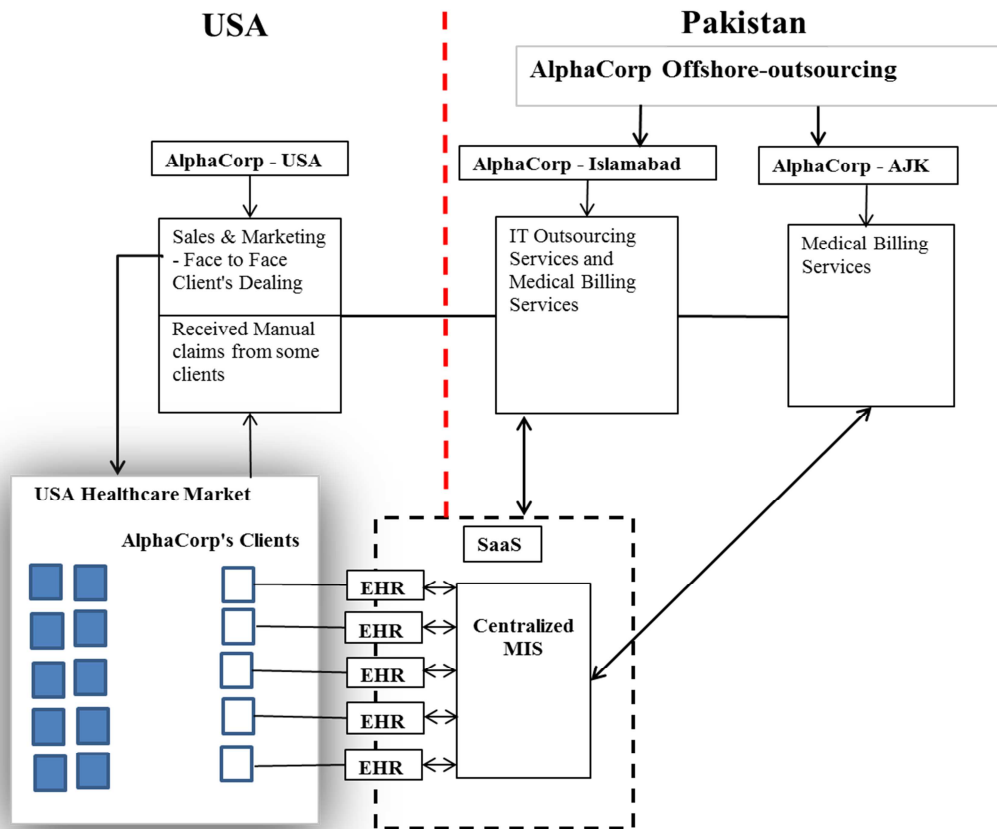
Figure 3: Business Model of AlphaCorp

AlphaCorp practised its impact sourcing initiative at one location (AJK centre), which could facilitate studying the local contextual and cultural transformation in detail while assessing the impact on marginalised outsourcing employees. Similarly, the existence of various organisational actors (employees, managers, higher managers, clients) at multiple locations could highlight interesting patterns and dynamic relationships in empirical data.

2.6.2 Data Collection

The primary data was collected during seven months of fieldwork in Pakistan from September 2013 to March 2014 and a subsequent fieldwork visit to the US in August 2014. Primary data was collected through semi-structured interviews, researcher observation and field notes written up after informal conversations with employees.

Additionally, secondary data was collected through consulting the website and publically available documents. In the initial data collection plan, AlphaCorp's AJK centre was the main focus of the study. However, during fieldwork – as the data collection proceeded – it was decided to gather data from all three centres to obtain a holistic understanding of the case study.

2.6.2.1 Interviews

Semi-structured interviews were the main tool used to collect primary data. During fieldwork in Pakistan, I travelled to the Islamabad and AJK offshore-outsourcing centres to conduct interviews. The review of the literature and findings of the pilot project helped in preparing a basic interview guide to kick off the interviews. The interview guide was used to initiate the interviews and to make sure that all important areas related to the case study were explored. The interview guide is included in appendix 3. The interviews were highly flexible and respondents were given freedom to express their opinions. Most of the questions were generated by interviewees' responses, which further facilitated probing the research problem inductively. I interviewed employees from different hierarchy levels to capture multiple perspectives for the case study. Thus, the nature of questions asked was different for different interviewees. For example, interviews taken from outsourcing employees in AJK (billing executives, backup team leaders, team leaders) captured their experience of working in an outsourcing organisation and how this related to the external institutional environment and community norms. Middle level managers were asked to explain their respective departments' actions and procedures with respect to impact sourcing initiatives and how they managed the impact sourcing initiative by balancing social and commercial orientations. They were asked to discuss the opportunities and challenges of implementing this dual-objective outsourcing practice. Moreover, I was interested to know their views about the possible outcomes of this impact sourcing initiative in terms of impact on marginalised outsourcing employees. The higher management were interviewed to discover the motivation behind this initiative, future vision, clients' and shareholders' reactions concerning the social objectives of AlphaCorp, and market opportunities and challenges related to managing the impact sourcing practice.

The length of the interviews depended upon the availability of time and nature of the interviewees, and thus varied greatly. A few respondents were quite introvert and did not like to give detailed answers, in such cases the interviews were short. Similarly, a few respondents were extrovert; they liked to express their views in detail, which

resulted in long interviews of up to a maximum of 2 hours. In addition, some employees were very busy and could not manage an interview of more than half an hour. Nevertheless, the average length of the interviews was around one hour.

I continued the fieldwork and conducted interviews until the data saturation level was reached, when respondents started repeating the same information (Creswell 2014). In total, 78 interviews were conducted for this study: 45 interviews in the AJK centre (the primary fieldwork site), 25 in the Islamabad centre, and six in the US centre. Two further interviews were conducted with a government top ICT management official and an ICT educational consultant in Rawalpindi and Muzaffarabad (Capital of AJK) to obtain insights about government ICT and education priorities. The majority of the interviews (68) were face-to-face, however, audio and visual ICT technologies (video conferencing, audio conferencing, and telephone) were used to conduct ten interviews, which had been scheduled when I was not located at the same centre where interviewees were available for interviews. The respondents were given the option to speak in a language of their own preference. Except for three interviewees in Pakistan, they preferred to give the interviews in Urdu (the national language of Pakistan). The interviews were audio recorded where permission was granted; otherwise, interview notes were taken. Detail of the interviews is summarised in Table 8.

Table 8: Interviews Detail

Interviewee Detail	Mode of Interview Conduction	Number of Respondents
Interviews Conducted at AJK Centre		
Female outsourcing employees (billing executives, backup team leaders, team leaders and network assistant)	Face-to-face: 20 Video Conferencing: 2 Audio conferencing: 4	26
Male outsourcing employees (billing executives, team leaders, backup team leaders, database administrator, network administrator)	Face-to-face: 11 Audio conferencing:3	14
Middle level managers (HR and administration manager, assistant HR manager, manager operations, Assistant manager operations)	Face-to-face: 5	5
Total number of employees interviewed		45
Interviews Conducted at Islamabad Centre		
Female outsourcing employees, previously worked in AJK centre	All interviews were conducted face-to-face	4
Middle level managers (assistant managers and managers of administration, HR, training, compliance, IT, information security, operations sales and marketing, finance and legal departments)		16
Higher level managers (chief operating officer, senior manager administration, senior manager operations, senior project manager, senior manager compliance/company spokesperson)		5
Total number of employees interviewed		25
Interviews Conducted at the US Centre		
Middle level managers (manager financial planning and business analysis, process analysts)	Face-to-face: 3	3
Higher level managers (president, vice president, general manager)	Face-to-face: 2 Telephonic interview: 1	3
Total number of employees interviewed		6
Additional Interviews		
Public sector ICT official	Face-to-face at Muzaffarabad, AJK	1
ICT educationist and consultant	Face-to-face at Rawalpindi	1
Total number of participants interviewed for the case study		78

2.6.2.2 Observation, Informal Conversation and Field Notes

The observations provided additional evidence to support the interview findings. In qualitative research, the role of researcher could be as complete participant or outside observer (Mason 2002). As a complete participant, the researcher is part of the phenomenon under study, whereas in the case of a complete observer, the researcher has no influence on the research setting. My role as a researcher was as an outside observer, as I did not play any part to influence the organisational setting. However, my understanding of the local culture and language helped me to observe the patterns in detail. During a longer fieldwork stay, I informally communicated with employees in the AJK and Islamabad centres, especially female outsourcing employees. I developed good friendly relations with many of them and had discussions about local culture, norms and work practices during lunch and tea breaks. I used to stay in the centre all day and observe their working environment and how they worked in teams. Along with the interview data, I collected reasonably rich insights in my research diary, which helped me better to understand different causes and effects, institutional influences and participants' reactions.

2.6.2.3 Secondary Data

In addition to the data collection techniques described above, I also consulted the publically available secondary data related to AlphaCorp (Bryman and Bell 2015). The purpose was to enhance the credibility of the primary data by collecting more evidence to cross-check. To collect the secondary data, company website, registration forms and company reports available on the NASDAQ stock exchange, and company press releases were considered. I also carefully listened to the video clips available on the internet related to AlphaCorp's information and one interview with a senior executive of AlphaCorp broadcast on a television channel.

2.6.3   Field Work Experience: Personal Reflection

After getting the access approval from AlphaCorp and ethical approval to conduct the case study from Manchester Business School, I travelled to Pakistan for data collection. I was instructed to get in touch with one manager (who was also doing a Ph.D.). She briefed me about company policies and procedures. She guided me about the company hierarchy – whom to contact from different departments for approvals and to seek assistance for my fieldwork. I wrote an email to company managers in Pakistan to introduce myself and the research study. Later, I was invited for a formal orientation with the HR department. During first meeting with the HR department, I was formally

briefed about AlphaCorp in a presentation. I was asked to fill out a variety of forms for administrative requirements and also to sign a legal affidavit for maintaining the confidentiality of healthcare data. They told me that photography was not allowed within the premises of the organisation. I was required to obtain special permission if I wanted to use a USB device, mobile, or laptop within the company. I respected the organisation's regulations and did not take any photograph inside the company. However, I needed my digital recorder, laptop and mobile phone so I submitted the special request forms. After ensuring that my case study was related to the employees, rather than clients and healthcare information, they allowed me to use these electronic devices for research purposes only.

Once I was granted permission to work as a researcher within AlphaCorp Pakistan's centres, I received notification from the HR department that I should conduct my case study while staying in the Islamabad centre. The higher management in Pakistan had concerns related to a female researcher travelling and lodging in the small district of AJK, where AJK centre was operational. I informed them about the importance of my presence in AJK centre. They suggested that as the AJK centre is connected with the Islamabad centre through a well-established video conferencing link, I could interview as many of the employees from the AJK centre as I wanted through video conferencing from the Islamabad centre. They believed that it was the organisation's responsibility to make sure that my stay would be safe. AlphaCorp had built its image as an organisation that is sensitive to the local culture. It has gained acceptability/popularity in the area because of its caring and respectable attitude toward female employees. And they were very concerned to maintain that image. For example, I talked to the HR and administration manager of the AJK centre by phone to discuss my data collection objectives and plan to visit the AJK centre and she advised me to wear Pakistani dress during that visit. The AJK centre was 3–4 hours' (217 km) driving distance away from Islamabad. I could not commute daily from Islamabad and local hotels were not of an appropriate standard for a young woman to stay alone. The public transport system was not reliable to commute within the town, especially for an outsider, who may not be aware of alternative transport routes and options.

Thus, AlphaCorp's senior management in Pakistan had reservations over my AJK centre visits, considering it inappropriately 'rough' for me as a female researcher. This was a major constraint, as my case study was particularly focused on the impact sourcing initiative being practised at the AJK centre. I felt that remote interviews could

not be sufficient to capture the local context and cultural perspective. I had conducted Skype interviews for pilot project and realised that the participants (particularly female outsourcing employees) were not very open and comfortable sharing their personal experiences with someone, whom they had never met personally, through a computer screen. I therefore negotiated my point of view and research need in a face-to-face meeting with higher executives in Pakistan. Finally, they agreed to my actual presence in the AJK centre and made all transportation and accommodation arrangements. Every week, one higher management official visited AJK centre for two to three days as a routine management visit. The week any one of the women higher executive visited AJK centre, I was invited to accompany them. We travelled in a company vehicle and stayed in a small company guest house located on the ground floor of the same building used for the outsourcing operation. I found this arrangement not only convenient but also informative for my case study. The journey between Islamabad and AJK centres was not smooth because of the hilly location. I had adequate time to talk informally to women senior executives during travel and over dinners as we stayed in the same guest house. I discussed various topics, specifically about AlphaCorp, and these conversations informed my understanding of the case study and were helpful to shape my investigation. I talked about local cultural issues, global outsourcing market challenges and requirements, quality concerns of outsourcing services, quality control, resource challenges, different local constraints and organisational strategies to deal with them, availability of human resource, accessing the right human resources, training challenges and strategies etc.

During my stay at the AJK centre, I spent time with female outsourcing employees in the outsourcing centre located on the first and second floors of the same building in which I stayed. I interviewed female outsourcing employees and observed their daily activities and the office culture. Although they worked very hard in teams, helping each other, they also listened to the latest music, with their collective requests playing through small speakers fixed on the office walls. Unlike the Islamabad centre – where there were four times the number of employees spread among various departments – all the AJK centre's shift employees were closely connected with each other and interacted extensively during work breaks. I found them friendly, hospitable and humble. Almost every girl I interviewed invited me to visit her home, which I could not accept because it became dark and cold soon after their office hours (my field work in the AJK centre was mostly conducted in the winter, November to February). I found them very

passionate and ambitious to achieve higher education. Interestingly, during interviews I was often myself briefly interviewed by many young research participants, who wanted to know how to apply for study abroad and different ways to find scholarships. They shared their future plans and career growth aspirations. To my surprise, they were well aware of the market demand and continuously trying to improve their skills.

In my last tour to the AJK centre, I requested to stay longer than usual to complete my fieldwork, as the women senior executives did not stay more than three days. The management asked me to bring my mother or an elder sister who could accompany my stay in the company guest house, which reflected the company's protective culture for girls.

Although female outsourcing employees in the AJK centre were my major focus in this case study, I decided to undertake a few interviews with male outsourcing employees of the AJK centre to incorporate their perspectives in the case study and corroborate the findings related to local cultural and community norms. Arranging interviews with male outsourcing employees was not easy. First, male outsourcing employees worked on the evening and night shifts. Second, not a single female worked during these shifts and it would become socially awkward if I stayed in the office late. The company therefore arranged the male outsourcing employees' interviews early in the evening as soon as their shift started at 4pm. The female senior executive (who accompanied me on the tour) stayed in the office while I conducted the interviews. The evening and night shift swap each month, so I conducted the interviews with employees from the next shift during my subsequent tour the following month, when the previous night shift team were working on the evening shift (4pm–midnight). I also conducted two interviews with male outsourcing employees early in the morning (7am) before the night shift ended, as the female senior manager HR and administration supported me and reached the office early to accompany me.

During interviews with male outsourcing employees, I realised that a few recently employed participants were not very comfortable talking to me. They were shy and reluctant to answer my questions, either due to their introverted nature or the influence of the culture of gender segregation in that community, which prevented them from freely communicating with an unfamiliar female researcher. Mostly, they just nodded their heads and gave very short answers and I could not prolong those interviews because they were not very expressive in communicating their views. Following the

first two or three interviews with male outsourcing employee who had just joined AlphaCorp and were in training, I specifically asked the operations manager (male shifts) – who was arranging male outsourcing employees interviews – if he could arrange interviews with some of the more vocal and extrovert member of the team so that I could conduct detailed interviews. In subsequent interviews, I noticed that senior outsourcing employees, backup team leaders, team leaders and managers were more confident. They answered the interview questions in detail and became actively involved in discussions.

Due to the small number of employees working in the AJK centre, with only one major operations department and relatively few networks (HR, administration, and database employees), almost all employees working together on a shift are closely connected with each other, like a family. I had a different experience in the Islamabad centre. It was a big corporate office with many departments and more than 800 employees working in various departments. In the Islamabad centre, I interviewed managers of various departments in the conference room. The company maintained a similar three shift system in the operations department in Islamabad, one female morning shift and two later shifts of male outsourcing employees. However, unlike the AJK centre, a large number of male employees were also working during regular office hours (8am to 4pm) in different departments.

I did not interview female outsourcing employees in the Islamabad centre, except four girls who were transferred from the AJK centre due to personal reasons. However, I spent one month in the operations department performing observation with the female shift. I asked the HR department if they could give me some space in the operations department where I could work, and they assigned me a desk space in the operations department. I went to the office regularly from 8am to 4pm, sat beside the female outsourcing employees (around 80), brought my laptop (for which I was granted special permission, as described above) and transcribed my interviews. I made many friends; we had tea and lunch breaks together (the company provided these meals) and they shared their experiences. Unlike the AJK centre, where the whole shift of employees was closely bonded, I observed that employees stayed together in small groups of friends sharing common interests.

I observed that the overall organisational culture of AlphaCorp supports female empowerment. For example, the company encouraged its female employees in the

Islamabad centre to learn to drive, even arranging free driving lessons and assisting them to obtain a driving licence. The higher managers told us that their next objective is to teach driving to the female outsourcing employees of the AJK centre. They were waiting for an appropriate time as they were gradually transforming the local community's perception about women's empowerment and the typical mind-set related to women's roles.

One day, I was busy doing my work in the Islamabad centre the fire alarm sounded. The employees sitting nearby informed me that it was a fire drill (I was not on the company's mailing list so did not receive the email about the drill). All employees immediately evacuated the building through fire exits and gathered in the open area outside the building. They lit a fire with a few small objects and asked employees to volunteer to practise the use of a fire extinguisher. The purpose was to give them training on how to use a fire extinguisher to control a small fire before the fire brigade vehicles arrive. The senior administration manager – along with the fire drill training team – asked girls to come forward and learn how to operate the fire extinguisher. Girls were frightened, including me. Interestingly, he started giving us a lecture: 'what if there will be some fire accidently start in your department and you become stranded? Would you wait for any man to come and rescue you before the fire brigade arrives? Everyone will rush to save his/her own life. To ensure your personal safety, you have to know how to operate fire extinguisher placed on your nearest wall to control the small scale fire before it becomes disastrous.' From all these experiences, I realised that the overall impact sourcing initiative in the AJK centre is derived from the general organisational attitude and culture of women's empowerment within AlphaCorp.

2.6.4   Data Storage and Organisation

All audio files from the interviews were transferred to the laptop as soon as they were completed. A backup on an external hard disk was also maintained. Interviews were transcribed and translated in parallel and Microsoft word files were stored in different folders. The field notes specific to any particular interview were typed within the same files, with separate headings to organise the relevant information together. All electronic data was properly arranged in folders, which, after returning from fieldwork, were immediately transferred to University of Manchester secure data storage assigned to the student. All data was collected with the consent of the participants and strictly following the University of Manchester code of ethics. The names of research participants and case study organisation were anonymised to ensure confidentiality of the information.

2.6.5   Data Analysis

Data analysis is a process of going deeper into the understanding of data to make sense out of it (Creswell 2009; Miles and Huberman 1994). In a qualitative research approach, data analysis is an ongoing process conducted concurrently with data collection. It involves continual reflection on the data to ask analytical questions, interpretation of the findings and writing notes throughout the study (Silverman 2006). This study used NVivo software to facilitate organisation and processing of rich qualitative data (Kelle and Bird 1995). However, as with other computer aided software, analysis and interpretation of the organised textual data required the researcher to have data analysis skills (Sinkovics and Alfoldi 2012).

In this study, the data analysis process can be divided into three concurrent and interrelated stages. These three stages were not distinctively structured as each subsequent stage did not require completion of the previous stage.

Stage 1: Organising data into broad categories: As mentioned earlier, the data analysis process started in parallel with data collection after initial interviews. The initial step in the data analysis process was to structure raw textual data into organisational categories, which are broad area or issues that the research was anticipated to explore before data collection (Maxwell 2005). Interview transcripts were read line by line to understand the information gathered (Silverman 2006). The interview recordings were listened to repeatedly to make sure that the original meaning of the data was captured. Meanwhile, memos were written to record 'what you see or hear in your data, and develop tentative ideas about categories and relationships' (Maxwell 2005, p.96). In this case study, three organisational categories were identified from the data for further analysis. The first category is data that relates to AlphaCorp's management of the social and commercial orientation of impact sourcing; second are the findings that describe the detail of the local institutional context and relate to AlphaCorp's strategy to implement the impact sourcing initiative; and third, data on the effect of the impact sourcing initiative on marginalised outsourcing employees. In summary, the data analysis involved organisational, institutional and individual levels of analysis of an impact sourcing case study. These organisational categories were individually analysed and discussed in three individually readable articles, which are included in subsequent chapters of this thesis.

Stage 2: Template analysis: This study adopts template analysis for coding the qualitative data (King 2004). Template analysis is a data analysis technique based on producing a list of codes to represent themes in textual data. It starts with some a priori codes, which will be subsequently modified as the researcher reads through and interprets text (King 2012). Coding is a process of 'fracture' (Strauss 1987, p. 29) of the data to organise it in appropriate categories for comparison of information and development of theoretical concepts for theory building (Maxwell 2013). Template analysis fits well with the interpretive epistemological approach adopted in this research. It is highly flexible and iterative and allows the researcher to tailor it to fit with any research circumstances through the continuous modification, addition and deletion of codes (King 2004). Template analysis is suitable for studies incorporating multiple perspectives of different groups within the organisation (King 2004), which is appropriate for this case study as it seeks to examine impact sourcing from multiple perspectives.

For the three organisational categories identified in stage 1, the template analysis started with three initial templates containing a few pre-defined codes to guide the analysis process. The interview guide was the starting point for constructing the initial templates, which were then developed based on the academic literature, researcher's experience, and informal evidence from the pilot and other related studies (King 2012). In addition, based on the fieldwork experience, small sub-set of the transcripts and field notes were also referred to in developing the initial templates. In the NVivo software, nodes and sub-nodes were created representing the codes in the initial template. All textual data (transcripts, fieldwork notes) was imported into an NVivo projects file and read line-by–line, based on which the text portion was dragged to the relevant nodes. New nodes were added and previous ones deleted or updated as the data analysis proceeded. The whole process was performed twice to ensure all relevant text was coded. In parallel to the computer assisted data analysis, the researcher continued informal reading and thinking about transcripts, secondary data and field observations to create further codes and apply them to the data (Maxwell 2005). Electronic memos were created to record narrative structures and contextual relationships identified as a result of informal thinking and reading during the data analysis process.

Stage 3: Identifying empirical themes and abstracting the theoretical concepts:

The last stage of data analysis involved extensive iteration between the sorted data and existing literature to identify empirical themes and abstract them into more general theoretical themes or concepts (Eisenhardt and Graebner 2007). The related codes were aggregated to create empirical themes that were closed to data. For theory building from qualitative data, an additional layer of analysis was added to go beyond themes identification, abstracting the empirical themes into theoretical concepts (Langley 1999; Miles and Huberman 1994). In doing so, the researcher's interpretations and insights recorded in associated memos and prior literature acted as a guide to abstract the empirical themes for theory building (Eisenhardt and Graebner 2007; Silverman 2006). The detailed data analysis specific to all three data organisation categories of this case study, identified earlier, is presented in each article included in respective chapters.

2.6.6 Evaluation of the Research Study's Reliability

This section discusses the assessment measures used to ensure the credibility of the research study. Different approaches are used to assess the quality of research, based on the philosophical worldview and nature of the research study. Many scholars contest the conventional research quality criteria of validity, reliability and generalisability and have proposed modified criteria for judging qualitative studies (Gaskell and Bauer 2000; Walsham 1993). Klein and Myers (1999) present criteria for judging qualitative, interpretive and case research in information systems, which I follow here to assess the quality of this interpretive in-depth case study.

Klein and Myers (1999) proposed a set of principles for conducting and evaluating interpretive field studies. The first is 'the fundamental principle of the hermeneutic circle' (p.71), which emphasises human understanding of the whole complex phenomenon through the meaning of its small parts and their interrelationships. As Klein and Myers (1999) explain, the 'part' may be the researcher's and participants' preliminary understandings, and the 'whole' would be the shared meaning that emerged from the interaction. In this study, I accumulated evidence of participants' understanding of different issues by collecting the views of outsourcing employees and managers belonging to different hierarchal levels at three locations, and then interpreted the findings to obtain an understanding of the whole phenomenon.

The principle of contextualisation is the second element that requires interpretive research to seek meaning from the context (Klein and Myers 1999). This in-depth research takes into account social and institutional aspects to study the research problem.

The research phenomenon was set in its social and institutional context to understand the contextual background of the current situation, for example, the normative and social aspects of the local community and its relationship with the impact sourcing practice of AlphaCorp.

A third principle is related to the interaction between the researcher and the research participants, which requires an explanation of how data was socially constructed through interaction between researcher and research participants (Klein and Myers 1999). Although data was collected by an outside researcher, there was close interaction between researcher and research participants during extensive fieldwork in Pakistan, as discussed earlier. In the empirical findings, much evidence is presented to show how the researcher questioned her own assumptions and interacted with research participants to ask their views. The data gathered through multiple sources, such as interviews, observations and informal conversations with research participants, facilitates triangulation of the empirical findings.

Fourth, the principles of abstraction and generalisation emphasis that an interpretive research study should generate theoretical abstraction and generalisation to contribute to the literature, so that readers can follow the insights (Klein and Myers 1999). A single case study allows in-depth exploration of the research phenomenon and helps to build theory for an under-researched area (Dyer and Wilkins 1991). This study uses the theory of institutional logics and Sen's capability framework as theoretical lenses to analyse the empirical findings and further help to abstract these empirical findings to generate theory. The study's theoretical contributions are discussed in detail in Chapter six.

Dialogical reasoning is a fifth, principle, and supports the sensitivity of interpretive research toward the possible contradiction of theoretical preconceptions during the research design process and actual research outcomes (Klein and Myers 1999). According to Klein and Myers (1999), this principle is not applied in all interpretive research. This study started with a pilot project, which helped to shape the theoretical preconceptions for the detailed study. The pilot project findings were discussed according to Sen's capability approach. However, it was anticipated to be insufficient for the detailed study to explain many aspects of the research. The data collection was exploratory and open to surprising findings. Furthermore, after gathering the empirical data, it was decided to draw on the theory of institutional logics (Thornton et al. 2012) as this spoke to the findings.

Another necessary principle to ensure the credibility of an interpretive case study is incorporating multiple interpretations among participants (Klein and Myers 1999). This study takes into account multiple interpretations of the findings from different research participants. For example, this study presents findings related to the effect on outsourcing employees of working in impact sourcing organisations. It incorporates the views of outsourcing employees at the AJK centre, middle level managers at the AJK and Islamabad centres and higher level executives at the Islamabad and US centres. Thus, the empirical findings provided multiple narratives and stories to unpack the research phenomenon through the multiple perspectives of different research participants.

Finally, the principle of suspicion requires sensitivity to potential biases and distortions in the empirical data (Klein and Myers 1999). Maxwell (2005) highlights two possible threats related to individual bias that may influence the validity of qualitative research. First, selection of empirical data that fits the researcher's theoretical preconceptions, and second, selection of data that 'stand out' to the researcher (Miles and Huberman 1994, p. 263). To avoid such bias and distortion in the data, various strategies were followed. First, data was collected through different techniques, such as interviews, fieldwork observation and informal communication with research participants. Second, secondary data sources were also consulted for triangulation, such as websites, archival and online documents, press releases, disclosure reports, and internal company documents. Third, the data collection was carried out over a long duration of seven months, which gave enough time to analyse the findings in parallel and reconfirm any ambiguous or biased finding from other respondents. Finally, the empirical findings were presented in different seminars, workshops and conferences to invite feedback from people who were not involved in the research study, whether in the role of researcher, supervisor or research participant.

2.7 Summary

This chapter has presented a simplified account of the lengthy research process I followed during this research study. It also includes the justification of my decisions to select particular research design components. In this chapter, I discussed the philosophical approach and provided the rationale for the interpretive world view assumptions informing the study. It contains a discussion about the research approach and how the chosen qualitative approach is appropriate to explore the research questions.

Details of research methods, data collection, and data analysis are also presented. I shared personal fieldwork experiences as a reflection on my fieldwork insights. An evaluation of the research design was included at the end of the chapter. A summary of the research design is presented in Table 9.

Table 9: Summary of the Research Design

Research Design		Selected Approach
Philosophical approach	Ontology	Subjective
	Epistemology	Interpretive approach
Research approach		Qualitative approach
Research methods		Case study
Data collection tools		Interviews and field study observation
Data analysis		Thematic template analysis
Data analysis tool		NVivo 10

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Chapter 3: Interplay of Competing Institutional Logics: The Case of Impact Sourcing

Abstract

This paper explores the management of competing social responsibility and market logics of social and economic value creation that may be part of the impact sourcing practice of the global outsourcing industry. Impact sourcing is an emerging trend in the global outsourcing industry, contributing to the social welfare of marginalised people through providing outsourcing employment opportunities. The social and commercial orientation of impact sourcing helps in understanding the competing institutional logics of hybrid organisations in the global outsourcing industry.

Drawing on the theory of institutional logics, we employ an interpretive single case study of a US-based outsourcing organisation, AlphaCorp, practising impact sourcing in Pakistan. This study challenges the assumptions that outsourcing organisations practising impact sourcing are unitary and that consensus exists amongst organisational actors to support the social and economic value creation objectives. Instead, we argue that such hybrids are pluralistic and, in cases where outsourcing organisational actors are located within multiple institutional contexts, competing interests determine the respective priority given to the social responsibility and market logics. The findings show how outsourcing organisations practising impact sourcing adopt a collective response strategy to satisfy the multiple demands of competing institutional logics. Additionally, the study highlights that competing institutional logics of impact sourcing may have, at the same time, compatible and conflicting components, and both need careful management. The paper also contributes to the institutional logics literature by illustrating how competing institutional logics may not be uniform across sub-units of the hybrid organisation. The study identifies enclaves of competing institutional logics where these logics compete at different intensities across the whole organisation.

3.1 Introduction

In this paper, we explore how competing institutional logics of impact sourcing, those of social responsibility and the market, can be managed by for-profit outsourcing organisations. Outsourcing is a process of sending IT and business processing jobs to be undertaken outside the organisation by outsourcing service providers to reduce cost and to increase work efficiency (Lacity et al. 2009). The corporate social responsibility (CSR) discourse of creating social and economic value (Emerson et al. 1999; Porter and Kramer 2011) has been gaining acceptance, both in academic research and in the practice of global outsourcing (Babin 2011; Hefley and Babin 2013; Madon and Sharanappa 2013). Impact sourcing is an emerging phenomenon in the global outsourcing industry aligned with the CSR discourse of creating social and economic value (Malik et al. 2013; Monitor 2011; Sandeep et al. 2013). It is a practice of providing IT and business process outsourcing jobs to marginalised people living in regions of lowest employment opportunity in order to contribute in improving their livelihoods (Heeks and Arun 2010; Monitor 2011).

The phenomenon of impact sourcing is at an early stage within academic research. A few studies have focused on assessing the social implications of impact sourcing, highlighting the positive impacts on the marginalised outsourcing employees (Lacity et al. 2014; Madon and Sharanappa 2013; Malik et al. 2013). Others have attempted to examine how outsourcing organisations and clients manage the commercial orientation of impact sourcing (Lacity et al. 2012). Nonetheless, scholars have also identified the existence of tensions due to the paradoxical social and commercial orientations of the impact sourcing (Sandeep and Ravishankar 2015). Due to the nascent stage of current research, theoretical and empirical understandings about the management of the social and commercial orientations of impact sourcing are limited. The only available study focuses on impression management strategy and suggests maintaining different images of the outsourcing organisation to satisfy the conflicting social responsibility and market demands of different organisational actors (Sandeep et al. 2013). However, we argue that management of the social and commercial orientations of impact sourcing requires more than satisfying different organisational actors by building multiple images. Hence, we acknowledge the need for an exploratory study to investigate the interplay and management strategy of competing institutional logics.

In this paper, we draw on prior literature of institutional logics and hybrid organisation (Battilana and Dorado 2010; Pache and Santos 2013) to explore how competing social responsibility and market logics influence impact sourcing. Hybrid organisations 'incorporate elements from different institutional logics' (Pache and Santos 2013, p.972); for example, biotechnology companies incorporate science and market logics (Powell and Sandholtz 2012). Thus, we can relate that outsourcing organisations practising impact sourcing incorporate social responsibility and market logics in their interactions with hybrid organisations. This paper aims to examine how outsourcing organisations practising impact sourcing can manage competing social responsibility and market logics. The management of competing institutional logics is a relatively new research area in institutional studies (Battilana and Dorado 2010; Lounsbury 2007). To enrich theory and enable further generalisation of the results, institutional scholars have also identified the need for further research on competing institutional logics of hybrid organisations in various research contexts (Battilana and Dorado 2010; Battilana et al. 2014; Pache and Santos 2013).

Drawing on the concepts of hybrids organisations and competing institutional logics, the research question this study address is: 'How do outsourcing organisations manage the competing social responsibility and market logics of impact sourcing?'

To investigate this research question, we employed an interpretive case study approach (Walsham 2006). We studied an outsourcing organisation, AlphaCorp, located in the US and Pakistan. One of the two Pakistani outsourcing centres of AlphaCorp was located in the small, earthquake affected district of Azad Jammu Kashmir (AJK), with a social mission of providing employment opportunities to the marginalised educated youth of that region; particularly women who did not have enough employment options available.

This study makes a number of important contributions. It contributes to the general literature on global outsourcing; and, more specifically, it contributes to the emerging research stream concerned with impact sourcing. The research findings challenge the assumption in the extant impact sourcing literature that outsourcing organisations that practise impact sourcing are unitary, with all organisational actors willing to support social responsibility and the market logic of impact sourcing (Heeks and Arun 2010; Madon and Sharanappa 2013; Malik et al. 2013a). The paper highlights that outsourcing organisations practising impact sourcing may be pluralistic in nature if organisational

actors are located at multiple locations, and may have different social and commercial interests. The study identifies that these organisations may adopt a collective response strategy to manage the market demands of outsourcing clients and shareholders and the ethical demands of impact sourcing. Furthermore, it demonstrates that competing institutional logics in impact sourcing may contain compatible and conflicting components simultaneously. Management of the compatible components of the competing institutional logics is equally important to management of the conflicting components in order to maintain the hybrid nature of impact sourcing.

This research also contributes to the theory of institutional logics by examining the management of competing institutional logics in hybrid organisation within different research contexts, thus providing theoretical richness. It empirically validates the assumption of Besharov and Smith (2014) and shows that competing institutional logics are not uniform across all units of the organisations. It identifies the existence of enclaves of competing institutional logics, with the competing institutional logics interacting at various intensities within different units of the organisation.

3.2 Theoretical Background

In this section, we discuss relevant theoretical concepts from theories of institutional logics and impact sourcing.

3.2.1 Institutional Logics

The institutional logics (IL) perspective began to emerge in 1970 as a development of neo-institutional theory (DiMaggio and Powell 2000; Meyer and Rowan 1977). Rooted in the seminal work of Friedland and Alford (1991), institutional logics recognises the arguments of neo-institutional theory that institutions and macro structures contribute in shaping organisational and individual behaviours. Institutional logics are the organising principles that define the content and meaning of institutions (Thornton et al. 2012). The current stream of research in institutional logics has adopted the notion of the 'hybrid organisation' to represent organisations dealing with multiple institutional logics; for example, social enterprises that combine market and charity logics (Battilana and Dorado 2010; Jay 2013; Pache and Santos 2013). Hybrid organisations operate in a complex pluralistic institutional environment because of exposure to multiple institutional logics (Greenwood et al. 2011). Multiple institutional logics in hybrid organisations are often in competition (Hayes and Rajão 2011; Marquis and Lounsbury 2007; Reay and Hinings 2009) to determine the legitimate behaviour of the hybrid

organisation, including specifying appropriate goals and legitimate actions to achieve these goals (Lounsbury 2007).

Thornton et al. (2012) define institutional logics as socially constructed sets of materials, practices, assumptions, values, and beliefs that shape cognition and behaviour. The significant advancement provided by the institutional logics approach is its emphasis on multiple contradictory and interdependent institutional logics in the larger context and their effects on individuals and organisations (Thornton and Ocasio 2008). Multiple institutional logics have been studied widely in different fields – for example, social enterprise (Pache and Santos 2013; Seelos et al. 2011); public-private partnerships (Jay 2013); healthcare organisations (Dunn and Jones 2010; Reay and Hinings 2009); microfinance and banking (Lounsbury 2007); biotechnology (Powell and Sandholtz 2012); and professional services (Smets et al. 2012).

The varied consequences of competing institutional logics are discussed in the literature. For example, Battilana and Dorado (2010) explore the conflicting and contested nature of competing institutional logics. Jay (2013) justifies the existence of competing institutional logics as a source of innovation and survival of the organisation, whereas, Tracey et al. (2011) emphasise the challenges of competing institutional logics. Greenwood et al. (2011) argue that competing institutional logics are not always compatible, and centrality and compatibility are two critical dimensions of competing institutional logics. Compatibility is the extent to which competing institutional logics conform consistently to organisational actions, whereas centrality is the extent to which competing institutional logics conform to the central features or functions of the organisation (Besharov and Smith 2014).

The literature related to institutional logics reveals different organisational response strategies to manage competing institutional logics by reducing the effect of conflicting demands. Decoupling is a strategy through which organisations separate normative structures from their operational processes by symbolically endorsing one logic while practically implementing another, competing logic (Boxenbaum and Jonsson 2008; Bromley and Powell 2012). Organisations adopt decoupling strategies to increase organisational survival and legitimacy (Crilly et al. 2012). Recent institutional logics literature also highlights combination as a response strategy to manage competing institutional logics (Battilana and Dorado 2010; Lounsbury 2007; Tracey et al. 2011).

For example, Battilana and Dorado (2010) explore the combination of banking and social welfare logics adopted by microfinance organisations for poverty reduction.

Some limited studies also identify compromise as another response strategy that enables organisations to maintain a balance between conflicting demands exerted by competing institutional logics to meet the minimal requirements of internal and external actors (Kraatz and Block 2008). Pache and Santos (2013), in a comparative case study of hybrid organisations that provide job opportunities to the long-term unemployed, propose selective coupling of different organisational elements in response to each competing institutional logic as a viable strategy to manage competing institutional logics. Table 10 presents a summary of different organisational response strategies discussed in the literature.

Table 10: Organisational Response Strategies

Response Strategy	Explanation
Decoupling	Symbolically endorse one logic and practically implement another competing logic (Boxenbaum and Jonsson 2008; Bromley and Powell 2012; Crilly et al. 2012)
Combining	Combine the demand of all competing logics (Battilana and Dorado 2010; Lounsbury 2007)
Compromise	Maintain a balance to meet the minimal demand of all competing logics (Kraatz and Block 2008)
Selective Coupling	Couple different organisational elements responding to each competing logic individually (Pache and Santos 2013)

Source: Literature Review.

3.2.2 Institutional Logics in Impact Sourcing

In IS literature, cost reduction, access to skills, focus on core capabilities and improved business processes are widely discussed reasons that motivate outsourcing clients to outsource IT and business process functions (Lacity et al. 2010b; Lacity et al. 2011b). However, outsourcing organisations are facing challenges in providing low cost and high quality outsourcing services to clients, since operational cost is continuously increasing in metropolitan cities, e.g. Bombay and Bangalore in India (Lacity et al. 2010a; Madon and Sharanappa 2013). To overcome these challenges, the global outsourcing industry has witnessed a trend of shifting work to new outsourcing

locations outside the metropolitan cities (Lacity et al. 2011a; Lacity et al. 2010a). Alongside this commercial rationale for relocation, another focus of this recent trend in the global outsourcing industry has been on creating social and economic value by providing work opportunities to the marginalised unemployed population (Heeks and Arun 2010; Lacity et al. 2014; Malik et al. 2013). Marginalisation is not only restricted to poverty, it also includes marginalisation due to gender, religion, disability, ethnicity and education. (Carmel et al. 2014).

As impact sourcing is an emerging phenomenon, there is limited academic research available as yet. The majority of the existing studies focus on the individual level of analysis to assess the potential for creation of social value through impact sourcing. For example, Heeks and Arun (2010) studied the social impact of an Indian rural women-based social IT outsourcing social enterprise initiative. They highlight the sustainability risks because of dependence on the public sector for obtaining work. Madon and Sharanappa (2013) propose that social IT outsourcing can promote social development in poor rural communities through integrated ICT usage and production activities. These studies are limited to the outcomes of social responsibility logics and assume all organisational actors share unitary support for both social responsibility and market logics.

Practitioner literature (e.g. Rockefeller Foundation) identifies that impact sourcing can contribute to the social welfare of the marginalised outsourcing employees as well as maximising outsourcing organisation's business profitability because of reduced operational costs and lower employee turnover rate in the marginalised communities (Monitor 2011). The outsourcing organisations can also maintain the provision of low-cost quality outsourcing services to the outsourcing clients (Accenture 2012). Although the literature recognises the presence of competing institutional logics in impact sourcing (Sandeep and Ravishankar 2015), studies are more focused on the assessment of social outcomes or highlighting the challenges to management, without addressing the social and commercial orientation of impact sourcing (Lacity et al. 2010a).

Sandeep et al. (2013) highlight the competing institutional logics and propose impression management strategies to satisfy different organisational actors. They suggest strategic disclosure of information to stakeholders to maintain an image of competency and legitimacy with the clients. Prior studies acknowledge the existence of competing institutional logics in impact sourcing practices but do not provide

conceptual understanding and practical guidance on how these competing institutional logics can be managed. In Table 11, we summarise the characteristics of impact sourcing identified from the relevant literature review.

Table 11: Competing institutional Logics in Impact Sourcing

Logic Characteristics	Market Logic	Social Responsibility Logic	Integrated impact Sourcing logics
Goal	Profit maximisation through competitive advantages (Lacity et al. 2012)	Social welfare of the marginalised communities (Heeks and Arun 2010; Monitor 2011)	Social and economic value creation
Business location	Located where all necessary resources to operate outsourcing business are available (Avasant 2012; Lacity et al. 2010a)	Located at the region of least employment opportunities (Accenture 2012; Lacity et al. 2012; Monitor 2011)	Operating at locations of least employment opportunities where basic ICT and other resources are available
Target population	Provide quality and low cost outsourcing services to the clients by utilising the untapped human resources (Accenture 2012; Carmel et al. 2014).	Personal, professional and economic development of the marginalised outsourcing employees (Heeks and Arun 2010; Madon and Sharanappa 2013; Malik et al. 2013a)	'win-win' strategy for all stakeholders; e.g. employees, clients, outsourcing organisation, and shareholders
Management principles	Organisational practices to ensure business growth and professionalism (Sandeep et al. 2013)	Organisational practices to scale up the social welfare impact (Accenture 2013)	Organisational practices to improve sustainability in outsourcing business

Source: Derived from Battilana and Dorado (2010).

3.3 Methods

We employed a single case study research design because this inquiry required a detailed exploration of the phenomenon and theory building through in-depth data

collection (Eisenhardt and Graebner 2007). We adopted a qualitative approach to elaborate the theoretical links (Lee et al. 1999) and to address the knowledge gaps identified in the above sections. The selection of the case study organisation was based on the following criteria: we wanted to study a for-profit outsourcing organisation where both social responsibility and market logics, as identified in the literature review, were clearly in evidence (Siggelkow 2007). Consequently, the selected case was a publicly listed offshore-outsourcing company, operating at multiple locations (US, Islamabad and AJK), allowing us to study the effects of operations and opportunities in more detail. It also helped to understand how different organisational contexts influence competing institutional logics. To our knowledge, there is no previous study of this type of complex case and research context where organisational actors (e.g. clients, shareholders, and employees) are spread across different institutional contexts and competing institutional logics influenced at different locations (enclaves) with varying intensity. Therefore, the selected single case study acts as a revelatory case to explore the theoretical links in detail (Eisenhardt and Graebner 2007).

3.4 Data Collection

We collected rich qualitative data based on a variety of data sources to capture how AlphaCorp dealt with competing institutional logics of impact sourcing (Stake 1995). One of the authors engaged in fieldwork in Pakistan from September 2013 to March 2014 and also in the US during August 2014. Primary data were collected from multiple data sources; semi-structured open ended interviews as well as field notes based on observations and informal communication with employees over tea and lunch during the long fieldwork stays at AlphaCorp's Islamabad and AJK centres (Eisenhardt and Graebner 2007). We conducted 78 interviews with a range of employees from all hierarchal levels in the three centres of AlphaCorp. Further details of the interviews are included in Table 12.

Table 12: Number of Interview Respondents

Respondents' Detail	Location	Number of Respondents
Billing executives and team leaders	AJK	40
	Islamabad	4
Middle level management	AJK	5
	Islamabad	16
	US	3
Higher level management	Islamabad	5
	US	3
Public sector higher level official	AJK	1
ICT educational consultant	Islamabad	1
Total		78

The semi-structured interviews with middle and higher level management were related to AlphaCorp inception, management, and operational challenges. We started interviews with some pre-prepared questions that gradually led to spontaneous questions as informants guided our inquiry to explore more about the case study (Charmaz 2014). To confirm the existence of the social responsibility logic of AlphaCorp, the outsourcing employees working in the AJK centre were asked questions that informed us about the institutional context of AJK and how working in an offshore-outsourcing centre had social welfare impacts. Interviewees were asked different questions about case organisations, for example, about the establishment of all three centres, motivation behind establishing the impact sourcing centre in AJK, operational challenges and business advantages, management strategies, governance and control, etc. Except for two interviews, 76 interviews were audio recorded with the permission of the interviewees and later transcribed verbatim by the authors.

We collected secondary data related to the case study that were openly accessible on internet: websites, press releases, and AlphaCorp's registration form downloaded from the NASDAQ stock exchange website. We had access to policies and standard operating procedure documents related to administration, management, hiring, compliance, information security, etc.

3.5 Data Analysis

We used template analysis to thematically analyse the qualitative data (King 2004). An initial template was built based on the literature review, researcher experience and analysis of a number of interviews (ibid.). We analysed the case study by going back and forth in the empirical data, mapping it with the literature (Miles and Huberman

1994), and revising the initial template until all the data had been coded. NVivo 10 software was used to assist data analysis as computer aided software supports the organisation and management of large amounts of qualitative data (Bazeley and Jackson 2013). The data analysis was completed in three steps.

***First step – create initial template*:** To create the initial template, we adopted top-down coding where the initial coding scheme was generated from the literature (Urquhart 2013). To validate the assumption that competing logics of impact sourcing are embedded within this case study organisation, we considered the characteristics of impact sourcing discussed in the literature as a lens to start the data analysis. Along with the literature review, personal field research experience and a sub-set of interview transcripts were used to generate primary codes for the initial template (King 2004).

***Second step – coding the qualitative data*:** In the second step, we imported all transcripts in NVivo 10, and went through the textual data line by line to organise the relevant data according to different codes. The initial template was modified, as new codes were added, previous codes revised and a few deleted. We updated the coding process to ensure that all relevant data had been sorted to respective codes and the final coding template had been generated.

Third step – identifying empirical themes and linking them to the literature: In the final step, we went through the filtered data organised against all codes and added our own interpretation and reflection in memos that we created for each code in NVivo 10. We merged related codes to drive the empirical themes of this case study; for example, two codes, explicit business objectives and implicit corporate social objectives, were merged to become a single empirical theme: 'explicit commercial and implicit social responsibility goals'. To address the research question, we read the sorted data in the final empirical themes and read all associated memos containing data interpretation and reflection. Referring to the institutional logic literature, we tried to make sense of the empirical findings by mapping them with literature findings to derive conceptual categories (Eisenhardt 1989). For instance, we noticed that the findings showed a collective response strategy and discussed this according to existing conceptual categories in the literature of decoupling, combining, compromising, and selective coupling. The final data structure is presented in Table 13.

Table 13: Overview of Data Structure

Competing Logics in Impact Sourcing			
Characteristics of Impact Sourcing (Data source: Literature review, sub-set of data, researcher field experience)	**Final Codes: Organisational elements to satisfy competing logics demand** (Data source: Case study empirical data)	**Empirical Themes: Responding to competing logics** (Data source: Case study empirical data – Aggregated primary codes)	**Conceptual Categories: Organisational response strategies to competing IL** (Data source: Case study empirical data and mapping of literature)
Goal	Explicit business objectives	Explicit commercial and implicit social responsibility goals	Decoupling
	Implicit corporate social objectives		
Business location	Location decision	Location decision to achieve commercial and social responsibility goals	Combining
Target population	Hiring practices	Hiring of marginalised employees	Compromise
	Quality control and monitoring		
Governance and management principles	Centralised governance	Centralised and partially localised governance and management principles	Combining
	Localised governance and control		
	Standard operating procedure		
	Customised operating procedures		
	Moving selected outsourcing functions	Operational strategies to support commercial as well as social responsibility	Selective coupling
	Separate operational shifts		

3.6 The Case Study

This case study was based on a healthcare IT and business process outsourcing organisation, 'AlphaCorp' (a pseudonym). AlphaCorp is a US-based outsourcing organisation incorporated in 2001 as a private limited company and recently, in 2014, listed on the NASDAQ stock exchange. AlphaCorp has its two offshore-outsourcing centres in Pakistan; one in Islamabad, the capital, and another in the small district of

Azad Jammu and Kashmir (Planning and Development Department - AJK). AlphaCorp provides IT and business process services to more than 900 medical practitioner clients in 40 states of the US. These services include medical practice management, centralised management information systems, mobile healthcare solutions, medical billing services and electronic healthcare record management services. All of these IT and business process services are provided from AlphaCorp's offshore-outsourcing centres in Pakistan. AlphaCorp established its Islamabad centre in 2002 with less than 30 employees and by the time of the study it had become the main operational centre with more than 800 employees.

In 2009, AlphaCorp had established another offshore-outsourcing centre in a small district of AJK to provide a backup office. The establishment of the AJK centre was also motivated by a social objective of socio-economic development of the region by creating employment opportunities for the educated unemployed youth of the area, especially women, who had very limited opportunities to work. In October 2005, a deadly earthquake had badly affected AJK region.

AlphaCorp is the only private sector IT and business process outsourcing organisation working in this region. Previously, the majority of educated people raised in AJK joined the public sector or moved to other cities of Pakistan to find white collar jobs. Due to the conservative social norms of that area, most parents did not allow their daughters to move to other cities for work (Ferdoos 2005). This left teaching, in public or private sector schools, as the only employment option for educated women. In winter, the local weather conditions become extreme and landslides are common in the mountainous terrain, and this influences daily routines. At the time of the study, more than 200 employees worked in AlphaCorp's AJK centre in three shifts; the morning shift was reserved for female employees to encourage female employment.

3.7 Empirical Findings

This section presents the findings related to management of social responsibility and market logics in various elements of the case study organisation.

3.7.1 Decoupling: Explicit Commercial and Implicit Social Responsibility Goals

In this case study, the market logic was entrenched and predominately reflected in the organisational goals of AlphaCorp. AlphaCorp had strong market logic of becoming a leading provider of IT solutions and business process services to the US healthcare

industry. This was explicitly reflected in publicly available secondary data, such as the company website and company reports available on the NASDAQ website:

> *"Our objective is to become the leading provider of end-to-end software and business service solutions to healthcare providers practicing in an ambulatory setting."* (NASDAQ Doc. p. 5)

The existence of market logic was also expressed in the company's mission statement, which endorses the commercial orientation of the case study organisation. Analysis of secondary data reveals much evidence supporting entrenched market logic. To achieve business success, AlphaCorp focused on client satisfaction by providing them with quality services at an affordable rate:

> *"…aims to provide healthcare record management systems and high quality low cost business process services to the healthcare professional in the US by highly skilled offshore workforce hired at two offshore-outsourcing centres in Pakistan."*
> (Source: NASDAQ registration form)

In parallel to the explicit and entrenched market logic, we found evidence of the existence of competing logics expressed in all three centres of AlphaCorp. We identified an implicit social responsibility objective that was enacted in the organisational practices but was not formally documented. During semi-structured interviews, middle and higher level management in the Islamabad and AJK centres repeatedly talked about different social initiatives that the company had been practising to satisfy the social responsibility intensions of the company; for instance, support activities to encourage and facilitate female employment in AJK. Although this initiative was not formally labelled as a corporate social responsibility activity, it was initiated to satisfy the corporate social responsibility of the company which management was aware of as a responsibility of the organisation. The financial planning manager from Islamabad centre stated:

> *"Some time it is not only financial gain you are looking for, instead other things like corporate social responsibilities which you have to fulfil."* (FP Manager – Islamabad)

We observed that social responsibility logic exists and is practised implicitly in AlphaCorp to achieve the social responsibility mission of the organisation. However,

the data also identified various levels at which organisational actors in AlphaCorp were informed about this implicit social responsibility organisational goal. The internal organisational actors, employees, and management in the AJK and Islamabad centres were aware of the existence and implementation of a social responsibility goal that incorporated social responsibility logic:

> *"Obviously this is a business, one would be absolutely wrong to say that we are not making profit... And I think our business is doing really very well.... But what we have invested in AJK is beyond the consideration of monetary profit."*
> (Company Spokesperson – Islamabad)

AlphaCorp's higher management in the US also acknowledged the existence of the social responsibility goal implemented in AJK, but knew little about the detailed organisational practices used to implement that social responsibility goal.

However, there was an absence of any information related to social responsibility goals in publicly disclosed documents or on the website. A corollary of this is that shareholders and clients in US might be unaware of the company's social responsibility goal. To probe this chain of evidence, we asked management in Pakistan about the US clients' reaction to the social responsibility logic. The pattern of response we got from many interviewees was similar – all stated that clients were only concerned with obtaining quality services at the lowest possible cost.

An explanation for this decoupling may well be linked to the clients' lack of interest in social responsibility activities. Interviews with senior management in the US, who were also shareholders and members of the board of directors, and had been associated with AlphaCorp for more than ten years, supported our observation of the decoupling of social responsibility and market logics for organisational actors in the US:

> *"I think just providing jobs speak more than all the other things. I don't necessary need to know as longs it is morale. So forth if AlphaCorp provide good jobs and salaries that can support employees' families and we do not operate against the law is the question of importance right there. So I think I can hardly provide answer in detail if you need to dig deeper about AJK centre."*
> (Vice President, US)

Although a majority of the higher management in the US mentioned social responsibility concerns in general, they were not able to articulate the organisational practices of AlphaCorp in Pakistan, particularly the social responsibility initiative in AJK.

In summary, the findings show that AlphaCorp adopted a decoupling strategy to keep both market and social responsibility logics separate in defining the company's goals. The market logic was entrenched and explicitly expressed in the company's documents, reflecting the commercial orientation of the company. Thus, all organisational actors were aware of the market logic of AlphaCorp. The social responsibility logic, however, was implicitly embedded in organisational practice. Due to its absence in the company's formal documentation, there would be a chance that some organisational actors might not be aware of its existence.

3.7.2 Combining: Location Decision to Achieve Commercial and Social Responsibility Goals

AlphaCorp started its offshore-outsourcing operations in Pakistan for three reasons. First, the company commenced operations in Islamabad in collaboration with a female only non-profit organisation that offered vocational training and other skills development courses to Pakistani women. In 2002, they had started a small scale project (employing 25–30 females) that enabled females to learn about computers and earn money through providing outsourcing services to the US clients. Second, the founder of the business was a Pakistani and it was more convenient for him to establish a business in Pakistan compared to any neighbouring country in South Asia, which is a region that is considered as an ideal outsourcing location. Third, all required resources, most predominantly ICT infrastructure and a large pool of skilled human resources, were available at relatively low cost. The small project grew tremendously and turned into one of the largest business processing and IT outsourcing organisation in Pakistan.

In 2007, the assassination of the former Prime Minister of Pakistan caused civil unrest. Although AlphaCorp managed to maintain important operations and client services with a limited number of employees who lived near the office premises or stayed in office building accommodation areas, the complex situation made the management think about the need of a backup office, another offshore-outsourcing centre in Pakistan at a remote location. AJK was the obvious choice as it was already being considered for social

reasons. The vice president of AlphaCorp explained the market logic behind this location decision as follows:

"This is the city versus the rural model …. So I think from positioning stand point, investors and also clients feel some comfort that there are two outsourcing centres operational in Pakistan to provide them continuous services." (VP – Islamabad)

Availability of skilled human resources is a major factor to be considered in the location decision of any outsourcing organisation (Lacity et al. 2011b). Many educational institutions had been established in AJK as a result of rehabilitation and development work carried by public sector, national, and international NGOs after 2005's deadly earthquake. These educational institutions had been producing a large number of graduates who remained unemployed because of limited employment opportunities available in that area. The presence of a large pool of educated human resources supported the market logic of AlphaCorp's location decision. The Manager Compliance reported:

"At time, we realize that we need a backup office away from centralizing everything in Islamabad …. Every curriculum has now computer subjects throughout the country so young graduates of AJK are also technology aware. Our intention was to create ICT based employment opportunity in this small district, especially for young educated female, whom majority won't get permission from their family to move to other cities for work." (Manager Compliance – Islamabad)

Along with the commercial impetus to select a small town in AJK as a backup office for AlphaCorp, there were other significantly strong social and emotional motivations behind this location decision. The earthquake had negative effects on the socio-economic position of the region and its community. The founder of AlphaCorp was born and raised in that district of AJK. He expressed a desire to 'share his success with people of his home town'. The decision to establish a backup office there was derived by a social instinct to provide employment opportunities to the marginalised educated individuals and contributed to the socio-economic development of the community.

We thus observed a combination strategy behind the location decision, supporting both market and social responsibility logics. The General Manager commented about AlphaCorp's location decision as follows:

> *"First of all, we needed to have a contingency office, just in case any thing happen to the main operational office in Islamabad, there should have been another office where operation could continue without any interruption. The founder of the company belongs to AJK. He wanted to do something for people of his home town.... Majority of the youth in AJK is educated; they move to cities to complete their education and find the work.... We knew that if we open an office in AJK we will be able to get the human resource easily."* (GM – Islamabad)

The data show that both social responsibility and market logics for the location decision were compatible in this case study, and AlphaCorp adopted a combining strategy to satisfy the demands of both market and social responsibility logics of impact sourcing.

3.7.3 Combining: Centralised and Partially Localised Governance and Management Principles

AlphaCorp had a centralised governance structure with a board of directors in the US and upper management present in both the US and Islamabad. The company followed a top-down governance strategy to satisfy the entrenched market logic demand of centralised control to ensure uniformity in organisational structures and operating procedures. However, the empirical data also suggest the use of a combination of both top down and bottom up governance strategies in establishing the AJK centre to satisfy social responsibility logic. The higher and middle level management in the US and Islamabad mentioned the company's top down governance strategy, but they also highlighted the practice of giving partial authority to the local governance structure in the AJK centre. AlphaCorp deputed management personal from the Islamabad centre to establish the AJK centre. There, they hired capable local people to perform management and administration roles and, later, handed over to them the management and control of the AJK centre, considering the fact that they could better understand the cultural and normative aspects of the local community. The General Manager of AlphaCorp reported in an interview:

"If you hire the local management from the same area, then they absolutely understand the local area norms, culture and all the different values. So being a person of same area they know everything; especially, from girls point of view what is acceptable what is not acceptable in the society and they are controlling and managing the AJK centre very efficiently." (General Manager – Islamabad)

During the fieldwork stay, we observed that a regular daily meeting of higher and middle level management was scheduled through a video conference linking all three centres of AlphaCorp to monitor business performance and operational efficiency. This explained the existence of both top-down and partial bottom-up governance structures to satisfy the market and social responsibility logics. The chief operating officer explained the situation in this way:

"I think you must have noticed that our office in AJK is very well maintained by local management. They take very good care of infrastructure, operations and employees. If there are problems or issues arise, they discuss them on day to day basis with higher management in Islamabad and US. I think work runs very smoothly because they know how to manage there." (COO – Islamabad)

We observed a very well structured top-down hierarchal governance and control structure designed to respond to market demand. We realised that the bottom-up component of the combined governance strategy not only helped to managing the social responsibility logic, but equally supported the market logic of AlphaCorp. The president and of AlphaCorp stated:

"The key of that success is the local management employees who understand local issues and don't let us making decisions about doing anything that well intended but poorly received." (President – US)

The management procedures also followed a combination strategy. For the sake of consistency, AlphaCorp adopted standard operating procedures and combined them with some customised operating procedures according to the needs of local employees. For example, one week's additional training duration is allowed in AJK in consideration of the comparatively less well developed human resources.

"I would say that there is an overarching similarity in terms of policies and procedures but they tweak to be set to the local need. It is actually a

combination of two; centralised and culturally adopted localised strategies. Wherever it makes sense, we try to make it uniform system. But there are some areas where it is not appropriate to impose centralised procedures. It may cause trouble, especially, in the situations where we have some local issues that need to be dealt way differently." (Vice President – US)

Overall, the case study indicates that AlphaCorp adopted a combination strategy in its governance mechanism to satisfy the demands of competing market and social responsibility logics.

3.7.4 Compromise: Hiring of Marginalised Employees

The findings indicate that AlphaCorp's location decision to operate in AJK was also motivated by a social welfare impulse to provide employment opportunities to the marginalised, earthquake affected local youth, especially females. AlphaCorp hired the marginalised, educated youth of AJK for outsourcing work. As discussed previously, educational institutions in AJK had been producing a large number of young graduates. The respondents told us that most of these institutions, especially higher education institutions, were recently opened and still in the process of raising educational standards as compared to the very well established older educational institutions in Islamabad or other metropolitan areas of Pakistan. Whilst their graduates met the minimum educational requirement standards of AlphaCorp, they were lacking in communication and other interpersonal (soft) skills:

> *"We don't hire people that are not educated. We hire educated people but the level of competency is different in AJK and that competency difference is mostly in term of soft skills."* (Chief Operating Officer – Islamabad)

The institutional context of AJK played a significant role in the capabilities of marginalised outsourcing employees. According to the HR manager in AJK, who was an educator for more than ten years before joining AlphaCorp, the primary level educational systems and structures were responsible for the weakness in communication and other soft skills. Interpretation of data gathered from middle level management in the Islamabad centre indicated another factor – lack of market exposure – as in part responsible for the less well developed local graduates. The marketing manager in Islamabad pointed out that the many work opportunities available in tier-1 and tier-2 cities meant that graduates of metropolitan cities could obtain market and professional

experiences before formally starting their professional careers, such as graduate internships, practical semester projects, etc. It is not common to get such exposure in the small town environment.

Outsourcing service providers market themselves as having highly compatible human resources that can provide high quality services to the outsourcing clients (Lacity et al. 2011b). The field-level commercial logic of the global outsourcing industry is in competition with social responsibility logics of hiring the marginalised outsourcing employees:

> *"We don't get HR according to the company standards in AJK. But we hire the potential candidates and put extra efforts to bring them to our company standards."* (Manager HR – AJK)

AlphaCorp has achieved different international certifications to ensure the credibility of its process and service quality standards in the global outsourcing industry, for example, ISO 27001 (management of information security certification) and ISO 9001:2000 (process and quality management certifications) from the International Organization for Standardization (ISO).

In this case study, we found a compromise strategy for managing the competition between the logics of the hiring practices in the rest of AlphaCorp and in the AJK centre, where social responsibility logic was in evidence. To achieve successful compromise results and meet the certified quality standards, AlphaCorp arranged additional training and monitoring to maintain the quality standards exerted by the market logic of the global outsourcing industry. The senior manager operations (SMO) commented:

> *"We have to be more vigilant there. Our primary focus is to train them and bring them to the same quality level. To maintain the service quality, in the beginning for a month or two months, we put in more checks on the work produced by newly hired employees in AJK. But after a little they achieve the certain level."* (Senior Manager Operations – Islamabad)

3.7.5 Selective Coupling: Operational Strategies to Support Commercial as well as Social Responsibility

Operating strategies refer to AlphaCorp's operational practices, e.g. shift working and service provision practices that support either market logic or social responsibility logic.

The example that follows focuses on the competing logics surrounding operational strategies that specifically respond to the market logic of global outsourcing.

AlphaCorp provides both IT and business process services to the healthcare IT industry in the US, but only business process outsourcing operations were undertaken in the AJK centre. IT outsourcing services (healthcare IT solutions development, mobile healthcare applications development, IT clients support services, MIS development and management, etc.) were provided from the Islamabad centre. The senior IT manager in Islamabad shared his opinion that it would be very difficult to split the software development work between two locations; he believed that quality of IT products would suffer because of different teams at distant locations working on a single module. He further added that distributing the development of modules between both locations would have encountered integration issues and there is no point distributing software development unless there is a cost advantage. Another reason for keeping the IT functions limited to the Islamabad centre was the availability of ICT skills, for example, Android and iOS developers. However, as previously discussed, there is a large educated human resource pool available in AJK that AlphaCorp had hired and trained for business process outsourcing services. Discussion with outsourcing employees in AJK centre and management in the AJK and Islamabad centres revealed that the majority of ICT and engineering graduates in AJK would prefer to move to Islamabad, as in cities there are more options for professional growth. Many employees in the IT department of AlphaCorp's Islamabad centre were from AJK. The general manager reported in an interview:

> *"Now this contradicts what I have mentioned earlier; if we need to hire people*
> *from IT development for AJK centre, which of course would be quite difficult to*
> *hire in that area as compared to hiring people in business support capacity."*
> (General Manager – Islamabad)

Thus, the social responsibility logic of employing and retaining marginalised IT employees in AJK conflicted with the market logic of efficiency and the perceptions of career growth opportunity among the employees themselves.

Outsourcing organisations need to provide uninterrupted quality services to clients in support of contracts in a highly competitive global outsourcing industry (Lacity et al. 2011b). Due to time zone difference between the locations where outsourcing services

were provided and received, AlphaCorp operates three consecutive shifts of eight hours. AlphaCorp reserves the morning shift for female employees to facilitate and encourage female employment in outsourcing industry:

> *"We run three operation shifts round the clock and our morning shift is reserved for female employees so that they can independently and comfortably work."*
> (Manager HR – Islamabad)

Historically, few women work in the private sector in AJK. The social and cultural norms of conventional society (Ferdoos 2005; Mughal 2014) had institutionalised job and role segregation for men and women. The majority of educated women enter teaching or the public sector departments that are considered as female friendly professions (Ferdoos 2005; Rehman and Azam Roomi 2012). These local logics encountered competition after the 2005 earthquake, when national and international NGOs arrived for reconstruction and many educated local women joined them. Some NGOs did not consider the local cultural and normative values and continued their western operational strategies in the region. The local community had negative perceptions about these NGOs because of their work practices, which did not align well with their norms and values. For example, the local community found it disrespectful for their daughters to work late in the evening alongside men.

Initially, the local community considered AlphaCorp as an international NGO because of its origin in the US and their ignorance about the healthcare IT and business process outsourcing industry. Because of the negative perception about international organisations in the community, local people became significantly sceptical about AlphaCorp. They could not appreciate its establishment and started sharing conspiracy theories about it. Because of many concerns, they did not allow their children to work in AlphaCorp. One female billing executive described the situation in this way:

> *"After the earthquake, many NGOs were operational in our town. They had hired female staff. Afterward the cultural issues had started coming up. It was not acceptable in our culture when girls move all the time in communities with boys till late in the evening. When I intended to work in AlphaCorp my father said, 'I would not allow you to go door to door in villages all the time; it is not respectable for girls.'"*(Billing Executive 26 – AJK)

To overcome these challenges, AlphaCorp adopted various operational and management strategies, one of which was the dedicated morning shift for female outsourcing employees. This helped to build a relationship of trust between the local community and AlphaCorp. They started accepting AlphaCorp in the community and acknowledged its contribution to local employment generation. The dedicated morning shift to encourage women's participation in economic activities for their empowerment directly reflected the social responsibility logic of AlphaCorp. AlphaCorp adopted a selectively coupled strategy to respond to and satisfy the social responsibility logic. A female billing executive endorsed it thus:

> *"The most important thing for us is the secure and relaxed environment. We are all girls working here. My family is satisfied that they have treated us protectively; they send us here by trusting company management."* (Billing Executive 12 –AJK)

However, while this strategy satisfied the social responsibility logic, we observed negative consequences for the market logic due to the selective coupling of the social responsibility logic. Male outsourcing employees' turnover rate in the AJK centre was far higher than that of female outsourcing employees on the morning shift. Along with some obvious reasons for male employees' turnover, such as moving abroad to earn more money, continuing higher education, or moving to cities for professional growth, male interviewees expressed dissatisfaction with the lack of opportunity to work on the morning shift. Many male outsourcing employees of AlphaCorp were not locally resident; they had to commute from nearby villages in the hills. Although AlphaCorp provided pick-up and drop-off facilities, many employees – who lived in hill villages – needed to walk down to the main road where the company bus could pick them up. The Operations Manager in AJK told us that outsourcing employees who travelled from adjacent mountain villages could not continue their jobs on evening and night shifts because of the severe weather in winters. Families of many outsourcing employees did not accept their work pattern of nights or evening shifts and pressured them to resign:

> *"People in AJK don't like to work in night shifts particularly. They don't feel secure; their parents are very anxious because it is not the trend there to work in nights. It is not a problem in Islamabad. Here boys can easily work in the evening and night shifts."* (Manager Administration – Islamabad)

These findings show the existence of a selective coupling strategy to satisfy the nascent social responsibility logic, which might not be completely compatible with the entrenched logic – market logic – in a situation like this. However, these selective coupling strategies are unavoidable; not only for survival of the nascent social responsibility logic, but also to support other elements of the market logics.

3.8 Discussion and Conclusion

In this paper, we focus on identifying how a for-profit outsourcing organisation responds to competing market and social responsibility logics of impact sourcing. We explore the tensions among and challenges to the survival of the social responsibility logic in maintaining the hybrid nature of impact sourcing. In a detailed case study of a for-profit outsourcing organisation dealing with competing logics of impact sourcing, we find a collective response strategy to manage the competing demands of social and economic value creation of impact sourcing, including decoupling, combination, compromise, and selective coupling. This work elaborates the theoretical linkage between impact sourcing and institutional logics. We now discuss how the case study findings contribute to research in both domains.

3.8.1   Contributions to the Study of Impact Sourcing and Institutional Logics

The organisational level of analysis will draw the attention of scholars to the need to explore various aspects of outsourcing organisations aiming to create social and economic value and their associated competing institutional logics. These findings challenge the extant assumptions of impact sourcing studies that the impact sourcing organisations are unitary and homogenous, with all organisational actors willing to support both the social responsibility and market logics (Lacity et al. 2014; Madon and Sharanappa 2013). We argue for the complexity of outsourcing organisations practising impact sourcing due to multiple organisational actors in different institutional contexts that may have different interests, which ultimately influence the competing institutional logics. This might be the reason for the collective response strategy to respond to the competing market and social responsibility logics that we have witnessed in this case study.

Sandeep et al. (2013) propose an impression management strategy to satisfy the demands of the social responsibility and market logics of impact sourcing. Their study suggests that an impact sourcing organisation should strategically disclose information to manage its image of competency and legitimacy with different organisational actors

(Sandeep et al. 2013). A few decoupling studies also assert that decoupling strategies increase the chances of organisational survival by preventing such conflicts through hiding the normative structures from the operational practices of the organisations (Boxenbaum and Jonsson 2008). However, we argue that these decoupling strategies may put the nascent social responsibility logic at risk. For example, AlphaCorp had a strong commercial orientation (e.g. NASDAQ listing), since the disclosed organisational goal broadly spoke to clients and shareholders interested in the entrenched market logic. Moreover, this study challenges the assumptions of decoupling studies that all organisational actors adhere to the same institutional logic and are willing to protect it (Pache and Santos 2013). In this case study, some organisational actors were interested only in the market logic and were ignorant about the social responsibility logic practised in the AJK centre. Keeping in mind the fact that the case organisation was a publicly listed company, in the long run, pressure from shareholders or other influential organisational actors (outsourcing clients), who are unaware of the existence of any social responsibility logic may lead to conflict between the market and social responsibility logics.

The global outsourcing literature has highlighted that potential outsourcing clients may have concerns about service quality, since a highly skilled work force is the main selling point of the outsourcing organisations (Lacity et al. 2010b; Lacity et al. 2011b). Thus, hiring marginalised outsourcing employees is not a straightforward task in the global outsourcing industry. This research goes beyond these findings and proposes that for those organisational elements that require a compromise to satisfy the competing institutional logics, the organisation might need to establish supporting organisational elements to strike the necessary balance to achieve that compromise. For example, AlphaCorp management was concerned about market logic when hired marginalised employees. It had already paid attention to essential requirements such as training, professional certification, and quality control to bring the marginalised employees to the required level of service quality and implemented quality checks to avoid any negative consequences of the compromise strategy. This study acknowledges that compromise is an expensive strategy for organisations because of the additional efforts required to maintain the balance between competing institutional logics. Our results concur with the existing studies that suggest that if minimum standards for compromise are not set and managed properly, a compromise strategy may put organisational actors' endorsement at risk and raise legitimacy concerns (Carrick-Cagna and Santos 2009). However, the

case analysis also determines that compromise is, in some cases, unavoidable for the survival of the nascent social responsibility logic. For example, in our case study, compromise was the only option for hiring the marginalised outsourcing employees, which was a central motivation for the social value creation objective of the impact sourcing (Carmel et al. 2014; Madon and Sharanappa 2013). Implementing a compromise response to competing institutional logics in impact sourcing requires careful planning including consideration of both social responsibility and market concerns. The negative influence of competing logics might affect survival of the outsourcing organisation practising impact sourcing.

A recent stream of literature in institutional logics prescribes combining as a response strategy, where organisational mechanisms are influenced by compatible demands of competing logics (Battilana and Dorado 2010; Lounsbury 2007; Reay and Hinings 2009). In this case study, we can see the compatibility of two competing logics in the location decision and the governance and management principles of AlphaCorp. However, we noticed that social responsibility logic components, even though compatible with market logic, were followed only as ad hoc practices of a combination strategy. For example, the location decision was based on a combination strategy of competing institutional logics that are compatible with one another, but the implication of social responsibility logic was an ad hoc practice which was not documented. Additionally, customised operating procedures were implemented along with standard operating procedures to achieve the demand of social responsibility logic, but we did not find any evidence of their formal incorporation as part of documented organisational policies and procedures. Therefore, if in the longer run challenges arise that affect the compatible components of the competing logics; for example, if the cost of operating in rural or remote areas increases, it might exert pressure to amend such ad hoc practices, for example by considering moving the outsourcing centre to another region or country. Hence, we argue that there may also be a great risk, inherent in a combination strategy, of eroding the subordinate logic completely. Battilana and Dorado (2010) highlight the need to establish a common organisational identity by combining the competing institutional logics in hiring and socialisation policies for survival of the hybrid organisation. Building on this, this study suggests that whether there are conflicting components of competing institutional logics or compatible components of the nascent social responsibility logic (e.g. as shown in the location decision), all should be formally incorporated in normative and regulatory structures, e.g. policy and standard

operating procedure documents. Thus, it concurs with the recent impact sourcing studies highlighting the need to include the social actions in the formal structures of the impact sourcing organisations (Sandeep et al. 2013).

The case study evidence the existence of selective coupling in the operational strategy of AlphaCorp. Pache and Santos (2013) describe selective coupling as the most viable strategy to respond to competing institutional logics where different elements of the organisation, each responding to just one of the competing institutional logics, coupled together to satisfy the collective demands of the competing institutions. However, we find that focusing on a single institutional logic and ignoring the demand for other institutional logics in each organisational element may harm the ignored logic, no matter whether that logic is entrenched or nascent. We further argue that it is difficult to find the right combination of organisational elements in selective coupling to maintain the balance in satisfying the demands of competing institutional logics. For example, in the operational strategy element of AlphaCorp, we find the selective coupling of 'separate operational shifts' and 'moving selected outsourcing functions' to satisfy social responsibility and market logics, respectively. The case study shows that responding to social responsibility logic by allocating a separate operational shift for female employees to facilitate female employment had negative consequences on the market logic. If the option of the morning shift was available to those male employees who needed to commute from a distance, or those whose families had some serious concerns, the male outsourcing employees' turnover in AJK could be reduced.

The findings, although requiring further empirical testing in different institutional and organisational contexts, contribute to recent research efforts to understand how hybrid organisations manage the competing institutional logics. Prior studies in institutional logics propose decoupling (Crilly et al. 2012), compromise (Carrick-Cagna and Santos 2009), combining (Battilana and Dorado 2010), or selective coupling (Pache and Santos 2013) strategies to satisfy the demand of competing institutional logics in hybrid organisations. This study, however, evidences a collective response strategy incorporating all of the above strategies – decoupling, compromise, combining, and selective coupling – to respond the competing institutional logics of impact sourcing. Hence, it provides new insights to help manage competing logics in hybrid organisations and also enriches the theoretical construct of institutional logics. It also responds to the call of Battilana et al. (2014) for further research to explore how different types of hybrid organisations can survive their social and commercial focuses.

The case study empirically explores the assumption of Besharov and Smith (2014) that competing logics may not be uniform throughout an organisation. We found enclaves of competing logics in all three centres of the case study organisation. The intensity of competing institutional logics was not uniform across all units of the organisations. For example, market logic was very strong in the US, with traces of mainly 'generic' social responsibility logic; we found a balanced influence of both competing logics in the Islamabad centre; whereas social responsibility logic was more prominent in the AJK centre, as compared to market logic. These findings concur with the assumptions that compatibility and centrality of competing institutional logics may vary across different sub-units of the organisation (Besharov and Smith 2014). For example, the centrality of commercial logic is very high in the US, whereas social responsibility logic is more central in AJK. These enclaves of competing institutional logics offer a justification for a collective management strategy for the competing institutional logics in a complex organisation (Greenwood et al. 2010).

3.8.2　Implications for Practice

This study offers practical advice for implementing and managing impact sourcing. The results show that managing the new trend of creating social and economic value is not a simple task. Extra care is required to implement the impact sourcing initiatives of the global outsourcing industry because of the necessity of dealing with multiple institutional contexts and diverse organisational actors' interests. The case study suggests that for-profit outsourcing organisations that aim to practise impact sourcing should seriously consider both social responsibility and market dynamics in goal definition, location decision, hiring strategy, and governance and management strategies. This study will be helpful to guide new start-ups and existing outsourcing organisations and may help them to achieve genuine win-win benefits of impact sourcing by strategically managing the social and commercial.

3.9　Limitations of the Research and Future Work

Impact sourcing is a recent research area of global outsourcing. The limited available literature presents opportunity for future research. This study offers a direction for future research for scholars interested in researching this emerging trend of global outsourcing. Further studies in different institutional contexts and various models of impact sourcing are required to enrich the theoretical insights. The majority of extant studies have focused on employee side of impact sourcing (Lacity et al. 2014; Malik et

al. 2013), while the client perspective in impact sourcing is largely ignored, and that perspective should be considered as part of future research agendas. The scope of this study is limited to organisation-level management of competing institutional logics. Other actors in the value chain of global outsourcing, e.g. clients and intermediaries, should be included in future studies assessing management strategy to deal with competing institutional logics.

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Chapter 4: The Role of Institutions and Corporate Social Strategy in Impact Sourcing

Abstract

This study aims to improve understanding of the capability of impact sourcing organisations to empower marginalised groups in society. It adopts an interpretive case study approach to explore why an understanding of the local institutional context is necessary when determining the corporate social strategy of an impact sourcing organisation. It draws upon the theory of institutional logics to identify key institutional challenges existing in community, family and professional orders of a society. The study further explores how the corporate social strategy of an impact sourcing organisation can be shaped to accommodate these institutional challenges.

This research contributes to the growing body of literature exploring socially and economically viable impact sourcing practice. It acknowledges that institutional challenges may not only restrict the potential of impact sourcing to create social value, but can also harm economic value creation. Thus, it is argued that social and economic value creation are interrelated and should be considered collectively when defining the corporate social strategy of an impact sourcing organisation aiming to achieve social objectives. This research also contributes to the study of institutional logics, proposing that the institutional logics of an institutional order may emanate from the influence of other institutional orders already present in society.

4.1 Introduction

In recent years, the global outsourcing industry has started to show a desire to create social value alongside financial profitability (Heeks and Arun 2010; Lacity et al. 2012; Madon and Sharanappa 2013). The most recent studies refer to this dual value creation as impact sourcing (Accenture 2012; Carmel et al. 2014; Sandeep and Ravishankar 2015), which can be loosely defined as the practice of capability development of marginalised individuals, providing them with employment opportunities through outsourcing work (Carmel et al. 2014; Monitor 2011). The phenomenon of impact sourcing is still in its infancy, and consequently the academic and practitioner literature is still evolving. For example, the initial studies of impact sourcing included the provision of sustainable outsourcing work to poor people located at the bottom of the pyramid (Prahalad 2009) to improve their socio-economic conditions (Heeks and Arun 2010). However, Carmel et al. (2014) have since extended the scope of impact sourcing to include individuals and groups who are marginalised not only because of their income, but also due to characteristics related to their education, race, gender, religion or disability. Similarly, the early concepts of impact sourcing focussed only on business process outsourcing practice as a tool with which to generate social impact (Monitor 2011), whereas more recent studies also acknowledge the inclusion of IT outsourcing and other digitally-enabled services (Avasant 2012; Carmel et al. 2014). Although the majority of studies discuss impact sourcing practices in rural areas within developing countries (for example, in India: (Heeks and Arun 2010; Madon and Sharanappa 2013; Malik et al. 2013; Sandeep et al. 2013), scholars have also examined impact sourcing practices targeted at marginalised individuals in both rural and urban areas of developed countries, including prisoners, members of aboriginal communities, and veterans (Lacity et al. 2012; Lacity et al. 2014).

The existing literature claims impact sourcing is a 'win-win' strategy for all stakeholders due to its dual social and commercial orientation. For example, it is argued that impact sourcing has the potential to contribute to improving the social welfare of marginalised outsourcing employees (Madon and Sharanappa 2013; Malik et al. 2013) whilst also being commercially significant for impact sourcing organisations to obtain competitive advantage by accessing the potential of hitherto untapped human resources (Madon and Sharanappa 2013; Monitor 2011). In this paper, the term 'impact sourcing organisations' describes those outsourcing service providers that attempt to contribute to creating social value through outsourcing practice. The outsourcing clients concerned may also benefit

from low cost, high quality outsourcing services whilst also satisfying their corporate social responsibility obligations (Accenture 2012; Babin and Nicholson 2012).

The motivation for this paper lies in the implicit assumption in the current literature (Accenture 2013) that the beneficiaries of impact sourcing will unilaterally welcome such an intervention. It is clear that there is limited research on the influence (both positive and negative) of institutions on impact sourcing, and limited knowledge regarding how that influence may affect its impact. Whilst two studies have considered these issues, Madon and Sharanappa's (2013) analysis of the impact of impact sourcing on its beneficiaries and Sandeep and Ravishankar's (2015) study of 'frame alignment strategies' used by organisations to control relationships with local communities, there is nevertheless widespread acknowledgement that there is a need for further research to gain a deeper understanding of the challenges to the impact sourcing ventures, particularly considering the lived experience of different marginalised groups (Sandeep and Ravishankar 2015; Sandeep et al. 2013).

This research attempts to contribute to this relatively new discourse within the global outsourcing literature with an examination of the social dynamics of impact sourcing practice, at the same time rooted in local context, providing an in-depth analysis, and taking into account the gaps in the literature (Avgerou 2010). This study also discusses the concomitant management practices of impact sourcing organisations attempting to achieve social value creation objectives.

The paper draws upon concepts of institutional logics (Thornton et al. 2012) and corporate social strategy (Husted and Allen 2011) from the management literature to help explain how the unique features of local institutional contexts may affect impact sourcing practice, and the role of corporate social strategy in mitigating the institutional constraints. The empirical basis for this research is an interpretive case study (Walsham 2006) of a for-profit, US-headquartered outsourcing organisation practicing impact sourcing with the marginalised, largely female, educated young people located in a small district of Azad Jammu Kashmir (AJK) in Pakistan. AJK was hit by a major earthquake in 2005, which has had a major negative effect on the socio-economic conditions of the community in the subsequent decade.

The questions posed in this research are:

1. How does local context influence impact sourcing?

2. How is the corporate social strategy shaped by constraining institutional logics?

By employing an institutional logics perspective, this paper builds upon a theory that has been recognised as being important, but which remains relatively underutilised by the information systems (IS) community (Hayes and Rajão 2011; Sahay et al. 2010). As this study uses empirical data gathered in the context of impact sourcing, its analysis contributes to the limited body of work in this area (Heeks and Arun 2010; Madon and Sharanappa 2013; Sandeep and Ravishankar 2015) and also to the wider study of IS in developing countries (Walsham and Sahay 2006). Crucially, this research increases understanding of how information and communication technology can serve marginalised communities, which is a growing area of information systems research (Avgerou 2008).

The paper is organised as follows. The next section presents a review of the relevant literature on impact sourcing, corporate social strategy, and institutional logics in order to develop a conceptual framework for this research. The explanations of the research methods adopted with details of the case study are discussed section 4.3. The following section presents empirical findings. The final section summarises the discussion and conclusions of the research.

4.2 Literature Review and Conceptual Framework

This section discusses the theoretical background of impact sourcing, corporate social strategy and institutional logics, before presenting the theoretical framework for the research lens used to analyse the empirical data gathered in the course of the study.

4.2.1 Impact Sourcing

The global outsourcing industry has long recognised the social and economic value of outsourcing practices (Heeks and Arun 2010; Madon and Sharanappa 2013). The potential of the global outsourcing industry to create social value has been explored by academics in a number of disciplines, including management (Babin and Nicholson 2009; Babin and Nicholson 2012), development (Heeks and Arun 2010; Madon and Sharanappa 2013), and information systems (Lacity et al. 2012; Sandeep and Ravishankar 2015; Sandeep et al. 2013). However, due to its relative infancy, there is limited consensus on terminology and definitions. For example, the literature refers to rural outsourcing (Lacity et al. 2011), remote outsourcing (Lacity et al. 2011), social outsourcing (Heeks and Arun 2010), social IT outsourcing (Madon and Sharanappa 2013; Sandeep et al. 2013), socially responsible outsourcing (Babin 2011; Malik et al. 2013), and impact sourcing (Carmel et

al. 2014; Monitor 2011) when discussing largely similar issues. This paper uses the term 'impact sourcing' to describe this activity, as this phrase is frequently used in the most recent information systems research (Carmel et al. 2014; Lacity et al. 2014; Sandeep and Ravishankar 2015), with a consensus on adopting the impact sourcing nomenclature within the practitioner literature.

The first example of impact sourcing was the creation of sustainable work within poorer communities in developing countries through business process outsourcing, to improve their socioeconomic conditions (Heeks and Arun 2010; Monitor 2011). Carmel et al. (2014) included the outsourcing and insourcing of IT, business processes and digitally enabled services to employ marginalised groups who traditionally had few opportunities for gaining sustainable employment. The academic studies related to impact sourcing are largely focused on assessing the outcomes and related impacts on beneficiaries; for example, by measuring social impacts (Heeks and Arun 2010; Lacity et al. 2014; Malik et al. 2013), business impacts (Lacity et al. 2010; Madon and Sharanappa 2013), and the impact on clients' outsourcing decision making (Babin and Nicholson 2011). Professional research has tended to focus more on the value proposition available to both outsourcing service providers and buyers (Accenture 2012; Avasant 2012; Monitor 2011), with some also considering the social impact measures (Accenture 2013; William Davidson Institute 2013).

There is considerable optimism in the literature regarding social value creation, with many researchers highlighting its impact on improving the conditions of previously marginalised outsourcing employees (Heeks and Arun 2010; Lacity et al. 2014; Madon and Sharanappa 2013). These predominately optimistic findings support the assumption that achieving the creation of social value is a mandatory outcome of impact sourcing practice. However, others have recognised that the social and commercial orientation of impact sourcing organisations can be paradoxical (Sandeep and Ravishankar 2015). Sandeep et al. (2013) argue that local people, especially those belonging to traditional rural communities, may not automatically embrace the arrival of impact sourcing organisations, proposing instead that the policies and procedures followed by outsourcing organisations should be congruent with the existing norms of the society in question. They call for further research in order to develop understanding of this emerging phenomenon, considering the challenges to impact sourcing from different marginalised groups (Sandeep and Ravishankar 2015).

The practitioner studies within the sector have identified a number of challenges likely to be faced by managers of impact sourcing organisations: securing new clients, the availability of skilled managers in rural areas, additional training costs, and the need to satisfy a client's demand for corporate social responsibility (William Davidson Institute 2013). However, the influence of local institutional conditions upon impact sourcing organisations, and the concomitant effects on particular marginalised groups, has not been fully investigated. This paper attempts to fill this gap in research by studying the role of the local institutional context and the corporate social strategy in the likely success of impact sourcing ventures.

4.2.2 Corporate Social Strategy

Corporate social strategy (CSS) is generally understood to mean a firm's attempt to create and increase both social and economic value (Husted and Allen 2011). A significant proportion of management literature proposes that a business can achieve both enduring social objectives and economic advantage if it allocates resources and includes social action planning in its strategic decision making (Husted and Allen 2011 p.13; McWilliams et al. 2006; Porter and Kramer 2011). Marquis et al. (2007) defined social action as 'the behaviours and practices that extend beyond immediate profit maximisation goals and [which] are intended to increase social benefits or mitigate social problems for constituencies external to the firms' (p.926). This strategic allocation of resources and social actions to create social and economic value is referred to as corporate social strategy (Bowen 2007; Husted and Allen 2007; Husted et al. 2012).

Husted and Allen (2011) believe that CSS is neither an obligation of a business nor the response of an organisation to meet stakeholders' ethical and legal concerns; and is instead a clear strategic decision to pursue both social and economic objectives. Multinational companies tend to focus on their value chain, and thus strategically plan around global markets and products in order to identify where they can best create value (Husted and Allen 2011). It is clearly a challenging task to align the interests of all stakeholders in an organisation, be they shareholders, employees, or other internal or external non-market parties. Consequently, CSS is designed to benefit the stakeholders in social action plans formulated to meet both social and economic goals. Organisations therefore require well-developed CSS that can integrate seamlessly with their business strategy. To achieve competitive advantage, CSS must dovetail with an organisation's internal context and the external environment (Husted and Allen 2007).

A difference in alignment between corporate social strategy and a stakeholder's perception of a social initiative may lead to negative consequences (Mbat et al. 2013; Michael et al. 2015). For instance, Michael et al. (2015) examine the negative outcomes of the social strategy adopted by a multinational oil company operating in Nigeria. The company concerned was renowned for its many social responsibility initiatives, including the provision of clean water and rural electrification, the building of schools and hospitals, annual scholarships for Nigerian students and many other community development projects. However, these efforts had limited influence on improving the relationship between the oil company and the local community, and instead the two were engaged in perpetual conflict, with riots, sabotage, roadblocks, strikes and other protests commonplace. The research concluded that the multinational concerned needed to better understand the local community, its values and expectations before implementing any further social strategies (Michael et al. 2015).

Whilst CSS may be easy to define, in reality it is complex and often contested in its implementation (Bowen 2007; Husted and Allen 2011). Bowen (2007) discusses CSS assumptions from two theoretical perspectives: the resource base and behaviour theory, which are narrowly focused on internal factors and stakeholders, such as organisational goals, management rationale and resources. The influence of the local or external institutional context is missing from much of the current debate in defining CSS. Bowen (2007) recognises this knowledge gap, stating that: 'a truly comprehensive view of corporate social strategy would include both external and internal factors, incorporating how institutional pressures affect firms, how firms position themselves in relation to those pressures, and how they mobilize their internal resources to implement their social strategy' (p. 109). However, there is a paucity of studies exploring CSS, particularly in relation to external institutional forces. This paper seeks to build upon concepts within CSS to explore how impact sourcing organisations can best manage their social and commercial objectives considering external institutional challenges.

4.2.3 Theory of Institutional Logics

Institutional theory is an accepted theoretical perspective within the information systems discipline, and consequently has been used in many studies of IT outsourcing. Friedland and Alford (1991) are largely credited with the introduction of institutional logics into the sphere, describing the 'material practices and symbolic constructions which constitute organizing principles and which are available to organisations and individuals to elaborate'

(p.248). They also explored the interrelationship between individuals, organisations and society, proposing that organising structures are guided by institutions' central logics that shape both their organisational and individual behaviours. The defining characteristic of institutional logics is a premise that society is an inter-institutional system, consisting of a set of multiple and contradictory interdependent institutional logics. Building on this early work, Thornton et al. (2012) identify that individual and organisational actors are influenced by different institutional orders in an inter-institutional system, including the family, religion, state, profession, corporation, market and community; and each of these has its own central logic. They further acknowledge that individual and organisational practices are shaped by each institutional order in an inter-institutional system, which also has its own distinguishing principles, practices and norms designed to both enable and constrain individuals and organisations (ibid.). Nicholson and Aman (2012) have examined the regulative, normative and cognitive institutions that may influence attrition in IT-enabled business process outsourcing; while Grimshaw and Miozzo (2006) investigated the institutional effects on knowledge-intensive business services in the German and British IT outsourcing markets.

It is clear that institutions are socially constructed, and therefore both individuals and organisations play a role in modifying them over time (Barley and Tolbert 1997; DiMaggio 1988; Fligstein 1991; Fligstein 1997; Kondra and Hinings 1998) – although actors and organisations are likely to have limited agency, with their behaviours shaped and controlled by the institutional environment (Holm 1995). This paradox is referred to as the agency versus structure debate, and is labelled as the 'paradox of embedded agency' by Seo and Creed (2002).

The institutional logics theoretical framework has been widely used by the information systems community to examine the implementation and adoption of IT/IS in different contexts (Weerakkody et al. 2009). For example, Hayes and Rajão (2011) study the institutional context of the Brazilian Amazon and its impact on environmental sustainable development derived from the introduction of geographical information systems. Sahay et al. (2010), similarly, draw on institutional logics for their macro-level analysis of the contradictory institutional logics that influence the implementation of healthcare information management systems in Tajikistan.

In this research, institutional logics is used as a lens with which to understand the multiple logics present in the local context, and combine this with an examination of how the

corporate social strategy of the impact sourcing organisation is shaped by these constraining institutional logics whilst still achieving the social objectives of the impact sourcing. The resultant theoretical framework is presented in Figure 4.
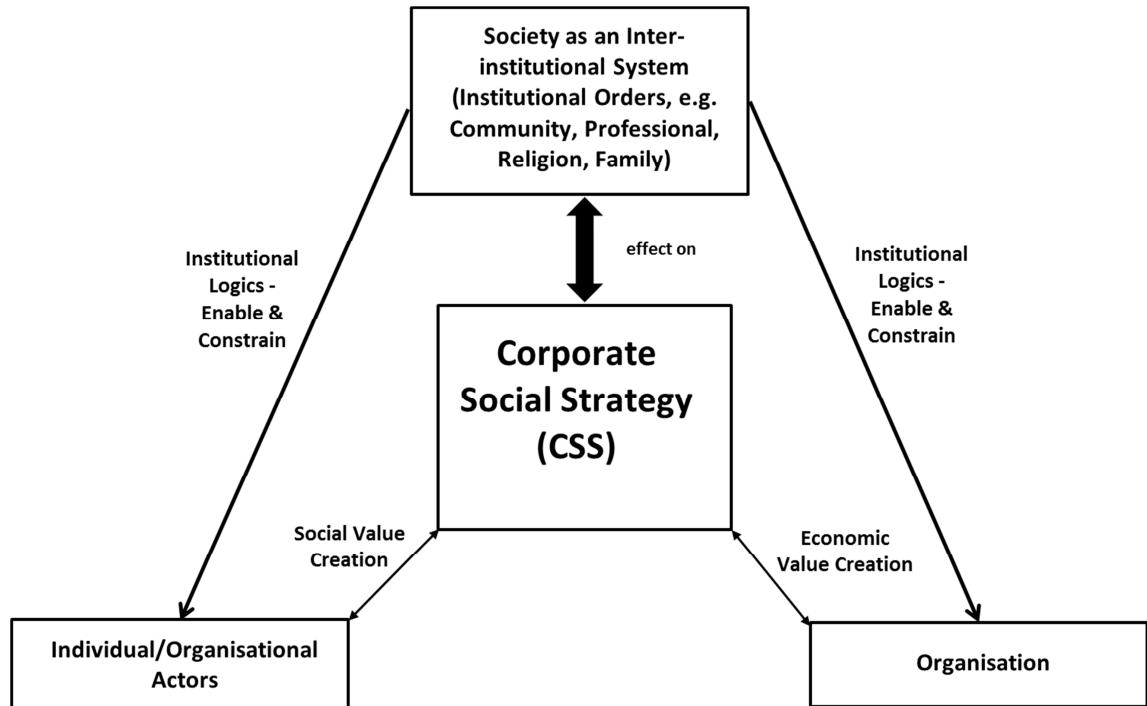
Figure 4: Institutional Logics and CSS in Impact Sourcing

4.3 Research Methods

Due to the limited theoretical knowledge available, an exploratory single interpretive case study research design has been adopted to analyse the research area (Walsham 2006). AlphaCorp has been chosen as a case study because it is a for-profit publicly listed outsourcing organisation, operating in both the US and Pakistan. Its public listing on the NASDAQ stock exchange clearly indicates the company's commercial orientation, while its decision to locate its outsourcing centre in the remote mountainous district of AJK, which was devastated by an earthquake in 2005, emphasises a social mission commensurate with definitions of impact sourcing. The adoption of this case study provides the opportunity to study both a marginalised population and the local institutional context in detail.

4.4 Data Collection

Drawing upon Walsham (2006), empirical data was collected from a variety of sources. Semi-structured interviews provided the primary source of empirical data, which was then

complemented by detailed field notes made during observations and drawn from informal conversations with respondents during refreshment breaks, with all field notes subsequently converted to electronic format. To obtain a holistic perspective, interviews were conducted with employees at all levels of the organisation, including senior management, middle level managers, and outsourcing employees (billing executives). The researcher, a Pakistani national who speaks the local language, was located in Pakistan from September 2013 to March 2014 to undertake fieldwork, interviewing a total of 72 respondents. Six further interviews were conducted at AlphaCorp's head office in the US in August 2014.

Interviews began with a general introduction, followed by open ended questions designed to explore the objectives and operations of AlphaCorp, respondents' experience of working in the outsourcing sector, the institutional challenges of working for AlphaCorp, and the challenges faced by AlphaCorp in AJK. Respondents were encouraged to be as open as possible, and to share their experiences. The interview process naturally led to further questions that informed the research (Myers and Newman 2007). The length of the interviews varied, depending upon the time constraints faced by research participants. The interviews were recorded and then transcribed verbatim with the permission of the respondents. In addition, copious interview notes were taken in two of the interviews, which were later converted to electronic format. Publicly available secondary data sources, including the company's website, internal reports, press releases, and the registration form from the NASDAQ stock exchange website were also interrogated, to enrich the case study data. A summary of the demographics of interview respondents is presented in Table 14.

Table 14: List of Interview Respondents

Interview Participant	Location	Number of Interviewees
Female Billing Executives and Team Leads	AJK	26
Male Billing Executives	AJK	14
Female Billing Executives (based at two locations)	AJK and Islamabad	4
Middle Level Managers	AJK	5
Middle Level Managers	Islamabad	16
Senior Managers	Islamabad	5
Government Official	Muzaffarabad	1
ICT Educational Consultant	Islamabad	1
Middle Managers	US	3
Senior Managers	US	3
Total		78

4.5 Data Analysis

Data analysis was undertaken in parallel with data collection, in order to generate insights to guide subsequent data collection (Silverman 2006). NVivo 10 computer aided software was used to organise and code the large amount of qualitative data gathered during this process (Bazeley and Jackson 2013).

Considering institutional theory as a sensitising device, primary codes relating to the constraints of local institutional context were generated (e.g. 'conservative family norms', 'inappropriateness of women and men working together', 'teaching is the only respectable profession for women', 'family life', 'inappropriate to stay outside late in evening for girls') from the empirical data. Codes were also applied in order to map data related to organisational strategies employed to overcome these institutional constraints (e.g. 'separate morning shift for women', 'pick-up and drop-off service', 'community interaction and awareness plan', 'skilled training', 'familiarisation tour'). Due to the interpretive nature of the study, we kept the analysis open to multiple interpretations, biases or distortions to the narrative (Klein and Myers 1999). The maximum number of

codes was generated to sort the data related to the institutional constraints, with the theoretical literature reviewed in parallel with this data analysis phase. The theoretical framework was revised to take account of the empirical findings, with the data analysis process iterative to ensure constant interaction between theoretical and empirical data (Silverman 2006). To ensure all possible findings were coded, the coding process was undertaken twice, then the sorted and coded data was checked and further personal interpretations and reflections contained in memos were added before, finally, being further coded in NVivo 10. The related codes were then organised and merged into five empirical categories: 'family order institutional logics', 'community order institutional logics', 'professional order institutional logics', 'allocation of resources', and 'management practices'. In order to directly answer the research questions, the data in its sorted empirical categories was analysed and two broad theoretical themes were identified: identification of institutional constraints and the definition of corporate social strategy.

4.6 Description of the Case Study

The case study under analysis is a healthcare IT and business process outsourcing company, named 'AlphaCorp' for the purposes of this study. AlphaCorp is a US-based public listed outsourcing company, incorporated in 2001 as a private limited company, and listed on the NASDAQ stock exchange in 2014. The most recently published annual valuation of AlphaCorp is $32.5 million. AlphaCorp has its offshore-outsourcing centre based in the small district of AJK in Pakistan, where it practices impact sourcing.

In 2009, AlphaCorp established its impact sourcing centre in a small district of AJK, with two objectives: firstly, to maintain a backup office; and secondly, to aid the socio-economic development of the region by creating employment opportunities for well educated, and yet unemployed young people (especially women). In 2005, a deadly earthquake substantially damaged AJK, with approximately 1.8 million affected. 46,570 people died and 33,136 were injured in the earthquake (Planning and Development Department - AJK 2013). In the small district where AlphaCorp is located, 95,516 households were affected by the quake, and another 9,167 casualties were reported. AlphaCorp is currently the only private sector IT and business process outsourcing organisation working in the region.

AJK has long suffered from economic migration, with many educated people raised in the area choosing to join the public sector and move to other cities in Pakistan in order to find white collar jobs. Due to the prevailing social norms of the area, which are deeply

conservative, the majority of parents did not permit their daughters to move to other cities for work, leaving teaching (in both the public and private sector) as the only employment option available to educated women. Weather conditions become extreme in winter and this further influences daily routine, with landslides commonplace due to the area's mountainous terrain.

More than 200 employees currently work in AlphaCorp's AJK centre, organised into three shifts; with the morning shift reserved solely for women employees, in order to facilitate female employment.

4.7 Research Findings

Findings are presented in two main themes: the identification of institutional constraints and the definition of the corporate social strategy. Table 15 summarises these two theoretical themes.

4.7.1   Identification of Institutional Constraints

This section discusses the institutional constraints arising from the different institutional orders present in the local context of AlphaCorp's AJK centre, examining how these constraining institutional logics interrelate.

Table 15: Institutional Order Logics and Corporate Social Strategy

Identification of Institutional Constraints		Defining the Corporate Social Strategy	
		Allocation of Resources	**Management Practices**
Community Order	Conservative attitudes in rural areas Community suspicion of AlphaCorp's motives Women working with men	Provide separate working environment for men and women	Open monthly meetings with community members including guided tours of the centre Hire local management
Family Order	Conventional family norms Lack of any institutionalised female participation in the white collar labour market Opposition from family members Family responsibilities	Conveniently located outsourcing centre Pick-up and drop-off service	Activities to gain family acceptance Ensure safe working environment Encourage female family members of women employees to attend familiarisation tours
Professional Order	Teaching viewed as an honourable profession for women Work life balance Shorter working hours Educational quality	Conveniently located outsourcing centre Good salary structure Training in soft skills OJT (on job training)	Familiarisation tours 'Appreciate employees' Schools pupils in AJK invited to learn English during school holidays Morning shift reserved for female employees

4.7.1.1 Community Order Institutional Logics

The qualitative data revealed that the most influential institutional logics were derived from community orders, with respondents reporting that the community was 'traditional and conservative', like many other rural communities in Pakistan (Mughal 2014). The

segregation of men and women is considered respectful, with the social mixing of men and women viewed as unacceptable by the community (Ferdoos 2005). Research participants revealed that men and women working together in offices was not considered appropriate. One female billing executive (BE) shared her experience:

> *"I am the first girl in my family to work in an office. My father is very broad-minded. He brought me up like a son. When I wanted to work in the office, he advised me to first check the company environment: whether boys and girls work together? Our community usually has many concerns over it."* BE 15

Paradoxically, it appeared that, if financially possible, people preferred to send their children to other cities for their higher education, where most of the universities are co-educational. Some female respondents had already obtained university degrees from co-educational higher education institutions in other cities.

This phenomenon was investigated further in order to explore the reasons for such paradoxical community logics, given that it seemed acceptable for the community to send their daughters to other areas to receive education in gender-mixed institutions, but inappropriate to allow them to work in offices where both men and women work together. The increasing trend for female education in the rural communities of Pakistan has driven women's participation in the socioeconomic dynamics of the community (Mughal 2014). This was echoed in this study, where respondents mentioned a large number of schools, colleges and computer training centres that had been established in the AJK area as a result of the rehabilitation efforts implemented after the 2005 earthquake. The ready availability of education has helped to increase the female education rate, and has also motivated local people to send their children to other cities for education. Immediately after the earthquake, a large number of local people migrated to Islamabad and Rawalpindi – the nearest metropolitan cities – to enrol their children in the educational institutions located there. This offers an explanation for the accepted behaviour of the local community to send their daughters to study in other cities, if financially possible.

Traditionally, the division of work in AJK has been very clear, with women responsible for domestic work and men liable for outside tasks; a finding which concurs with Ferdoos (2005). This research indicates that such gender roles are enduring. One billing executive (BE) who had graduated in commerce from a university located in a major city in Pakistan shared her experience of joining AlphaCorp:

"When I decided to work in AlphaCorp, no one in my village had appreciated me except my mother. I was engaged and my fiancé's mother was very annoyed about my job. Then I told them that my mother was a single parent who had struggled a lot to provide us with education, now it's my turn to support my younger siblings' education. So I refused to leave my job and broke my engagement because they argued that girls don't go out for earning in their family. They told me that I could study as much as I want but I should not move out of the village for a job." BE 20

As the research proceeded, we found that the AJK community held negative perceptions of work practices in the private sector, derived in part from some bad experiences with a few of the international NGOs that arrived after the 2005 earthquake. Many NGOs had provided emergency assistance to the community, hiring local men and women to assist in this aid and rehabilitation work. However, few of the international NGOs considered the local norms and traditional values of the community in their work practices, with the result that the local community found it 'disrespectful' for their daughters to work in an office with male employees at 'odd hours', taken to mean late into the evening.

Some NGOs were deemed to have brought 'modern culture and work styles' to the area, which were deemed unacceptable by the community. This negative perception about private sector office jobs had adversely affected the image of AlphaCorp when it was first established in AJK, with some local people forbidding their daughters to work there, believing that to do so would bring 'western culture' to the community, conflicting with their cultural, religious and traditional norms. The Manager of Operations (MO) commented thus:

"When we started in 2009, it was a difficult time. Difficult in the sense those NGOs were also operating during that time and their image was not good. People don't like their administrative and operational style; they had even they had fixed some deadlines for NGOs to leave the town. During our early days, people asked if they could visit us and if we could guide them about the operations and work nature and how we will provide a respectable work environment for both male and female employees." MO1

4.7.1.2 Family Order Institutional Logics

Although the family is considered the centre of social life for both men and women, the family usually plays a more significant role in women's lives in most conventional societies (Weiss 1994). Pakistan is a predominantly conventional and patriarchal society,

where parental authority is unquestioned (Ferdoos 2005). Women in AJK were required to obtain permission from their families (more specifically, their fathers), in order to work in AlphaCorp, with parents initially very concerned about the work environment when their daughters requested to join the company. The Vice President of AlphaCorp mentioned the conventional family order of the AJK district:

> *"We have tried a lot to facilitate employment but then it also depends on the home environment. It depends if parents allow their girls to work."* VP

These findings suggest that the institutional orders in a local context are interrelated, with the institutional logics of one institutional order often influenced or derived from other institutional orders of the society. For example, this study found that the family logic of not allowing daughters to work in an outsourcing organisation was directly influenced by the existing community order logics discussed above, such as stereotypical gender roles and community prejudices against working in the private sector. One billing executive shared her experience:

> *"There was no trend for women working in offices in our family. When I told my family that I was intending to do a job, they said, 'Why? Why do you need to work?'"* BE 14

An Operations Manager on the morning shift commented:

> "*Girls working in the office here was a unique kind of experience and many families thought for a while before allowing their daughters to work for the company."* MO2

The research also uncovered a puzzling dichotomy of family logics contained in the data set. Many female employees reported that they joined AlphaCorp because their families had encouraged them to work there, which was contrary to the family logics outlined above. Further investigation revealed that the majority of respondents who had mentioned family constraints were senior outsourcing employees in respect to their employment tenure at AlphaCorp, having joined the company early on. The respondents who asserted that their families were very supportive about their decision to work for AlphaCorp were among the more recently recruited employees. This indicates institutional change within the society itself. Family beliefs tend to change gradually, and consequently the recently

hired female outsourcing employees reported less signs of resistance from their families when they joined AlphaCorp.

4.7.1.3 Professional Order Institutional Logics

The case study showed that many educated women joined the teaching profession, either in the public or private sector. The qualitative data indicated that teaching was considered both a 'respectable' and 'female friendly' profession in the region, given the conservative cultural and normative influence of the society (Ferdoos 2005; Mughal 2014). Although the financial recompense of teaching is not particularly lucrative, its working hours and majority female workforce were the main reasons for families preferring their daughters to follow this career path.

> *"My family wanted me to join the teaching field, because it is a most respectable profession, where you can manage both home and work."* BE 23

The professional logic of being an educator, as well as being considered honourable, is compatible with existing community logics. It satisfies the community institutional logics that segregate men and women in the workplace, and also offers a manageable work–life balance; a finding which concurs with that of Rehman and Azam Roomi (2012). It also satisfies family logics, as family members believe that women teachers can also devote time to their families.

This research found evidence of individual agency as well as physical and environmental factors shaping institutional logics. For example, few respondents had continued their education, despite their job in an IT-enabled outsourcing organisation. They wanted to be teachers because they enjoyed teaching, with some also believing that it would be easier for them to manage a teaching career after marriage than working in the outsourcing sector, which often demands long working hours in order to satisfy its foreign clients. There was also evidence of individual agency acting as a contributor to change in professional logics. For example, many respondents shared their desire to work in offices where the nature of the work was IT oriented. They aspired to work in an IT company and to be competitive in the professional job market. As previously discussed, new female outsourcing employees faced much less resistance from both their families and the wider community, indicating a change in the professional order.

4.7.2 Defining Corporate Social Strategy

This section examines how the corporate social strategy of AlphaCorp has been shaped by the local institutional conditions discussed in the previous section. Data is presented in two empirical categories, the allocation of resources and management practices.

4.7.2.1 The Allocation of Resources

The fieldwork identified both tangible and intangible resources that AlphaCorp had allocated in order to facilitate the employment of female outsourcing employees. These tangible resources included the office and ICT infrastructure and the 'pick-up and drop-off' service. Intangible resources included training, personal and professional development opportunities and familiarisation tours.

There were few options for employment prior to the opening of AlphaCorp's impact sourcing centre in AJK. AlphaCorp provided a conveniently located working space with all facilities necessary for white-collar work in the outsourcing sector. The company arranged a pick-up and drop-off service in order to encourage female employment, and as a consequence, both the community and the families of female employees were satisfied that AlphaCorp was concerned about its employees and provided a secure working environment for their daughters. The outsourcing employees felt 'relaxed and satisfied' that the company van picked them up from their homes and dropped them back home in the evening. As one billing executive reported:

> *"Few jobs, mostly teaching, were available before AlphaCorp opened the office here. Due to the unavailability of frequent public transport, you had to commute by walking. AlphaCorp provides a transport facility and a free lunch. We don't have any problems with commuting. We come here tension free and enjoy working the whole day and into the evening, reaching home in a respectable way by using company transport." BE 5*

In studying the allocation of resources, the interplay of both the social and commercial orientation of impact sourcing practices becomes apparent. For example, AlphaCorp benefits from the educated human resources available in this region, while also promoting the social welfare of previously marginalised women by providing them with a well-equipped and accessible office. The pick-up and drop-off service encouraged more families to allow their daughters to work at AlphaCorp. It clearly satisfied the social objectives of AlphaCorp to encourage the emancipation of previously marginalised

women, whilst at the same time this corporate social strategy fulfilled the commercial objectives of the outsourcing organisation, providing more options for recruitment. The unreliability and absenteeism of employees due to poor public transport and adverse weather conditions was reduced as a result of the pick-up and drop-off service introduced by the company, ensuring that employees reached the office on time.

Interviews with AlphaCorp's management revealed that, as a result of minimal cultural familiarisation and poor quality education, AlphaCorp needed to invest extra effort and resources into training the employees recruited to the AJK centre. Management was particularly aware of these constraints and had designed a longer initial training programme to address them. To improve both inter-personal and professional skills, continual on-the-job training, soft skills training and familiarisation visits were arranged in addition to the initial business process training. One billing executive mentioned:

> *"They provided us with one month's training (generally two weeks in Islamabad) which is related to medical billing. But they guide us in almost everything. Even our madam (supervisor) teaches us how to speak and how to behave professionally. They treat us very gently. Apart from job training they guide us in soft skills. They even taught us how to introduce ourselves."* BE 14

An HR manager reported that they initially invested extra effort in training outsourcing employees at the AJK centre, but after the training, the majority of employees could easily meet the service quality standards set by the organisation. The research data gathered in this study demonstrates that the improvements in quality of work and the wider skills of outsourcing employees gained as an outcome of this additional training not only created social value but also met the business needs of the outsourcing organisation. The employees needed to pass ten levels of tests after they had completed their initial training in order to carry on working in the outsourcing company. This illustrates the commercial necessity embedded in the corporate social strategy. A team leader described it in this way:

> *"During training they terminate the contracts of employees who they find uninterested or whom the company believes can't progress in this kind of job. Our initial training consists of multiple-levels. At each level the company tests employees to monitor their progress. If someone performs very badly they terminate their employment."* TL 4

The senior outsourcing employees all mentioned the English language training they undertook after joining AlphaCorp. It quickly became apparent that English language training is no longer provided to new staff, firstly (as discussed by an HR manager), because the quality of education in the area had improved in recent years, and secondly, because people were now keen to work for AlphaCorp, and therefore the company had a wider talent pool from which to recruit. It is possible to interpret these reasons as an outcome of institutional change, as an increased number of recruitment applications imply a reduction in the influence of the community and family order constraints.

4.7.2.2 Management Practices

This section summarises the empirical findings related to the management practices in place at AlphaCorp used to achieve impact sourcing social and economic value creation objectives. The key management practice identified in this study was the hiring of local people to manage the AJK centre. The General Manager revealed that they initially transferred management from the Islamabad centre to the AJK centre. They then hired potential management candidates from within the local community, who understood the culture, norms, and traditions present in the society, and then gave them on-the-job training. He further commented that, especially from a female perspective, it was crucial to understand 'what is acceptable and what is not'. The HR Manager of the AJK office is a renowned and respected woman (ex-school principal), who was well known by the majority of families in the community. Almost all of the female billing executives stated that their parents trusted her and thus felt very safe and comfortable when sending their daughters to work under her supervision. One billing executive shared her experience:

> *"The reason why I applied [to work] here is its safe environment, they take good care of girls. I had not got permission to work somewhere else but here my family allowed me to work very happily. Our Madam (HR manager) is concerned about us and gives us extra care; she also gives priority to our honour, cultural and religious values."* BE 5

The data show that AlphaCorp maintained its office environment in accordance with local cultural norms. It overcame enduring community prejudices against private sector work practices that had increased after the involvement of NGOs. The company was deemed to respect the norms and values intrinsic to the society and provided opportunities for local girls to work in the outsourcing sector without changing their mode of dress. For instance, they provided a dedicated female-only morning shift, where outsourcing employees could

work independently and comfortably; they could keep their heads covered (with the appropriate hijab) and the company did not expect them to stay late into the evening.

Respondents reported further practices of AlphaCorp designed to gain the community's trust, including open days and free English language training for school children. Parents of the outsourcing employees and other local people were invited to attend sessions where they were given a briefing on the company's operations, which was particularly important as healthcare information processing and medical billing with insurance companies in the US were totally new concepts for local people. Even educated local people did not understand the company outsourcing operations with the US, as Pakistani medical practice differs completely from the US, with the concept of using insurance companies to pay for medical bills uncommon in Pakistan, where people either go to public hospitals to obtain free treatment, or pay in cash for visits to private medical clinics.

When gathering observational data, it became clear that the management practices of AlphaCorp have both social and economic components. For example, to improve an employee's performance, AlphaCorp had devised a series of 'appreciation activities' and awards, such as employee of the month and shift of the month. The whole outsourcing shift that won the latter award was entitled to a free recreational trip chosen by the team members. The introduction of a competitive incentive was deemed to have improved the quality of service provided by AlphaCorp, and thus ultimately supported the commercial objectives of the outsourcing company. The female billing executives based in the AJK office were allowed to bring one female family member (usually their mother or sister) along with them on these trips, so that they were allowed to participate. Along with the social objective of increasing the empowerment of previously marginalised female outsourcing employees, there was also a commercial component to this action, as it motivated all employees to win the monthly shift award, safe in the knowledge that if they were successful, they would be allowed to participate in the prize. Without this intervention, some female employees may have been less motivated to win the title. One billing executive revealed that:

> "People did bad-talk against this company previously. When those bad talks reached to company, they organised many meetings and invited our parents to satisfy them....we are allowed to bring our mothers on every company entertainment trip at the company's expense. My mother went to Attock and

Rawalpindi with me. She liked it very much and always praises AlphaCorp." BE 13

4.8 Discussion and Conclusion

This paper has engaged institutional logics to reflect upon how local institutional context influences impact sourcing. It has focused on identifying the key institutional challenges that act as antecedent conditions when defining a corporate social strategy of impact sourcing. By applying the institutional logics construct, it identifies the institutional constraints existing in community, family and professional orders in the local context.

This research provides three key areas of theoretical and practical contribution. Firstly, recognising that impact sourcing remains in its infancy, this study responds to calls from Madon and Sharanappa (2013) and Sandeep and Ravishankar (2015) for further research into novel contexts of impact sourcing. Specifically, the findings of this research concur with Sandeep et al. (2013) and Sandeep and Ravishankar (2015) that success in impact sourcing requires the recognition of the institutional constraints of the local context. This study adds to previous work by providing a more nuanced analysis of the policies and practices in place, and their congruence with prevailing social and cultural norms. In addition, this research contributes the concept of corporate social strategy to existing impact sourcing literature. This has a practical relevance for the management strategies employed by impact sourcing organisations seeking to respond to the institutional challenges posed by the local context, principally by allocating additional resources and adopting culturally sensitive management practices. The study acknowledges that implementing a corporate social strategy to create social value requires additional investment of human or capital resources (Husted et al. 2012). However, allocating additional resources and adopting prudent management practices in impact sourcing to achieve its social objective does not require commercial objectives be discarded (Watson et al. 2010). To illustrate, by allocating additional resources to training and adopting culturally sensitive management practices to achieve social objectives, AlphaCorp also maximised its commercial success. The findings thus concur with Lacity et al. (2012) that if the community rejects an outsourcing organisation due to a lack of congruence with local institutional logics, then families will not permit their children to work in the company concerned, confirming that the creation of social and economic values is interrelated, and that elements of impact sourcing must be considered in unison when defining corporate social strategy.

This paper answers (at least in part) the call for further impact sourcing research focusing on the attitudes and lived experience of marginalised groups (i.e. women) other than the economically marginalised (Sandeep and Ravishankar 2015). The respondents in this sample were marginalised by both geographical location and gender, with women marginalised by cultural norms of patriarchy and expectation, as indicated by prior research (Ferdoos 2005; Mughal 2014). Although both men and women had limited opportunities to engage in private sector work in the AJK region, the local contextual conditions did not support women moving to other cities to find work. The information and communication technology underpinning impact sourcing clearly allowed this marginalised group to enter into gainful employment.

This research also contributes to the study of institutional logics (Thornton et al. 2012) by building upon the concept of a multiplicity of institutional logics (Besharov and Smith 2014; Greenwood et al. 2010), as illustrated by the interplay present in impact sourcing. The case analysis demonstrates that institutional logics of different institutional orders are not isolated, and that the logics of one institutional order may influence or be derived from the institutional logics of other institutional orders in the inter-institutional system. For example, professional order institutional logics of being a teacher were derived and intertwined with family and community orders. Thus, these findings concur with the existing studies of institutional logics and help to strengthen the understanding of the concepts related to society as an 'inter-institutional system' (Thornton and Ocasio 2008; Thornton et al. 2012).

The paradox of embedded agency is a topic of much debate amongst institutional theorists (Battilana et al. 2009; Smets et al. 2012). The analysis provided in this research reveals that institutional change can be an outcome of impact sourcing. For example, families are now more supportive of their daughters working in the private sector IT-enabled outsourcing organisation than they were a few years ago. Both the HR Manager and Vice President interviewed as a part of this study mentioned that whenever they announced recruitment using only word of mouth, they received a large number of applications from both male and female candidates. The study also shows that other factors, including individual agency, physical and environmental factors each contribute to the process of institutional change in a way that has not been examined in previous research. Future research may advance the theory related to the institutional change process as an outcome of impact sourcing practice.

There are a number of limitations of the case study. First, the study only considers the local context and its mapping with corporate social strategy to achieve impact sourcing, whereas higher-level institutional logics (e.g. the state or industry) may also influence corporate social strategy in a way that has not been examined in this research. Second, the study mainly focuses on institutional challenges, when other constraints, be they environmental or personal, may also play an important part in shaping the corporate social strategy.

Finally, a single case research design has many precedents (Eisenhardt and Graebner 2007; Levina and Vaast 2008), but is sometimes criticised for making unfounded generalisations. Following Walsham (2006) guidance on making generalisations from interpretive cases, this paper draws its theoretical development from a combined framework and illustration of the concepts from the empirical cases, thus offering rich insights.

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Chapter 5: Can Impact Sourcing Address Social Issues? Toward a Human-centred Corporate Social Performance Assessment

Abstract

The contribution of business to solving social issues is an area of growing interest in management research and practice. This study focuses on impact sourcing, an emerging practice in the global outsourcing industry, which aims to contribute to the social welfare of the marginalised individuals of the society. Drawing on the concept of corporate social performance (CSP) from management literature, this study assesses the impact of an impact sourcing practice, which focuses on the social issue of inequality and contributing to reduce gender exclusion in the labour market. Despite extensive research exploring the relationship between business and society, the management literature on corporate social performance (CSP) has made limited inroads into social issues. In this article, we present a model that extends the theory of CSP to embrace social issues by drawing on a wider conceptualisation of stakeholders and incorporating theory from development studies. A qualitative case study of a global outsourcing organisation, practising impact sourcing, provides the empirical basis to our theoretical model building. We adopt Amartya Sen's Capability Approach from development studies to understand social impact assessment. The paper contributes a theoretical model to assess the human-centred CSP outcome, which, in this particular case study, is used for social impact assessment of an impact sourcing practice. The novelty of the model is the CSP outcome assessment approach; mapping expected and acknowledged CSP impacts on beneficiary stakeholders' capabilities. This model has implications for both theory and practice.

5.1 Introduction

'We saw an increased understanding that in an inter-connected world, our futures and fortune were linked as never before. This fuelled a growing determination from individuals, businesses, and organisations to look beyond narrow self-interest.'

The Courage to Change, Kofi Annan, Oxford, 12 April 2013

Social issues, such as poverty, inequality, and unemployment, were originally seen solely as the responsibility of the state and later of non-governmental actors. Over the past two to three decades, there has been growing interest in the role that business may play in addressing these and other social issues, and contributing to the well-being of society (BCtA 2008; World Bank 2013). International donor agencies, such as the United Nations, Rockefeller Foundation, and Bill & Melinda Gates Foundation, have played central roles in highlighting these social issues as large global challenges and acknowledging the potential of business to address them (Prieto‐Carrón et al. 2006; Rockefeller Foundation 2011; World Bank 2013). Other prominent organisations such as the World Business Council for Sustainable Development (WBCSD) and the Committee for Economic Development have also argued that business leaders should think beyond the limits of corporate social responsibility for paying tax, environmental considerations, fair wages, labour rights, and provision of jobs, goods, and services; they should consider utilising their resources to address social issues (WBCSD 2000).

The Rockefeller foundation introduced the concept of impact sourcing, which emphasises the potential of the global outsourcing industry to contribute to the social welfare of the marginalised individuals of society by creating outsourcing jobs while remaining commercially viable (Rockefeller Foundation 2011). In this paper, we focus on an impact sourcing practice of a global outsourcing organisation and assess how it contributes to address social issues. We extensively draw on the corporate social performance concepts from management literature to unpack the impact assessment of impact sourcing. In management journals, scholars have contributed to the debate on the potential of business to achieve social performance alongside commercial performance – often referred to as 'doing well by doing good' (Porter and Kramer 2011) or the triple bottom line (Elkington 1998). However, considerable pessimism exists in this discourse related to paradoxes of business intentions and capabilities to deal with social issues (Blowfield 2007; Friedman

1970; Utting 2007). This pessimistic discourse challenges management scholarship to better explore the dynamics of business contribution to social issues.

The discourse on corporate social performance (CSP) in the management literature focuses on the principle, process, and outcome of organisational social actions (Carroll 1979; Wood 1991). Social actions are socially informed policies and processes of organisations. Various scholars have studied the CSP measurement approach (Carroll 1979; Wartick and Cochran 1985; Wood 1991) and have included the management of social issues as a compulsory component in all existing CSP measurement frameworks. However, significant limitations remain in CSP measurement research, which leaves the concern of addressing social issues unanswered (Hahn 2012; Salazar et al. 2012; Walsh et al. 2003). Specifically, much of the prior CSP research is focused on identifying general stakeholder issues limited to the organisational level of analysis, reporting the output of organisational social actions rather than assessing the CSP outcomes (Mitnick 2000; Salazar et al. 2012) or examining the wider business involvement in social issues (Clarkson 1995; Walsh et al. 2003). We take an alternative perspective on CSP measurement, which instead focuses on the social welfare of individuals including their social systems (local context). Why is this important? Addressing social issues involves going beyond the organisational level of analysis to include the interplay with individuals and their social context (Sen 1999).

Social issues are complex in nature and require the inclusion of organisational, individual, and societal aspects for evaluation (Clarkson 1995; Pearson 2007). Although the recent structural frameworks of CSP assessment have included the CSP outcome component, extant models lack any theoretical attention to what type of CSP outcome should be measured and what procedure would be followed to measure the CSP impact on individuals (Salazar et al. 2012). This paper presents a theoretical model to address this gap.

The paper responds to many calls for research from both impact sourcing and CSP studies. For impact sourcing studies, it responds to the call of Carmel et al. (2014) to assess the effect of impact sourcing practice on the major stakeholder, employees. It also responds to the research need identified in the CSP literature to include the effect on individuals and society in CSP outcome measurement by incorporating concepts from other disciplines, thus broadening the discipline's theoretical understanding (Moura-Leite and Padgett 2011; Wood 2010). Specifically, Wood (2010) writes that, 'refocusing on

stakeholders and society and crossing the disciplinary barriers in the name of CSP may be just what is needed to invigorate and sustain CSP scholarship and to discover the results that will be truly meaningful to corporate managers and their many stakeholders' (p.76). To satisfy these knowledge gaps, this study draws on literature from development studies and incorporates Sen's Capability Approach (CA) concept that focuses on the capability development of the individual (Sen 1999). Here, we refer to the marginalised individuals as the beneficiary stakeholders, where these beneficiary stakeholders are those individuals who are affected by social issues and can benefit from the CSP outcome. In response to these knowledge gaps, this paper explores the following research questions:

1. Can impact sourcing contribute to addressing social issues?
2. How can the CSP outcome of an impact sourcing practice be assessed?

To do so, we use a single case study of a for-profit outsourcing organisation practising impact sourcing, AlphaCorp. The case narrative describes how the organisation attempted to address a social inequality issue of female exclusion from the professional Information and Communication Technology (ICT) labour market by implementing an impact sourcing practice in a remote district of a developing country. Inductive analysis from the case study derives a theoretical model to understand human-centred CSP outcome assessment using Sen's Capability Approach. The central emphasis of the model on assessing the impact on individuals' capabilities (beneficiary stakeholders) explains its human-centred orientation. This study has multiple contributions to the study of impact sourcing and CSP. Its novel contribution to theory and practice is its extension of Wood's (2010) work. The model proposes a CSP outcome assessment approach incorporating organisational, individual and societal aspects. The key addition here is an approach to assess the impact on individual beneficiary stakeholders, embedded in their social systems (Clarkson 1995; Wood 2010).

5.2 Background Literature

In this section, we review literature regarding impact sourcing, CSP, Capability Approach, and gender inequality.

5.2.1 Impact Sourcing

The conceptual underpinnings of impact sourcing may be traced to a discourse related to the business advantages of engaging with low income groups demonstrated in Prahalad and Hart (2002) concept of Fortune at the Bottom of the Pyramid (BoP).

Scholars have a significantly optimistic approach to impact sourcing and present it as a win-win strategy for both the outsourcing service providers, in terms of business profitability, and the social welfare of marginalised people (Avasant 2012). Social welfare represents the well-being of people and communities (Midgley 1995) and is an approach that offers an effective response to current social issues. Impact sourcing may contribute towards social welfare by providing employment opportunities to marginalised individuals (Carmel et al. 2014). For example, marginalised people with relatively lower market exposure and personal or professional capabilities who may face difficulty when competing for jobs in metropolitan areas (Monitor 2011). Environmental, physical or social constraints may also restrict marginalised people from gaining access to the job market. Malik et al. (2013a)'s study of a rural impact sourcing initiative in India shows that women were not allowed to move outside the village for work because of conservative social norms.

The phenomenon of impact sourcing is in its nascent stage of research but it is possible to discern two broad categories of business models: 1) Impact sourcing practice in the form of outsourcing social enterprise established for social welfare, and 2) Impact sourcing as corporate social responsibility within a commercial outsourcing organisation (Malik et al. 2013b). Although private sector outsourcing organisations are considered to be the major catalyst of impact sourcing (Monitor 2011; Rockefeller Foundation 2011), most existing studies consider non-profit or social IT outsourcing organisations, such as government financed impact sourcing initiatives for rural Indian women (Heeks and Arun 2010), a non-profit social enterprise impact sourcing initiative for poor rural Indian people (Madon and Sharanappa 2013), or the prison employment programme of a US Federal Correctional Institution (Lacity et al. 2014). The survival of the social enterprise type of outsourcing initiatives is in the long run a major concern because of various types of dependency challenges, for example, dependency on the government sector for the outsourcing work (Heeks and Arun 2010), or financial dependency (Heeks and Arun 2010). Moving to prior literature on the 'impact' of impact sourcing, the practitioner literature provides evidence of a remarkable increase in marginalised people's income and spending; however, these findings are based on claims reported without any empirical evidence. For example, Monitor (2011) claims that impact sourcing may influence marginalised individuals' education and health spending because of an increase in their net income of 40 to 200%. It also claims that impact sourcing may provide business

benefits to outsourcing organisation because of a 40% decrease in total operational expense in rural areas and small cities (Monitor 2011).

The academic studies report improvements in marginalised outsourcing employees' personal lives, professional skills, social acceptance, networking abilities and economic uplift (Heeks and Arun 2010; Lacity et al. 2014; Madon and Sharanappa 2013), but, as discussed above, these studies examine only the social non-profit outsourcing initiatives. For example, Heeks and Arun (2010) explore a government financed social outsourcing initiative, 'Kudumbashree', in the Indian state of Kerala. They apply the Sustainable Livelihood (DFID 1999) framework to evaluate the government supported outsourcing initiative and present the results quantitatively in percentages to show increases in financial, physical, social, human, and political assets. Another example is Madon and Sharanappa (2013), who also draw on the Capability Approach to evaluate the impact of a non-profit outsourcing enterprise on outsourcing employees' capabilities improvement. Personal development, work and lifestyle change, and improved community relations are a few of the capabilities they discuss briefly in the paper (Madon and Sharanappa 2013). Lacity et al. (2014) investigate a prison employment programme of a US Federal Correctional Institution (Lacity et al. 2014). Under this programme, called prison sourcing, prisoners were hired and trained to perform computer based business processes. The study found a positive influence of the programme on prisoners, resulting in some benefits, such as work habit development, good financial compensation, development of business skills, productively occupying time, and evaluation of self-efficacy and status.

Carmel et al. (2014) propose a future research agenda of impact sourcing and call for future research to study the effect of impact sourcing on marginalised outsourcing employees, a call to which this study aims to respond.

5.2.2 Corporate Social Performance

CSP and its related concepts (corporate social responsibility (CSR), corporate governance, and corporate social responsiveness) have been extensively studied for more than five decades. However, it has been argued that the literature is multiplying rather than building theoretical concepts, leading to fragmentation (Aguinis and Glavas 2012; Matten and Moon 2008; Wood 2010). CSP has been studied in academic literature as 'CSR in practice' to justify the measurement aspects of the social objectives of business (Carroll 1979; Wood 2010). It is defined as a set of business activities that focus on the impacts and outcomes for society, stakeholders, and the business organisation itself (Wood 2010).

Several scholars have advanced the CSP measurement approach (Carroll 1979; Clarkson 1995; Sethi 1975). For example, Carroll (1979) presented the first operational model to measure CSP by integrating three dimensions: corporate social responsibility, corporate social responsiveness, and social issues. Wartick and Cochran (1985) built on Carroll's (1979) work to define their model of CSP. They integrate principles, process, and policies with Caroll's (1979) three-dimensional model to construct a general model of CSP, which consists of the principles of social responsibility, the process of social responsiveness, and policies to address social issues.

Wood (1991) builds on existing models of CSP and incorporates concepts from other theories, such as organisational theory, institutional theory, and stakeholder management theory. The significant contribution of her revised CSP assessment model is the addition of outcome and impact components of CSP in terms of the effect on people and organisations, their natural and physical environments, and their social systems and institutions (Moura-Leite and Padgett 2011; Wood 2010). However, the model does not provide theoretical insights to guide assessment of the impact on individuals and social systems, which limits the CSP outcome in terms of measurement of social issues.

Clarkson (1995) presents a stakeholder framework for analysing and evaluating CSP and highlights the distinction between stakeholder issues and social issues. The stakeholder issues are general stakeholder-related challenges limited to the organisational level, for example, employee assistance plans, carbon emissions, customer trust, and employee satisfaction and well-being. The social issues, however, are societal problems identified at municipal, national, or global level over an extended period of time and requiring legislation and regulation, for example, social inequality and poverty, health and safety, environmental degradation and climate change, life expectancy and health. Thus, the stakeholder issues are not always the same as the wider social issues (Clarkson, 1995), reinforcing the need for individual, organisational and societal level of analysis.

As noted above, the social issues component is not new and has been included in some prior CSP measurement scholarship (Carroll 1979; Wartick and Cochran 1985; Wood 1991). However, the majority of studies have again emphasised only the general stakeholder issues at the organisational level as opposed to a wider scope including social issues (Clarkson 1995; Husted and Allen 2011; Walsh et al. 2003).

The major criticism of CSR and CSP scholarship is related to the lack of acceptance of the role of business participation in addressing social issues (Devinney 2009; Friedman 1970). Pessimists doubt the ability of organisations to understand and address social issues and argue that government or civil agencies (e.g. NGOs) should be responsible for dealing with social issues (Edwards 2008).

Critics also argue that the management literature lacks agreement on what aspects of the social performance outcome should be assessed and how they should be measured (Salazar and Husted 2008; Salazar et al. 2012; Swanson 1999). A large number of CSP measurement studies are focused on reporting the output of an organisation's social actions (Mitnick 2000). These studies rely on company disclosure reports or professional indices (e.g. UN Global Compact Index, Pollution Performance Index, KLD Index) to assess the output of social actions (Wood, 2010). To date, management studies have paid less attention to examining the effect of social actions on people and society (Salazar et al. 2012; Wood 2010). These limitations in management studies represent research gaps related to the paucity of a detailed examination of social issues in CSP (Moura-Leite and Padgett 2011). Wood (2010) calls for incorporating interdisciplinary approaches and making a concerted effort to accommodate methods, approaches, and results from other disciplines to fill these knowledge gaps. Another suggestion evident in the literature is to examine the social performance impact in terms of human development, for example, well-being and quality of life (Prieto‑Carrón et al. 2006; Salazar et al. 2012).

In order to better understand how we can conceptualise human development and these key social issues, and, importantly, how to assess social impacts, we next look to the development literature.

5.2.3   Social Inequality and Capability Approach (CA)

With over 1.2 billion of the world's population living under extreme poverty (on less than $1.25 per day) (UNDP 2014b), the key focus in recent years within the domain of socio-economic development has been poverty reduction (UNDP 2014a; UNDP 2015). Although lack of income is one important factor, poverty is seen as a multidimensional problem, driven by economic, political, geographical, personal, and social factors (UNDP 2014b). While a country may develop economically, patterns of economic growth can deepen inequality within society, hence stifling social development of some (vulnerable or marginalised) groups (Alesina and Rodrik 1994; Birdsall and Londoño 1997; Deininger and Squire 1998). Other factors affecting inequality can be rooted in issues of

class (and/or caste), gender, ethnicity, religion, and other social dimensions. Hence, the concept of socio-economic development recognises the complex and contextual nature of an individual's situation, and addresses key issues around inequality and the empowerment of marginalised groups (Kabeer 2005; Nussbaum 2011).

Women in particular are recognised targets of development agendas due to their often marginalised place in many developing societies (UNDP 2014a; UNDP 2015). Particularly in relation to employment, women make up only 40.4% of the global formal labour market (ILO 2012; ILO 2015), with a large proportion of this in the agriculture sector. There is abundant evidence of both horizontal (by discipline or sector) and vertical (retention and advancement) gender-based segregation in many industries, particularly in science and technology areas (Eriksson‑Zetterquist 2007; World Bank 2013). For instance, in the ICT sector there is much research on the gender division of labour that is prevalent globally (Chase 2008; Hafkin et al. 2006; Howcroft and Richardson 2008; Kelan 2008). This research indicates that as well as practical issues such as access to resources (finance, technologies, training, jobs), women face gendered societal barriers affecting their mobility, control of resources, and decision-making powers, among others (Kabeer 1999; Kabeer 2005; Pearson 2007), once again highlighting the complex multidimensional and contextual nature of inequality.

In his Capability Approach to development, Amartya Sen (Sen 1992; Sen 1999) conceptualises development as a process to enable people to live the lives they value, by addressing policies and initiatives to improve their capabilities to do so. This is a broad-based conceptualisation representing a shift in development theory away from economic growth toward a human-centred approach (Nussbaum 2011). It has been applied in a number of domains, including more recently the information systems field, to analyse social change at the personal and individual and at the societal or community levels (Cushman et al. 2008; Madon and Sharanappa 2013). Sen argues that such social change needs to be unpacked in detail to identify not just the resources that an individual needs to utilise to enhance their capabilities (e.g. access to ICT training to develop marketable ICT skills), but also what contextual factors can support or impede them in converting those abilities into actively functioning and using them (e.g. getting a job in the ICT sector). Hence, their choice, or agency, may be limited (Kabeer 1999; Sen 1999). For instance, Malik et al. (2013a)'s study of a rural impact sourcing initiative in India found that women felt unable to move outside their village for ICT work because of conservative cultural norms (despite having developed the necessary ICT capabilities). Here we see

women's choices (and ability to realize their capabilities) restricted by the social system they are part of. This reinforces Kabeer's (1999, 2001) conceptualisation of empowerment, whereby increased awareness of choices available, and increased agency to choose among them despite strong contextual forces, represents positive change (i.e. development).

This capability approach to assessing social impact addresses calls from development theorists (Mansell 2006) to move away from pre-defined expected impacts for interventions to a focus on beneficiary empowerment: individuals can be empowered to choose for themselves what kind of lives they value and therefore what kind of impacts they experience and value, given their situation. A Capability Approach to assessing impact enables the beneficiary's perspective to be the key focus. Critics of the Capability Approach argue that it is hard to operationalise the theory and several have developed operational tools to assist in identifying key generic capabilities (Kleine 2013; Nussbaum 2011; Robeyns 2005). However, a true Senian approach advocates allowing the beneficiary themselves to determine the valued capabilities.

This research takes a Capability Approach lens to assess the impact of impact sourcing as a perceived CSP outcome of a commercial outsourcing organisation.

5.3 Research Methods

We adopted an inductive case study design to research the phenomenon in its social context (Stake 1995). The case study approach allowed us to consult multiple data sources that support the reliability of the research (Yin 2014). We selected a single case study to obtain a deep understanding of the research problem with respect to its social setting, which helps to gain richer theoretical insights into this relatively little examined research area (Dyer and Wilkins 1991).

5.3.1 Research Context and Case Selection

AlphaCorp was selected as a particularly revelatory case (Eisenhardt and Graebner 2007) to investigate the assessment of social impact of impact sourcing for the following reasons. First, AlphaCorp was a commercial organisation practising impact sourcing and focusing on a social issue – the social inequality of gender exclusion in the professional ICT labour market – as part of its CSP. This case gave us an appropriate platform through which to unpack our research inquiry.

Second, the aim of our research is to study gaps in CSP measurement scholarship related to its effect on individuals and society. AlphaCorp had implemented an impact sourcing initiative in a small, earthquake-affected district of a developing country. It provided outsourcing work opportunities to educated local women, who were geographically and socially marginalised, to bring them into a mainstream job market and improve their socio-economic conditions. The beneficiary stakeholders of the CSP initiative were marginalised local women, which enabled us to study the CSP impact on individuals. Analysing the traditional culture and conventional social norms reflected in the daily practices of the local community where AlphaCorp had implemented impact sourcing (Mughal 2014) enabled us to examine the interplay between the CSP outcome, the beneficiary stakeholders, and their social systems.

5.3.2   Data Collection

We carried out the major part of our fieldwork in Pakistan and collected data from AlphaCorp's Azad Jammu and Kashmir (AJK) and Islamabad centres over seven months (September 2013 to March 2014). Long engagement in the field within the research sites improved the reliability of the findings by enabling access to multiple rich data sources for triangulation (Lincoln and Guba 1985). We drew on three data sources: semi-structured interviews, extensive field notes during and after observation and informal communication, and archival documents (Yin 2014). Semi-structured interviews were the main source of data, conducted with employees at almost all levels of the organisational hierarchy: outsourcing employees (e.g. billing executives (BE), team leaders), middle-level management, and higher-level management. A total of 72 interviews of varying length were conducted during fieldwork in Pakistan. We conducted two interviews through video conferencing, seven through audio conferencing (via an official internal communication device), and one telephone interview, while the remaining interviews were undertaken face-to-face. These interviews were taped and transcribed (where permission to record was granted) or detailed notes were taken and written up as soon as possible afterwards.

Our primary focus was the AJK centre because it was the CSP initiative implementation site. We conducted 45 interviews in AJK and, of these, 26 were female outsourcing employees, who were the beneficiary stakeholders of the CSP initiative. We asked questions about the differences they perceived, if any, in their personal and economic circumstances, social status, and various abilities before and after being employed. We

asked questions related to enablers and constraints, such as what kind of constraints they had faced in getting this job; enablers and challenges during initial days of work and how they overcame these challenges; and family reactions. We also interviewed 14 male outsourcing employees to broaden our understanding of the local context and corroborate the case study insights relating to the existence of social inequality and organisational impact, especially about local cultural and social norms related to female work practices. Additionally, we interviewed five middle-level management officials at the AJK centre. We asked questions about their strategy of operating the AJK centre, their perception of the impact of impact sourcing on female outsourcing employees, and the perceived influence on and response of the local community. Furthermore, we asked about different opportunities and challenges existing in the region and how the company had availed itself of the opportunity and managed the challenges of running the operations smoothly.

In addition, we interviewed four female outsourcing employees in the Islamabad centre who had also worked in the AJK centre. We also interviewed sixteen managers and assistant managers of different departments and five higher-level executives in Islamabad. Subsequently, we conducted six more interviews with higher-level managers during a visit to the US centre in August 2014 to incorporate the US side of the story.

During fieldwork in Pakistan, the fieldwork researcher was enrolled on a staff orientation course focused on the company's core operations and functional departments, which provided valuable data on the background of AlphaCorp as well as its management processes. Alongside the semi-structured interviews, during breaks and after work it was possible to observe work in the centres and informally talk to the outsourcing employees. Notes were written from these observations and conversations as soon as possible afterwards as a research diary. The fieldwork researcher's understanding of the local language, actual presence at data collection sites, cross-checking/comparison of interview findings during interviews with outsourcing employees and management, as well as field notes and observations, are strategies that were followed to ensure the authenticity and validity of the research findings (Eisenhardt 1989; Golden-Biddle and Locke 2007).

5.4 Data Analysis

We used template analysis to analyse the collected data. Template analysis is a structural approach of thematic analysis that helps in reducing a large amount of textual data to that required for a research study (King 2004). This analysis started from the development of a very flexible initial template on the basis of a subset of data, the researcher's field

experience, and initial concepts from the literature (King 2012). We moved from raw data to theoretical implementation in an iterative process followed in three stages (Gioia et al. 2013; Langley 1999).

Stage I – Producing an initial template and coding raw data*.* We began our data analysis by producing an initial template (list of codes) after obtaining a basic understanding of our case study and conducting the first few interviews. To analyse our data related to human-centred impact, the concepts of the Capability Approach informed our initial template. The initial template consisted of three main categories: the case study organisation, impact on employees' capabilities, and social and environmental influences. These categories contained a few initial-level codes derived from the literature and a subset of data to give a starting point to our data analysis. For example, personal capabilities, financial capabilities, social capabilities, and professional capabilities came under the category of impact on employees' capabilities. Template analysis is highly flexible and helped us to constantly modify, re-arrange, and add and delete new codes and categories when we started analysing the data inductively (King 2004).

We used NVivo 10 software for coding the textual data and developing the final template, which helped to manage and sort a large amount of data, as it allowed double or multiple coding (the same text code under multiple codes), which was well suited for the iterative process of updating categories and codes (Bazeley & Jackson, 2013). We collated data on AlphaCorp's organisation, its impact sourcing initiative, the local social context of AJK (implementation site of the impact sourcing initiative), effect on employees' capabilities, and effect on local context. We picked out different descriptions from the text to create NVivo nodes.

Stage II – Finalising the template*.* In the second stage, we ensured that all relevant data had been coded in the final template by repeating the data analysis process twice. The final template is presented in Figure 5. In the final template, we sorted all codes into six main categories. The codes that contained data related to AlphaCorp were arranged in the 'organisational detail' category. We grouped those codes in the 'local context' category that contained data explaining the environmental challenge and social structures of the local community where AlphaCorp had implemented its impact sourcing.

1. Organisational detail
1.1 Company details
1.2 Business and social objectives
1.3 Corporate social performance initiative
1.4 AJK centre details
2. Local context
2.1 Environmental challenges
2.1.1 Earthquake affected region
2.1.2 Extreme weather
2.1.3 Mountainous geography
2.2 Social structure
2.2.1 Conventional cultural norms
2.2.2 Women's job roles stereotype
2.2.3 Patriarchal society
2.2.4 Conservative traditions
2.2.5 Religious values
3. Social activities output
3.1 Socially informed process and policies
3.1.1 Offered equal wage rate
3.1.2 Professional development opportunities
3.1.2.1 Additional training
3.1.2.2 Exposure activities
3.1.3 Culturally sensitive working environment
3.1.4 Dedicated female-only morning shift
3.1.5 Pick-up and drop-off facilities
4. Management perceived impact of CSP
4.1 Personal and professional capabilities
4.1.1 Confident employees
4.1.2 Improved professional attitude
4.1.3 Improved work quality
4.1.4 Winning quality competitions
4.2 Improved financial condition
4.2.1 Low living cost in small town
4.2.2 Getting higher salary
4.3 High satisfaction level and socialisation
4.3.1 Networking with peers

4.3.2 Sharing knowledge
4.3.3 Reduced employee turnover rate
4.4 ICT skills improvement
4.4.1 Providing ICT training
4.4.2 Learning by doing
4.4.3 Working on computer for long hours
4.4.4 Better MIS usability skills
5. Employees' perceived impact of CSP
5.1 Personal and professional development
5.1.1 Personality development
5.1.1.1 Respecting others' opinion
5.1.1.2 Punctuality and self-discipline
5.1.1.3 Planning and setting life goals
5.1.1.4 Multicultural adjustment
5.1.1.5 Improved self-confidence
5.1.2 Professional skills
5.1.2.1 Communication skills
5.1.2.2 Discipline and punctuality
5.1.2.3 Decision making
5.1.2.4 Language proficiency
5.1.2.5 Team work
5.1.2.6 Stress management
5.1.2.7 Stamina building for work
5.1.2.8 Sense of professional responsibilities
5.2 Empowerment
5.2.1 Social and personal empowerment
5.2.1.1 Acceptance and appreciation
5.2.1.2 Sense of achievement (self-reliance)
5.2.1.3 Self-belief
5.2.2 Financial and professional empowerment
5.2.2.1 Improved financial status
5.2.2.2 Future employability
5.3 Informal learning and education capabilities
5.3.1 Capabilities to acquire higher education
5.3.2 Learning and transferring knowledge
5.3.2.1 Peer learning
5.3.2.2 Capabilities to gain knowledge
5.3.2.3 Guiding friends and family

5.4 Economic development
5.4.1 Self and family financial support
5.4.1.1 Contributing to family earnings
5.4.1.2 Financial self-dependency
5.4.1.3 Spending on education
5.4.1.4 Spending on health
5.4.2 Savings and investment capabilities
5.4.2.1 Saving for wedding expenses
5.4.2.2 Saving for future
5.4.2.3 Saving for education
5.4.2.4 Spending on assets
5.4.2.5 Spending on small business
5.5 Socialisation and networking capabilities
5.5.1 Personal social capabilities
5.5.1.1 Socialisation with friends and family
5.5.1.2 Fulfilling family commitments
5.5.1.3 Attending family functions
5.5.2 Professional social capabilities
5.5.2.1 Professional networks
5.5.2.2 Entertainment
5.5.2.3 External exposure
5.6 Information communication technology (ICT) skills
5.6.1 Unaffected ICT capabilities
5.6.2 First-hand learning experience of MIS
5.6.3 Future employability for ICT-based jobs
6. Change in local norms and cultural practices
6.1 Change in family norms
6.2 Change in community mind-set
6.3 Acceptance of women's job roles
6.4 Realisation of women's professional empowerment
6.5 Relaxed patriarchal structures
6.6 Change in conservative local culture
Source: Adopted from King (2012)

Figure 5: Final Template of Analysed Data

The 'social activities output' included codes that contained data related to AlphaCorp's social actions supporting CSP, for example, additional training, exposure activities, offering equal wages, and so on. Furthermore, our dataset generated two types of codes related to impact on employees' capabilities: first, AlphaCorp's management reported an impact on employees' capabilities; and second, the local female outsourcing employees reported an impact on their personal capabilities after being employed in AlphaCorp. We grouped these codes into two separate categories. First, 'management perceived impact of CSP' grouped codes related to the effect on employees' capabilities perceived by AlphaCorp's managers, for example, personal and professional capabilities, improved financial condition, and employees' ICT skills. Second, 'employees' perceived impact on CSP' contained codes related to influence on employees capabilities as per the employee's personal view. Our case study generated different codes containing data that reflected a change in local norms and practices, for example, change in family norms, change in community mind-set, acceptance of women's job roles, and so on. We grouped these codes together in a category 'change in local norms and cultural practices'.

Stage III – Identifying themes to build a theoretical model. After organising all data in the final template, we travelled back and forth between organised data and relevant literature to generate abstracted themes for theory building (Miles and Huberman 1994). We further aggregated these themes into a theoretical model that encompassed three core concepts representing the model's central constructs: expected CSP outcome, acknowledged CSP outcome, and effect on social systems, incorporating organisational, beneficiary stakeholders', and societal perspectives, respectively.

We engaged with the CSP literature from management studies and abstracted a theme 'managers' perceived impact on beneficiary stakeholders' capabilities' as an expected CSP outcome: organisational perspective. Furthermore, we abstracted another theme, 'beneficiary stakeholders' perceived impact on capabilities' and six sub-themes: 'personal and professional development'; 'empowerment'; 'informal learning and education capabilities'; 'economic development'; 'socialisation and networking capabilities'; and 'information and communication technology (ICT) skills'. We engaged with the capability framework literature to abstract the theme 'beneficiary stakeholders' perceived impact on capabilities' as an acknowledged CSP outcome: beneficiary stakeholders' perspective. Lastly, we engaged with both the management and development literature and abstracted a theme of 'change in social norms and

cultural practices' as an effect on social systems. In Table 16, we summarise the core concepts, themes, and illustrative data from which we derived our theoretical model. To increase the reliability and validity of our interpretation and theorisation, we presented the case study insights on various platforms, such as a seminar, workshop, and working group conference. The external scholars' review and feedback helped us to improve the emergent theoretical model (Lincoln and Guba 1990).

Table 16: Summary of Core Concepts, Themes, and Illustrative Data

Core Concept and Themes	Illustrative Data
The Case Study	
The case study organisation	"…has offices in US, Islamabad, Pakistan and AJK, Pakistan. We employ a highly educated workforce of more than 1,000 people in Pakistan." (NASDAQ registration form) "Basically we started the AJK office for two reasons. To create job opportunities for the youngsters of that region, especially girls, and second, we need a backup office anyway, whether it was located inside the country or outside the country." (Company Spokesperson) "The company van picks us from our homes and drops us off there. My family is very happy that their daughter is working in a good environment." (Female BE – 11)
Local contextual detail	"Here the environment is not like urban areas. Everyone is concerned about where are you going and what you are doing. That's why my parents were very concerned when I decided to work in the office." (Female BE – 14) "…it was not easy to get there simply because it was quite an inward-looking society." (Manager Compliance) "There was significant social inequality between men and women. Females had some limitations, for example their education ratio, travelling and other family restrictions." (Asst. Manager HR) "My family wanted me to join the teaching field because it was considered as an honorable profession for girls." (Female BE – 23) "It might be a little difficult to get permission from the family to move to another city for a job." (Female BE– 10) "…but some elder people in my family are very conservative, like my grandmother. She said, 'Don't do a job in an office, you will be sick.' A few girls got backache initially sitting in an office for longer hours, but it was not a big issue at all." (Female BE – 27)
Expected CSP Outcome: Organisational Perspective	

Managers' perceived impact on beneficiary stakeholders' capabilities	"…but actually I am very pleased with the development of these girls at AJK. I believe that a smaller group makes more connections and networks, that's why I am more impressed how they learn." (Manager Compliance) "There are few employees of the AJK centre who have been selected as employee of the month and team of the month. The female morning shift at the AJK centre has received the shift of the year award because of the quality of the work they are delivering; we are finding them personally and professionally groomed." (Manager Marketing) "We bring local girls toward technology and professionalism. Now they have realized their potential and that they can do something different." (Chief Information Officer) "Here we have to teach them, from computer knowledge to office etiquette. But once they have learnt, they perform outstandingly." (Manager Operations)
Acknowledged CSP Outcome: Beneficiary Stakeholders' Perspective	
Beneficiary stakeholders' perceived impact on capabilities	
Personal and professional development	"My confidence level is way better than I had previously." (Female BE – 07) "I can feel the drastic change in my personality… I don't say that I have become perfect, but I have gained the ability to adapt myself in an official environment." (Female BE – 18) "Due to my family background, I initially found it difficult to work outside home. Although I studied in co-education, it seems I could not prove myself. Now I can communicate with seniors and other people in a professional manner." (Team Leader – 03)
Empowerment	"We are now not like ordinary girls who would be easy to pressurize. They may think we can only focus on a career, but I think a working woman is more organised and can look after her family better." (Female BE – 16) "We have trust and faith in ourselves that we are a productive part of society." (Female BE – 15) "After doing a job here, now I am interested in finding a better job somewhere else. I know no one would stop me following my dream." (Female BE – 03)
Informal learning and education capabilities	"I continued my study during my job and completed my Master's degree." (Team Leader – 03) "We learn from each other. My general knowledge has improved. I am now more aware about what is going on in my country and globally." (Female BE – 14)
Economic	

development	"I want to continue my education and study MSc Economics. To obtain this degree I have to leave my town and move to a big city. Right now I am saving money for my higher education." (Female BE – 14) "I pay my younger sister's school fees and spend on her educational expenses. I also support my youngest brother's daily small expenses. I also keep some fixed portion of my salary in back for saving purposes." (Female BE – 03) "…if my father's monthly salary is delayed or he faces some financial crisis, then I support him in meeting all household expenses." (Female BE – 05)
Socialisation and networking capabilities	"I was completely cut off from my extended family after joining the job. I could not attend many functions and social events in my family. This makes them offended." (Female BE – 25) "My social life has changed in the way that everyone in my circle complains about my limited social interaction." (Female BE – 23) "…only one bad consequence of working here: we cannot give time to our family and relatives." (Female BE – 8)
Information communication technology (ICT) skills	"I used computers before joining AlphaCorp. I did ICS (high school with major in computers)… I have my own computer at home." (Female BE – 13) "I already knew much about ICT. We attended an academy for computer training courses, but they taught us the basics. We could not learn that deeply." (Female BE – 15) "I knew how to operate a computer, but my billing knowledge and skills are further improved after practically working on a computer in this job." (Female BE – 24)

Effect on Social Systems

Change in social norms and cultural practices	"My parents said, 'It is fine if you want to do the job, you can try.' We did not tell other relatives that we were applying for the job (the interviewee and her sister). We told them after we got a job offer. They all are very happy to know about the nature of the job and the company." (Female BE – 9) "We started there four years ago and there are huge differences in these four years. Every time we hire a new batch we notice the improvement in the local community." (Manager HR) "Initially people raised many issues, and then management invited local people to visit them… Now people's mind-set has also changed. Three girls from my neighbourhood are working here. Here families prefer their daughters to work in AlphaCorp after graduation." (Male Manager Operations)

5.5 The Case Study Findings

Due to the context-specific nature of this research, we start by presenting the findings related to the case study organisation and local contextual details to introduce the case study.

5.5.1 The Case Study Organisation

The case study concerns a publicly listed Information Technology (IT) and Business Process Outsourcing (BPO) organisation, AlphaCorp. AlphaCorp provides medical billing and electronic healthcare record management services to the US healthcare industry. Its head office is located in the US and is involved in marketing, sales, and face-to-face client support activities. AlphaCorp provides IT and BPO services from its two offshore outsourcing centres in Islamabad and AJK, Pakistan. AlphaCorp operates three shifts – morning, evening, and night – to provide continuous IT and BPO services to clients in the US. At the time of the study, more than 1,000 employees were working in the three centres. The Islamabad centre was a major operational centre established in 2002. In 2009, AlphaCorp established its second offshore outsourcing centre in a small district of AJK with both business and social objectives: to act as a backup office and to provide employment and growth opportunities to the educated youth of that region, especially women, who did not have many employment opportunities. The administration manager explained:

> *"The motivation behind the AJK centre is not only to earn profits but to satisfy the company's social obligation."*

At the time of conducting this case study, more than 800 employees were working in the Islamabad centre and around 200 employees had been hired in the AJK centre. AlphaCorp reserved a morning shift for female outsourcing employees as part of its CSP. The objective was to facilitate the local women's inclusion in the ICT oriented job market by encouraging a certain number of female employees to the AJK centre. AlphaCorp arranged additional training in ICT and business operations as well as personal and professional skills development to bring these inexperienced and lower-exposure female employees to the same professional level as metropolitan city-based outsourcing employees. AlphaCorp took many steps to gain the trust of the local community in AJK so that they would allow their daughters to work and learn. For example, a dedicated female-only morning shift, pick-up and drop-off services, hiring a

renowned local female HR manager whom the local community could trust when they sent their daughters to work, and an office culture respecting the religious and cultural norms of the local community. The assistant human resources manager commented:

> *"We provide a working environment appropriate to the local culture and people's mind-set. We provide facilities like an office pick-up and drop-off service. That's why their families and parents are satisfied. We build trust in them that is our key to success."*

The general manager added:

> *'...for example, our AJK centre HR manager is from the same area, she knows everything from the girls' point of view, what is acceptable and what is not acceptable there.'*

Here, we see a clear example of how the organisation was influenced by the social context and how it responded to the social restrictions on the targeted beneficiary stakeholders.

5.5.2   Local Contextual Detail

Pakistan is a patriarchal society following strong cultural and religious values. While the urban communities of the major metropolitan cities have witnessed a significant change in women's work practices in the last few decades, the major part of the Pakistani population, belonging to rural areas, still practise the social norm of women's seclusion in office jobs (Ferdoos 2005). The small district of AJK where AlphaCorp was operating its CSP initiative was a conventional society similar to other rural areas of Pakistan (Mughal 2014). The local community observed strong gender segregation in everyday life. They had predefined, stereotypical roles for men as the main breadwinners with women responsible for the household. The roles and responsibilities associated with gender also resulted in a professional stereotype that constrained women from entering the job market. Teaching alone was considered a female-friendly and honourable profession. One female billing executive (interviewee 05) shared her experience when she decided to work:

> *"My dad asked, "Why do you want to do a job, do you need money?" I told him, 'I want to do a job not because of earning money. I am staying at home and feel*

like I am uneducated. I cannot utilize my skills and education.' He said, 'OK.
You can do teaching then.'"

This example highlights constraints of the social systems on women's choices. First, it was unusual for women to enter the professional labour market, second, male family members made the key decisions, and third, there was a strong conception of what constituted suitable women's work.

Geographically, AJK is a mountainous district with extreme weather conditions in the winter. On 8 October 2005, AJK was hit by a devastating earthquake that badly affected the social, economic, and physical infrastructure of the region and community. According to the Earthquake Reconstruction and Rehabilitation Authority (ERRA), at the epicentre in the small district of AJK, 9,366 people lost their lives and 7,440 were injured (ERRA 2007). The surviving people migrated on a large scale to nearby cities of Pakistan to continue their daily life. The female operations manager at AJK recalled:

> *"A large number of families got affected after the earthquake. Our houses were*
> *destroyed so we had to move to Islamabad temporarily for four years.*
> *Meanwhile I finished my graduation there."*

After the earthquake, public-sector reconstruction and rehabilitation and the activities of many national and international NGOs resulted in the establishment of a number of educational institutes in the region, producing a large number of educated young people. Private-sector employment is almost non-existent in this region except for some small branches of banks. Thus, the educated male youth join the public sector or migrate to other cities in Pakistan and abroad to find employment opportunities. Due to the conventional and patriarchal society, the girls were required to get permission from the head of the family to work. Although large numbers of girls (especially those from educated families) were allowed to move to other cities in AJK and Pakistan to receive a higher education, nevertheless the majority of them did not receive permission from their families to move to other cities for work. A female team leader commented on the situation:

> *"I could not go to other cities for work because my family did not give me*
> *permission to stay in a hostel in other cities. It was not acceptable in our family.*
> *The majority of girls here couldn't get permission from their families to move*

out for work, so if this company was not established here we would be unemployed or working in a school on less salary."

These examples show that, as a reaction to a natural disaster, social norms adapted and allowed local women to pursue higher education. However, norms restricting labour market participation prevailed.

5.5.3 Managers' Perceived Impact on Beneficiary Stakeholders' Capabilities

This section summarises the perceptions of AlphaCorp management on the impact of their socially informed policies and procedures of AlphaCorp in AJK on the capabilities of female employees. The data reveal that they were confident about the improvement in capabilities of the local women working in the AJK centre.

The management believed that AlphaCorp had contributed to the economic development of local women. They supported this belief by offering the following evidence. First, there was no difference in the salary structure of the employees in the Islamabad and AJK centres, despite more rural locations such as AJK normally offering lower pay. Second, the cost of living in a small district of AJK was far less than the living cost in Islamabad. Finally, the average monthly salary that AlphaCorp offered to its female outsourcing employees in AJK was more than double what they would have earned from private school teaching in the region. The chief information officer commented:

> *"We have two focuses in AJK centre, social and business continuity. Cost saving is not a reason to select this region; we could rather select any other area instead of this hard area. We just want to keep both offices on the same pace and to bring the employees to the same level. That's why the salary level is equal in both offices."*

Whether this strategy is driven by the social objectives or by the commercial rationale to retain staff is unclear, but we can see here that it is assumed that the women's only alternative would have been to work in education, hence that is used as a benchmark to determine economic development.

AlphaCorp provided ICT, business process, and soft skills training to its employees. The male employees of the AJK centre had to attend initial training in Islamabad. To facilitate and encourage local female employment, the training department arranged

AJK centre visits to train female employees. They were allowed to take a longer training duration if required. AlphaCorp also arranged exposure trips, soft skills training, and on-the-job training for personal and professional development of the female employees of the AJK centre. The managers highlighted the significant improvement in women's communication skills, professional attitude, team-working abilities, and overall personality attributes. For instance, the female senior operations manager reported:

> *"Even the girls themselves admit that there are good changes in their personality and level of confidence. Their dress sense and the way they communicate with others have improved a lot. They interact with people of different educational and family backgrounds, and they are supposed to communicate with each other in a very professional manner."*

Unlike the previous example, where the managers' perception of improved economic capabilities was based on factual assumptions on wages levels, the perception of the personal and professional development of the female employees was built on the key achievements of the AJK female employees. The all-female morning shift received the 'shift of the year award' because they maintained consistent outstanding performance throughout the year. The management opinion of the female employees' personal and professional capability improvement became stronger after they had beaten all shifts at the AJK and Islamabad centres to win the award. The chief information officer stated:

> *"...two years earlier we couldn't even think that the morning shift could achieve that level of success."*

The managers told us that AJK's female employees considered AlphaCorp as their second family. They socialised together, networked with each other and wanted to stay longer with the company. They learned from each other because of the friendly and relaxed working environment and networking opportunities. Thus, the case study findings pointed out AlphaCorp's manager's perception of improvement in socialisation and networking capabilities. Management linked the lower turnover rate in the female morning shift with the assumption of employee satisfaction and improved socialisation capability. The vice president told us:

> *"You see they come out of their colleges and universities after graduation and join us, and stay with us up until the time pretty much they get married and they*

have to move on. … The fact is they are happy; the fact is they are content; the fact is they consider AlphaCorp as a second family."

The managers found that the ICT skills of the candidates they hired in AJK were not up to the organisation's required standard. The majority of the local graduates applying to AlphaCorp had a basic level of computer certification. This certification improved their theoretical ICT understanding. But they lacked practice in commands for advanced computer functions. Their ICT capabilities gradually improved while working continuously on computers at AlphaCorp and getting on-the-job assistance from seniors and peers. They believed that due to improved ICT expertise, the local women would be capable of progressing in their future professional endeavours, as basic ICT expertise is a must-have skill for an office job. One manager explained:

> *"Their computer skills were not very strong. The majority usually did a one-month computer course, but they didn't have practical experience. We need employees to work in our management information systems (MIS), which needs competent practical computer knowledge. The female local employees learn that very well while working at AlphaCorp."*

The managers believed that AlphaCorp had a good market image as a leading IT and BPO services provider. They perceived work experience in AlphaCorp to have a possible positive effect on employees' future employability. Nonetheless, they accepted that improved professional capabilities are also necessary, along with professional experience from a reputable organisation. The senior operations manager commented:

> *"They may hire you based on your previous experience in a renowned company, but after a month or two they will know about your capabilities."*

The interview data also revealed women's empowerment as another perceived capability outcome of AlphaCorp's social actions. From the management interviewees' point of view, AlphaCorp had helped in 'breaking the glass ceiling' for women to enter the labour market in office jobs. The managers believed that the social status of female employees had improved in society and they had become more empowered in their personal lives as well. They would consider themselves as an important part of society who could contribute to the economic development of the community. The CEO emphasised:

> *"We operate our AJK centre to provide AJK girls the opportunity to work and be empowered."*

Here, we see evidence of management perceptions of the capability development of the beneficiary stakeholders in a number of areas: economic, personal, professional, socialisation and networking and ICT skills. In addition, they perceived an impact on the social systems by empowering local women to contribute in a professional labour market, thus challenging the local norms.

5.5.4 Beneficiary Stakeholders' Perceived Impact on Capabilities

This section presents the findings related to the assessment of impact from the perspective of beneficiary stakeholders – female employees of the AJK centre. The case study data highlighted six capabilities that have been affected: personal and professional development, empowerment, informal learning and education capabilities, economic development, socialisation and networking capabilities and ICT skills.

5.5.4.1 Personal and Professional Development

The effect on the personal and professional development capabilities of female employees is the most prominent theme we interpreted from the empirical data. Respondents mentioned the functioning that they are capable of performing after their employment in AlphaCorp, such as confidently communicating with people, handling difficult situations, and so on. These present evidence of various personal and professional capabilities that these employees have acquired. One female billing executive (interviewee 18) reported:

> *"My whole personality has changed. Previously when a few people were present, I could not speak in front of them. I felt reluctant and shy. Now we speak during OJT (on-the-job training) because I have overcome my shyness. If we are being asked a question now, I do speak; no matter if I answer it wrong."*

The work experience and training provided by the outsourcing organisation helped employees to polish their communication, decision-making, stress management, and planning skills. As most of the female employees were fresh graduates, this professional experience taught them how to work efficiently in teams and how to behave professionally. One female team leader added:

> *"I get professional experience on how to work in tough circumstances under work pressure; how to work in teams; how to treat and obey seniors; how to manage juniors for work distribution and to achieve targets; and how to handle your boss."*

This was the first official work experience for the majority of the respondents. They mentioned the improved punctuality and self-discipline that they have gained over time since becoming professionals at AlphaCorp. The female employees valued their improved capabilities and most of them felt that becoming more punctual and well-disciplined had also positively affected their personal lives outside the workplace. We observed a remarkable difference in levels of self-confidence of senior and junior female employees during the fieldwork. The respondents who had been working in the centre for a year or more were noticeably more comfortable and confident while talking with us compared to the female employees who had been recruited only within the previous few months. The longer-established group told us that they had learnt how to adjust and work with people belonging to different regions and cultures. They considered their capability as a strength that could help them in dealing with different people while progressing professionally. One billing executive (interviewee 02) expressed the learning experience as follows:

> *"The main thing I have learnt is how to tolerate and understand other people while working with many different people."*

Respondents mentioned an increase in work stamina after joining the company. They reported that initially it was very hard to sit and work for long hours. We noticed that every respondent specifically mentioned the long working hours, which initially was interpreted by us as an effect of the highly pressured global outsourcing industry, meaning that these female employees had to spend extra working hours in the outsourcing organisation to serve clients across time zones. One billing executive (interviewee 19) mentioned:

> *"I have developed the skill of working for long hours in an office."*

After spending several days at the AJK centre for fieldwork, we realised that the centre operates in three shifts of a strict eight hours each, with lunch and tea breaks similar to the Islamabad centre. During data collection at the Islamabad centre, it was surprising that no one remarked on the long working hours despite the same shifts being in

operation. This puzzle can be explained by considering the traditional working practice of the region. Teaching was considered an honourable and female-friendly profession where working hours were from 8 am to 2 pm. Thus, an eight-hour workday was considered 'long' according to the local norms. The female employees, however, realised that the lack of a private-sector office work culture in this region meant that they were not used to the routines of a typical office environment and, therefore, valued this as improved professional capabilities.

5.5.4.2 Empowerment

The female employees talked about different kinds of empowerment that they felt after gaining employment at AlphaCorp. Almost all respondents talked about financial empowerment during the interviews. They felt that they were not dependent on anyone to meet their personal living expenses. For instance, one billing executive (interviewee 21) told us:

> *"Everyone appreciates me now that I am working and stand on my own feet."*

The female employees of the AJK centre commented that prior to the establishment of AlphaCorp in that area, there was no culture of women working in private-sector offices (partly because there was not a single private IT company in this region). But now local women felt a sense of social empowerment. They were appreciated by their families for their professional achievements and also accepted and respected by their community for working in a private-sector company. One female billing executive (interviewee 10) shared her experience:

> *"Now I can take firm decisions. Before that I remained in doubt about my decisions and their consequences. My family members have started giving importance to my decisions, because they know I am a professional and much more mature."*

During interviews, participants expressed a sense of achievement and self-belief. They felt that they were financially and professionally empowered. The female employees were confident about their future employability because of their improved professional skills, work experience, and the positive market image and reputation of AlphaCorp. The majority of them had prepared a career plan for progress within AlphaCorp, including a plan to avail themselves of other growth opportunities outside the organisation. We found that the female employees of AJK centre were also aware of the

market demand for particular skill sets and professional experience in this outsourcing industry.

Here, we can see evidence of multiple forms of empowerment. As well as personal impact, we see the interplay with the social systems, the outcome of which is a more empowered role for these women.

5.5.4.3 Informal Learning and Education Capabilities

Learning is a process of acquiring knowledge; informal learning is knowledge acquired without following a formal organised learning programme or event (Eraut 2000). Our data indicate that the majority of female employees were able to continue higher studies and also sought knowledge through informal learning. They valued their ability to continue into higher education as employees of AlphaCorp because they were aware of the importance of being highly qualified and knowledgeable. Peer learning enabled these women to gain knowledge by learning informally from each other ('on-the-job' training). One female billing executive (interviewee 01) acknowledged the broader learning:

> *"We have gained knowledge of other countries' systems, policies, and procedures. One thing I often think is why we do not implement the same medical insurance system here for poor people. When we are exposed to international systems, we can learn how we would implement good practices in our country."*

Their learning capabilities spread outside the organisation into the community by knowledge transfer from employees to their social networks (friends and family). The respondents told us that they were willing to give advice on choice of educational degree and career counselling to their network, as they had learnt from their experiences and tried to guide others accordingly. The operations manager, who was previously a billing executive, commented:

> *"When I joined AlphaCorp, I realised that if I had had a computer-related education then how much more beneficial it would have been for me. After that, I did not let my younger siblings and cousins randomly select any degree for the sake of just getting a degree. Random education means education without career planning."*

During informal conversations with female employees at the AJK centre, we identified a mutually held interest of many respondents in continuing their higher degree in parallel with their jobs. Senior employees who had joined AlphaCorp after graduation had completed their Master's degrees. Some respondents were also in the middle of their Master's degrees, and others, who wanted to earn their degree from a renowned university in a major city, were saving money to finance their education and follow their dreams. One female billing executive (interviewee 14) shared her future plan:

> *"I do this job for myself. I save my salary for my higher education. My dream is to earn a higher degree and study in a renowned institution."*

5.5.4.4 Economic Development

We interpreted the economic development capabilities from the empirical findings related to the earning abilities of female employees. We found that female employees of the AJK centre were financially stable and spent their earnings on meeting their personal expenses. They were financially self-reliant and as a result did not need to ask anyone to meet their living expenses. Many respondents contributed to domestic expenses and supported their families' daily livelihood, education, and healthcare expenditure. One billing executive (interviewee 08) reported:

> *"I keep my pocket money and give the rest of the salary to my mother. She manages all the finance. I and my sister now financially support our family. We need this job. My brother is also working, but my father's business is not running well."*

The female employees who did not have major responsibilities to support their families had saved or invested some portion of their salary. The capability of budgeting and managing finance was an indirect outcome of the economic development capabilities that we observed during interviews. Respondents told us that they spent some portion of their monthly salary and kept the remaining amount saved in the bank. A few female employees who were going to get married in the near future were saving for their wedding expenses, and others who were focused on higher education were saving to cover their educational expenses. One female team leader had established a village-based small boutique business and tailoring school for her mother, who was a home-based tailor and wanted to expand her sewing skills commercially.

As AJK had been affected by the earthquake in 2005, some respondents told us about their investment in rebuilding their houses or buying some assets for their homes. A female billing executive (interviewee 05) said:

> *"After the earthquake our financial situation became so bad. My father faced a financial crisis. Then I saved my salary and rebuilt our house, which was destroyed in the earthquake. Our house had been completely demolished because of the earthquake and we had been staying in a shelter."*

5.5.4.5 Socialisation and Networking Capabilities

Our interpretation of socialisation capabilities was the ability of female employees to manage their social networks and participate in family activities. Unlike the previously discussed positive effects on capabilities, respondents stated that working in an outsourcing organisation has a negative effect on their family and socialisation activities. One female billing executive (interviewee 16) complained about her limited personal social activities after being involved in a full-time job:

> *"My social life has become very limited now. I am so busy and can't give time to my friends and family. My aunties and uncles always complain that you have forgotten us."*

Respondents could not find time to meet friends and families like they did before joining the full-time office job. They felt very tired when returning home after work and could not keep in touch with friends. Due to the intensely competitive nature of the outsourcing industry, outsourcing service providers run highly disciplined, high-quality services for their clients, 24/7. Daily BPO operations demand the full attention and regular presence of outsourcing employees in the office. Respondents told us that working in an outsourcing company means that it is not easy to take leave to attend family functions or events, especially those that require travel outside the city. This upsets family dynamics, which in rural Pakistan are traditionally close-knit. One female backup team leader (interviewee 17) commented:

> *"I could not attend the majority of family functions, which upset my family."*

The respondents pointed out the lack of socialisation capabilities, and compared working in the outsourcing industry with other jobs. They told us that serving US clients meant that they were not able to spend many of Pakistan's national public holidays with

their family members. For example, Eid is a religious occasion in Pakistan and three days' public holiday is the state tradition. The majority of employees apply for their entitled work holidays together with Eid holidays to visit family. The respondents told us that they are not allowed to have three- to four-day holidays for the Eid celebration because outsourcing companies in developing countries can't afford to shut down the business services for a week; it may annoy their clients in developed countries. Most of the female employees were unmarried. A few of them, who were not very passionate about working in ICT-related office jobs, were intending to switch back to the teaching profession after getting married. They were focused on improving their higher education in parallel so that they could compete for good salaried teaching jobs in the public sector or lectureships in colleges and universities. They believed that it would be more convenient as a teacher to manage family and job. One billing executive (interviewee 06) shared her future plan:

> *"I can continue an office job after my wedding but I am thinking of joining the public sector as my future career."*

This is evidence that the opportunity to work in AlphaCorp has empowered the local women in a number of ways. However, it has also presented a dichotomy for them because of clashes with social norms and the expectations of family life and community.

5.5.4.6 Information Communication Technology (ICT) Skills

Our case study respondents did not mention any significant impact on technological capabilities. They commented about the influence on their ICT skills very generally in response to our specific inquiry of any impact on ICT capabilities. We realised that they interpreted the effect on ICT capability neutrally and did not consider it as a major contributor of change in their lives. However, we found it quite interesting to present their approach to assessing and considering the impact on ICT skills here. As we mentioned earlier, the female employees in the AJK centre were the educated youth of the region. We noticed a trend in this region that college graduates tried to attend basic-level computer training courses from small private-sector computer institutes operating in the area. One female billing executive (interviewee 09) stated:

> *"I took three months' computer training from private computer training institutions. It is a common practice here. Almost all students could join any computer training centres that are quite affordable."*

The majority of respondents mentioned that they already knew about computers before working here. They had computers at home and had attended short, basic computer courses from private institutions or had studied computers in high school. Although most of them admitted that after working in AlphaCorp their computer proficiency improved, they declined to consider it as a significant ICT skill. They told us that it was just their typing speed that had increased and they had become more knowledgeable about using MS Office because of regular work on the computer.

They admitted that it was their first experience in using management information systems (MIS) and they also have learnt to work in an integrated enterprise resource system (ERP) after joining AlphaCorp. In contrast, when they were asked whether working in AlphaCorp had any effect on their ICT capabilities, the majority of them straightforwardly reported no significant change. One female billing executive (interviewee 01) contradicted herself in a single conversation:

> *"...other skills have improved but computer and ICT skills not very much. I already knew about computers, I knew what to do and how to do it. But yes, I have learnt to work in MIS and other specialised software solutions."*

It was very surprising that they indirectly recognised different ICT skills that had been affected significantly, but did not acknowledge this as an impact on their ICT capability. We probed this further and found two reasons for this confusion: first, they perceived higher producer-level ICT activities as significant ICT capabilities, such as software development, database development and management, and network administration. Thus, they failed to consider the user-level learning of MIS, ERP, and other solutions as an improved ICT capability. Second, they considered operational skills in MIS and other software solutions as a business skill instead, which would be beneficial in future jobs. One female backup team leader (interviewee 04) mentioned:

> *"Initially, I had no idea of an office job, especially how to work in business software solutions. But now I have experienced using them I am well prepared for my next job; I want to continue my professional career."*

5.5.5   Change in Social Norms and Cultural Practices

The case study empirical data revealed signs of change in social systems (local context). The respondents in the AJK centre reported a gradual difference in conservative family norms and preferences. The local women were facing lower resistance from their family

when they decided to take jobs in AlphaCorp. Parents had started encouraging their daughters to build a professional career and become empowered. During fieldwork in the AJK centre, the female employees shared their stories with us including their families' reactions when they decided to join AlphaCorp. We found a drastic difference in the level of resistance in the last four years. The senior female employees, who joined AlphaCorp in its initial days of establishment, had faced the maximum resistance. The more recently hired batch of female employees (around four months before our data collection) told us an entirely different story, stating that they had family support and encouragement to work in AlphaCorp. The professional stereotype associated with females is noticeably changing, as more families want their daughter to work in AlphaCorp. One billing executive (interviewee 21) shared her experience:

> *"My uncle suggested to me that I should join AlphaCorp after graduation. He worked in a workshop where AlphaCorp's vehicles were brought for maintenance. He knew that many girls are working in AlphaCorp and he appreciated the way the company treats them."*

The local community's attitude to women working in offices had been changing. More recently, private-sector office work had been gaining acceptance as a respectable profession for women, similar to teaching. Both AlphaCorp management and female employees in the AJK centre reported the change in the local community. The administration manager commented on their experience:

> *"Previously we had many small glitches. They [local people] used to say "look, girls are going to the office." People in remote areas didn't like that. Now, they are accepting of it."*

The HR manager and vice president mentioned in interviews that when they announced recruitment through word of mouth alone, they received a very large number of applications from female candidates.

Some of our respondents in the AJK centre came from nearby small towns and villages, and had moved to hostels in that district of AJK to work in AlphaCorp. It was still not very common practice to send girls to other cities for work. However, the presence of a few female employees from adjacent towns and villages in the AJK centre had shown some initial-level change in families' norms and social systems. The chief information officer stated:

"We can see the change, even in these four years we have observed the change in mind-set of local people. Now people are well aware. The conservative concept that girls should not go out to work in offices has been changing. They [local women] are staying in hostels to study and work."

5.6 A Theoretical Model to Assess Human-centred Corporate Social Performance Outcomes

The case study insights combined with the related literature inform a theoretical model to understand the human-centred CSP outcome assessment approach, summarised in Figure 6.

The theoretical model informs the assessment of CSP with respect to its impact on individual capabilities (Sen 1999). We identify three main constructs to be considered for the assessment of human-centred CSP outcome: expected CSP outcome, acknowledged CSP outcome, and effect on social systems. In the following section, we explain each of these constructs in detail.

5.6.1 Expected CSP Outcome: Organisational Perspective

In our model, the expected CSP outcome incorporates an organisational perspective to assess the outcome of its social actions. Here, we assessed the organisational perspective of expected CSP outcome by identifying the managers' perceptions of CSP impact on capabilities of the beneficiary stakeholders. Our understanding of social actions is socially-informed organisational policies and processes to achieve CSP (Clarkson 1995; Matten and Moon 2008; Salazar et al. 2012). We recognise a need to acknowledge our understanding of the difference between output and outcome before starting the actual discussion about assessment of the expected outcome. Outputs are the resultant activities that any system generates, whereas outcomes are the impacts of these activities (Mitnick 2000). To assess the expected CSP outcome, our model suggests identifying management's perception of impact on beneficiary stakeholders' capabilities (Sen 1999). Stakeholders are individual groups, organisations, or institutions that affect and/or are affected by the firm (Wood and Jones 1995). We assign the label of beneficiary stakeholders to those individual stakeholders that are the target of the CSP outcome, for example, the marginalised female employees of the AJK centre in this case study. Our findings identify two approaches that managers adopt to assess the impact of their social actions on beneficiary stakeholders.
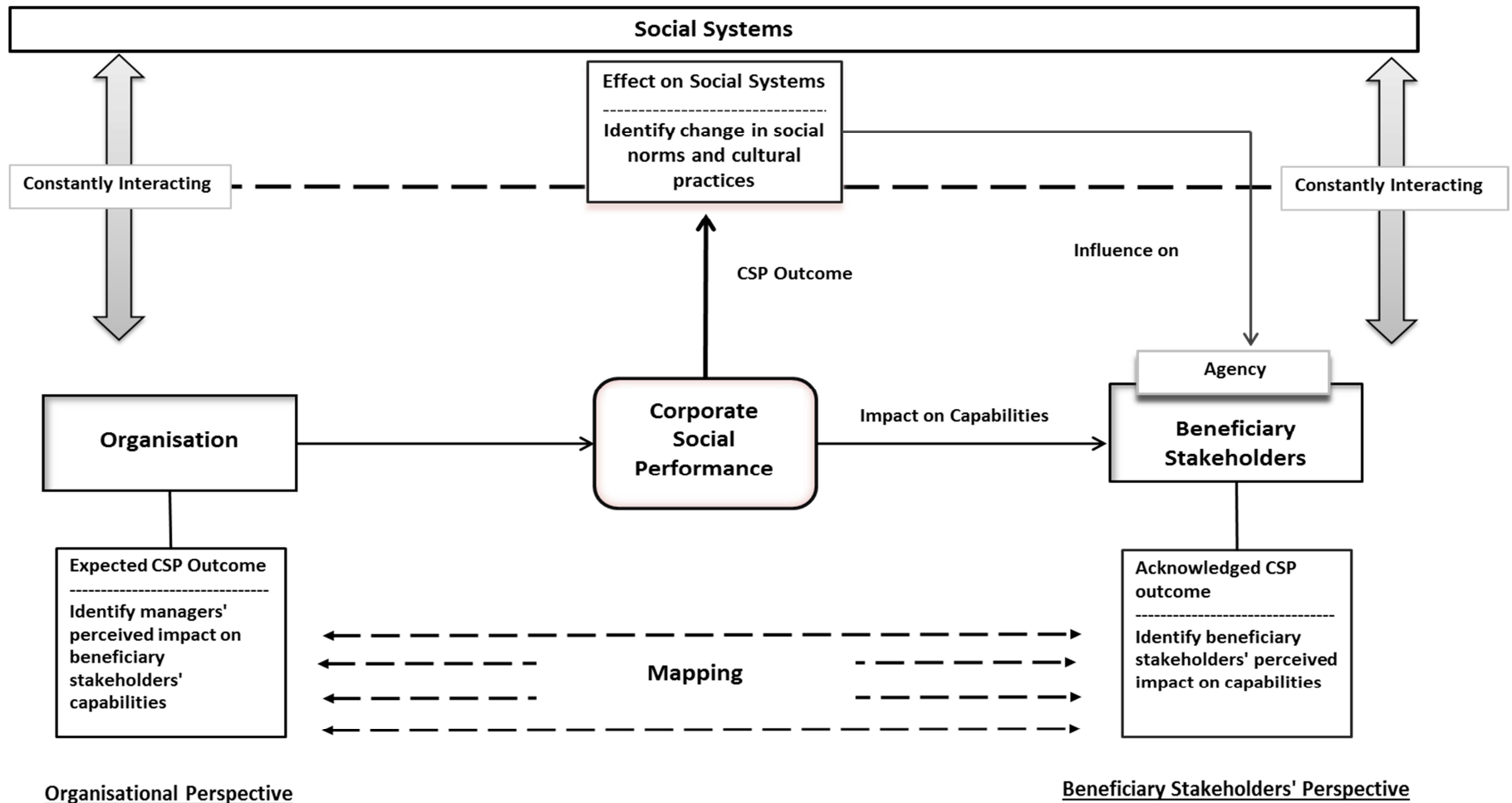
Figure 6: A Theoretical Model to Assess Human-centred Corporate Social Performance (CSP) Outcomes

First, the management supports the output of its social actions (socially informed policies and processes) with the assumptions derived from the external social systems to identify the CSP outcome (Boulding 1956). For example, our data show that managers in the case study organisation perceived an improvement in the economic capabilities of the beneficiary stakeholders because it offered equal wage rates (output of socially informed policies) to its female employees in both the AJK and Islamabad centres. Additionally, the external social systems informed them that the female employees were receiving three times higher salaries than they would have received from other available employment options (e.g. teaching in this case study) and the cost of living in a small district was much lower than in metropolitan cities (assumptions derived from the external social system). Hence, by considering the CSP output (the wage received by the employees) with this 'factual' contextual information they can assume that the CSP outcome is of increased economic capability.

Second, the management identifies the perceived CSP outcome by mapping the output of its social actions with measurable organisational indicators (Wartick and Cochran 1985). For example, our findings indicate that the case study organisation provided additional training and exposure opportunities (output of socially informed processes) for the personal and professional development of female employees. A few employees won employee of the month awards and the whole female morning shift received the shift of the month award (measurable indicators). Thus, this strengthened the perception of managers about the personal and professional development of marginalised female employees.

However, our data also highlight the possibility of incorrect organisational perceptions of the CSP outcome. It might be due to attributing misleading or incorrect assumptions from the external social system or unrelated measurable indicators to the outcome of social actions. For example, in our case study, AlphaCorp perceived a positive impact on socialisation and networking capabilities of employees. It believed that because of the conducive working environment (output of social actions), the female employees were able to access opportunities to network and socialise. It saw as evidence of this the low employee turnover rate in the female morning shift and the increasing number of local women's CVs received during the hiring process (measurable indicators). Nonetheless, the findings showed that the capability outcome of improved networking and socialisation was not perceived by the employees themselves. There might be other reasons for the low employee turnover rate and the increasing number of CVs, perhaps

associated with a different capabilities outcome, for example, attractive salary, lucrative ICT professional career, or unavailability of other employment options. This shows the need to include the beneficiary stakeholders' perspective in the CSP outcome assessment model.

5.6.2   Acknowledged CSP Outcome: Beneficiary Stakeholders' Perspective

The second construct of our proposed model focuses on evaluating the perceived CSP outcome from the beneficiary stakeholders' perspective. The management literature lacks the theoretical understanding to unpack the CSP outcome assessment at an individual level of analysis (Wood 2010). Thus, we borrow the theoretical concepts of the capability approach from development studies to assess the CSP outcome in terms of individuals' capabilities (Comim et al. 2008; Robeyns 2005; Sen 1999). Our model includes the beneficiary stakeholders' own perception about the impact on their capabilities as the acknowledged CSP outcome. The purpose of assessing the acknowledged CSP outcome from the beneficiary stakeholders' perspective is to identify the capabilities that they value instead of only identifying what organisations believe should be valued. The impact on capabilities can be assessed through beneficiary stakeholders' personal view about the expansion (or not) of their capabilities (Comim et al. 2008; Robeyns 2005; Sen 1999).

However, beneficiary stakeholders might not be able to assess the complete CSP outcome. There might be some capabilities that they fail to realise have any impact on them because either they are so used to them or they misinterpret them (Schischka et al. 2008). This justifies the need for the model to map expected and acknowledged CSP outcomes by assessing both organisationally perceived impacts on capabilities and those acknowledged by beneficiary stakeholders.

5.6.3   Effect on Social Systems (Local Context)

We include the effect on social systems (local context) in our human-centred CSP outcome assessment model to explain its relationship to the evaluation of impact on individual capabilities. CSP scholars have sought business organisations that are part of an open system, grounded in larger social systems (Boulding 1956; Wood 2010). The organisations, stakeholders, and social structures are interconnected in a social system and continuously influence each other (Wood 1991). Our findings support the understanding in the literature that organisations emit their output into society and affect

social systems (Wood 2010). For example, the case study data here evidenced some changes in the social systems regarding family normative practice, local community mind-set, belief stereotypes of professional gender segregation, and exclusion of women from the professional labour market. Our model emphasises the need for a broader understanding of CSP's effect on social systems, because those social systems shape the personal agency of the beneficiary stakeholders (Pearson 2007; Robeyns 2005; Sen 2009). Personal agency represents individual freedom to live the life of one's own preference. Our case study shows that acceptance in the community of women working in private-sector offices and also family support shape local women's agency to build a professional career. In turn this influences their valuing those capabilities necessary to enter the office job market. Equally, as more women are seen working successfully in this area, social acceptance of them (and the social norms restricting them) change.

5.7 Discussion and Summary

World-renowned philanthropic organisations (e.g. Rockefeller Foundation, World Bank, United Nations, Bill & Melinda Gates Foundation) emphasise various social issues – for example, social inequality and poverty, unemployment, and the youth bulge in developing regions – that business organisations can help in solving (BCtA 2008; UNDP 2014a; World Bank 2013). To understand this relationship between business and society, this study examines an impact sourcing initiative of a commercial outsourcing organisation aiming to reduce the social inequality of gender exclusion in the ICT professional labour market. The case study findings assess the social impact of impact sourcing and show that it has potential to contribute in addressing social issues by improving various capabilities of the marginalised individuals. This supports the consensus in the practitioner and academic literature that business organisations can drive economic and social progress (Emerson et al. 1999; Monitor 2011; Porter and Kramer 2011; WBCSD 2000). The study observes a broader societal-level effect of CSP outcomes that may change the normative practices and conservative social structure of the local community, having an impact on social inequality; what Kabeer (1999) refers to as transformative change. The study has number of contributions to theory and practice, discussed below:

5.7.1   Contributions to Theory

This study responds to the research call of Carmel et al. (2014) and provides insights about impact assassment of impact sourcing. The empirical findings show differing

outcomes, both significantly positive and slightly negative, of impact sourcing on the capabilities of marginalised outsourcing employees. The study concurs with existing literature and highlights improvement in capabilities of female outsourcing employees, such as personal and professional development capabilities, empowerment, learning and economic capabilities (Heeks and Arun 2010; Madon and Sharanappa 2013). However, it also identifies a negative influence on socialisation and networking capabilities of the marginalised outsourcing employees. The novelty of this research lies in its employee focus and its research context – Pakistan and Azad Jammu and Kashmir – which has not been studied previously. The sample population is also different from those of existing studies; the reason for marginality is not poverty or low education level, but lack of availability of private sector employment opportunities and gender inequality. The Capability Approach has received various criticisms for not identifying a list of relevant functionalities, or capability set (Nussbaum 2003; Robeyns 2000). Although the findings of this case study can be useful for other impact sourcing cases, the set of capabilities identified in this paper is specific to this case study, which supports Sen's argument for not prescribing a set of capabilities. Moreover, ICT usability capability was a major theme identified in Malik et al. (2013a); however, rather surprisingly, in this case the respondents did not of mention of ICT usability capability. The apparent difference can be explained by employees considering this as a business skill.

Some negative impacts were encountered on the socialisation and networking capabilities of the outsourcing employees; their personal socialisation activities have become very limited. This is where our work goes beyond the existing work of Madon and Sharanappa (2013) and Malik et al. (2013a), which are arguably too focused on positive contributions to capabilities achievement of impact sourcing.

Another novel contribution of this study regards the existing CSP assessment debate in the management literature related to which CSP outcomes should be assessed and how CSP outcomes should be measured (Salazar et al. 2012; Swanson 1999; Wood 2010). Although the CSP outcome category has been included in CSP measurement scholarship (Wood 1991), the theoretical elaboration to enhance its understanding related to individuals and society was still a missing piece of the puzzle (Salazar et al. 2012; Wood 2010). Our study has a number of implications for CSP theory.

First, the study responds to Wood's (2010) call to shift the focus of CSP measurement research to its effects on individuals and society and to deliberately incorporate research

concepts from other scholarly disciplines. We initiate a dialogue between management and development disciplines to understand the human-centred CSP outcome measurement approach. In particular, following Salazar et al.'s (2012) proposal to assess CSP outcomes using development studies concepts, we adopt the concepts of Sen's capability approach and assess the CSP outcome in terms of impact on the capabilities of individuals as beneficiary stakeholders (Sen 1999).

In contrast, the management literature has been limited to an organisational level of analysis (Clarkson 1995; McWilliams and Siegel 2001), focusing on measuring CSP outcomes by reporting objective data (e.g. disclosure and index reports; (Chatterji et al. 2009; Wood 2010) or identifying processes, outputs, and outcomes of social actions from an organisational perspective (Mitnick 2000). We also found that CSP research emphasises general stakeholder issues, such as employee satisfaction, welfare, or consumer trust (Cox et al. 2008). The management literature has given limited attention to the CSP research focusing on social issues (Clarkson 1995).

The first novel contribution of our study is to incorporate individual, organisational, and societal perspectives in a theoretical model of CSP outcome measurement to unpack its impact on addressing social issues. A few management scholars have emphasised the inclusion of outcomes in CSP measurement instead of only focusing on identifying social actions and their output (Mitnick 2000; Sethi 1975; Wood 2010). Nonetheless, these studies do not propose any mechanisms to measure the expected CSP outcomes. The second significant contribution of our study is to provide guidance about causal relations and suggest a possible mechanism that organisations may adopt to assess the impact of their CSP.

Another novel contribution of our study is to propose a model of CSP outcome assessment that integrates both expected and acknowledged CSP outcomes. It helps to reduce the shortcomings associated with impact assessment approaches in management and development studies, considering the organisational or individual perspective, respectively. We argue that the integration of expected and acknowledged CSP outcomes in our model helps to identify the organisational actions that cause possible conflicts because of differences in organisational and beneficiary stakeholders' interests. It also helps organisations to determine social actions that have no actual CSP outcome. Thus, our proposed model suggests a more comprehensive approach to assess the impact of CSP related to social issues.

5.7.2   Implications for Practice

The study has many practical implications to help managers and consultants to carefully implement impact sourcing arrangements to gain social welfare benefits. It focuses on managing the negative implications for family socialisation, which requires careful management in cases of traditional societies, such as in rural Pakistan, that have strong family and religious traditions. This study offers a number of recommendations for practice.

First, identification of the beneficiary stakeholders' needs and an awareness of the local normative and structural constructs in their social systems are prerequisites for the social actions of any business organisation aiming to support a social issue. In particular, when considering social inequality and poverty, cultural sensitivity to the external local institutional context where organisations intend to implement the social actions is a major aspect to be reflected in organisational social policies and practices.

Second, any situation where the interests of the outsourcing organisation and the beneficiary stakeholders may intersect should be dealt with tactfully to avoid negative consequences. Our case study highlights a possible conflict situation between the organisational business interest of satisfying international clients and its negative consequence on employees' socialisation and networking capabilities. It has not only had an adverse impact on organisational social performance toward social issues, but also influenced business performance, for example, employee dissatisfaction, turnover, and service quality. Managers should identify these conflicts carefully and find some mutually agreed strategy to avoid possible harm to social and business objectives. For example, some additional payment could be made to those employees who work on public holidays, flexible hours for married employees, and so on.

5.8 Limitations and Future Work

This study has focused on a single case study due to the context-oriented nature of the research inquiry and theory building needed for this relatively unexplored area in impact sourcing and CSP scholarships (Darke et al. 1998; Eisenhardt 1989). The generalisability of the model posits the future research need to test the model in different research contexts. The theory generated in this case study should be extended by applying the concepts of this research to other organisations focusing on different social issues as well as different beneficiary stakeholders. Our model focuses on

evaluating CSP outcomes in relation to expected and acknowledged impact on beneficiary stakeholders in a case study of impact sourcing. Although we do incorporate some of the aspects of social systems, the need for additional research has been highlighted to examine the detailed influence of other various market or non-market institutions (Thornton et al. 2012).

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Chapter 6: Conclusion

6.1 Overview of the Chapter

This chapter aims to summarise the findings of this research study and highlight its theoretical contributions, practical implications and future research need. It is structured as follows. The next section revisits the research questions, recaps the main empirical findings and indicates how these answer the research questions. In section 6.3, the overall theoretical contributions of the study are discussed. The practical implications of the research are reported in the following section. Section 6.5 states limitations of the study and also suggests future research directions. In the final sections, a few personal reflections on this Ph.D. journey are added to wind up the thesis.

6.2 Research Questions Revisited and Summary of Main Findings

This research study aimed to examine the viability of impact sourcing for private sector global outsourcing organisations. The overarching research goal that has been investigated in this research is: How is impact sourcing managed in commercial (for-profit) outsourcing arrangements? Specifically, the research has focused on the management of challenges associated with the social and commercial orientation of impact sourcing and the local context of the marginalised communities where impact sourcing is being implemented. Another focus of the research has been to assess the impact of impact sourcing. The study examined impact sourcing from the perspectives of the outsourcing organisation and employees and facilitates analysis at organisational, individual, and institutional levels.

Overall, this study reports that impact sourcing is a viable practice ('win-win' strategy) for private sector organisations in global outsourcing industry aiming to create social value. However, to remain socially and commercially viable, these outsourcing organisations need a well-defined management strategy considering the different social and economic value creation interests of all stakeholders. The research concurs with existing studies of ICT and IS in developing countries (Walsham and Sahay 2006) and identifies that implementing impact sourcing in marginalised communities is not a straightforward task because of institutional constraints in the local context. The findings reveal that the outsourcing organisation needs to invest additional resources (human and/or financial) to maintain the quality of outsourcing services and to customise its process and policies to adjust to the cultural and normative requirements

of the local context. This is necessary not only to achieve social value creation through impact sourcing, but also to maintain the commercial viability of the outsourcing organisation.

The study reports a strong potential of impact sourcing to contribute to the social welfare of marginalised individuals. However, some negative impacts on marginalised individuals' well-being may also be observed because of competitive nature of the global outsourcing industry. The study offers a framework to assess social impact in terms of effect on individual well-being. It also identifies a need to include the assessment of effects on social systems (local context). This study evaluates the social impact of impact sourcing from the perspectives of both the organisation and employees to discover to what extent that social value creation objective of impact sourcing is actually achieved by the outsourcing organisation.

Now I summarise findings related to each research question (RQ) in turn. The study posed two research questions to examine. The first question is:

RQ1: What challenges do commercial outsourcing organisations face when implementing impact sourcing and how can these challenges be mitigated?

As mentioned earlier, this study particularly focused on two kinds of challenges as discussed in articles one and two of this thesis. This investigation is guided by following two research sub-questions:

RQ1a: How do outsourcing organisations manage the demands of social and commercial orientation of impact sourcing?

The findings show that, as a public-listed company, AlphaCorp has a well-defined business goal of becoming the leading provider of IT and BPO, which was explicitly stated in all disclosure reports and company web pages. However, the goal of creating social value, which AlphaCorp was attempting to achieve in AJK through its related social actions, remained formally undocumented. The case study organisation followed a decoupling strategy (Crilly et al. 2012) to define business and social goals. The study asserts that this decoupling strategy is not a viable strategy to manage the social and commercial orientation of impact sourcing in commercial outsourcing arrangements. There would be a possibility that a few stakeholders, for instance, clients and shareholders, might not aware of the existence of any social value creation objective.

This ignorance of the existence of social value creation objectives could jeopardise the survival of the social orientation of impact sourcing in case of any pressure from influential stakeholders interested in economic value creation.

The availability of educated human resources and effective ICT infrastructure are pre-requisites for the outsourcing organisation (Lacity et al. 2011b; Oshri et al. 2011). The findings show that behind the impact sourcing location decision is a combination strategy to manage social and commercial orientation. Outsourcing organisations market themselves as having skilled employees to provide outsourcing services (Lacity et al. 2011a). This contradicts the social welfare ideology of impact sourcing that focuses on hiring marginalised individuals (Monitor 2011). Whilst marginalised individuals hired for impact sourcing are educated, in most cases they do not have previous professional experience or an appropriate skill sets because of minimal exposure to the professional market (Madon and Sharanappa 2013; Malik et al. 2013). The case study shows that AlphaCorp relaxed its hiring criteria while recruiting in AJK. However, to satisfy the commercial orientation, it arranged comprehensive training programmes to bring those marginalised employees up to an acceptable skills standard. The outsourcing organisation also needs an efficient quality control mechanism to ensure that the social value creation objectives are not achieved by compromising the outsourcing service quality. The study demonstrates the compromise of managing the social and commercial orientation of impact sourcing is an expensive strategy, especially for outsourcing organisations involved in providing high-skill outsourcing services such as ITO services.

Previous studies acknowledge that impact sourcing can be used for high-skill outsourcing services and IT outsourcing (Accenture 2012). However, the case study findings report that recruiting highly technical skilled employees in remote areas of developing countries could be challenging. First, the supply of qualified ICT and engineering graduates is limited, and second, technically qualified persons prefer to settle in metropolitan areas where more employment opportunities are available for career growth. AlphaCorp selectively couples its outsourcing function with impact sourcing practice, and thus has only moved business process outsourcing functions to the AJK centre. In summary, the findings demonstrate that the commercial outsourcing organisation adopts a collective response strategy to manage the social and commercial orientation of impact sourcing.

RQ1b: Does local context influence impact sourcing? What strategies could the outsourcing organisations adopt to manage the challenges existing in the local context?

This case study identifies constraints related to family, community and professional institutions existing in the local context that can influence impact sourcing. The small town of AJK, where AlphaCorp has implemented its impact sourcing initiative, was part of a conventional patriarchal society where women require permission from head of the family to work (Ferdoos 2005; Mughal 2014). The overall community was conservative and observed strong gender segregation in everyday life. Although, if a family could financially afford it, sending daughters to study in different cities was accepted, it was uncommon for girls to move to other cities for work. Teaching was considered the only respectable profession for women. When AlphaCorp established its centre in AJK, the company initially faced resistance from the local community. The local people perceived that the outsourcing organisation would try to introduce western work practices in the community, which they perceived as not respectable for women. Their perceptions about international organisations were developed after the earthquake because the few international NGOs that operated in this town for rehabilitation activities were not sensitive to the social norms and culture of the community.

The case study findings show that AlphaCorp strategically allocated its resources and defined management practices to mitigate these challenges that existed in the local context. For example, to respect local culture, they established a dedicated morning shift for female outsourcing employees; provided a pick-up and drop-off service for employees; and to run the daily business operations hired a renowned local middle-level manager who understood the cultural requirements. The local community felt satisfied and allowed their daughters to work under her supervision in a female-friendly office environment. Furthermore, AlphaCorp invited local people to attend a company open house and briefed them about organisational operations to gain community acceptance.

These initiatives supported the social value creation objective of AlphaCorp, but the case study observed a high employee turnover rate among male outsourcing employees as compared to that among female outsourcing employees. Along with general reasons for employee turnover, such as getting another job or continuing education, not having an option to work on the morning shift was another reason for male outsourcing employees' turnover revealed in this case study. Some male outsourcing employees

commuted from adjacent hill villages and it was hard for them to continue to work night shifts, especially in winter. The employee turnover rate was not of a serious nature or alarming for AlphaCorp, but the findings indicate the possibility of tension between social and economic value creation objectives while managing the institutional constraints of the local context.

RQ2: How does impact sourcing contribute to the social welfare of outsourcing employees? How can its impact be assessed?

The case study findings demonstrate a positive impact on the personal and professional capabilities of female outsourcing employees. They learnt official etiquette and felt more confident in communicating and performing their work. Their personal and professional skills improved, for example, decision making, team working, stress management, planning, and organisation. They felt financially, socially and personally empowered and began to consider themselves as a productive part of society. The impact sourcing initiative enabled them to continue their higher education. Working in an outsourcing organisation also enabled them to contribute financially to the health and education of their family members. Along with such positive impacts on female outsourcing employees' capabilities, the study revealed negative influences on their family lives and socialisation. The case study respondents mentioned that working in the global outsourcing industry demands hard work, complete attention and regular presence of outsourcing employees. However, in traditional societies, especially rural/remote areas of developing countries, family and social networks are conventionally strong. Women in particular had many social obligations, such as entertaining guests and attending family events. As an employee of an outsourcing organisation, it is not easy to manage these social and family commitments or to book the holidays they would like to, which upset the families. Hence, a number of female outsourcing employees, who were not passionate about working in the ICT sector, planned to join the teaching profession after getting married.

To assess the social welfare impact, the study suggests evaluating the effect on marginalised employees' capabilities, which they value, after they are employed through the impact sourcing initiative of an outsourcing organisation. The study emphasises assessing impact from the perspectives both of the outsourcing organisation (attempting to create social value through impact sourcing) and its employees (marginalised individuals who are beneficiaries of impact sourcing). The findings show

that there would be a possibility of the organisation incorrectly perceiving the social welfare impact. For example, the case study managers perceived that the impact sourcing initiative had helped in improving socialisation and networking opportunities for the marginalised employees and those employees were happy and satisfied. They perceived this because of the lower employee attrition rate among female outsourcing employees (compared to males) and the tremendous interest of local girls in joining AlphaCorp, as large numbers of applications had always been received for recruitment. However, the findings capturing employees' perspectives show a completely different picture of limited socialisation and networking opportunities. Thus, incorporating both perspectives in the assessment of social impact can help the outsourcing organisation to audit whether the social value creation objectives have been met successfully, while also helping organisations to define their social objectives according to the needs of marginalised individuals.

6.3 Theoretical Contributions of the Study

This section briefly summarises the theoretical contributions of the study. Detailed discussion of theoretical contributions has already been presented in the empirical chapters (three, four, and five).

Most importantly, this study contributes to the nascent body of impact sourcing literature. It offers rich theoretical insights to help understand the impact sourcing phenomenon for private sector global outsourcing, which is the area least discussed in impact sourcing studies. The study specifically responds to the research call of Sandeep and Ravishankar (2015) to examine the impact sourcing phenomenon for for-profit ventures operating in different institutional settings, and the call of Carmel et al. (2014) to assess the impact of impact sourcing for the key stakeholders – employees, whose lives are transformed by impact sourcing. This study therefore makes a number of theoretical contributions.

First, the study challenges the existing assumptions in the literature that all stakeholders of impact sourcing support the social and commercial orientation of impact sourcing (Lacity et al. 2014; Madon and Sharanappa 2013). This study shows that private sector global outsourcing organisations (commercial for-profit) practising impact sourcing are complex in nature because their stakeholders are present within different institutional contexts and have different interests in the social and economic value creation objectives of impact sourcing. The study, in combination with competing institutional

logics concepts, introduces the notion of a 'collective response strategy' to explain the management of competing demands exerted by the social and commercial orientation of impact sourcing. This includes adapting decoupling, combining, compromise and selectively coupling strategies to manage different elements of outsourcing organisations to practise impact sourcing.

Second, the study extends existing research (Sandeep and Ravishankar 2015) to examine the 'win-win' strategy claims of impact sourcing (Carmel et al. 2014; Lacity et al. 2012; Monitor 2011). This study reports that a for-profit commercial outsourcing organisation needs to invest additional human and/or financial resources and adopt culturally sensitive management practices to implement impact sourcing in marginalised communities, especially in remote/rural traditional societies of developing countries (Walsham and Sahay 2006). The theory of institutional logics has helped to identify the institutional constraints existing in local contexts of impact sourcing practice. The study also highlights the possibility that additional investment of resources to address these constraints can lead to achieving social value creation impact in the short term, but in the long term requires the outsourcing organisation to achieve economic value creation until it reaches a breakeven point for investment and earning.

Third, one of the novel contributions of this study is to propose a model to assess the social impact of impact sourcing. Using the terminologies and concepts from corporate social performance measurement studies and the Capability Approach from development studies, the model incorporates the perspectives of both the outsourcing organisation and employees to evaluate the social impact on the well-being of employees. This contribution of the study in proposing a theoretical model goes beyond the research call for the assessment of impact on employees (Carmel et al. 2014). The proposed model also includes the component of effect on local context (social systems) in the assessment of impact of impact sourcing.

Fourth, as a multidisciplinary study, the research borrows the concept of Capability Approach from development studies and attempts to contribute to filling knowledge gaps in CSP studies. It responds to the many calls in the management studies literature (Moura-Leite and Padgett 2011; Salazar et al. 2012; Wood 2010) to focus on people and society in outcome assessment of CSP by drawing on concepts from other disciplines. It proposes a human-centred CSP outcome assessment model based on data from an impact sourcing study.

Fifth, the study contributes to the study of institutional logics. It adds to the knowledge of competing institutional logics and empirically validates the assumptions proposed by Besharov and Smith (2014) about the lack of uniformity of competing institutional logics across different sub-units of organisations. The study found enclaves of competing logics (social responsibility and market logics of impact sourcing) across different centres of a global outsourcing organisation. These competing logics exist at different intensities in different sub-units, for example, market logic was strong in the US office and social responsibility logic was dominant in the AJK centre.

Sixth, the study has increased the understanding of society as an inter-institutional system consistent with the metatheory of institutional logics (Thornton et al. 2012). It reports that different institutional logics, derived from different institutional orders in a society, are not isolated. Some institutional orders, for example community and family in this case study, are intertwined. Hence, the logic derived from one order can also be influenced by other institutional orders existing in the system.

6.4 Practical Implications of the Study

This thesis has a number of implications for practice of impact sourcing. The research provides useful insights to guide new start-ups and established outsourcing organisations to achieve the social and economic value creation objectives of impact sourcing.

To implement an impact sourcing initiative, outsourcing organisations should consider using both social and economic aspects to define company goals; the choice of operational locations; recruitment of marginalised individuals; and governance structure and management strategies. Careful consideration of both social and economic aspects to maintain the right balance between social and commercial orientation of impact sourcing is necessary. Focusing too much on social value creation and defining social actions without considering the commercial aspects may harm the outsourcing business. Similarly, ad hoc practice of impact sourcing, without formally registering the existence of any social welfare motivation and associated social actions in organisational policies and procedures, would threaten the sustainability of the social orientation of impact sourcing. There would be a risk associated with the survival of social value creation objectives in future. The study proposes that to avoid negative consequences of impact sourcing, commercial outsourcing organisations should carefully deal with situations where social and economic value creation objectives may conflict. Otherwise, it would

not only be harmful for the social welfare ideology of impact sourcing, but would also have an adverse effect on business performance.

This study guides managers in how they should implement culturally sensitive management practices and allocate resources according to the needs of the marginalised community. The study recommends that commercial outsourcing organisations should be fully aware of the cultural and normative demands of the local context before implement the impact sourcing initiative; this would be similar to the traditional business practice of preparing a feasibility report.

The study suggests that assessment of the social impact of impact sourcing may enable managers to define social strategies and respective social actions according to the needs of the marginalised individuals. As mentioned earlier, the implementation of social strategy to achieve the social value creation objectives of impact sourcing requires the investment of additional resources. The assessment of the social welfare impact on employees would help the company find out if it is getting a social return on investment. Otherwise, the outsourcing organisation would consider revising its social strategy and social actions.

6.5 Limitations and Implications for Future Research

As mentioned earlier, impact sourcing is an emerging research phenomenon and has significant areas that remain to be explored. Due to time and resource limitations, I narrowed down the research focus to fulfil the in-depth investigation and theory building requirements of the Ph.D. Whilst, all possible efforts have been made to conduction this research study successfully, there are still some research constraints, identified as research limitations, which should be considered as areas of potential future research. This study offers the following recommendations for future research:

- This study focuses on a single case study and investigates one operational model of impact sourcing practice in a commercial outsourcing organisation. There is a need to consider other perspectives of social and commercial orientation of impact sourcing in different operational models. This research introduces the term 'collective response strategy' to indicate how to manage the social and commercial orientations of impact sourcing. More studies are required to investigate this concept further to progress toward more generalised theory building related to management aspects of impact sourcing.

- The study has considered impact sourcing beneficiaries who are marginalised because of gender inequality and geographic location. The social impact of impact sourcing should be assessed for other marginalised groups to identify the generic social welfare impact as well as negative implications for the well-being of the marginalised individuals that would result from the impact sourcing practice.

- This study could not take into account the perspectives of outsourcing clients, which are major influential stakeholders in the global outsourcing industry (Lacity et al. 2010). The overall conclusion of the study is drawn from the information gathered from employees and managers of the outsourcing organisation. Hence, there would be some possibility that the study includes many assumptions about clients' views narrated through employees and managers. The consideration of incorporating the clients' perspectives should be at the front of the agenda for future research studies on impact sourcing.

- Future research studies of impact sourcing should consider other actors in the global outsourcing value chain, for example, competitors and intermediaries, as well as different factors influencing the global outsourcing industry, such as: tax free zones; location attractiveness; barriers to entry in some regions; outsourcing-friendly government policies; and political stability.

- Whilst this study touches upon the institutional constraints existing in the local context, nevertheless the community perspective was missing in the discussion, and this would be another possible future research area for impact sourcing studies.

6.6 Personal Reflections on the Ph.D. Journey

This Ph.D. journey exploring the social dynamics of ICT and management research has been an exciting but challenging experience. Belonging to a computer science background, my personal approach to viewing the world was completely positive – though I did not realise it before starting this Ph.D. I must admit the fact that it was a real challenge for me to examine the knowledge existing in social structures and collect the information through the people experiencing the phenomenon. The concepts of business and management were not new to me – I studied different business and management related courses in my four years Computer Science and IT degree – nevertheless, how to study social aspects of ICT was something that I was completely unfamiliar with before starting this Ph.D. There were so many things which I

experienced for the first time in this journey, like the Ph.D. itself. Qualitative research and the interpretive way of viewing the knowledge were on top of the list of those things.

It was not an easy task to scrape away my mathematical and scientific approach and learn to view the world through a social science lens. Writing the interpretive narrative was another challenge, particularly when I was used to writing code and reports that state facts straightforwardly. Generating theories from textual data was something truly alien for me before I started writing articles from my fieldwork data in the second year of my Ph.D.

But despite all these constraints in terms of personal skills, there is no doubt that this Ph.D. was an amazing learning process. At every stage of this research project, I have had opportunities to learn new skills. This Ph.D. journey must be over soon after the completion of this thesis, but the research journey will remain to continue to satisfy the research thirst that has been ignited during these three years of a wonderful learning experience.

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Appendices

Appendix 1. Approval for Alternative Format Thesis

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12 May 2015
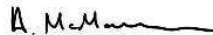
Dear Fareesa,

Application: Alternative Format

I am writing to you regarding your recent application to change your mode of study. The Director of Postgraduate Research, Professor Stuart Hyde, acting as the Chair of the Postgraduate Research Committee of Manchester Business School has considered your case and has approved your request to submit a thesis in Alternative Format.

Please note that before you can submit your thesis you must give Notice of Submission **at least 6 weeks** before the submission date. The Notice of Submission form is available online via eProg, which you can access with your normal University username and password at:

https://app.manchester.ac.uk/eprog

If you have any questions regarding any of the above, please contact your divisional administrator.

Yours sincerely

Helen McManamon
Coordinator, Doctoral Programmes

Cc   Brian Nicholson
        Sharon Morgan

Appendix 2. Participant Information Sheet

Title of the Study: Impact Sourcing: Social Development Potential of Global Outsourcing

Introduction

This study examines a recently emerging sub-field of global outsourcing – Impact Sourcing. Impact Sourcing provides employment opportunities to the people living in the region of less employment opportunities- rural or sub-urban areas. The aim of this research is to assess the management of impact sourcing and its impact on outsourcing employees. The study is a part of an academic research of a doctoral student of Manchester Business School.

What will you do in the project?

You will be requested to appear in a face-to-face interview. The interviewer will ask informal questions about change in your skills and abilities, confidence, livelihood, and social relationship as well as challenges and opportunities related to this outsourcing arrangement. The questions about local culture and norms will also be asked. The interview will be conducted in the office premises. The interview will be recorded and transcribed. However, if you don't like it to be recorded, the researcher will respect your wish.

What are the rights of you in taking part?

- You may ask questions about this study, research process, data collection and data security before deciding to be part of the study or anytime during or after the research study.
- You have all rights to refuse to answer any question being asked during interview.
- You may deny proceeding with research process any time during study without providing any explanation. You have rights to ask for deletion of collecting data if at any point you may have decided to withdraw from the research study.

What are the potential risks to you in taking part?

No known risk is attached to this study for participant.

What happens to the information/data in the project?

All data will be kept confidential and completely anonymous. You are not being asked for any personal or confidential detail. The data will be used for academic purpose only. All personal data on participants will be processed in accordance with the provisions of the data confidentiality and security policy of the University of Manchester.

In case of any question related to the research study, research procedure and data confidentiality; please feel free to contact researcher or research supervisors.

Researcher Contact Details

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Appendix 3. Interview Guide for Semi-structured Interviews

Personal Demographic Information (Optional)	- Name - Duration in the company - Recent education: - Education at the time of joining the AlphaCorp - Age

Provisional Interview Questions for Higher Level Managers

1. Can you please brief me about company history, evolution and progress?
2. Why did AlphaCorp choose Pakistan as an offshore-outsourcing location?
3. Has AlphaCorp faced any kind of challenges while operating in Pakistan, if yes how has AlphaCorp overcome these challenges?
4. What was the motivation that led AlphaCorp to open a centre in AJK?
5. What kind of challenges has AlphaCorp faced while operating in AJK, and how has AlphaCorp overcome these challenges? Please compare your experience of operating in a metropolitan area, Islamabad, and remote area, AJK?
6. What company governance and control strategies are in place?
7. What are the key business and social development (CSR) goals of the company?
8. How is the AJK initiative's success monitored and measured? Are there any matrices to measure the impact of social welfare and CSR activities, quality, or employee performance?
9. Please comment generally about whether operating in a developing country may affect the company's marketing strategy.
10. What are the clients' perceptions and concerns regarding sending their work to developing countries? How could they be satisfied?

Provisional Interview Questions for Middle Level Managers

1. What are the current challenges of operating in remote areas?
2. Share your general views: if an outsourcing company wants to move to a marginalised area, would it recruit higher and middle level management from the local community or from metropolitan cities? How would they retain managers from the cities in the marginalised area?
3. Can you say moving to locations other than metropolitan areas would increase the firm's competitiveness?
4. What sort of social welfare benefits do you perceive for AJK employees and the community?
5. What is your opinion about the effect of working in AlphaCorp's AJK centre on outsourcing employees' personal and professional capabilities?
6. Please comment on the employee turnover rate in the outsourcing centres of Islamabad and AJK?
7. Do you feel that employing marginalised people and operating in a developing country may affect the company's marketing strategy?
8. What kind of challenges has the company faced in hiring employees in AJK? Could you find sufficient skill sets to provide outsourcing services and to satisfy clients' requirements?
9. What is the supply and demand ratio of human resources in AJK? Please compare it with Islamabad.
10. What are the processes for hiring and training outsourcing employees in AJK? Are there any differences from the Islamabad centre? Do you need to invest additional resources?

11. Please comment whether AJK centre is obtaining adequate return for the resources invested.
12. Please comment about the local culture of AJK and how AlphaCorp adjusts to it.

Provisional Interview Questions for Outsourcing Employees

1. Why did you choose to become an AlphaCorp employee (a story behind joining AlphaCorp)?
2. Are you the only girl in your family who works in an office or is it a common trend in your family? (For female outsourcing employees only.)
3. Did you take a computer training course or degree before applying for the job?
4. What kind of technical (ICT) skills have you acquired during your work in AlphaCorp?
5. Please comment on your knowledge improvement.
6. Please comment on pre-job and on-job training provided by the company.
7. What differences (improvement or decline) do you feel in your personal and professional capabilities?
8. Would you like to share if you financially contribute to the family finances? Please comment on your financial condition after becoming employed.
9. What is the effect of your employment on your social status and social life?
10. How do you see your future professional career after gaining experience here?
11. How does your previous education contribute to your professional development? Please discuss the role that educational institutions have played, or should have played, in providing quality of education for personal development, professional development, knowledge, and learning capabilities?
12. Would you like to discuss personal challenges which you feel may restrict your employability? Do you feel working in an outsourcing organisation has any effect on them?
13. Please discuss your personal abilities which have supported you in getting the job.
14. Would you like to talk about challenges in the social setting and community associated with working in an outsourcing company, if any?
15. Please discuss the environmental and resource challenges that may restrict your employability?
16. Would you like to comment on the existing job market situation in your area and other available professional opportunities?