

3. Method of approach

The previous chapters have explained *what* to research. This chapter will describe *how* this research has been conducted. It constitutes of six sections, starting with clarifying the available research methods. Sections 3.2 and 3.3 focus on two methods, i.e. case study research and action research respectively. Following this, the reasons for selecting the MNC Shell as the case study is explained in section 3.4, after which the way data is collected and analysed at each research level and cross-level in section 3.5. Section 3.6 then explains the process of examining and publishing the PhD. Finally, section 3.7 summarises the chapter and provides an overview of the data collection methods.

3.1 Available methods

The first question that a researcher needs to ask him/herself is whether to use qualitative or quantitative data. Qualitative data typically involves words and quantitative data involves numbers. Quantitative methods are those, which focus on numbers and frequencies rather than on meaning and experience. Quantitative methods provide information, which can be analysed statistically. Qualitative methods are ways of collecting information related to describing meaning, rather than with drawing statistical inferences. In quantitative research, the researcher is an observer who neither participates in nor influences what is being studied. In qualitative research, however, it is thought that the researcher can learn the most by participating and/or being immersed in a research situation.

Each approach has its drawbacks. Quantitative research often forces responses or people into categories that might not fit in order to make meaning. Qualitative research, on the other hand, sometimes focuses too closely on individual results and fails to make connections to larger situations or possible causes of the results. Besides, the field of qualitative research is still evolving; the criteria and terminology for its evaluation are not yet agreed upon. Most research on the MNC over the last thirty years or so has therefore remained wedded to functionalist and structuralist approaches, typically based on quantitative research methods (Geppert & Mayer, 2006). Their review of articles of the leading journal in the area, the *Journal of International Business Studies*, also shows that very few articles were published in this journal using qualitative research methods.

Which approach to take in this research? This depends on which approach is likely to answer the research questions most effectively and efficiently. Qualitative research methods are designed to help researchers understand people and the social and cultural contexts within which they live. Human rights are interpreted differently in different social and cultural contexts and understanding these contexts help explaining how these influence the degree of implementation and internalisation of these mechanisms for human rights are used. Besides, Kaplan and Maxwell (1994) argue that the goal of understanding a phenomenon from the point of view of the participants and its particular social and institutional context is largely lost when textual data are quantified. Qualitative research methods seem therefore to be more suitable for the nature of this particular research.

The most commonly used qualitative methods include action research, case study research and ethnography:

- *Action research*: a family of research methodologies, which pursue action (or change) and research (or understanding) at the same time. In most of its forms it does this by using a cyclic or spiral process, which alternates between action and critical reflection and in the later cycles, continuously refining

methods, data and interpretation in the light of the understanding developed in the earlier cycles.

- *Case study research*: case study is an exploration of a 'bounded system' or a case over time through detailed, in-depth information collection involving multiple sources of information rich in context.
- *Ethnography*: Ethnography is a long-term investigation of a group (often a culture) that is based on immersion and, optimally, participation in that group. Ethnography provides a detailed exploration of group activity and may include literature about and/or by the group.

Ethnography is not used in the context of this research, since that requires a clearly defined and homogeneous group. Studying multinational companies and their interactions with the outside world on a global and local level (subject of this research) is not confined to one particular group or culture. Action research and case study research, however, are used in this research. The reasons and requirements for using these methods are discussed in the next two sections.

3.2 Case study research

The case study is a research strategy that focuses on understanding the dynamics present within single settings (Eisenhardt, 1989). A number of characteristics of case study design can be defined, based on Yin (2003), Stake (1994) and (Feagin et al, 1991):

- Case studies have boundaries.
- Selecting cases is done so as to maximize what can be learned, in the period of time available for the study.
- The unit of analysis is typically a system of action rather than an individual or group of individuals.
- Case studies tend to be selective, focusing on one or two issues that are fundamental to understanding the system being examined.
- Case studies are multi-perspective analyses. This means that the researcher considers not just the voice and perspective of the actors, but also of the relevant groups of actors and the interaction between them.
- Case study is known as a triangulated research strategy. The need for triangulation arises from the ethical need to confirm the validity of the processes. In case studies, this could be done by using multiple data sources (both qualitative and quantitative).

Case studies strive towards a holistic understanding of cultural systems of action. Cultural systems of action refer to sets of interrelated activities engaged in by the actors in a social situation. In this research, the subsidiary embedded in its local context can be regarded as a dynamic single setting. Studying the implementation and internalisation of the mechanisms for human rights at the local level and finding the potential explanations for the degree of implementation and internalisation of these mechanisms in the local, organisational and relations contexts, requires in-depth knowledge about the interrelated activities of people within a subsidiary, between the subsidiary and Headquarters and with actors in its local context (social situation). Sharpe (2001) stipulates that to:

'understand how multinational organizations seek to transfer practices across their operations, it is necessary to move away from the organization as a black box and to examine through in-depth case studies the linkages and relations between institutional structures such as national and supranational cultural, political and economic structures and the internal relations and processes within and between organizations'.

Case studies are therefore a useful research method in order to help answering the research questions adequately.

Furthermore, case study research is appropriate to use in the early stages of research on a topic or to provide freshness in perspective to an already

researched topic (Eisenhardt, 1989). The grounds for her statement is that theory building from cases is its likelihood of generating novel theory. Creative insight often arises from the juxtaposition of contradictory or paradoxical evidence. The constant juxtaposition of conflicting realities generated from case study research tends to 'unfreeze' thinking, and so the process has the potential to generate theory. As explained in chapters 1 and 2, the topic of MNC management of human rights is a relatively new subject in which little research has been conducted as yet. Harrison & Freeman (1999) confirm this by stating that '*case study research is especially critical for the field of business and society, because this field is young and therefore no widely accepted integrating framework exists. Case study is a good method to build theory*'. Hence, this is one of the main reasons why case study research is used in this research.

Other advantages of case study research, according to Eisenhardt, are that the emergent theory is likely to be testable and be empirically valid, because the theory-building process is so intimately tied with evidence. Additionally, case studies can also be used to complement the use of quantitative data in order to elaborate quantitative data or as a springboard to framing quantitative questions. Besides, the method of case studies has long been used and still is emphasized in the study and teaching of business ethics and all business subjects (Carroll & Gannon, 1997).

Despite these advantages, case study research is not widely accepted within the international business literature. For example, the *Academy of Management Journal (AMJ)* does not accept case study research very often. Case study is criticised, because cases are real-life events and it is difficult to apply the scientific method of hypothesis testing to them to represent a sample of a population. Besides, because they typically have many unique aspects, it is difficult to produce valid generalizations from their use. It has been a source of criticism because of potential investigator subjectivity. Another disadvantage is that confusion surrounds the distinction among qualitative data, inductive logic, and case study research. There is a lack of clarity about the process of actually building theory from cases, especially regarding the central inductive process and the role of literature. Furthermore, the intensive use of empirical evidence can yield theory that is overly complex. Given the typically staggering volume of rich data, there is a temptation to build theory that tries to capture everything. The result can be theory that is very rich in detail, but lacks the simplicity of an overall perspective. Another disadvantage is that building theory from cases may result in narrow and idiosyncratic theory. The risk is that the theorist is unable to raise the level of generalisability of theory (Eisenhardt, 1989).

In order to mitigate the disadvantages of case study research, case studies need to be executed in a rigorous way in order to ensure the validity of the research. A study should be designed with a purpose and not studying something that 'just happened'. For example, researchers may become actively involved in an organization as consultants or while collecting data for another study. In the process, they observe something and decide to write a case study around it. This is not rigorous case study research (Harrison & Freeman, 1999). Eisenhardt (1989) operationalised the different steps in case study research, the requirements for validity and how they are expected to be fulfilled:

Step	Validity requirements	Fulfilling requirements
Getting started	<ul style="list-style-type: none"> • Definition of research questions • Possibly a priori constructs 	In section 1.7 the research questions were described and the construct of embeddedness was defined in chapter 2.
Selecting cases	<ul style="list-style-type: none"> • Neither theory nor hypotheses • Specified population 	Case studies are selected in section 3.4, based on

	<ul style="list-style-type: none"> Theoretical, not random, sampling 	theoretical and practical selection criteria.
Crafting instruments and protocols	<ul style="list-style-type: none"> Multiple data collection techniques Qualitative and quantitative collection techniques combined Multiple investigators 	Data collection techniques are described in section 3.5 and quantitative and qualitative techniques are used.
Emerging the field	<ul style="list-style-type: none"> Overlap data collection and analysis, incl. field notes Flexible collection techniques 	As described in section 3.5, different collection techniques are used in a flexible way.
Analysing data	<ul style="list-style-type: none"> Within case study analysis Cross-case pattern search using divergent techniques 	Way of analysis is described in section 3.5, including cross-case pattern search. Chapter 8 presents the results of this cross-case analysis.
Shaping hypotheses	<ul style="list-style-type: none"> Iterative tabulation of evidence for each construct Replication, not sampling, logic across cases Search evidence for 'why' behind relationships 	Hypotheses are extracted from analysis results in chapter 8 and described at defence of thesis.
Enfolding literature	<ul style="list-style-type: none"> Comparison with conflicting literature Comparison with similar literature 	Theoretical implications are described in chapter 8.
Reaching closure	<ul style="list-style-type: none"> Theoretical saturation when possible 	In period 2004-2006 of research period, closure was reached through theoretical saturation.

Table 1 Validity requirements in case study research

In order to satisfy these requirements, Yin (2003) proposes to develop a case study protocol. A case study protocol contains more than the survey instrument; it should also contain procedures and general rules that should be followed in using the instrument. It is to be created prior to the data collection phase and is essential in a multiple-case study. A typical protocol should have the following sections:

- An overview of the case study project (objectives, issues, topics being investigated);
- Field procedures (credentials and access to sites, sources of information);
- Case study questions (specific questions that the investigator must keep in mind during data collection);
- A guide for case study report (outline, format for the narrative).

Not all case studies should take the same approach. Yin (2003) identifies three different approaches concerning case study design:

- Exploratory*: fieldwork and information collection may be undertaken prior to definition of the research questions and hypotheses. This type of study has been considered as a prelude to some social research. However, the framework of the study must be created ahead of time. Pilot projects are very useful in determining the final protocols that will be used. Survey questions may be dropped or added based on the outcome of the pilot study.
- Explanatory*: suitable for doing causal studies. In very complex and multivariate cases, the analysis can make use of pattern-matching techniques.
- Descriptive*: requires that the investigator begin with a descriptive theory, or face the possibility that problems will occur during the project. What is implied in this type of study is the formation of hypotheses of cause-effect relationships and must cover the depth and scope of the case under study.

Each of those three approaches can be either single or multiple-case studies, where multiple-case studies are replicatory, and not sampled cases. Which type of cases are used within this research and how the requirements are fulfilled will be explained in section 3.4.

3.3 Action research

This section describes the approach of action research. In the first sub-section, the characteristics and benefits of action research are explained, after which the criticisms and the resulting requirements of action research are discussed in sub-section 3.3.2. The final sub-section discusses the roles assumed.

3.3.1 Characteristics and benefits of action research

What is action research exactly and how is action research conducted? The answers to these questions can be found in literature about action research. One of the first authors in this area is Lewin (1946). In his contribution on action research, Lewin emphasised the importance of making use of (scientific) knowledge to make social improvements, indicating that a main purpose of doing (social science) research should be its usefulness to society. In the following decades, several contributions were made in different bodies of literature. However, according to a literature review on action research of Dick (2004), a turning point in the development of action research is the publication of the *Handbook of action research* by Reason & Bradbury (2001). Since then, the literature (books and journals) on action research has been growing. Main journals that contain articles in the area of business management are 'Systematic Practice and Action Research' and 'Action Research'¹.

Researchers have used action research methods in a variety of research arenas for dealing with issues presented in people's daily activity. In organisational development these include French and Bell (1995), Whyte et al (1991), Checkland (1991) and Argyris and Schon (1992). According to Dick (2004), especially scholars in the Scandinavian countries are interested in application of action research within corporations. For example, the book of Adler, Shani and Styhre (2004) address the challenges faced by modern organizations, possible collaborative responses, case studies and a commentary from both academic and corporation side.

Despite the interest from an action research perspective in its application in business management, the use of action research in (international) business management research is little. This can be demonstrated by again analysing the top five management journals in the area of business management for their use of participatory action research (see section 2.1). The keywords 'action research' result into very few articles (less than 15 articles) and 'participatory research' result into no articles at all. If these articles are analysed in more depth, the majority are abstracts of books using action research, are over twenty years old or define action research as case study research. Clearly, action research is rarely used in international business management literature. This may present an extra challenge for the acceptance of the use of this research within the area of international business management.

It is therefore necessary to clarify what constitutes action research and what the benefits are. Zuber-Skerritt (1992) defined action research as a CRASP model:

1. **C**ritical (and self-critical) collaborative enquiry by
2. **R**eflective practitioners being
3. **A**ccountable and making the results of their enquiry public,

¹ Several related concepts are used in literature, such as 'participatory action research', 'action learning', 'action science', co-operative/human inquiry, etc. They are not the same as action research, however (Ellis & Kealy, 2005). Participatory action research, for example, aims to enhance self-development and empowerment of a group towards a preferred future and derives from critical theory. Action research is derived from social psychology and organizational development theories and aims to learn to solve problems.

4. Self-evaluating their practice and engaged in
 5. Participative problem solving and continuing professional development.
- According to Robinson (2005), action research serves three main goals: a) the improvement of practice, b) the improvement of practitioners' ability to improve their practice, including relevant practice contexts, c) the generation of knowledge about practice and the improvement process.

Many authors regard action research as the answer to the shortcomings of positivist science (see e.g. Greenwood, 2005; Reason & Bradbury, 2001; Susman & Evered, 2005; McNiff & Whitehead, 2002). One of the main benefits of action research as opposed to positivist science is indicated by Greenwood (2005): '*action research is not about imposing expert knowledge on stakeholders but about creating collaborative environments where research experts and local stakeholders can share their very different kinds of knowledge in the process of analysing their problems, studying them, and collaboratively designing actions that can ameliorate the problems*'. Gronhaug & Olson (1999) list a number of action research characteristics that are different from 'traditional' or positivist research:

Action research	Traditional research
emphasizes the importance of both scientific contributions and the solving of practical, real-life problems	even though this also often is the purpose of (much) traditional research, the research as such is frequently separated from future actions
focuses on the common values and standards of researchers and clients	the value standards of researcher and clients are usually not explicitly taken into account
represents an intensive research strategy	Intensive research strategy is not necessary
involves some aspects of collaboration between researcher and client	No attention paid to aspects of collaboration
is longitudinal and emphasizes gradual learning and improvements	focus is often on longitudinal knowledge creation and learning
assumes that the researcher needs contact and interaction with clients to really know their problems and influencing factors	distant and 'objective' research ideal

Table 2 Characteristics action research and traditional research

Why is action research used in this research? Perry & Zuber-Skerritt (1992) researched the use of action research in graduate management research programs. They argue that '*traditional research is appropriate for clearly defined hard systems, while action research is appropriate for the soft systems of management practice*'. They found that research that involves complex, dynamic problems and exploring the social process of learning about situations is inextricably linked with the acts of changing those situations. In other words, trying to change the situation through action and learning from the results of those actions will reveal the complexity and dynamics of existing problems and the underlying social processes best. Translating that notion to this research, trying to embed the commitment to human rights through certain mechanisms (change/action), studying in what degree, how these mechanisms and the ways they are used influence the degree of implementation and internalisation (results actions) will reveal the potential explanations for the degree of embeddedness in the global, local, organisational and relations contexts (social processes). Thus, action research seems to be an appropriate methodology to answer the research questions.

Another reason to use action research is the exploratory nature of this research. When MNCs try to embed their commitment to human rights, several practical, real-life problems come up (e.g. human rights dilemmas) that have to be dealt with. Studying these problems using a scientific approach and adapting the process of embedding accordingly may contribute to the solution of these

problems (action research). Gronhaug & Olson (1999) mention in this context that researcher(s) and clients differ in knowledge:

'Clients are the problem owners. They have experience-based knowledge from their actual context. The true virtue of the researcher is her or his theory-based knowledge. Such knowledge can be crucial to more precisely identify actual problems, clarify implicit assumptions, and through interaction and training change clients perspective of importance to undertake actions for improvements.'

The application of action research in a business context enables real business issues to be tackled and enables meaningful change. Moreover, the process itself equips businesses for dealing with future challenges (Ellis & Kealy, 2000). Thus, action research can be used in order to improve future embedding processes of human rights within MNCs.

Finally, this research requires in-depth knowledge about the problems that confronts a MNC and therefore intensive contact with the MNC. Besides, being 'part' of the organisation provides access to data that is otherwise unavailable because of the sensitivity of the subject of human rights. Furthermore, as Louche (2004) indicates: *'it offers the opportunity to be part of the field among and as part of the actors involved, to experience it in its real life rather than reported and translated by someone else'*. Thus, action research is a good way to answer the research questions. Hence, the concept of embeddedness, as explained in section 2.5, can be applied to the method of approach as well. Traditional research has distanced theory from practice. In order to embed theory into practice again, the scientist needs to be embedded into practice as well. How the scientist should be embedded into practice can take different shapes, depending on the degree to which researchers position themselves as insiders or outsiders. Different authors identified several typologies for the different roles of an action researcher (see e.g. Herr & Anderson, 2005; Reason & Bradbury, 2001; Cornwall, 1996). Different problems and requirements are associated with these different roles. Action research is often criticised and different requirements need to be taken into account in order to improve the rigour of the research. This is the subject of the next sub-section, when the validity of this research is discussed.

3.3.2 Criticisms and requirements of action research

Several criticisms have been expressed on using action research. The main criticism questions the degree of validity of action research. Gronhaug & Olson (1999) explain that a key challenge is to determine whether the observed or assumed relationships are true, which more or less has been neglected in many reported studies based on action research. Hence, this criticism relates to the question: *'does the research do what it claims to do, and are the findings to be trusted?'* In empirical research, validity and reliability translate into replicability and generalisability: if the research is repeated, will the same findings be present, and can the research process be generalised to other comparable processes (McNiff & Whitehead, 2000)? Replicability is referred to as internal validity and generalisability is referred to as external validity.

Related to the degree of generalisability of action research, Brydon-Miller et al (2003) point out that one of the weaknesses of action research is its localism and the difficulty to intervene in large-scale social change efforts, as the bulk of action research takes place on a case by case basis, often having a large effect in a local situation but then failing to extend beyond that local context. Related to the degree of replicability, Ladkin (2005) illustrates the main problems with action research:

'How do action researchers distinguish between their own desires, interpretations, perspectives, and any truths the inquiry is revealing? Is this a valid pursuit? How can researchers engage their subjectivity while also looking up and out from it, in order to encounter something real about the other?'

Hence, replicating action research is complex, since researchers have other interpretations and perspectives of what they observe. Next to these criticisms on validity, ethical issues are also mentioned related to action research. These are listed by Walker & Haslett (2005):

'the relationship between the researcher and participants collaborating in a long-term action research study gives rise to ethical dilemmas relating to selection and voluntary participation, informed consent, decision making, anonymity and confidentiality, conflicting and different needs and data interpretation'. One example is provided by Herr & Anderson (2005): 'there is some justifiable fear that collaborations between university researchers and practitioners can be co-opted by the university researchers, who have greater incentives and interest in publication'.

The question is then how to overcome these criticisms and issues? Many authors have listed a number of requirements to ensure the rigour or validity of action research. Oates & Fitzgerald (2001) reviewed the literature on action research and identified a number of operationalisation steps and requirements for validity. Their findings are complemented with other literature in action research (Reason and Bradbury, 2001; MacTaggart, 2005; Herr & Anderson, 2005; Ladkin, 2005; Greenwood, 2005; McNiff & Whitehead, 2000, 2002; Melrose, 2005, Eden & Huxman, 1996), resulting in the table below.

Factor	Operationalisation Steps	Validity Requirements	Fulfilling requirements
Paradigm	<ul style="list-style-type: none"> Decide research paradigm (e.g. interpreter, positivist, critical) 	<ul style="list-style-type: none"> Explanation of approach Action research should focus on the aspects that cannot be captured by other approaches 	Approach is explained in this chapter. Action research is used at Headquarters and subsidiary level.
Purpose	<ul style="list-style-type: none"> Define research objective Define research questions Define intellectual framework of ideas 	<ul style="list-style-type: none"> Explicitly-stated theoretical framework Identify clear and focused research questions 	In section 1.7 research questions are described and in chapter 2 the explicit theoretical framework.
Participants	<ul style="list-style-type: none"> Identify & describe the participants (researchers & clients) Discuss research motivations 	<ul style="list-style-type: none"> Extent and contents of participation agreed with all stakeholders Vigilance against delusion Establishing credibility of researcher and participants 	Expectations on participation were agreed in explicit contracts and regularly discussed in workgroups. Organisational support is provided to establish researcher.
Process	<ul style="list-style-type: none"> Gain access Select and follow a process model Generate & analyse data 	<ul style="list-style-type: none"> Systematic integration of action and research through repeating cycles Paradigm consistency in designing process model and conducting research Ensure good ethical behaviour: negotiate access, promise confidentiality, ensure participants' rights to withdraw from the research, keep others informed, involved and maintain intellectual property rights. Triangulation and systematic application of methods in observations and interpretations 	Several feedback loops occurred in the research actions, as described in chapters 4, 5, 6 and 7. Critical theory paradigm and action research is used for designing research process model and conducting research (see this chapter). Data gathering techniques have been triangulated and systematically applied (see section 3.5). Ethical issues are discussed below.
Product	<ul style="list-style-type: none"> Identify practical outcomes Identify learning outcomes 	<ul style="list-style-type: none"> Judgement of success (useful outcomes in every day practice) Restrained interpretations (history and context of research taken into account) 	Restrained interpretations and generalisations are described in chapter 8. The process of data exploration is made explicit in section 3.5 and chapters 4 – 7.

		<ul style="list-style-type: none"> • Restrained generalisations (incremental emergent and important truths and new theory) • Testing the coherence of arguments, the authenticity of evidence and prudence of action • Make the processes of exploration of data explicit for replicability purposes or at least capable to be explained to others • Implications for theory should be made explicit and disseminated for wide public • Be clear about what receivers of product must take from it 	<p>This thesis, scientific and professional articles provide a wider dissemination for a wide public, which include several recommendations for practical use. The arguments, evidence and actions were reflected upon within both workgroups (thesis and core), including with a wider group of (European) MNCs and academic audiences.</p>
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Table 3 Fulfilling validity requirements in action research

In general, the criticisms related to validity can be overcome through providing complete transparency on the whole process of action research – from defining the paradigm to the final product. Ladkin (2005) stipulates this by stating that the value of action research is based more in terms of processes than in results. The really useful insights, according to Ladkin, will often have to do with how an action researcher has accounted for themselves, how he/she has inquired into other, how he/she has made sense of the interplay of contexts and interpretations.

Fulfilling these requirements presumes important skills of the researcher regarding observing and interviewing (and other data collection techniques), adequate theoretical knowledge that allows for observation and interpretation, creativity and ability to construct explanations (theory), methodological skills to examine outcomes of proposed action. Action research involves multiple research activities, and the action researcher is in principle confronted with more challenges than the traditional researcher (Gronhaug & Olson, 1999). For example, they argue that the increasing ambiguity of roles is unavoidable in action research:

there is little doubt that the action researcher becomes a part of the system she/he studies... The research approach may imply that the researcher is becoming a practitioner, and may acquire the characteristics of a practitioner as well. An intuitively useful and probably efficient way of using knowledge from action research is thus to criticise theory from the perspective of practice, which may definitely deviate from the 'world view' reflected in context-free theories. Perhaps this is the real challenge for action research'?

The advantages of fulfilling a more insider role are, for example, that the involved employees of the MNC put more trust in the researcher and are therefore more willing to share their thoughts and views. Another advantage is that the results of the actions related to human rights can be compared with results of actions in other areas, which enhances the consistency and/or complement the findings. The same advantage applies for continuing to be involved after the research period has ended, since the findings may be complemented and refined by new developments.

However, there are also disadvantages of being more of an insider. Holian & Brooks (2004) mention the potential for role ambiguity and conflict. They indicate that when the researcher is a member of the organisation with an established role and complex working relationships the issues to do with role definition, role ambiguity, and role conflict are often significantly greater than if the researcher had entered the organisation for the explicit purpose (and temporary duration) of the research. An example is provided by Holian (1999): *'when organisation members speak to an insider researcher in confidence it may not be clear if they*

are talking to them only as a researcher or also in their organisational role, and merely asking them to clarify this or defining it yourself often does not resolve this problem'. This can result in a backlash upon the researcher. He therefore recommends that the internal researcher is sensible to the context of the organisation, such as taking into account whether some research questions can be practically realised or can be published in the public domain. Another disadvantage relates to know when to stop, as McNiff & Whitehead (2000) indicate: *'the struggle to make sense is an ongoing process. We never get to a point of closure. Whatever is, is already changing*'. The period for this research was therefore determined as mid 2004 – mid 2006. In order to overcome this role ambiguity and conflict within this research, different contracts have been designed to define the exact tasks and conditions of each role.

Finally, Herr & Anderson (2005) and Zuber-Skerritt & Perry (2002) are explicitly dealing with PhD dissertations using action research, such as this one. PhD dissertations using action research need to comply with two additional characteristics:

- 1) Scope: the PhD core action research project need to progress through at least two or three major cycles of planning/acting/observing/reflecting (feedback loops) to make a distinctive contribution to knowledge – see chapters 4-7.
- 2) Type of action research: the PhD thesis must involve practical and emancipatory action research. Research in the topic of MNC management of human rights fulfils this requirement.

3.4 Selection of cases

This section describes which case studies are selected and explains based on which criteria they are selected. Sub-section 3.4.1 clarifies why the case study of one MNC is selected. Subsequently, sub-section 3.4.2 addresses the selection of cases within this MNC.

3.4.1 Selection of the MNC: Shell

One MNC is chosen for this research, as longitudinal research is required in order to properly answer research questions. This research requires in-depth knowledge about internal processes of a MNC on different levels of the organisation. It requires time and in the period of a PhD (four years in The Netherlands), one MNC only can be studied intensively. The study of more MNCs would mean compromising the level of depth and therefore the quality of the PhD research. The consequence of choosing one MNC to conduct research, however, is that the degree of generalisability of the analysis and conclusions of this research may be limited. As Ewing (2004) states: *'no two companies will implement a corporate human rights program in exactly the same way*'. Companies in different industries face different human rights issues, which may require different ways of managing these. This has partly been mitigated to analyse and present initial conclusions to several other MNCs during the research period, so results could be verified. Besides, from chapter 1 follows that only a few MNCs have actually started embedding their commitment to human rights and therefore, this research explores a new area. There are therefore very few options to research comparable cases. Hence, this research needs to make company data as transparent as possible, so other companies can compare and draw their own conclusions.

This research cannot be conducted in any MNC. Firstly, the particular MNC needs to have made a commitment to human rights and should be in the process of embedding this commitment. Without this requirement, there is nothing to be studied. Secondly, due to the exploratory nature of this research and the heated

debates that take place about the effect of voluntary initiatives, it would be more valuable to conduct research within a MNC that already has substantial experience in embedding this commitment. In other words, identifying a front-running company in the area of human rights. Thirdly, the generalisability of this research will enhance if many different local contexts could be studied and compared in which a MNC operates. This would especially be the case if the MNC operates in many different countries where human rights standards are poor and the company is of significant size, since that would enhance the complexity in embedding human rights. Finally, it is crucial that the MNC is willing to provide access and allow research to be conducted within its organisation on human rights. This last criterion weighs heavily in the selection of cases, as it can change the total nature of this research.

Based on these selection criteria, the MNC Royal Dutch Shell (in short, Shell) was selected, a global group of energy and petrochemical companies. Shell meets all of the requirements mentioned above. Fulfilling the first selection criterion, Shell was one of the first companies to explicitly commit to human rights (in 1997). Since then, they undertook different activities to embed this commitment (see www.shell.com/humanrights and as will be described in the following chapters). Regarding the second selection criterion, Shell has received a great deal of attention regarding its human rights performance. Recent studies of different rating agencies (e.g. Innovest, 2006; Fortune, 2006; Management & Excellence, 2006; VBDO, 2006; AccountAbility, 2005) have listed Shell in the top 5 of companies that comply with Corporate Social Responsibility practices, including human rights. According to Crane & Matten (2004), the Shell name has become as much associated with business ethics issues as it has with the energy business. Shell issued one of the first CSR annual reports, developed public statements in the areas of human rights, climate change, child labour, bribery & corruption and set up social and environmental management departments. On the management mechanism of stakeholder management, for example, Shell has been widely recognized by academics and practitioners alike as a leader in the process of stakeholder engagement (e.g. Lawrence, 2002). Hence, some indicated Shell as a frontrunner in terms of human rights management practices.

However, public attention regarding companies in the extractive sector such as Shell on the topic of human rights is not always positive. The UN Special Representative on business and human rights found that 'the extractive sector utterly dominates the sample of reported abuses with two thirds of the total [65]. The extractive industries also account for most allegations of the worst abuses, up to and including complicity in crimes against humanity. These are typically for acts committed by public and private security forces protecting company assets and property; large-scale corruption, violations of labour rights; and a broad array of abuses in relation to local communities, especially indigenous people' Ruggie (2006a).

Accordingly, Shell, like other major extractive companies, has been accused for violating human rights. The Business & Human Rights Resource Centre lists 636 news items concerning Shell in the period – 2006, including a number of accusations. The most important encounter of Shell with human rights that attracted great international attention includes the case of the Nigeria activist Ken Saro Wiwa in 1995 (see chapter 5 for more details). As Chandler (2004) explains: 'the absence of appropriate policies can lead to action damaging to human rights and to corporate reputation, Shell's 1995 experience in Nigeria being the most notorious example of this'. In many (educational) books and articles, this case has been used as a 'classic example' to explain how human rights and business are linked. Thus, the fact that Shell is also accused of human rights violations illustrates that the MNC is confronted with many complex human rights dilemmas

and that managerial problems most probably exist within the company, fulfilling the third selection criterion.

This complexity of embedding human rights is enhanced by the complexity of Shell's organisation itself. Shell is the 5th largest MNC in the world measured against its foreign assets (UNCTAD, 2007). In 2005, Shell had a capital investment of \$15.6 billion (exclusive minority share in Sakhalin), revenues of \$306.7 billion and generated a net income of \$26.3 billion. Furthermore, Shell is amongst the top 100 brands in the world (89th place in 2006), according to an annual survey by Business Week and Interbrand (2006). In addition, Shell operates in over 140 countries and territories, including countries with very poor human rights records.

The final and crucial selection criterion (access to the MNC in order to conduct research) was also fulfilled by selecting Shell. Access was achieved in the context of a Dutch programme on '*Duurzaam ondernemen in internationale context*' ('Sustainable entrepreneurship in international context'). The objective of this programme was to make concrete how companies can put social responsibility into practice in an international context (for more information, see www.nido.nu). A group of ten Dutch international companies evaluated their current CSR practices in international context, learned from one another and made improvements on that basis. This included the exploration of practical experiences in various countries, generalising learning experiences acquired within the local offices and systemising experiences and results. Each company participating in this programme formulated a company specific project that was executed in 2004/2005. As access to a MNC could be more easily obtained through this programme, three companies were selected based on the link with human rights with their company specific project. Based on discussions with these companies to explore the suitability for this research, Shell was found to be most suitable, as described above.

In principle, full openness was provided by Shell for this research. However, the degree in which the results could be made public was subject to a confidentiality agreement. This agreement was made binding in clauses of the contract between the researcher, the supervisors, the university and Shell International. The other ethical issues around action research were also arranged in this contract:

- Ensure participants rights to withdraw from the research
- Keep others informed, involved
- Maintain intellectual property rights

In addition, liability of parties as a result of the research actions and compliance with the law were also agreed in the contracts. Furthermore, Shell did not provide any monetary compensation for the conduct of this research, which benefited the degree of independency of the researcher. However, Shell did provide monetary compensation for the conduct of the other, less related, activities and after the research period was finished. This way, these activities are sufficiently separated.

In drawing up of the contract, the issues of confidentiality and intellectual property rights were the frequent subject of discussions between all stakeholders. As Greenwood (2005) emphasises the importance of this contract: '*who owns the results of an action research project? Whose they are becomes an issue and who has the right to edit and to veto elements is not easy to sort out*'. The researcher and Shell decided that Shell reserves the right to review and withhold every item applicable to the company before it is to be published by the researcher. In order to protect the intellectual property rights of the researcher and the university, the researcher owns the observations, interpretations and conclusions. In mutual discussion, the material is reviewed and published to balance the integrity of

research on the one hand and the company sensitivity on the other hand. The results of this discussion are described in section 3.6.

3.4.2 Within Shell: Headquarters and subsidiaries

Following the research model as presented in chapter 2, the interaction between a MNC's Headquarters, its subsidiaries and the global and local context need to be researched. Hence, within the case study of Shell, all of these levels need to be researched in order to ensure the level of depth and therefore the quality of the PhD research. Several research levels can be identified. One of these research levels is Headquarters for which no selection criteria need to be applied, because there is only one Headquarters. The Headquarters of Shell was based in two countries in the period of data collection 2004-2006, i.e. the United Kingdom and the Netherlands, which serve as the home countries for this research. The data collection methods of Headquarters level will be discussed in section 3.5.1.

Other levels of research include subsidiaries of Shell, each embedded in their own local context. As Shell is based in over 140 countries, Shell has many subsidiaries. Thus, the question is how this can be done within the time, budget and geographical limits of this research? Subsidiaries therefore need to be selected in an appropriate way in order to answer the research questions. Several assurance instruments exist within Shell that, when adapted to the topic of human rights, can be used to provide a valid overview to answer the first research question. The data obtained through these instruments can be used to some extent to answer the second and third research questions as well. However, these questions also require more in-depth knowledge to answer these research questions satisfactorily. For example, the local context needs to be explored for possible explanations for the degree of implementation and internalisation of the mechanisms to embed human rights. Thus, in addition to the overview of mechanisms used by subsidiaries of Shell, in-depth case studies need to be selected of subsidiaries.

The selection of cases needs to be based on theoretical arguments (e.g. to provide polar types or fill theoretical categories) and apply to a specified population. Cases of subsidiaries are therefore selected that are using explicit human rights management tools to deal with these challenges. When this criterion is applied to the subsidiaries of Shell in the research period July 2004 – July 2006, two explicit human rights management tools are identified for the following subsidiaries:

1. Human Rights Compliance Assessment (HRCA) tools (see for more explanation, appendix 6): six existing and new Shell subsidiaries and/or joint ventures different regions in the world.
2. Human rights training: Shell subsidiary in Nigeria

The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate entities. The word 'subsidiary' refers to companies in which Royal Dutch Shell either directly or indirectly has control, by having either a majority of the voting rights or the right to exercise a controlling influence. However, some companies discussed in this chapter may be companies in which Shell has significant influence but not control. These companies will be indicated as 'joint ventures'.

The selected subsidiaries and/or joint ventures include all the companies that either worked with these tools or were approached to do so in the specific research period, forming the selection. The names of the countries and individual companies that used the HRCA tools are and will not be revealed (with the exception of Nigeria as this cannot be avoided), because of the sensitivity of the subject with host governments (further explained in chapter 6). Hence,

summarising this section, the following levels of research are identified in table below.

Level of research	How selected
1. Shell Headquarters in global context, UK and The Netherlands	Not applicable
2. Overview Shell subsidiaries and/or joint ventures	Not applicable
3. Six existing and new Shell subsidiaries and/or joint ventures	Using HRCA as explicit management tool
4. Shell subsidiary in Nigeria	Using human rights training as explicit management tool

Table 4 Selection of level of research within Shell

These levels of research also form the four empirical chapters of this PhD thesis (chapters 4, 5, 6 and 7 in the same order). Section 3.5 describes how data is collected and analysed for the different levels of research that are selected and stipulates the inter-connectedness of these levels. A specific approach is used for the levels of Headquarters and the subsidiary in Nigeria, i.e. action research. This is the subject of the next section.

3.5 Data collection and analysis

How can data be collected? A number of techniques can be used to collect qualitative data:

- Field notes: observers may simply begin with a blank notebook and write down everything that goes on. Others may use audio and/or videotapes. The goals of note taking are to help ensure validity of the data collection and interpretation processes, to check data with members of context if possible, to weigh the evidence, and to check for researcher and subjects' effects on both patterned and outlying data.
- Journal records: may be made by participants, researchers or practitioners. These records are collected through participant observation in a shared practical setting.
- Written dialogue between researcher and participants: used in narrative inquiry as a way of offering and responding to tentative narrative interpretations.
- Participatory observations: personal stories tell us something of how group members perceive and experience their conditions.
- Structured interviews: permit more focused information gathering, but may overlook aspects of the group that a participatory observation might reveal. To facilitate truthful responses, the interview should be informal or conversational in nature. Interviewees may be selected with intent to uncover specific information or to gain a cross section of group members.

Researchers oftentimes combine different types of qualitative data collection techniques and even including quantitative data. This is called 'triangulation'. This research has also used triangulation of data collection techniques at the different research levels as defined in table 4. The following four sub-sections discuss data collection and analysis for each different research levels, after which the cross-level analysis is discussed in sub-section 3.5.5.

3.5.1 Data collection and analysis at Headquarters level

The techniques mentioned above were all used in applying a specific management tool within Shell Headquarters: the 'Human Rights Compliance Assessment' (HRCA) tool. The Danish Institute for Human Rights developed this tool. The HRCA is a diagnostic tool designed to assist companies avoid violating the human rights of employees, inhabitants of local areas, and others affected by business operations. The HRCA comprises over 350 questions and 1000 indicators, which

are based on the International Labour Organisation (ILO) Core Conventions, the Universal Declaration of Human Rights, and several other major human rights treaties and conventions. Further explanation of this tool, how it is used through using different techniques and its limitations can be found in appendix 6.

As follows from chapters 1 and 2, human rights cannot easily be translated to the business context, because of different interpretations of the contents and responsibilities of business regarding human rights. This makes answering the first and second research questions (identification of mechanisms to embed human rights and determining the degree of implementation and internalisation) quite complicated. The questions and indicators of the HRCA break down human rights into measurable parts in a business context. Therefore, the HRCA helps to answer these research questions, because it lists the elements on which an assessment can be made of the capability to embed existing management mechanisms. In other words, it provides the 'lens' through which an organisation such as Shell is studied.

The researcher applied the Quick Check version of the HRCA tool (see appendix 6) at Shell Headquarters level from September 2004 – April 2005. This requires an extensive review of all the policies, procedures and practices of Shell that relate to human rights. Additionally, the researcher conducted structured interviews with 25 employees at Shell Headquarters level who are responsible for the functional areas that relate to embedding human rights (see chapter 4). Subsequently, the Danish Institute for Human Rights performed an analysis of the gaps between human rights norms and the policies and procedures of Shell at Headquarters level and provided recommendations to close these gaps. Possible follow-up actions were then discussed with the relevant employees. During the period of 2005/2006, the researcher facilitated the implementation of these follow-up actions.

The internal interviews and subsequent discussions and engagements permit the determination of the degree of implementation and internalisation of mechanisms to embed human rights (research question 2), but also possible explanations for these degrees (research question 3) at the Headquarters level. These were recorded through taking field notes continuously and reviewing of internal documents. In addition to this structured study, field notes taken and observations through the participation in many internal dialogues provides a rich collection of data to especially research question 3 of finding explanations. These dialogues occurred in different settings, i.e. internal workshops, meetings, informal lunches, presentations, seminars, etc. Finally, the review of internal newsletters provides an additional form of information.

In order to assess the influence of the global and home contexts and the influence of the mechanism of stakeholder management, several data collection methods are applied. Firstly, the researcher conducted structured interviews with stakeholders. These stakeholders are selected on the basis of a) their concern with Shell's performance on human rights and b) whether Shell and the researcher regarded these stakeholders critical to Shell's reputation. A total of 13 interviews were conducted with these stakeholders:

Stakeholder	Type	Attitude
Amnesty International	NGO	Critical
Amnesty Netherlands	NGO	Supportive
Pax Christi	NGO	Neutral
UN Global Compact	UN	Neutral
International Alert	NGO	Supportive
Insight Investment	Social Responsible Investor	Neutral

Business Leaders Initiative on Human Rights	Industry group	Critical
Global Witness	NGO	Critical
Danish Institute for Human Rights	Expert	Supportive
Human Rights Watch	NGO	Critical
International Petroleum Industry Environmental Conservation Association	Industry group	Supportive
European Institute for Business Ethics	NL Academic	Supportive
Warwick	UK Academic	Supportive
Dutch Ministry of Economic Affairs	NL government	Neutral

Table 5 Structured interviews with global / home stakeholders of Shell

Ten of the interviews were conducted over the phone whilst using an audiotape, which allowed for accuracy of recording. The three remaining interviews were conducted in person without using an audiotape and the interviewees verified the summaries. The questions asked in these interviews are listed in appendix 7. Secondly, participation in interactions between Shell and its stakeholders at the global and home contexts in e.g. conferences and workshops allows for direct observations (see appendix 7 for list of participations). Field notes were taken as a method to record these observations.

Thirdly, a review is performed on the reports from global stakeholders about Shell's performance regarding human rights (see appendix 7 for list of reports). Next to these reports, a number of scientific articles were also reviewed that describe interactions between Shell and its stakeholders. And fourthly, internal (Shell) stakeholder management procedures and reports were taken into account. Fifthly, in order to complement the limited amount of in-depth interviews conducted, the results of the 'Reputation Tracker' were analysed for its human rights contents as well. MORI, an external agency, tracks Shell's reputation on different issues with the general public and special publics (NGOs, governments, business peers, academics and media) each year in 14 countries (including home countries of Shell). To this end, MORI conducts face-to-face as well as telephone interviews with senior representatives of the above groups exploring their expectations and views of Shell and its competitors, including human rights.

3.5.2 Data collection and analysis at overview subsidiary level

As explained before, existing Shell assurance instruments that capture human rights elements were used to create an overview of how human rights is managed by all Shell subsidiaries. These instruments include:

- Business Assurance Statements (Country Chair roles statements and Diversity & Inclusiveness Statements 2004 and 2005): an annual tool designed to assess compliance with global policies and procedures²;
- Country Chair questionnaire 2004 and 2005: an annual tool that is used to collect data for the annual Shell Sustainability Reports and for policy purposes and not used for assurance. The questions in the CCQ are determined by expectations from society³;
- Annual communications country chair and Headquarters 2004 and 2005: each Shell country manager (country chair) communicates annually to Shell Headquarters⁴ about any concerns and issues Shell faces in their countries which have not been captured through assurance mechanisms. The contents

² From 2007, all assurance is provided through the business and functions and not through the Country Chairs. This means that Country Chair role statements have been cancelled from 2007.

³ To emphasis its purpose, the name changed to 'Data Gathering Questionnaire' (DGQ) in 2006.

⁴ For management purposes, Shell has divided the world in four categories, including key countries, 'International Department' (ID) countries, Cluster countries and Group Representative countries. Country chairs of key countries send their FFL to an Executive Committee member in his/her capacity as Regional Executive Director. Country chairs of ID countries report into senior regional adviser of ID. Cluster countries report into the cluster country chair. Group rep countries report into one of the regional country chairs.

of this communication is guided by current global issues or points of interest for Shell Headquarters;

- People Survey 2004: a bi-annual tool used to collect views and opinions of all employees within Shell about the company and their work environment⁵.

These existing instruments have been analysed to what degree they capture human rights elements. The research at this level was conducted during six months (end of 2005 to mid-2006). Except for the annual communications between country chairs and Headquarters, all instruments make use of numbers and this allows the possibility to combine qualitative and quantitative methods. Due to the sensitivities surrounding sharing of internal data, the data that is not published already is confidential and does not form part of this public thesis.

To analyse the data measured by these instruments, Eisenhardt recommends analysing data according to categories. The ways in which subsidiaries and/or joint ventures of Shell are embedding human rights are analysed in four categories of the perception of corporate risk associated with human rights: extreme, high, moderate and low (in short, 'human risk'). This way, an assessment can be made whether the practices of Shell are the same or different in countries where human rights violations differ. These categories are based on the World map of risk and opportunities – human rights map (Maplecroft, 2006), as shown in the figure below.

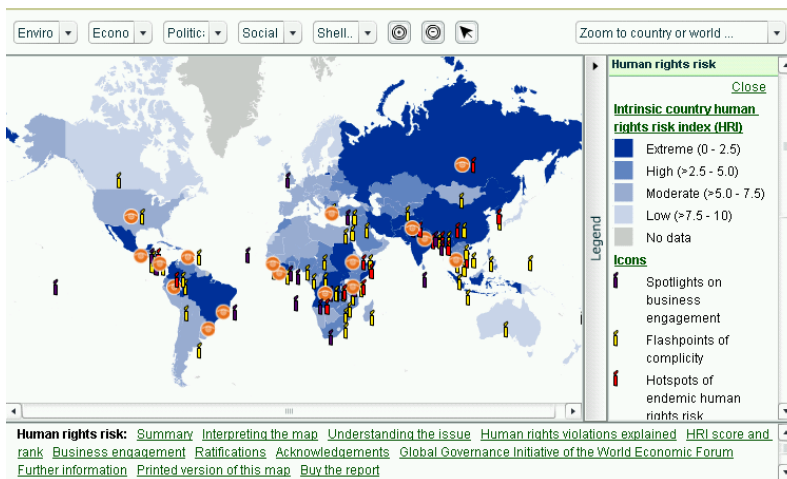


Figure 1 Business risk to violate human rights per country

In order to establish a valid cross-case analysis, the factor 'materiality' is also taken into account, which will be done through the number of Shell employees. In table 6, the number of countries where Shell operates and number of Shell employees are categorised according to human rights risk.

⁵ In 2006, the number of questions was reduced by one-third. From 2008 onwards, the People Survey is done annually.

Human rights risk	Nr of countries where Shell operates 2005	Percentage countries	Nr of Shell employees 2005	Percentage employees
Extreme	17	12%	8421	7%
High	33	24%	14251	13%
Moderate	46	33%	31851	28%
Low	33	24%	57777	51%
No data	9	7%	815	1%
Total	138	100%	113115	100%

Table 6 Factors of cross-case analysis overview subsidiaries

According to this table, the number of countries where Shell operates with extreme and high human rights risk is 36% and 20% of its employees are working in these countries. Although the Shell (assurance) instruments capture many human rights elements, these are not designed especially for that purpose. Then, the risk exists that conclusions are not valid, because the measurement instruments are designed to measure something else. Besides, some instruments are not audited, which makes their validity potentially questionable. In order to compensate for this bias, additional interviews have been performed with subsidiaries that a) face human rights challenges and b) are material to Shell. A Shell department that is responsible to support the subsidiaries in managing their business has selected nine countries based on these criteria. The names of these countries are and will not be revealed, because of the sensitivity of the subject with host governments (further explained in chapter 6). The number of Shell employees who work in the nine selected countries is 9809, which constitutes 9% of the total of Shell employees.

An interview protocol was developed for these additional interviews (see appendix 10). In this protocol, the purpose and context of the interviews are explained to the country chairs. Two persons, i.e. the PhD researcher and the Shell focal point on human rights, conducted the interviews. The structured interviews with the country chairs were conducted with seven out of the nine country chairs of the selected countries. The country chairs of two countries were not interviewed, because of practical reasons. Four of the interviews were conducted over the phone whilst using an audiotape, which allows for accuracy of recording. The three remaining interviews were conducted in person using an audiotape and the interviewees verified the summaries.

3.5.3 Data collection and analysis at subsidiary level using HRCA

Following the recommendation of Yin (2003), a case study protocol was developed. The protocols for the sub-case studies on subsidiaries and/or joint ventures using the HRCA tool followed the logic of this tool (explained in appendix 6). The protocol is described in appendix 11. The period of research of these subsidiaries/joint ventures was 1,5 years (beginning 2005 to mid-2006).

The subsidiary of Shell in country 1 is the only physically visited out of the six case studies of companies using the Human Rights Compliance Assessment, due to several reasons (explained in chapter 6). For all case studies, face-to-face interviews are conducted with managers and/or employees of these companies. When interviewing Shell managers and employees in country 1, an official interpreter was present to overcome potential linguistic problems. Nevertheless, misinterpretations could still be present. The interviews were therefore documented and checked with the interviewed persons (for country 1, around 25 people were interviewed). Some reservations should be made with regard to the validity of these interviews, however, as the topic of human rights is highly sensitive in most countries selected. As a result, not all interviewed persons could be open about practices.

In order to assess the influence of the local contexts and how the mechanism of local stakeholder management is used, mostly secondary data collection methods were applied. Primary data collection methods (e.g. interviews) could only be used to a limited extent, because geographical distances and political sensitivity concerns (see chapter 6). Data collection on local stakeholders and contexts was therefore done through interviews with employees based in Headquarters of Shell (internal) and external country experts, review of internal and external reports, surveys and literature available in the public domain. Of the six cases, only for the cases of country 1 and 2 were results of Reputation Tracker available.

Since these case studies all use the same HRCA tool, the data and analysis of each case could relatively easily be compared with the other cases and the research model. Nevertheless, only part of the tool could be applied to four subsidiaries (the Country Risk Assessment, CRA) as they were new subsidiaries and/or joint ventures (see also chapter 6). The full tool could be applied to the subsidiary in country 1 and 2. This is taken into account in the data analysis. The protocol of the Human Rights Compliance Assessment (see appendix 6) is used to conduct a cross-case analysis. This way, similarities (patterns) and differences could be discovered. The table below summarises:

Case	Data collection techniques
Subsidiary in country 1	Applying HRCA through visit and follow-up: <ul style="list-style-type: none"> • Analysis literature, surveys and other documents (internal and external). • Structured interviews with managers / employees subsidiary and Headquarters, stakeholders of subsidiary, external country experts. • Review Reputation Tracker results.
Joint venture in country 2	Analysing HRCA and follow-up: <ul style="list-style-type: none"> • Analysis literature, surveys and other documents (internal and external). • Structured interviews with managers of Headquarters. • Review Reputation Tracker results.
New subsidiaries in countries 3, 4, 5 and 6	Analysing Country Risk Assessment (CRA) and follow-up: <ul style="list-style-type: none"> • Analysis literature, surveys and other documents (internal and external). • Structured interviews with managers of Headquarters.

Table 7 Factors of cross-case analysis overview subsidiaries

3.5.4 Data collection and analysis at subsidiary level using human rights training

Again, according to the recommendation of Yin (2003), a case study protocol needs to be developed. The protocol for the case study of the subsidiary in Nigeria is described in chapter 7, following the logic of developing human rights training. The case study of Nigeria allowed for the application of the action research approach in collecting data during the period of one year (mid-2005 to mid-2006). This allowed for many field notes to be taken and participatory observations, because this subsidiary was physically visited three times. In addition, around 20 semi-structured interviews were conducted in Nigeria. Finally, the results of Reputation Tracker were also available for analysis.

Additionally, like the subsidiaries using the HRCA tool, mostly secondary data collection methods were applied when assessing the influence of the local contexts and how this influences the ways in which local stakeholder management is used. Primary data collection methods (e.g. interviews) can only be used to a limited extent, because of safety concerns in Nigeria (see chapter 7). Similarly, data collection on local stakeholders and contexts was done through interviews with employees based in Headquarters of Shell (internal) and external

country experts, review of internal and external reports, surveys and literature available in the public domain.

The analysis was done directly after the data was collected and reported within Shell in order to verify the outcomes of the analysis through writing up and analysing all interviews and field notes and using the structure of the research model to analyse it. The research questions required a thorough analysis of possible explanations from the internal and local contexts, for which a 'causal structure' analysis has been used. Cooke (2003) states that this analysis 'would capture the causal structure of an incident in a network of interlinked causes and effects, which would be an appropriate way to represent complex causation'⁶.

3.5.5 Cross-level analysis

All of these data collection methods were used in a flexible way, which means that data collection and analysis took place simultaneously and adapted to the possibilities and practicalities of the context. Whilst creating an overview of management of human rights within all subsidiaries, intermediate analysis and consequent feedback meetings were held in order to verify the results.

To allow the research questions be answered in a meaningful way, this research takes a critical approach towards the earlier described theoretical model, which means that theory is criticised from the perspective of empirical data. The scheme below generally illustrates how this is done.

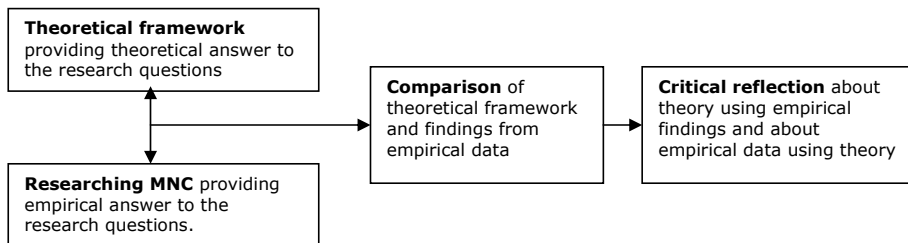


Figure 2 Overview method of approach

The theory has been built, as Eisenhardt suggests, in an iterative way in order to fit closely with the evidence of the data. During the empirical research period of 2004 - 2006, the theoretical chapters evolved continuously as a result of new insights found from empirical data (without having done a cross-case analysis). The overview of all subsidiaries provided an indication of patterns, which were then further explored for (dis) confirmation in the in-depth case studies of the subsidiaries using the HRCA tool and human rights training. The analysis at subsidiary level was then connected to Headquarters level in order to answer the research questions. The cross-level analysis and the resulting hypotheses were then compared with the theoretical research model as described in chapter 2. From that comparison, several similarities and/or conflicts come to light.

The research should reach closure when theoretical saturation is reached, i.e. the point in which incremental learning is minimal because the researchers are observing phenomena seen before. In this particular research, this saturation occurred for each of the different research levels; the frequency of new insights slowed down considerably over the course of two years. Besides, a PhD research is bounded by time (i.e. four years), which provides an additional point of closure.

⁶ Root cause analysis is also often used (see e.g. Carroll, 1995), but finding one or two root causes does not do justice to 'multiplicity of causes in complex systems' (Cooke, 2003).

3.6 Examination and publication of the doctoral thesis

In order to balance the integrity of research as well as the initial contractual agreement on confidentiality between Erasmus University and Shell when the draft thesis was accepted by the supporting professor, the material has been reviewed and discussed with representatives of Shell and the Erasmus University Rotterdam. In the end, the following was agreed:

- a. An additional contractual agreement between Erasmus University and Shell will guarantee the right balance between the integrity of the examination process and the principle that doctoral research is publicly available, and the respect of confidentiality issues.
- b. The members of the examination committee will evaluate the full thesis including all confidential parts. They will comply with the confidentiality agreement between Shell and the University.
- c. The public thesis will not contain confidential information. However, the structure of the public thesis will remain complete; the sections with the overall conclusions of the research (chapter 8) will be included integrally, and will not be affected by the confidentiality issues.
- d. To decide about confidentiality issues, some ground rules have been developed and applied (e.g. no explicit references to Shell Standards, guidelines or other Shell information that is not public).

The review process has also triggered the researcher to formulate more precisely the status of some data gathered and used in the analyses. As a result, the PhD researcher has generated a special version of her doctoral thesis for the examination committee that comprises several confidential parts, besides the version that is publically available.

3.7 Summary method of approach

From the available research methods, qualitative research was found to be more suitable for the nature of this particular research. Case study research and action research are used in this research to answer the three research questions. Case study research is a strategy that focuses on understanding the dynamics present within single settings. This research is conducted in one case, i.e. the multinational company Shell. The reason for choosing one company 'only' to conduct research is that longitudinal research is required in order to answer the research questions in a proper way. Shell is especially suitable for this research, since it is a front-running company in the area of human rights, faces many human rights dilemmas and access was provided.

Within Shell, four inter-connecting levels of research or cases are identified: Headquarters, overview of all subsidiaries, subsidiaries that use the Human Rights Compliance Assessment tool and one subsidiary that uses human rights training. At the latter level and Headquarters level, the approach of action research is used. Action research aims to create collaborative environments where research experts and local stakeholders share their very different kinds of knowledge in the process of analysing their problems, studying them, and collaboratively designing actions that can ameliorate the problems. The research is conducted during two years; from mid-2004 to mid-2006.

Both types of research are not widely accepted in international business management literature and criticisms have been expressed on using action and case study research. The main criticism questions the degree of validity (replicability and generalisability) and mentions ethical issues related to action research. In general, the criticisms related to validity can be overcome through providing complete transparency on the whole process (e.g. by using case study protocols). The requirements for validity and how they are fulfilled were listed for action and case study research in the respective tables 1 and 3.

In order to overcome role ambiguity and conflict within this research, different contracts have been designed to define the exact tasks and conditions of each role, also covering ethical issues. The table below summarises the data collection methods for this research.

Level of research	Data collection methods
1. Headquarters in global context, UK and The Netherlands - see chapter 4	<ul style="list-style-type: none"> Applying the Quick Check version of the HRCA tool by reviewing internal policies and procedures and other documents and structured interviews with managers. Action research by implementing follow-up actions HRCA and using field notes, participatory observations and analysing internal documents. Stakeholder management by using structured interviews with stakeholders, analysing Reputation Tracker results and internal and external documents, participatory observations in international forums.
2. Overview management of human rights within all subsidiaries and/or joint ventures of Shell - see chapter 5	<ul style="list-style-type: none"> Review results assurance instruments. Structured interviews with seven country chairs
3. Case studies of subsidiaries and/or joint ventures using HRCA tool - see chapter 6	<p>Applying the HRCA tool:</p> <ul style="list-style-type: none"> Analysis literature, surveys and other documents (internal and external). Structured interviews with managers / employees subsidiary, stakeholders of subsidiary, external country experts. Review Reputation Tracker results when possible.
4. Case study of subsidiary in Nigeria using human rights training - see chapter 7	<ul style="list-style-type: none"> Action research, using field notes and participatory observations at 3 visits to subsidiary. Structured interviews with managers/ employees' subsidiary and HQ (when applicable), stakeholders of subsidiary, external country experts. Review literature and other documents (internal and external). Review Reputation Tracker results

Table 8 Data collection methods at the different research levels

Hereafter, the empirical part starts of this thesis. The next chapter describes the data and analysis at Headquarters level, after which the three activities at subsidiary level are described and analysed in the three subsequent chapters.