

AN INSTITUTIONAL LOGICS PERSPECTIVE ON IT IMPACT SOURCING: CASE STUDY OF A DEVELOPING COUNTRY PUBLIC-PRIVATE PARTNERSHIP

Research

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Abstract

IT impact sourcing (ITIS) is a socially-responsible business model and a growing phenomenon in developing countries, seeking to drive the benefits of IT outsourcing to marginalised groups. Inherent to many impact sourcing initiatives is a tension between social and commercial objectives, and this might be particularly apparent where the ITIS initiative is a public-private partnership (PPP); yet both ITIS and PPP are relatively little-researched in a developing country context. This paper uses qualitative field data from a Malaysian ITIS case study that was a public-private partnership, viewed through the lens of institutional logics and conflict management strategies. Analysis of three vignettes during the negotiation of the initiative shows that one partner always used a competitive approach to conflict management, something which led issues to remain unresolved and which led the partnership arrangement to steadily loosen. The outcome was always a domination of private logic over public logic. As a result, and lacking an overt advocate, the welfare goals of impact sourcing were somewhat sidelined. Our paper contributes by showing a) how institutional logics helps explain the outcome of development-oriented IT partnerships with hybrid goals, and b) how the framework of conflict management strategies helps explain the practice of institutional logics.

Keywords: IT impact sourcing, developing countries, public-private partnership, institutional logics, conflict management.

1. Introduction

The private sector is playing an increasing role in developing countries and, hence, is increasingly recognised as part of the international development agenda (UNIDO, 2014). A growing number of programmes, regulations and initiatives are seeking to channel the power of business to deliver not just economic growth but other economic and social development goals, including goals of poverty eradication and economic inclusion that address inequalities in developing countries (Prahalad & Hart, 2002; Smith & Pezeshkan, 2013). The IT sector has been part of this and has seen a recent expansion in IT impact sourcing (ITIS). Impact sourcing directs IT outsourcing work to economically-marginalised groups and can be defined as *'the practice of hiring and training marginalized individuals to provide information technology, business process, or other digitally-enabled services'* (Carmel, Lacity, & Doty, 2014:401). Estimates are that up to 500,000 workers - primarily in Africa and Asia - are employed in impact sourcing, with double-digit annual growth (*ibid.*). Evidence demonstrates the socio-economic inclusion benefits of involvement in IT impact sourcing to targeted individuals and communities (Heeks & Arun, 2010; Madon & Sharanappa, 2013).

Despite these positive outcomes and its promising outlook, ITIS faces challenges. There have been cases of conflict between local communities and incoming IT businesses: in Northern India, initial lack of trust led to community resistance despite the socio-economic development goals of the ITIS provider (Sandeep & Ravishankar, 2015); in Pakistan, women faced opposition from family and community to being involved in impact sourcing work as this clashed with local cultural norms (Malik, Nicholson, & Morgan, 2013). Alongside conflict between community and ITIS providers, we also have examples of conflict between commercial and social objectives within providers themselves (Nicholson et al., 2015; Sandeep, Ravishankar, & Hislop, 2013).

Thus, alongside developmental benefits, there are conflictual challenges within IT impact sourcing that must often be overcome. Yet there is a paucity of research on this - the sources just cited represent much of the available literature - and there is none we are aware of analysing conflict in partnership forms of impact sourcing. To address this knowledge gap, we will analyse a Malaysian public-private impact sourcing partnership through the lens of institutional logics and using the ideas of conflict management strategies. Three questions will be addressed:

- What conflicts arose in developing this IT impact sourcing partnership?
- What is the nature and impact of strategies adopted in relation to those conflicts?
- What is the nature and outcome of institutional logics underpinning those strategies and conflicts?

By researching these questions in relation to the partnership between a Malaysian private firm and a public sector organisation, we will specifically address the call by Rockefeller Foundation (sponsor of several ITIS research projects) for more research on commercially-oriented IT impact sourcing models such as public-private partnerships (PPPs) (Avasant, 2012). We also hope to provide some more general insights into IT PPPs: themselves a growing phenomenon but also the site of conflicts between public and private practices and norms which can hamper successful functioning of the partnership (Beck, Gregory, & Marscholke, 2015; Dawes & Pardo, 2002; Eom & Fountain, 2013). Our paper therefore contributes to the theoretical understanding of institutional conflicts and their negotiation in developing country ITIS initiatives and IT PPPs. Practical implications of this paper focus on the need to manage conflicting institutional logics, which are inherent in many ITIS and all IT PPP models.

The rest of the paper is structured as follows. The next section starts with a discussion of impact sourcing, PPP models of impact sourcing and their benefits and challenges. We then focus on conceptual frameworks: institutional logics and strategies employed in situations of conflict. In Section 3, the research setting and methods are outlined. The case description is presented in Section 4. Analysis of three vignettes from the case is presented in Section 5, followed by discussion in Section 6, and conclusion in the final section.

2. Literature Review & Conceptual Framework

2.1 Impact sourcing and IT PPPs

The idea of IT “impact sourcing” originated with Rockefeller Foundation in 2011 (Monitor, 2011). It built on prior specific work on IT outsourcing with social goals (Heeks & Arun, 2010) within a broader context of corporate social responsibility in IT outsourcing (Babin & Nicholson, 2009; Nicholson, Babin, & Briggs, 2015), and within an even broader context of the role of business - including social enterprise - in addressing development goals such as economic inclusion (Prahalad & Hart, 2002).

In its initial formulation, Rockefeller Foundation saw ITIS being championed by non-profit organisations. However, concerns about sustainability and scalability led to a greater interest in more commercially-driven impact sourcing models (Avasant, 2012). Both practice and research have tracked this shift, moving from government-based impact sourcing (e.g. Heeks & Arun, 2010) to social enterprise (e.g. Madon & Sharanappa, 2013) to for-profit models (e.g. Malik, Nicholson, & Morgan, 2013; Sandeep, Ravishankar, & Hislop, 2013). The introduction of commercial interests into impact sourcing led to tensions and conflict between commercial and welfare goals, and the same has been true of a model as-yet-unresearched in impact sourcing: public-private partnerships. This paper thus represents a first study of a PPP model of impact sourcing.

An IT PPP can be defined as ‘*co-operation of some durability between public and private actors to provide IT products, services or assets while sharing resources, responsibilities and objectives*’ (developed from Beck, Gregory, & Marschollek, 2015:1; Martimort & Pouyet, 2008:1; Van Ham & Koppenjan, 2001). Typical examples of IT PPPs in developing countries include those for provision of IT infrastructure (e.g. supplying broadband in Brazil: Carvalho et al., 2014), for provision of e-government applications (e.g. e-procurement systems in India and Malaysia: Kaliannan, Awang, & Raman, 2010) and for the intersection of these two - providing the infrastructure of community-level IT access necessary to deliver e-government services (e.g. telecentre models in India: Kuriyan & Ray, 2009; Narasimhan & Aundhe, 2014).

The intention of IT PPPs is a “best of both worlds” mix of public and private sector (Gerster & Zimmermann, 2003; Kwak, Chih & Ibbs, 2009; Naik, Joshi, & Basavaraj, 2010). The public sector gets access to private sector resources: human (e.g. IT technical expertise, project management), technological (e.g. more up-to-date hardware and software), and financial. The private sector gets access to public sector know-how (e.g. on legal requirements, or local communities), to public finance, to the public sector’s ability to scale initiatives, and to the public sector’s drive for social goals. The outcome - as for example in the cases cited above - has been successful delivery of IT infrastructure, applications and services for lower-income groups.

However, successful outcomes are not always seen with IT PPPs and even for those which do succeed, there can be problems and complexities including ambiguous strategies, lack of trust, perceived inequity of contribution, and significant tensions around financial, legal and administrative issues (Carbonara & Pellegrino, 2014; Ravishankar, 2013; Pongsiri, 2002). At root, these problems are seen to derive from differences in organisational goals, institutional norms, administrative and managerial practices between private and public partners (Beck, Gregory, & Marschollek, 2015; Marschollek & Beck, 2012; Reijnders, 1994). In this paper, and as discussed next, we draw on institutional logics to understand the tension between partners in IT impact sourcing PPPs due to differences in their goals, norms and practices.

2.2 Institutional logics in IT impact sourcing and IT PPPs

Traditional institutional theory tends to emphasise the reproduction of existing institutional relations, and organisational patterns such as isomorphism and homogeneity. The ideas of institutional logics developed from this as a way to explain patterns of change and heterogeneity and agency (Friedland & Alford, 1991). Institutional logics are defined in a fairly conventional institutional vein as ‘*the set of*

material practices and symbolic systems including assumptions, values, and beliefs by which individuals and organizations provide meaning to their daily activity, organize time and space, and reproduce their lives and experiences' (Thornton & Ocasio, 2008:101). The key institutional logics insight is that individuals, organisations and society shape and are shaped by multiple and even contradictory logics. These logics form an institutional order such as the logic of the market, the logic of the state, or the logic of the community, and the conflict between these provides the space for institutional agency and change. With growing application of institutional logics to different organisational settings, further logics were identified including conflicting public sector and private sector logics (e.g. Saz-Carranza & Longo, 2012).

Ingress of institutional logics into information systems has been relatively recent - almost entirely within the last ten years - and, as would be anticipated, has focused on helping to explain conflicts around information systems implementation and operation (e.g. Currie & Guah, 2007) including conflicts in developing country settings (e.g. Hayes & Rajao, 2011; Sahay et al., 2010). The potential value of applying institutional logics specifically to IT impact sourcing has been demonstrated by Nicholson et al. (2015), exploring the interplay between commercial and welfare logics in two cases of developing country ITIS. Focusing on single-organisation ITIS providers, they demonstrate how particular logics tend to dominate particular external interfaces: with providers presenting more features of commercial logic to clients, and more features of welfare logic to employees. Sandeep, Ravishankar, & Hislop (2013) similarly demonstrate the way in which single-organisation ITIS providers in India present different impressions to different external stakeholders dependent on the dominant institutional logics held by those stakeholders. There is also resonance in the work of Sandeep & Ravishankar (2015), highlighting the tensions between ITIS providers and the Indian communities from which they drew their employees due to different interpretations of intentions or events. Though they make no explicit reference to institutional logics, their concept of competing frames (moulded to some extent by and through institutional influences) that need to be negotiated also suggests the relevance of an institutional logics perspective to understand competing worldviews in IT impact sourcing.

Beyond the very formative nature of the literature on institutional logics and impact sourcing, and hence the need for more research taking this direction, the current paper will differ in other ways from this past work. While the three earlier studies focus on competing logics/frames and responses to deal with them, their emphasis was more on actions taken within individual organisations to respond to the already identified (i.e. fixed) logics of another party. This is one-way contestation. In contrast, this paper researches two-way contestation: the way in which two parties respond to each other's response to competing logics. We do this by investigating competing logics between two organisations that come together in an ITIS partnership rather than just a single focal organisation.

To date, there are only two studies we are aware of that apply institutional logics in IT public-private partnerships (Beck, Gregory, & Marschollek, 2015; Marschollek & Beck, 2012), both of which study the same case of a PPP used to deliver infrastructure for automated collection of truck tolls in Germany. In both studies, institutional logics are argued to provide understanding and explanation of the conflicts faced by both private and public partners in creating a successful IT PPP. Beck, Gregory, & Marschollek (2015) show that replacing conflicting private and public logics with a new logic led to successful realisation of the IT PPP. It was shown that private logic focused on economic goals and on practice based on professional routine while public logic emphasised achievement of political goals such as "getting things done", which are largely motivated by self-serving interests of advancing one's personal reputation or short-term attainment (Marshall et al., 2015). Public logic also focused on practice based on law, policy and stipulated guidelines and on attainment of social and/or welfare goals for the general public. In Marschollek & Beck (2012) the focus is on cultural differences and how the partners align their differences by developing and legitimising partnership norms and practices. These papers therefore demonstrate the value of institutional logics in analysing IT PPPs: both the actions of the partners and the outcome of the partnership.

Though also studying an IT PPP using institutional logics, this paper chooses a different type of partnership by focusing on developing country IT impact sourcing. The combination of ITIS and PPP is particularly challenging and interesting for two reasons. First, the duality of social and commercial objectives inherent in ITIS requires that both objectives should survive in some form, rather than that one or other should dominate. Second, the different and potentially contradictory norms and practices brought by private and public partners into an IT PPP will likely exacerbate the existing tension of logics that, as noted above, is inherent to many ITIS projects.

2.3 Managing conflicting logics

Conflicting logics held by organisational actors are a major stumbling block for achievement of organisational objectives; a stumbling block that must be strategically managed to ensure survival (Battilana & Dorado, 2010). Following preliminary data analysis (see below), we therefore sought a conceptual framework that could categorise the strategies adopted within an ITIS partnership. While we found illustrations of strategies within the ITIS and IT PPP literature using institutional logics - such as matching the norms and practices of external stakeholders (Nicholson et al., 2015; Sandeep & Ravishankar, 2015; Sandeep, Ravishankar, & Hislop, 2013) or collaborating to establish new hybrid norms and practices (Beck, Gregory, & Marschollek, 2015; Marschollek & Beck, 2012) - we found no framework to categorise such strategies. The wider literature on conflicting institutional logics provides other typologies, for instance of the nature or outcomes of conflict between logics (e.g. Besharov & Smith, 2014; Pache & Santos, 2013). There are - more rarely - typologies of strategies for addressing conflicting logics (e.g. Battilana & Lee, 2014; Pache & Santos, 2010). However, these apply to strategies within individual organisations that are the subject of conflicting logics, and they do not fit a situation of multiple organisations in partnership: the “two-way contestation” noted above. They are also reactions to conflicting logics rather than, as in a PPP, enactments of individual logics that can lead to conflict (or other outcomes).

We therefore turned to the broader management literature and sought a framework that would encompass our emergent findings and which also was in widespread research use. We identified the framework of conflict management strategies outlined by Thomas and Kilmann (1974). This frames five conflict management strategies which vary along two dimensions, of cooperativeness and assertiveness (see Figure 1). It was specifically developed to deal with dyadic situations of conflict between two actors, and is thus of direct relevance to two-actor partnerships, as studied here. It has been widely applied, including some prior application to IT-related conflicts (e.g. Montoya-Weiss et al., 2001; Rukanova et al., 2015). And it also encompassed both our own emergent findings and those reported above of earlier ITIS and IT PPP cases.

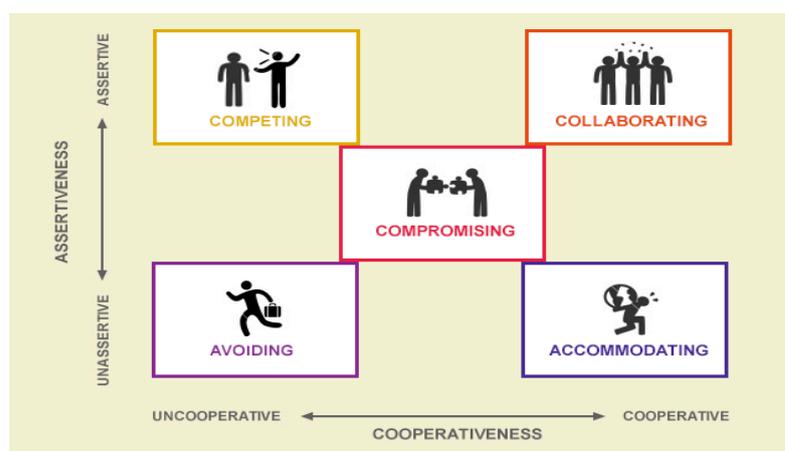


Figure 1. Conflict management strategies (CPP, 2009)

To provide a little more detail (Thomas & Kilmann, 1974; Montoya-Weiss et al., 2001), a competing strategy is a win-lose approach characterised by high assertiveness and low cooperativeness. Organisational actors that adopt this strategy tend to pursue their own goals at the expense of others’.

This strategy is seen as most appropriate in circumstances that call for quick, decisive actions. A collaborating strategy is characterised by behaviours that are both assertive and cooperative, which often leads to a win-win outcome. In this strategy, both contending parties work together to achieve the goals that they agree upon. An avoiding strategy for conflict management is both unassertive and uncooperative. Those using this strategy will find excuses to not deal with the conflict at hand, and will often adopt tactics of postponement and withdrawal. An accommodating conflict management strategy is characterised by cooperative but unassertive behaviours. Those adopting this strategy put others before themselves and sacrifice their own interests to satisfy those of others'. This strategy is seen as appropriate when people think that the other party is right or the other party has more stake in the issue or when preserving future relations is more important than gaining immediate returns. Compromising is the strategy that is balanced in both assertiveness and cooperativeness. It is often associated with bargaining or trading. This strategy is generally used when the goals of both sides are of equal importance and/or when both sides have equal power.

We will now apply this conflict management strategies framework to help understand the actions taken within a context of competing institutional logics in our case study ITIS public-private partnership. First, though, the next section explains the basis for our research.

3. Research Setting and Methods

3.1 Research setting

The research setting for this study encompasses an ITIS initiative in Malaysia. The first author undertook fieldwork in Malaysia from October 2014 until April 2015. A Malaysian government agency (anonymised as "MGA"), was entrusted to lead the initiative which was part of an overall national digital strategy. In line with the purposes of impact sourcing, the objective of the initiative is to use IT outsourcing to improve socio-economic conditions of more marginalised groups especially the "B40": defined as the lower 40% of Malaysian population - including unemployed youth - that earns less than RM3,050 (US\$850) per month. However, it is also a response to complaints from the IT sector about constraints in supply of labour for IT outsourcing. To kick-start the initiative, four pilot projects were established. One of the projects was chosen as our case (pseudonym, "Merah"). Merah is a partnership between a local public university (pseudonym, "UniRa") and a local private sector IT outsourcing company (pseudonym, "InTech") to set up an ITIS centre. Merah therefore fitted our requirement of being an IT impact sourcing initiative and also a public-private partnership.

3.2 Data collection

To investigate the issue in its natural setting, this study follows an interpretive case study approach (Walsham, 2006). Qualitative methods were employed to collect case data including semi-structured and unstructured interviews, direct observations and document analysis, primarily at UniRa, InTech and MGA. Semi-structured and unstructured interviews were used as their flexibility helps researchers gain a deep understanding of the meanings given by participants to the phenomenon under study; a necessity in order to gain insight into both conflict management strategies and underlying logics (Silverman, 2013). In total, thirty-two semi-structured interviews and five unstructured interviews were conducted with employees, middle and higher level management of both partners, and the government agency over a period of six months between November 2014 and April 2015. Altogether seventeen employees, twelve middle managers and eight higher-level managers were interviewed, chosen based on a purposive sampling approach (Saunders, Lewis, & Thornhill, 2015). The interviews were conducted in English or Malay, mostly took place at the work place of the interviewees and lasted between 40 to 90 minutes. All interviews were audio-recorded and transcribed.

The first author joined in four meetings between partners and MGA as an observer. Written notes were taken from the meetings as no recording was allowed. We also accessed a large volume of archival data including the Merah project plan and reports, news clippings and publicity materials, and

organisational websites. The documents were reviewed to get background information on the project and to corroborate data from interviews and observation.

3.3 Data analysis

Data analysis was framed around the use of vignettes. A vignette is defined as “a focused description of a series of events taken to be representative, typical, or emblematic in the case you are studying. It has a narrative, story-like structure that preserves chronological flow and that is normally limited to a brief time span, to one or a few key actors, to a bounded space, or to all three” (Miles, Huberman, & Saldana, 2013:182; see also Miles, 1990). The use of vignettes has been shown to help information systems researchers illustrate key practices or events and details that are relevant to a case study (e.g. Kotlarsky, Scarbrough, & Oshri, 2014).

The analysis of the data was undertaken in two stages. First, we identified three vignettes representative of the actual data collected from fieldwork (Miles, Huberman, & Saldana, 2013), and representative of the negotiations underpinning the formation of the ITIS partnership. Our selection criteria for the vignettes were that their events should be identified by multiple respondents, and should reflect conflict between the partners. The data used in vignette construction were triangulated from multiple respondents, and from a combination of interview transcripts, meeting observation and participation notes, and digitisation of other documentary materials. The vignettes were also reviewed by the non-participating authors to reduce dangers of participatory bias.

Second, we analysed the vignette data using computerised data analysis software (NVivo) and an iterative thematic coding approach (Boyatzis, 1998; Braun & Clarke, 2006). Based on a sub-set of the vignette data, we inductively analysed a set of initial high-level themes around the espoused worldviews of the partners, and around the particular strategies they adopted in their interactions. We then reviewed the literature on institutional logics and identified that the worldviews were representative of private and public logics (e.g. Beck, Gregory, & Marschollek, 2015). And we reviewed the literature on conflict management and identified that the strategies were representative of at least some of the categories within the Thomas-Kilmann Conflict Mode Instrument (Thomas & Kilmann, 1974). We then utilised these two conceptualisations as coding frames for deductive analysis of the entire vignette data set.

4. Case Description

The establishment of Merah started in July 2014 with a meeting between “Arjun” (a consultant appointed by MGA), “Nordin” (MGA senior officer), “Siti” (a professor of UniRa) and “Siva” (CEO of InTech). Arjun gave an overview of objectives for the initiative, details of the pilot project, and its expected outcomes. MGA acted as a facilitator, assisting the discussion between the partners and allocating RM500,000 (US\$180,000) for the project. After the meeting UniRa and InTech in principle agreed to work with each other. Later Siti brought “Mokhzani”, the acting CEO of the business arm of UniRa (pseudonym, “UniRa Commerce”), into her team. She planned to put UniRa’s side of the project under UniRa Commerce, which was agreed by Mokhzani. Although UniRa Commerce conducts commercial activities (in the fields of education, research and development) it operates within the scope set by its board of directors (who are mainly university officers) and puts the interests of UniRa as a public university as a priority.

UniRa was chosen to run the pilot project because it had immediate access to an appropriate talent pool (i.e. students) that suited the profile the project was targeting (B40 unemployed youth) and because it was able to provide the technical facilities to set up the ITIS centre for training and employment. InTech was chosen on the basis of its experience in bringing IT outsourcing jobs to university students (not UniRa). Merah was set up to provide outsourcing training to students, expose them to real working experience in the IT outsourcing industry, and thus improve their opportunities for later employment in that industry given fresh graduates have historically had lower-than-average employment rates. Siva agreed to bring some of InTech’s existing image processing and video

analysis work contracted from a large American multinational company to the new centre (Merah) established in UniRa. UniRa would provide the facilities to set up the centre and promote the project to its targeted groups of students.

Initially they agreed to work together as a joint venture with creation of a joint entity and sharing of profits and losses. However after negotiating for about three months, they realised a joint venture was not possible as they could not agree on the division of profits and losses. They then decided to work in a “smart partnership” arrangement, a term they used to refer to a project-based working relationship where neither a joint-entity structure nor sharing of profits and losses is involved. About three months later Mokhzani, for personal reasons, left UniRa Commerce, which subsequently resulted in UniRa Commerce withdrawing from the UniRa partnership team. Determined to make the project materialise, Siti then proposed to “Azman”, the Dean of the Faculty she was attached to, her idea of putting the project under the Faculty, to which he agreed. After a few meetings, Azman noticed a lack of consensus among the partners on some important aspects of the partnership. He concluded that the collaboration could not move forward in a smart partnership mode and suggested a “client-provider” relationship instead. Siti and Siva concurred. In this working relationship, InTech would be the client and UniRa would act as the service provider. However InTech would still help in the setting up of the centre and in training UniRa’s B40 students. Eventually - some six months after the initial discussion - both parties signed a Memorandum of Agreement (MoA).

5. Findings & Analysis

The findings and analysis of data are presented in three vignettes. In this study, the vignettes describe the conflicts between private logic and public logic, and the subsequent strategies used by partners to negotiate their conflicting logics. There are instances of conflicts in the case that do not necessarily represent a contradiction between public and private logics, but they were not selected for analysis as we are mainly interested in highlighting the influence of structure over human action; in this case the field-level logics of public and private organisations. This does not mean we shun agency but rather we acknowledge the partial autonomy accorded to both structure and action, that human agents - in this case the public and private partners - have free will to decide which strategies to select but at the same time the actions and strategies they choose are determined to some extent by their customary worldviews. We argue in pursuing their interests, both partners, at least to some extent recognise the effects of their actions on dealing with the conflicts, evidenced by their willingness to compromise on the looseness of their cooperation. The timeline of the vignettes follows the changes of the mode of partnership they were trying to establish from joint venture (vignette 1) to smart partnership (vignette 2) and eventually to a client-provider relationship (vignette 3).

5.1 Vignette 1: Allocation for research activities

Before a letter of intent for working together as a partnership was signed, in one of the meetings attended by Siva, Siti, Mokhzani, Nordin and “Kieran” (another MGA officer), Siti put forward a proposal that 10% of the net profit of the joint venture be allocated for research. She argued that generating new knowledge was an essential part of UniRa’s existence as a university and would be the priority in any activities or programmes it is involved in. She said:

“In any programme with outsiders we (UniRa) will always look for opportunities to do research. The allocation will help finance any costs related to the research activities”.

Siva was hesitant to agree to the request. He argued that a financial allocation for research was only warranted if it could benefit the partnership directly and not just be a mere academic exercise by the public partner to create knowledge. This was captured in his comment:

“I can’t see how the research would help us make profit, bring more clients. Besides you (Siti) have many other avenues for research grants, why bother to get it from this partnership? Let’s concentrate on what we are here for, making profits”.

They left the meeting without mutual agreement on the matter. The matter was brought back when they met again in the following meeting. Siva remained steadfast that no allocation for research should be granted unless immediate commercial benefits accrued. Realising that there was no way for her to convince Siva to agree to the request, Siti compromised her goals. She proposed that, if an allocation was not possible, at least she should be given access to data (people, documents, etc.) within the partnership for research purposes. Siva happily agreed to the request because it did not compromise his stance on financing research. He said:

“As long as no money is involved, I’m fine with it, you can have access to whatever you need for your research, including access to InTech”.

5.2 Vignette 2: Knowledge transfer

In another meeting attended by Siva, Siti, Mokhzani and Kieran to discuss details of the proposed Memorandum of Agreement for the partnership, Mokhzani raised the issue of knowledge transfer. He said:

“We hope to learn from InTech how to run a successful outsourcing service. We are sure with the experience that Mr. Siva has under his sleeve, he’d share his knowledge and expertise”.

The public partner saw this partnership more as an opportunity to learn from the private partner through knowledge transfer than to make profit. Siti reiterated that in-bound knowledge transfer is one of the key performance indicators set by the university when working with an outside party. She explained that they were interested in operational and managerial knowledge. Mokhzani added that he planned to relocate some of his executives at UniRa Commerce to Merah for this purpose.

Siva did not respond immediately to the request and promised to get back to the issue in the next meeting. However the next morning Siti received a call from Kieran, the MGA officer. He wanted to have a one-on-one meeting with Siti to discuss the issue. In the meeting Kieran explained:

“Siva told me that they have built their business intelligence over 25 years, it is unfair just to ask them to transfer the knowledge. This could jeopardise their competitive advantage in the market”.

Siti did not budge. She maintained that it was a prerequisite in any relationship UniRa has with any outsider. After finding that Kieran had not been able to convince Siti, Siva sent an email to Siti reinforcing what Kieran had already told her. Siti did not respond to Siva’s email or a subsequent call. Siva wrote some further emails to Siti elaborating his stance on the issue with the hope that Siti would be more understanding and reply to him. After about a week Siva realised Siti would not be responding. As a last resort, on Siva’s request Kieran asked Nordin to intervene, as he saw no way of convincing Siti. Nordin met Siti and explained MGA’s stance on the issue, which was to support Siti’s view.

As a result there was no mention of transfer of knowledge in the MoA. It was argued that, as the talent pool comes from the public partner, there is a transfer of knowledge through the skills and experience the students acquire during employment.

5.3 Vignette 3: Talent development

One of the main objectives of the ITIS initiative is to develop capabilities among young people including working-age students who fit the definition of B40. In one of the meetings they attended before the Memorandum of Agreement was signed Siti raised the issue of the nature of the capabilities students were acquiring. She said:

“It is not enough to just train the students in task-related skills, which are mostly low-level technical skills. They should also be trained in other higher-level technical skills and some managerial skills which are good for their long-term career prospects. I’d suggest Mr. Siva to consider taking some of the students into his management team. After all this is what this project is all about”.

Dean Azman reinforced this by highlighting the need to adhere to the original ambition of the pilot project stipulated in its guideline, which was to equip B40 students with technical and managerial skills so that they will have a better chance to join the IT outsourcing sector upon graduation. To this, Siva responded:

“Training costs money and time so we only train the talent with the skills that are needed to perform their jobs. I’m not sure whether I’d agree with your suggestion to have some students in the management team. As I said, it takes time for the students to learn, they are already pre-occupied with their studies. Besides I think what we have now is enough to manage the operation”.

The meeting ended without any agreement on this issue. In the next few meetings, Siti persistently raised the issue. She insisted on Siva taking several students into his managerial team. Initially Siva just gave passing remarks like “I’ll think about it” but then he stopped completely giving any response to the request. Up to the time of writing of this paper, Siva had not taken any students on board in his management team. Currently students are trained only in the skills needed to perform the jobs outsourced to them by InTech.

5.4 Vignette analysis

In the deductive phase of data analysis, each of the vignettes was analysed according to a set thematic framework. First, the key stakeholders from the two sides of the partnership were identified. Second, the particular logic that they drew from in understanding and representing their interests was identified, based around the features of public and private logics outlined earlier in the work of Marschollek & Beck (2012) and Beck, Gregory, & Marschollek (2015): public logic focusing on political and societal goals and services and taking an open approach to ownership, and private logic focusing on economic goals and profits and taking a proprietary approach to ownership. Third, and given that each one of the vignettes represents a conflict between public and private logic, the particular conflict management strategy adopted by each stakeholder was categorised using the schema of Thomas and Kilmann (1974) described earlier. Finally the outcome in each case was analysed.

For reasons of brevity, only a summary analysis can be provided here, as shown in Table 1.

Partnership Timeline	Vignettes		
Joint Venture (involving sharing of profits and losses) (July to September 2014)	<i>Vignette 1: Allocation for Research Activities</i>		
		Private	Public
	Key stakeholders	Siva	Siti, Mokhzani
	The conflicting expression of logic	Private logic: Research is a cost; funds should only be allocated if there are immediate commercial returns to the partnership.	Public logic: Generation and dissemination of new knowledge through research is the essence of a public university’s life.
The conflict management strategies	Competition: Remained steadfast that no financial allocation for research should be granted.	Compromise: Accepted that there would be no fund for research and switched to argue instead for access to research data.	

	The outcome	It was agreed that no fund would be allocated for research but that the public partner would have access to data within the partnership for their research.	
	Logic outcome	Dominance of private logic	
Smart Partnership (no sharing of profit and losses, project-based) (October to December 2014)	Vignette 2: Knowledge Transfer		
		Private	Public
	Key stakeholders	Siva	Siti, Mokhzani
	The conflicting expression of logic	Private logic: The business intelligence (knowledge) created within the business is owned by that business and is not to be shared. To do so would jeopardise competitiveness.	Public logic: Knowledge should be transferred and shared as freely as possible, with bidirectional knowledge transfer being a foundation for University partnerships.
	The conflict management strategies	Competition: Refused to allow any formal transfer of knowledge and expertise about IT outsourcing, and asked a third party (MGA) to intervene to reinforce this viewpoint.	Avoidance: Refused to have further discussion with the private side once the former's uncompromising view became clear.
	The outcome	There was no formal agreement on the transfer of knowledge.	
	Logic outcome	Dominance of private logic	
Client-Provider (Intech as the client and UniRa as the provider) (January to October 2015)	Vignette 3: Talent Development		
		Private	Public
	Key stakeholders	Siva	Siti, Azman
	The conflicting expression of logic	Private logic: Capacity development should focus solely on the commercial skill requirements of IT outsourcing tasks. Any additional training imposes unnecessary costs and constraints.	Public logic: Capacity development should focus on the IT impact sourcing project objectives: to train lower-income youth in the technical and managerial skills that will benefit them in entering the IT outsourcing sector upon graduation.
	The conflict management strategies	Avoidance: Did not give any response to the request for students to join the management team	Competition: Continued insisting that several students should join the management team to acquire managerial skills.
	The outcome	Although the issue is unresolved at the time of writing, there are no students on the Merah-InTech management team.	
	Logic outcome	Dominance of private logic	

Table 1. Summary analysis of vignettes

6. Discussion

Table 1 provides a summary answer to the first research question, about the conflicts that arose in developing this ITIS partnership. However, an emergent finding is that all three vignettes are conflicts about knowledge: the mechanisms through which knowledge is created, its value and purpose, and its ownership and distribution. ITIS research and practice should therefore give more explicit recognition to the role of knowledge; a resource which to date has not been afforded much scrutiny.

Answering the second question about the nature and impact of strategies adopted to address these conflicts, we can see that - bar one exception - the partners' strategies in setting up this IT PPP have been uncooperative. One partner always adopted a competitive stance and the other partner's reaction may have made the problem disappear in the short-term but did nothing to help bind the two together in the longer-term. This helps to explain the spiralling down of the partnership arrangements into an ever-looser format so that, by the end, what had been intended as a strong partnership was anything but. This does not bode particularly well for the future and nor does the unwillingness of the private partner to compromise, even in a variety of circumstances: when the public partner had done so, when a third party became involved, and when the public partner attempted to adopt a competitive strategy. The conflict management strategies framework has therefore proven useful not merely for categorisation, but also for understanding the actors, their motivations, and longer-term impact.

Answering the third question, about the nature and outcome of institutional logics, conflict arose due to differences between a private logic held by the private sector partner, and a public logic held by the public university partner. The expression of private logic was driven by competition and profit, so that Siva and InTech took a commercial view of knowledge. This was an instrumental view of its creation and purpose: that it should be created solely in the service of immediate commercial gains; and a proprietary view of its ownership and distribution: that knowledge is privately-owned and should not be shared unless, again, for commercial gain. The public logic espoused by Siti and the University takes a more open view of knowledge: as something to be created in the public sphere for wider societal benefits and more openly shared without thought of commercial gain. The nature of the public logic of UniRa is particular. It has not embraced the most open and collaborative form of public logic: UniRa set up a commercial arm and some of its arguments are compatible with a more nuanced perspective that sees the University, not the wider public sphere, as being the intended beneficiary of knowledge transfer. Nonetheless, its public norms and values continually came into conflict with the private logic of its partner and, in all cases, private logic prevailed.

This domination of private logic has especially-problematic implications for IT impact sourcing. The developmental *raison d'être* of IT impact sourcing in developing countries is the use of commercial (and other) models to deliver welfare benefits to marginalised groups. Yet in the process of negotiation, the welfare objectives for this initiative gradually disappeared. Any welfare outcomes of the project emerge as a fortunate by-product rather than being - as IT impact sourcing intends - the defining core of the initiative. The reason is that the poor have no overt champion. Siva and InTech operate according to a private logic that finds no place for welfare outcomes and MGA is co-opted to that logic, perhaps fearing the project will have to be abandoned if Siva withdraws, and preferring any project to none at all. Siti and UniRa operate according to a public logic that could champion welfare outcomes for the poor, but their public logic has a university-specific flavour including internal political goals and it is, in any case, subjugated to private logic whenever overt conflict arises.

This domination of private logic is inconsistent with prior findings from some IT PPPs (e.g. Beck, Gregory, & Marscholke, 2015) and IT impact sourcing initiatives (e.g. Malik, Nicholson, & Morgan, 2013), which report more of an accommodation or hybridisation of logics. Yet is it consistent with other studies of IT impact sourcing (e.g. Nicholson et al., 2015) and IT-related PPPs (e.g. Kuriyan & Ray, 2009), and consistent with some broader findings that report, in commercially-driven social initiatives, business interests coming to take precedence over social objectives (e.g. Karnani, 2011; Pache & Santos, 2013). We have here only space to note three aspects in the case of Merah which may explain private logic domination and thus suggest avenues for further investigation of explanators. First, resource dependency and imbalance: InTech held a unique set of expertise and contacts that was

not readily substitutable, whereas UniRa was not that dissimilar to dozens of other public universities and so could fairly-readily have been substituted as a partner. Second, and perhaps related, MGA - though it is a public agency - did not actively promote public logic. At the least, it remained silent and allowed InTech's private logic to dominate; and at the most, it actively reinforced the arguments emanating from private logic. This is in line with findings from other IT PPPs in developing countries: that the private partner is the more powerful, and that government actors serve as guarantors of private rather than public interests (Kuriyan & Ray, 2009). Third, the personalities involved played a part, with Siva being a notably assertive character.

7. Conclusion

Focusing on an IT impact sourcing initiative in a developing country, this study offers rich insights into ITIS and PPP, building on extant literature. In terms of practical implications from the research reported here, the danger of domination by private logic and the danger that welfare objectives are sidelined in IT impact sourcing partnerships in developing countries must be put onto the risk agenda for such initiatives. Making this danger an explicit point of discussion will be a starting point, and risk mitigation will include trying to identify a spokesperson for the marginalised in negotiation processes. It could also be valuable to acknowledge the different logics of the partners, and to acknowledge that these may lead to conflicts that will need to be negotiated. Logics are "sticky" within organisations since they are essentially cumulative effects of institutional influences over the years, but that does not mean they cannot be successfully negotiated through more cooperative conflict management strategies. Additionally, this paper has demonstrated the multiplicity of strategies that can be and are adopted, contrasting to the more uni-strategic view identified in earlier work such as accommodation (e.g. Sandeep & Ravishankar, 2015) or collaboration (e.g. Beck, Gregory, & Marschollek, 2015).

In terms of theoretical contribution, this paper has:

- demonstrated the applicability of an institutional logics framework to IT impact sourcing partnerships in developing countries, and developed insights from that application to explain the causes and outcomes of conflict within such partnerships. In so doing, it builds momentum for the as-yet-small body of work applying institutional logics to ITIS and IT PPPs in the global South, confirming the value of that application; and
- combined institutional logics for the first time with a conflict management strategies framework that can be used to explain the enactment and outcomes of conflicting institutional logics where multiple actors are directly involved. This combination has potential for much wider application in the dual- and multi-stakeholder initiatives that are becoming increasingly prevalent in implementation of digital information systems in developing countries (Heeks, 2014).

We also see a conceptual contribution from the paper in highlighting two important aspects of IT initiatives in developing countries that have received rather limited attention to date: the negotiation of the terms of such initiatives, which can be critical in determining their nature and outcomes; and the actions of individual actors, which are critical but often sidelined in favour of more meso-level accounts using organisations and communities as the unit of analysis, or micro-level accounts that do not identify individuals (Renken & Heeks, 2013).

There are limitations to the above discussion. Analysing the case via public and private logics is one choice and there are other logics at play that could be analysed, e.g. professional and market logics. The analysed pattern retained distinctions between private logic and a particular form of public logic, whereas others - as noted above - find the binary distinctions become more blurred. Second, this paper is based on a single case. Single case research design is generally accepted with many precedents (e.g. Eisenhardt & Graebner, 2007; Levina & Vaast, 2008) but sometimes criticised for generalisation potential. Following Walsham's (1995, 2006) guidance on generalisation of interpretive cases, this paper focuses on theoretical development in the form of a combined framework and illustration of the concept from the empirical case offering rich insight. An agenda for future research is to build on this exploratory analysis to investigate why differing patterns of logic domination, accommodation, hybridisation, etc. emerge in the practice of IT impact sourcing.

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