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THE ROLE AND INFLUENCE OF STAKEHOLDERS IN ORGANISATIONAL DECISION MAKING: A CASE STUDY OF THE 'OFF-SHORING' OF AUSTRALIAN JOBS

Brad Nash, Peter Holland & Amanda Pyman

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Abstract

The role of stakeholders in influencing corporate decision making on moral and social grounds appears a paradox in a global economy underpinned by a neo-liberal philosophy. Because of the diverse and complex nature of the issues, stakeholders and organisations, it is often difficult to interpret the dynamics which underlie and influence the decision making process. This paper aims to explore the literature on stakeholder theory to develop a framework for understanding the role and influence of stakeholders. Using this framework the issue of 'off-shoring' is examined through a case study of a major Australian organisation - Coles Myer Limited.

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INTRODUCTION

In a global economy underpinned by a neo-liberal economic philosophy, the emergence of stakeholders in influencing corporate decision making on moral and social grounds, appears at face value, an interesting phenomenon. However, because of the diverse and often complex issues, relationships and contexts, it is difficult to interpret the way organisations are influenced by stakeholders. Through an analysis of stakeholder theory, this paper develops a framework to interpret these relationships. Using this interpretive lens, a case study is analysed. The global issue of outsourcing or 'off-shoring' is used as the vehicle to explore the role and influence of various stakeholders.

The concept of 'off-shoring' has become a major topic of debate in countries including Australia, the UK and the USA, permeating political, economic and academic discussions. The focus has been on the export of skilled 'home country' jobs to more cost-effective regions. This issue has been particularly evident in relation to the export of information technology and call centre operations to countries such as India, Mexico and China.

STAKEHOLDER THEORY

Stakeholder theory is an integrative framework for understanding the dynamic nature in which society interacts (Donaldson and Preston, 1995; Evan and Freeman, 1988; Freeman, 1984; Jones 1995). Stakeholder theory was introduced in 1984 by Freeman, and since then, has been the subject of different interpretations, primarily around the issue of who constitutes organisational stakeholders and their relationship to the organisation. Freeman (1984:46) defined organisational stakeholders as any group or individual who can affect, or is affected, by the achievement of organisational objectives. Whilst this definition is broad, it does enable the management of an organisation to take an all encompassing perspective as to who their stakeholders are, and forces them to consider the impact stakeholders may have on business decisions.

Despite a lack of universal acceptance concerning the definition of stakeholders (Alkhafaji 1989; Thompson Wartick & Smith 1991; Clarkson 1994), the evolution of stakeholder theory has seen the inclusion of a variety of different perspectives that aim to more closely relate the theory to real world interpretations of organisational behaviour. Critical research has refined and developed the theory to include characteristics such as power, legitimacy and urgency, which all affect the way in which organisations choose to manage their relationship with stakeholders.

Power, Legitimacy and Urgency

Weber (1947) defined power as the probability that one actor within a social relationship would be in a position to carry out his or her own wishes despite resistance. This definition identifies the difficulty in assessing or articulating what is meant by power. However, the real issue for organisations is the ability to recognise power. Identifying and categorising power has been facilitated by the work of Etzioni (1964: 59), who suggested organisations could categorise power according to the types of resources used: *coercive power*, based on the physical resources of force, violence, or restraint; *utilitarian power*, based on material or financial resources; and, *normative power*, based on symbolic resources.

When an organisation identifies its stakeholders and their level of power, it is also important to establish the legitimacy of that power. Suchman (1995: 574) defined legitimacy as a generalised perception or assumption that the actions of an entity are desirable, proper, or appropriate, within some socially constructed system of norms, values, beliefs, and definitions. Mitchell, Agle and

Wood (1997: 866) reinforced Suchman's definition, arguing, legitimacy is a desirable social good that is larger and more shared than a mere self-perception, and may be defined and negotiated differently at various levels of social organisation. A key point here is the inclusion of social issues in the context of organisational decision making. After considering the variables of stakeholder management, Mitchell *et al.* (1997: 967) argued that a consideration of the power and legitimacy dimensions only, did not capture the dynamics of stakeholder management. They proposed that adding the stakeholder attribute of urgency helped move the model from static to dynamic.

Urgency was defined as the degree to which stakeholder claims call for immediate attention (Mitchell *et al.* 1997). Urgency however, is not only the identification of a pressing stakeholder need. Urgency also necessitates that the stakeholders themselves view the claim as highly important. Thus, urgency is based on two attributes: time sensitivity, which is the degree to which there is a managerial delay in attending to the claim, or the relationship is unacceptable to the stakeholder; and, the importance of the claim or the relationship to the stakeholder. In this instance, the relationship between the organisation and the stakeholder is also a factor and one that requires serious consideration.

Mitchell *et al.* (1997: 869-70) stated that the exercise of stakeholder power is triggered by conditions that are manifest in the other two attributes of the relationship: legitimacy and urgency. Power, as a single attribute, does not generate high salience in a stakeholder relationship. Rather, it gains importance when it is legitimate and it is exercised through a sense of urgency. Legitimacy also requires intersection with the other two attributes of stakeholder theory; power and urgency, to result in high salience. If a stakeholder is legitimate, then it will gain access to rights through power and be heard via urgency. The difference lies in the fact that urgency only requires interaction with one of the other two variables, not both. Urgency, on its own, is sufficient to create pressure on the stakeholder relationship and to induce a reaction from an organisation, which may then lead to an increase in salience. Highly important and powerful stakeholders are located where power, legitimacy and urgency intersect. When the three variables are present simultaneously, stakeholder theory becomes a dynamic model.

The Evolution of Stakeholder Theory

Hill and Jones (1992:134) linked stakeholder theory to the concept of agency. Agency theory focuses on aligning the goals of two groups, in this case, management and stakeholders (Eisenhardt, 1989; Gomez-Mejia & Balkin, 1992). The basis of agency theory is that management is employed on behalf of the stakeholders to manage the organisation, and therefore, should act in their stakeholders' best interests rather than according to their own self-interest (Milgrom & Roberts, 1992). As such, management will be rewarded for results that are deemed to be in the interests of stakeholders (Gomez-Mejia & Balkin, 1992).

The identification of key stakeholders and an understanding of how they can, and do, influence the management of the organisation, are central to the agency relationship. Rowley (1997:887-88) extended stakeholder theory by utilising concepts from social network analysis to examine the characteristics of entire stakeholder structures and their impact on organisational behaviours, rather than individual stakeholder influences.

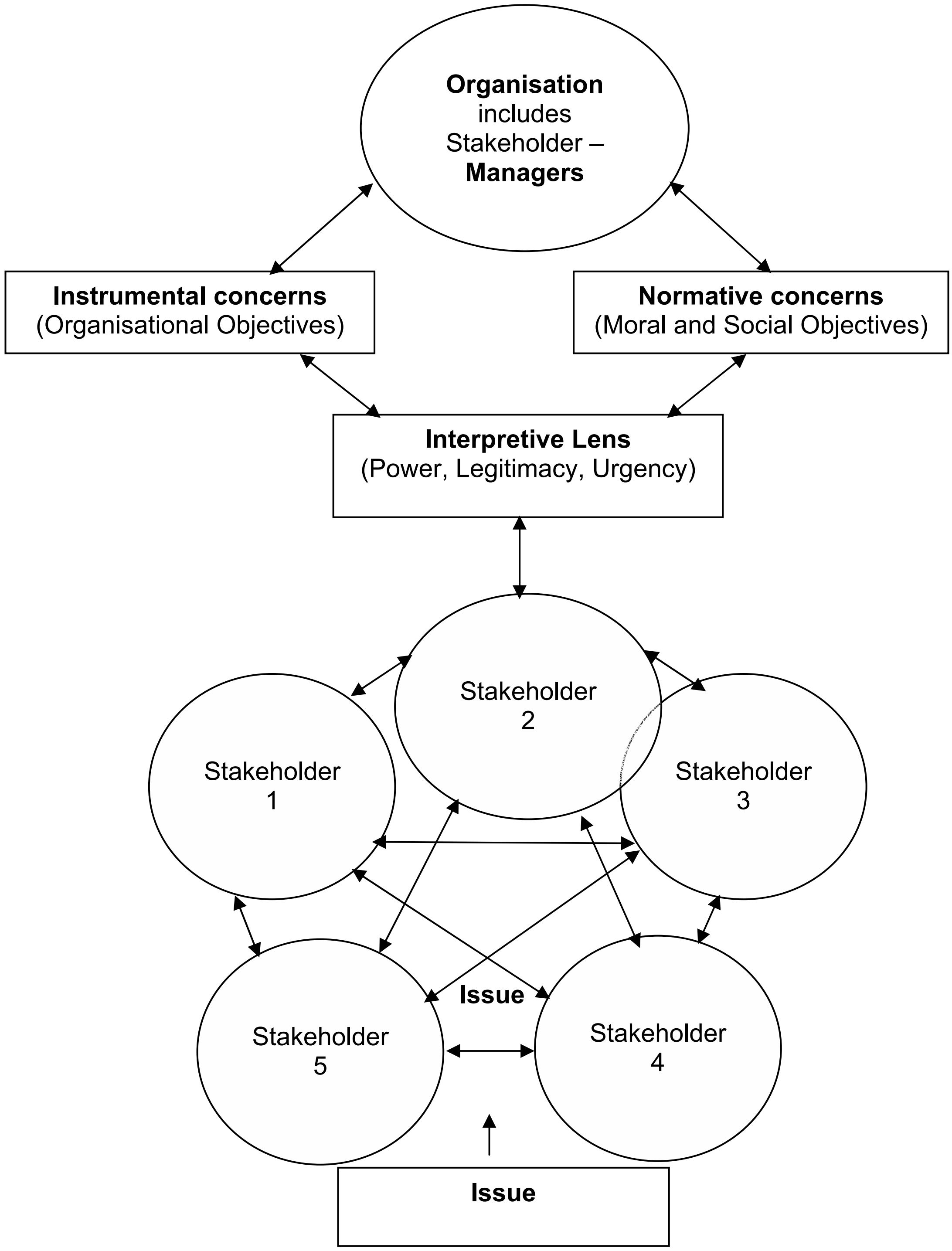
Scott (1991) points out that both institutional and resource dependence theories, emphasise the variety of external pressures (social, moral and economic) that organisations face, and, that these demands must be managed for organisational survival. It is these external pressures that result from an organisation's identified stakeholders. Although stakeholders place pressure on an organisation, an organisation's response is not usually limited to a single stakeholder. Rather, an organisation responds to the legitimate claims of multiple stakeholders. Stakeholder pressure is not always applied by groups who have a direct relationship with the organisation, yet, can potentially affect the behaviour and decisions of an organisation. This highlights what appears to be a relatively simple theory, but it is difficult and complex to analyse. Despite this difficulty, it remains important for management to understand, identify and respond to each of their stakeholders, and, to manage their power and legitimacy. Thus, stakeholder theory is an important framework for understanding managerial decision-making. To place this complex framework into a workable context, Donaldson and Preston (1995:70) categorised stakeholder relationships into three types: descriptive/empirical, instrumental and normative.

After reviewing the descriptive/empirical application, Donaldson and Preston (1995: 70) illustrated how stakeholder theory has been used to: describe the nature of a firm; the way managers think about managing; how board members think about the interests of corporate constituencies; and, how corporations are managed in practice. The descriptive view of stakeholder theory reflects and explains past, present and future states of an organisation's affairs and their stakeholders. However, in taking such an approach, the ability to shed critical insight into the relationships between power, legitimacy and urgency is limited. In addition, the opportunity to access all aspects of the decision making process is difficult.

The instrumental approach to stakeholder theory has been used to identify the connections (or lack thereof), between organisational objectives (growth and profitability) and stakeholder management, and is focused primarily on economic indicators. While instrumental stakeholder theory attempts to make a connection between organisational objectives and stakeholder management, it fails to address the underlying social and moral values in the management of stakeholders and organisational performance.

Donaldson and Preston (1995: 71) described normative stakeholder theory as being used to interpret the functions of corporations, including the identification of moral guidelines governing their operation and management. Normative stakeholder theory therefore, not only considers the issue of managing a variety of interests, but also attempts to understand the moral and philosophical principles of various management decisions, which are largely influenced by power, legitimacy and urgency. As such, this approach provides critical insight into stakeholder management, from a non-economic perspective. Drawing on these key linkages, a framework for analysing stakeholder influence is proposed, as shown in Figure 1.

Figure 1: A Framework for Analysing the Role and Influence of Stakeholders



FROM OUTSOURCING TO OFF-SHORING

The underlying themes of cost reduction and increased flexibility have driven the outsourcing phenomenon (Hartmann & Patrickson, 2000). In the HRM and international business literature (Taylor & Bain, 2003; Betts, Meadows & Walley, 2000), outsourcing is commonly portrayed as a means of enabling organisations to focus their resources on the core business, while facilitating new forms of work for other business areas. By matching organisational resources with customer or product demand, organisations should reduce fixed costs and increase efficiency and competitiveness (Zappala, 2000). The ability to change the structure and contractual relationship of the workforce has been described as a key to efficient and effective utilisation of human resources in this context (Emmott & Hutchinson, 1998). Outsourcing can also provide organisations with expertise not available in-house (Young, 2000).

Outsourcing has become one of the key strategic economic decisions being considered by organisations, as part of a process of continually redesigning, redefining and reshaping operations in an increasingly competitive and global environment (Casale, 1996). By the mid-1990s, research conducted by the Outsourcing Institute found that on average, companies were realising a nine per cent saving and a fifteen per cent increase in capacity and quality as a result of outsourcing (Casale, 1996). Drucker (2004) points to additional economic advantages of outsourcing: economic development overseas, lower domestic prices, mobile capital to invest in new jobs and increased customer purchasing power.

The advent of information and communication technologies (ICT) in the last decade has seen the continual development of outsourcing, or what is called off-shoring, on a global and virtual scale. Offshoring, a subset of outsourcing, refers to the relocation of business processes to a lower cost location, usually in developing countries. This global phenomenon is typified by the emergence of call centres as a key business tool in providing frontline services to customers. As such, off-shoring has become an issue associated with quality, productivity, flexibility, speed and innovation, as infrastructure rapidly develops to facilitate more highly skilled and reliable global relationships (Wild, Wild and Han, 1999).

The increasing export of skilled white collar employment associated with off-shoring has become a major topic of debate in countries including Australia, the UK and the USA. This debate has been particularly evident in relation to the export of IT and call centre operations, to countries such as India, Mexico and China (Pollitt, 2004; Rance, 2004). Many commentators and academics assume that such moves represent a *fait á compli*, due to significant labour cost advantages and access to skilled labour and infrastructure in a global economy (Business Council of Australia, 2004; Pollitt, 2004; Rance, 2004). However, irrespective of, and in addition to the economic issues, there are a variety of moral and social issues associated with the decision to off-shore. These moral and social issues can be accentuated by the inappropriate management of influential stakeholders such as shareholders, governments and unions.

Whilst there has been some research examining the effect of outsourcing on employees (e.g. Purcell 1996; Wilcocks, Fitzgerald and Feeny 1995), the impact on, and response of other organisational stakeholders, have largely been ignored. A preoccupation with the economic benefits of off-shoring, in the form of lower costs and increased flexibility can overshadow important factors related to the role, influence and management of stakeholders. Ultimately, these issues may be crucial in the long-term success of business decisions, yet, have been given little consideration by many organisations. Indeed, recent cases (e.g. Intel) illustrate the importance of involving stakeholders in decisions to off-shore, and the ability of stakeholders to influence decisions, even to the extent of reversing or rejecting the off-shoring route.

OFF-SHORING CALL CENTRES: A CONTEMPORARY ISSUE

The development of ICTs in parallel with globalisation, have taken off-shoring to an international level, particularly in the area of customer service interaction. This phenomenon is epitomised by the rapid development of call centres; one aspect of organisational operations that are being outsourced internationally and often at significantly reduced costs. India is one country that has established a significant niche for the off-shoring of call centres from countries such as the USA, UK and Australia (Bean, 2003). Research conducted by Global Insight has predicted off-shoring will lower inflation, create jobs and boost productivity (Crowe, 2004a). In Australia executives have been encouraged to off-shore jobs to low-cost countries, under the rubric of maintaining competitiveness (Crowe 2004b; BCA 2004).

Companies such as British Airways, GE Capital, and American Express have either established their own centres, or contracted the services of a third party to operate call centres from India (Bean, 2003). The cost savings are a driving factor. As Martin Conboy, chief executive officer of callcentres.net Australia, points out: in the US, call centre costs are $US25 per hour per agent. In Australia, the cost is $US21 and in India $US10 (cited in Nancarrow, 2004: 8). Other conditions that make India an attractive proposition for potential businesses include a 6 day working week and the quality of the labour force (Nancarrow, 2004).

What appears to be lacking from research into the off-shoring of call centres is the manner in which stakeholders are consulted. Service, communication, culture and the loss of local jobs are significant issues that often emerge as a result of off-shoring, and have moral, social and economic implications. This paper attempts to address the gap in the literature by exploring these issues utilising stakeholder theory as a lens (see Figure 2). The framework developed earlier is used to explore the role and influence of stakeholders in an off-shoring decision by one of Australia's largest private sector organisations.

METHODOLOGY

A qualitative approach was taken for this research. The rationale for this approach lies in the complex issues, relationships and contexts within which stakeholders and management operate. In order to understand these issues, semi-structured interviews were conducted with key institutional stakeholders in one of Australia's largest private sector organisations. These were: the Chief Executive Officer of the Australian Shareholders Association, three elected officials from two federally registered unions and two federal government ministers. The government ministers were interviewed in light of their multiple roles: as a policy maker; an employer; and, as representatives of the public interest. Secondary data including annual reports, newspaper articles, an Australian Broadcasting Commission (ABC) television documentary, union websites and the case study organisation's website were utilised to validate the primary data.

The inclusion of these stakeholders was central to understanding how, as individuals, and in combination, these groups have approached 'off-shoring' in the case study organisation. The open-ended questions allowed the stakeholder representatives to discuss issues relating to off-shoring within the organisational setting, yet, also permitted expansion on any other issues stakeholders felt were important in the organisation's decision to off-shore. Thematic analysis (Creswell 2003) was used to explore the issues that emerged from the interviews and the secondary documents.

CASE STUDY ORGANISATION - COLES MYER LIMITED

Background

Coles Myer Limited is Australia's largest non-government employer with over 165,000 staff (Annual Review 2003). In the late 1990s, after significant financial and managerial problems and depressed profits and growth, Coles Myer appointed a new Chief Executive Officer, John Fletcher in 2001. A key part of the revitalisation strategy adopted was a low cost operations approach (Annual Review, 2001). One aspect of this strategy was the minimisation of duplication, and an obvious area for consolidation was the range of credit card brands. In 2001, management merged all the individual brands into one corporate card - The Coles Myer Card. The off-shoring of this operation followed, to a specialist call centre operator, GE Capital. The Coles Myer Card was subsequently managed by GE Capital through their call centres, with 50 per cent of customer queries directed to Dehli in India from 2002. As a response to pressure from a variety of stakeholders, the Call centre was relocated back to Australia in 2003.

The Issue - Off-shoring the Coles Myer Card

During 2002, GE Capital decided to off-shore part of the Coles Myer call centre operations to India. It is unclear how much input Coles Myer had into this decision, but it is reasonable to expect that they were aware of it. The 2002 Annual Review outlined two significant strategies for the year. The first was to grow shareholder value and the second was to deliver significant cost savings of $300 million by the end of 2004 (Annual Review 2002). It is the second strategy that was the likely catalyst for the development of the Coles Myer - GE Capital relationship. While it is not clear from the Annual Review how Coles Myer sought to reduce their costs, it was during this year that GE Capital off-shored part of the call centre operations. This decision would have been expected to deliver substantial cost savings. It appears that there was little, if any, communication of this decision to stakeholders of the organisation, and a review of Coles Myer's Ethics and Polices does not provide coverage of this issue.

The Reactions and Responses of Stakeholders

Whilst it is difficult to assess customer reactions, in early 2003 it was publicly revealed in the media that a group of Myer Card call centre staff were based in India. As Nancarrow (2004: 9) highlighted:

> Callers to talkback radio complained about poor service and communication and bemoaned the loss of Australian jobs.

It is important to note that it is not unusual for large organisations to monitor these media outlets to gauge public perceptions and reactions. Initial adverse publicity following the off-shoring of Coles Myer's call centre operations was followed by an ABC television documentary, titled 'Diverted to Delhi'. This documentary highlighted the outsourcing of call centre and IT jobs to India more broadly. GE Capital and Coles Myer however, featured prominently, and an interview conducted with a shareholder of Coles Myer indicated that he was unhappy that part of the call centre operations had been outsourced to India, because of the loss of Australian jobs. This documentary generated substantial publicity relating to off-shoring (Nancarrow, 2004) and the manner in which organisational decision making within Coles Myer took place.

The union movement has been at the forefront of the off-shoring debate, particularly in relation to the export of jobs and the exploitation of workers in less regulated countries. In the documentary, they were also prominent. Belinda Tkalcevic from the Australian Council of Trade Unions (ACTU) and Martin Foley from the Australian Services Union (ASU) both discussed a range of themes, but the export of skilled Australian jobs was clearly their major concern. Both Foley and Tkalcevic attacked the Federal government's position, particularly in light of their role as a key stakeholder in Australian organisations:

> It's great for big multinationals who can get cheaper wages from India, but what about Australian workers….. isn't the Australian government there for us and not for companies to try and save a few bucks (Tkalcevic, 2003).

> For Australian jobs to stay in Australia we have to get better and smarter on how we do it, but for the Australian government to join the cheer squad of off-shoring jobs to India is just appalling (Foley, 2003).

Cost reduction issues featured prominently in the interviews with the two unions. As one interviewee stated: the focus is always on cost – it is always on the lowest common denominator. The focus is not on quality (Union interviewee A, 2004). This preoccupation with cost reduction and associated job losses has led to increased levels of job insecurity among union members. A second union official pointed out that job security is the number one concern among employees (Union interviewee B, 2004). According to union officials, cost reduction is also being used by organisations as a tactic in negotiating workplace agreements, to instil fear in employees.

Consequently, employees adopt an approach of 'not rocking the boat', which translates into seeking minimal enhancements to terms and conditions of employment for fear of job loss (Union interviewee A, 2004).

Two officials agreed that the threat of job loss by employers is a successful tactic, particularly during agreement negotiations, because employers use job insecurity as a bargaining ploy. Nevertheless, both unions also pointed to the danger of employers using job insecurity. Agreeing that the threat is 'real', three officials pointed to a more hardened attitude among members to employer threats, and the fact that job security is a 'hot' issue that 'pushes people's buttons' (Union interviewees A & B, 2004). As a result, the off-shoring debate has generated dissatisfaction and mobilisation among members, and led to increased awareness in the community about the insecurity of professional work, particularly among IT and call centre workers (Union interviewee C, 2004).

The issues of exporting jobs were not the only concern of the union officials. These officials were also fundamentally concerned about the types of jobs that were being off-shored. As one official explained, the off-shoring of 'skilled' local jobs raises significant questions about the types and skill levels of those jobs that are left for local people to apply for (Union Interviewee A, 2004). The union also noted that it was inhibited by three related factors when developing an effective strategic response: the limited representation of IT workers by unions; the absence of a primary award in the industry; and, the absence of a single union representing IT workers (Union Interviewee C, 2004).

The issue of quality also emerged as a major theme in the Coles Myer case. As one union official pointed out:

> Australia will never be able to compete with countries like India and China on price, so the debate needs to look at the area of quality (Union Interviewee C, 2004).

Adverse feedback was received by Coles Myer in relation to poor quality of service and difficulties in communicating with Indian employees.

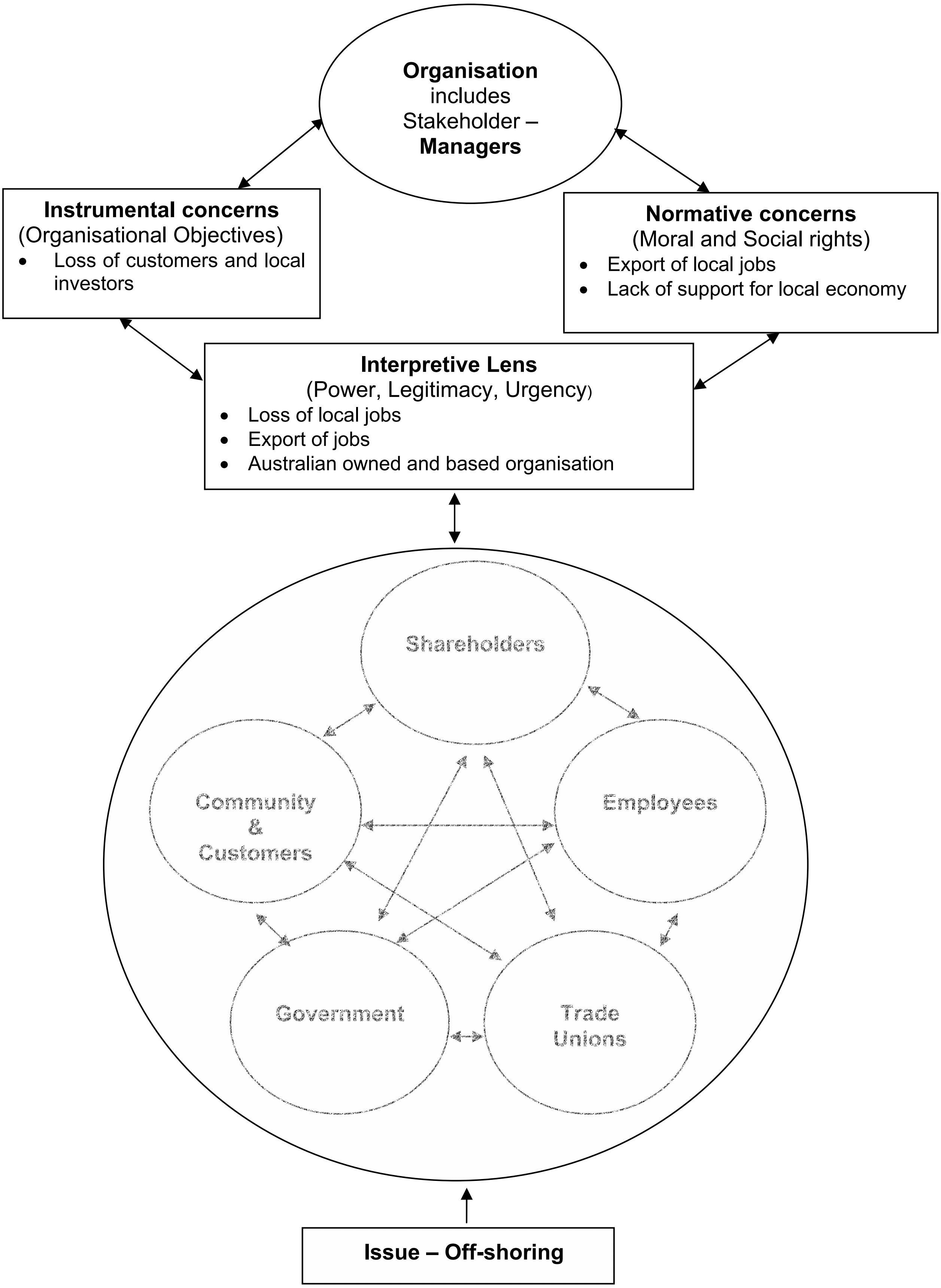
A related concern of the union officials was the nature and extent of regulation in developing countries such as India, where employees lack basic rights including the right to organise and the right to minimum wages (Union Interviewee C, 2004), and some states are not even subject to international laws. This absence of regulation raises questions concerning the exploitation of workers by the organisation that off-shores the work in the first instance.

The final concern pinpointed in interviews with the unions was related to the cultural assimilation training utilised to educate the 'host' country employees performing the work. As highlighted in the ABC 'Diverted to Dehli' documentary, call centres typically inform workers in India for example, that unless asked, they should not tell the customers where they are located (Nancarrow, 2004). In addition, many organisations utilise induction programs whereby workers are given localised names and are taught local culture and heritage, for example through watching Australian television and listening to the radio to engage customers on local issues and therefore prevent customers asking or knowing that the service is being performed overseas (Nancarrow, 2004). As one official argued in relation to the Coles Myer case: there is an issue about Indian workers losing their cultural heritage. This is undesirable. In addition to losing jobs, Coles Myer is trying to trick people' (Union Interviewee A, 2004).

INTERPRETIVE LENS: THE 'OFF-SHORING' OF AUSTRALIAN JOBS

A thematic analysis of the interviews and the secondary documents reveals that the core issue uniting the stakeholders of Coles Myer was the export of Australian jobs. It is from this perspective that Coles Myer had to respond to their stakeholders. Using the framework developed, this sequence of events is illustrated in Figure 2.

Figure 2: Analysing Off-shoring in Coles Myer



Management's Response

The focus of the stakeholders on the export of Australian jobs (initially a normative concern) meant Coles Myer had to re-evaluate its decision to off-shore from an instrumental perspective. The efficiency of off-shoring, underpinned by a low-cost strategy designed to increase competitive advantage needed to be reassessed against the moral and/or social concerns of stakeholders; namely the perception that an Australian 'icon' company which accounts for 40 cents of every retail dollar, was exporting home grown, skilled local jobs. As one shareholder on the Diverted to Dehli documentary surmised:

> I think the part that annoyed me most… I see this like exporting jobs. Myer does not have stores in India….so their customers are not in New Dehli….The customers are here and I think that kind of employment should be here [in Australia] (Aspinall, 2003).

In late 2003, the call centre operations for Coles Myer were relocated back to Australia (Nancarrow, 2004: 9). The 2003 Annual Review makes no mention of the relationship between Coles Myer and GE Capital, and more significantly, no reference is made to the changes at the call centre during that year.

STAKEHOLDER ANALYSIS

The framework developed in this paper helps to integrate the literature on stakeholder theory, with a view to illustrating the complex interrelationships and interactions between stakeholders, and their impact, or potential impact, on organisational decision making. The interpretive lens acts as a tool for determining the power, legitimacy and urgency of the key stakeholders in an organisation.

In the Coles Myer case study, the unifying issue was the export of home country jobs. This was magnified by a clear lack of consultation with these stakeholders on a significant and potentially emotive issue. An analysis of the case study suggests that there was no link between the identification and management of stakeholders in relation to the issue of off-shoring, from either a moral or social perspective. The sole focus of Coles Myer on instrumental concerns, namely cost reduction and enhanced profits, was linked to a motive of increased competitive advantage. In hindsight however, it appears that the instrumental concerns of management outweighed their normative concerns. Arguably, increased growth, reduced costs, and a competitive advantage, will only result when management carefully balance instrumental and normative concerns.

From a union strategy perspective, the focus of the unions' campaign was solely on the primary organisation – Coles Myer. The unions did not directly target GE Capital, to whom the work was off-shored. The core tactic utilised by unions was 'corporate campaigning' in a bid to attack the Coles Myer brand and their reputation, and by doing this, expose links between the primary organisation and the organisation to which the work was off-shored (Union interviewees A & C, 2004). Public (customer) opinion is a corporate pressure point for Coles Myer, often seen in the public domain as an Australian 'icon'. Therefore, from a strategic viewpoint, the creation of unfavourable public opinion by the union, via publicly expressed member dissatisfaction, can damage the Coles Myer brand name, and, therefore, may elicit a favourable response from the organisation. Indeed, union activism and campaigning on this issue, negative customer feedback, perceptions of poor quality of service and adverse media publicity, together, placed significant pressure on Coles Myer. The uniting of the key stakeholders on 'sensitive' issues associated with the off-shoring of Australian jobs, gave them legitimacy and power. In addition, the stakeholders created a sense of urgency in their claims, and as a result, managed to successfully implement change. The ascendancy of social and moral issues, led by the key stakeholders, appears to be fundamental in Coles Myer reversing their decision and relocating the call centre in Australia.

CONCLUSION

The emergence of stakeholders in influencing corporate decision making on moral and social grounds has attracted increased attention. Whilst this was an exploratory study, the framework developed provided a useful interpretive lens to analyse the issue of off-shoring in the case study organisation: Coles Myer. An analysis of the case study reveals that whilst the stakeholders did not directly collaborate in their response to the off-shoring of Coles Myer's call centre operations, the stakeholders were unified in their emphasis on the issue of the loss of Australian jobs. This combined focus gave the stakeholders power, legitimacy and urgency, thus forcing Coles Myer to respond on normative and instrumental grounds. The eventual outcome was the relocation of the call centre operations back to Australia.

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