

## **Theorising in Context: Reassessing the Explanatory Potential of Case Studies in International Business Research**

Case research is often praised for its potential to generate novel and groundbreaking theoretical insights. Yet we wish to argue in this paper that the explanatory and theorising potential of case studies has not been realised in the field of international business (IB). We argue that this is not just because case research is still poorly represented in IB journals, although this is undeniable: a recent analysis of core IB journals found that case research comprised just 13.6% of the total number of empirical articles published in four core IB journals over a ten-year period (and 7.6% of empirical articles in the *Journal of International Business Studies*) (Piekkari, Welch and Paavilainen 2009). Rather, we trace how the role of case research in theorising has been defined too narrowly, both by the methodological authorities who are most cited in the field and by research practice in the form of published case studies.

In this paper, we begin by considering the methodological and epistemological foundations for case research through a careful reading of Eisenhardt's (1989) influential prescriptions. We find that the same assumptions underlie most of the case studies that have been published in the *Academy of Management Journal*, *Journal of International Business Studies* and *Journal of Management Studies* over the past ten years. We then consider how the theorising potential of case studies has been reinvigorated by recent developments in other social science disciplines, particularly (although not limited to) political science and sociology. Our aim in this paper is therefore to broaden the possibilities for theorizing from and through case studies.

Before we proceed, we would like to clarify that we do not in this paper seek to undertake a postmodern or social constructivist critique of positivist research.<sup>1</sup> This project has already been undertaken by management researchers generally (for a useful review, see Calas and Smircich 1999); more importantly for the current paper, we feel that these interpretive traditions<sup>2</sup> reinforce rather than question the traditional divide that has been erected between *erklären* (accounting for an action by attributing it to exogenous causal factors) and *verstehen* (understanding an action through the actor's subjective experience of it) (Johnson and Duberley 2000). For example, in a recent overview of interpretive traditions, Prasad (2005, p. 14) embraces the *erklären/verstehen* division and defines the latter as the principle that 'understanding meaning and intentionality is emphasized over and above causal explanations'. Our paper takes a different path, by seeking to question these dualisms. We turn to a body of literature that we term the methodology of 'case-oriented' explanation, and which encompasses diverse topics such as causal narratives, mechanistic explanation and critical realism. What unites these contributions is a considered and careful exposition of the explanatory power of case studies, predicated upon a rejection of the regularity model of causation and of the notion that the aim of social sciences should be the production of nomothetic explanations.

In this paper we will be using terms – such as 'theory', 'explanation' and 'causation' – that have been much contested in the social sciences, yet whose meaning is too often taken for granted by researchers. These terms will be developed during

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<sup>1</sup> While the term 'positivism' is frequently used, especially by qualitative researchers, it is difficult to define accurately. Halfpenny (1982) identified 12 different traditions of positivism, stretching back to Auguste Comte. Forms of positivism include logical positivism, logical empiricism and falsificationism. We would argue that the form of positivism that permeates IB journals is a mix of naïve empiricism and hypothetico-deductivist principles. Its hallmarks are empiricism (knowledge is gained through observation), the superiority of hypothesis testing as a scientific technique and the belief that nomothetic or lawlike explanations are the aim of science.

<sup>2</sup> Like 'positivist', the term 'interpretive' is not used consistently in the methodological literature. In this paper we will use 'interpretive' as referring to research traditions that include postmodernism, postcolonialism, critical theory and social constructivism.

the course of our discussion in this paper, but we will offer our own definitions upfront. ‘Explaining’ a phenomenon we take to mean showing ‘what makes it what it is’: explanation therefore need not necessarily be causal, although it may include the specification of cause-effect linkages (Ruben 1990, p. 233). An explanation is ‘causal’ if it makes claims about the capacities of objects and beings to make a difference to their world (adapted from Kakkuri-Knuutila, Lukka and Kuorikoski 2008; Sayer 1992). We take ‘theory’ to mean a form of explanation that offers a coherent, ‘examined conceptualization’ of a phenomenon or phenomena (based on Sayer 2000). Our subsequent discussion in this paper will reveal that these definitions are heavily influenced by critical realism, and that they have profound implications for our understanding of how to theorize from case research.

In the IB field, however, these foundational elements of the scientific endeavour receive almost no scrutiny. We contend that a debate over these fundamental concepts is needed for the theorising potential of case studies to be realised. As Sayer (1992, p. 2) has persuasively argued, methodology should not just be regarded as a matter of choosing among different methods of data collection or analysis; rather, it concerns competing methods of theorizing. In this paper, we seek to show that an alternative methodology for case-oriented explanation is available and argue for its application to case research in the IB field.

### **Theorising from case research as a ‘bridge’ to deductive testing**

In business and management disciplines such as IB, Eisenhardt (1989, 1991; Eisenhardt and Graebner 2007) is perhaps most closely associated with the topic of theorising from case studies. She has also been very influential in the IB field, with

Piekkari et al's (2009) review of IB journals finding that she was one of the top two methodological sources drawn upon by case researchers. The other, Yin (2009), has a broader view of how case studies can be used for theorizing, specifying that case studies can be explanatory and not just exploratory, but his text is more concerned with cataloguing methods for data collection and analysis, and he has a strong interest in using case studies in policymaking which is less relevant to the current paper.

However, as Eisenhardt acknowledges in her 1989 seminal article, in order to build an argument for case research, she makes some fundamental assumptions about scientific knowledge and the nature of theorising. She characterises hers as a 'positivist view' of science, whose aim is 'the development of testable hypotheses and theory which are generalizable across settings' (Eisenhardt 1989, p. 546; see also Eisenhardt and Graebner 2007, p. 28). She positions 'inductive' theory building as the 'natural complement' to this deductive theory-testing endeavour.

This conception of the ultimate aim of theorising, and the role of case research in it, has a number of implications. First, case research is regarded not as an alternative or even a rival to 'mainstream deductive research' (Eisenhardt and Graebner 2007, p. 26), but as an integral part of this deductive program. Subsuming case research in this way serves to legitimize its role: while case research may not be statistically generalisable, it can nevertheless provide a 'bridge' to such large-scale testing. Second, her dichotomisation of induction/theory-building/qualitative and deduction/theory-testing/quantitative leaves little room for the role of theory-testing case studies, even though she notes that case studies can be used for this purpose. Third, case research is separated from other forms of qualitative research that Eisenhardt regards as being more descriptive in their aims and social constructionist in their assumptions. She therefore distances case research from other approaches that

more directly confront, or even reject, the hypothesis-testing tradition. By differentiating theory-building case research from other forms of qualitative research in this way, Eisenhardt and Graebner (2007) perpetuate the division between *erklären*/explanation and *verstehen*/understanding that still dominates debates in business and management disciplines.

In Eisenhardt's work on case study as theory building, the concept of 'theory' is not elaborated upon, but remains implicit and taken for granted. Her discussion nevertheless conforms to positivist assumptions (see Table 1). Her account of case research is replete with what she regards as the building blocks of theory – such as developing hypotheses, specifying constructs, and identifying variables and the relationship between variables, achieving validity and reliability – yet at the same time, she avoids the use of other terms that might be associated with theorizing, notably 'causal' or 'causation'; thus, she simply refers to 'relationships' between variables, without indicating the nature of these relationships. Nor does she directly use the terminology of scientific 'laws', although she implies it by asserting that generalizability is the aim of research. She therefore evokes what has been termed the 'regularity model' of scientific explanation: in other words, that the goal of scientific explanation is to uncover the 'constant conjunction' or covariation between variables. Embedded in her defence of case studies are other orientations characteristic of a positivist, or at least empiricist, epistemology, particularly that objectivity can be obtained by the researcher and that theories are likely to be more valid given their grounding in observation. Ultimately, Eisenhardt does not need to explicate her notion of theorizing, given that it conforms to the assumptions of 'mainstream deductive research'.

Positivist assumptions in Eisenhardt <sup>3</sup>	Explanation
Subject-object dualism	It is possible for a researcher to observe the world neutrally and objectively
Empiricism	Empirical observation (sensory experience) is the basis for confirming/falsifying truth claims
Methodological monism (unity of science)	The methods of natural science are the model for social science
Theory-independent status of observation	Observation can take place without being influenced by prior preconceptions and theories
‘Regularity’ view of causation	A causal relationship holds if the cause universally, or at least probabilistically, leads to the effect
Determinism	The empirical world can be explained without recourse to human intentionality and subjective understandings

*Sources:* Adapted from Johnson and Duberley 2000

Rather than questioning the deductive mainstream, Eisenhardt could be regarded as reinforcing it. However, to do so she rejects the Popperian argument that the scientific method is exclusively deductive, which leaves no role for the inductive methods she is advocating. By proposing case research as a source of theory generation or ‘discovery’, she is opening what is traditionally a black box for Popperians, who argue that the ‘logic of discovery’ does not follow a scientific process, but occurs rather through psychological processes such as ‘dreams’ and ‘surprises’ (Hunt 1991). Eisenhardt’s version of the logic of discovery is thoroughly empiricist: we discover theory by observing the world. Eisenhardt and Graebner (2007, p. 25) depict theorising as a cycle, ‘with inductive theory building from cases producing new theory from data and deductive theory testing completing the cycle by using data to test theory’ (see Figure 1). By incorporating case research into this positivist circle linking observation to theory, Eisenhardt preserves the positivist claim to unity of the sciences: all research, whether social or natural sciences,

<sup>3</sup> This table does not include a comprehensive list of all positivist assumptions, rather, we have confined it to those that are referred to, even implicitly, by Eisenhardt and her co-author.

qualitative or quantitative research, is part of the search for universal laws – but at the expense of making case research no more than the input to hypotheses.

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Insert Figure 1 here

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### **The alternatives: Case-oriented explanation**

How then can the theorising potential of case research be expanded? So far, the alternatives that have been discussed are stark: either case research is constrained to its role as the precursor to hypothesis testing, or (taking a postmodern or social constructivist perspective) scientific explanation is rejected as neither possible nor desirable. However, when broadening the scope of the debate over theorising and case research from management to other social science disciplines, further possibilities emerge. One emerging trend – which, following Ragin (1997) we will term ‘case-oriented’ explanation and which is most pronounced in political science and sociology – is the recognition that case research plays an essential, but distinct, role in theory development that goes beyond theory ‘generation’. Proponents of this view argue that, in contrast to prevailing assumptions, case research can be used to develop causal explanations (Maxwell 2004).

Contributions to this tradition range from those who seem comfortable with at least some positivist assumptions (e.g. Abell 2004) – or at least who do not challenge them directly – and those who adopt a critical realist position that challenges fundamental positivist notions of what theorising is (e.g. Sayer 1992). Accompanying

this trend is a re-evaluation of the concepts of causality and explanation. The development of a methodology for case-oriented explanation – an account of how cases explain – is based on a rejection of the ‘regularity’ model of causation as the only form of warranted scientific knowledge. Simultaneously, there has been an attempt to confront the explanation/understanding divide and reclaim explanation (particularly causal explanation) from its positivist influences.

Below, we seek to introduce to the IB field the key elements from this tradition; while there is considerable diversity within this emerging methodological field, we distinguish between two broad tendencies. The first we term ‘hybrid’ approaches because their authors do not position themselves squarely within a particular philosophical tradition and they typically exhibit multiple influences – for example, positivism and critical realism. The main contribution of hybrid approaches is to have pioneered many of the analytical procedures for generating case-oriented explanations, such as narrative sequence analysis and Qualitative Comparative Analysis (QCA). The second is the much more unified tradition of critical realism, which we consider separately given its deep, distinctive philosophical underpinnings. Above all, we will argue that what distinguishes case-oriented explanation is the insistence that explanatory accounts are necessarily context-bound: as Sayer (1992, p. 60) has written, ‘making sense of events requires that we “contextualize” them in some way’. Contextualised explanation is a way of explaining ‘without laws’; this is clearly distinct from the ‘variable-oriented’ approach of abstracting from time and place (see e.g. Abbott 1997).

### Hybrid approaches

Contextualized explanation means coming to terms with both time and space, or in other words, history and relations (and in fact, ‘temporal succession’ and ‘spatial congruity’ were two conditions for establishing causality proposed by Hume; see Brady 2008). The case study is well known for its ability to provide contextual detail, however this strength is also what, according to many, disqualifies it from being a form of legitimate scientific explanation: case-oriented research can only ever explain the particular and tell a story, rather than enabling generality and prediction. History is seen as fundamentally opposed to general theory. Yet a reassessment of the ‘historical’ is underway that disputes the notion that historical analysis is atheoretical: ‘the terms “ideographic particularism” and “inductivism” poorly describe actual historical research’ (Calhoun 1998, p. 868). The historical nature of case studies means that their explanations take a different form than that of large-scale quantitative studies, but they are causal nonetheless. Mahoney and Goertz (2006) categorise case analysis as offering ‘causes-of-effects’ outcome explanations, since researchers work backwards from events: they seek to trace the causes of an outcome in a particular case or cases. The quantitative research tradition, by contrast, seeks to estimate the average effects of causes and do not – and cannot – aim to explain the outcomes in particular cases.

There are a number of ways in which understanding outcomes in particular cases have been seen as important in contributing to scientific knowledge. First, the neat separation between particular and general does not hold: ‘Case studies typically partake of both worlds’ (Gerring 2007a, p. 76). As George and Bennett (2004) contend, generalities are routinely used – and refined – in order to make sense of the particular (see also Hall 2006). Historical explanations of specific events often involve a ‘generalising strategy’, in which events are classified as being a class or

type of a broader phenomenon. In addition, the explanation of particular sequences leading to an outcome often involves making reference to existing theories and known patterns. In the process of iterating between the particular and the general, theories can be refined and reassessed, or even rival explanations proposed.

Second, an historical account allows for counterfactual analysis: of understanding causal linkages by comparing a case in which X led to Y to a case in which, while as similar as possible in every other way to the first one, X did not occur. If Y did not occur either, then a causal relationship between X and Y can potentially be proposed. The counterfactual method has been described as a separate approach to causality than that of the regularity model, as it is based on a conception of causality constituting relations of necessity rather than of universality (Brady 2008). According to the counterfactual approach, generalizations and constant conjunctions are not required to establish causation.

Third, an historical or narrative explanation involves the delineation of causal pathways: of understanding how causes produce effects ('X leads to Y through steps A, B, C'). In discussion on case-oriented explanation, it has become increasingly popular to term this pathway by which an effect is produced – the way in which X is linked to Y – a causal mechanism (Gerring 2007b; Hedstrom and Swedberg 1998; for a discussion in management, see Pentland 1999). Some argue that this 'mechanismic' approach is a stronger form of causality than the 'weak' form found in the correlational explanations ('if X, then Y') favoured by the regularity model (Elliott 2005; George and Bennett 2004). The method of identifying the intervening causal process between two variables has been termed process tracing (George and Bennett 2004; Gerring 2007b; Hall 2006) and involves a careful construction of a causal chain of evidence. Gerring (2007a) points out that this evidence is different to observations

in other research designs because they are not from a uniform population and are therefore noncomparable.

The importance of process to an understanding of causation has led some commentators to argue strongly in favour of the causal properties of narratives; Somers (1998) goes so far as to propose that while not all narratives are necessarily causal in orientation, any explanation of causal mechanisms must be narrative in form. Not all hybrid approaches would subscribe to this view, and while Somers (1998) argues for the explanatory force of historical accounts; others insist on distinguishing ‘historical’ from ‘theoretical’ narratives. For example, Hall (2006, p. 25) defines the difference as not lying in one being descriptive and the other causal; rather, the objectives differ: that of historical explanation is ‘to provide a complete explanation for why one outcome occurs at a particular time and place’, while the ‘theory-oriented’ explanation aims ‘to identify the most important elements in the causal chain generating this class of outcomes’.

So far, our discussion has assumed that there is a single causal chain or pathway to be investigated. However, as Ragin (1997) argues, causality is ‘heterogeneous’ rather than uniform: the same outcome may be produced by different causal pathways (also known as equifinality). Boolean algebra, rather than probabilistic formulae, has been proposed as an appropriate way of expressing this in mathematical form: in other words, formulae such as  $Y = (A \text{ AND } B \text{ AND } C) \text{ OR } (C \text{ AND } D \text{ AND } E)$  (Mahoney and Goertz 2006). George and Bennett (2004) have proposed typological theories as a way of dealing with equifinality: such theories specify the different ‘types’, or combinations of variables, that lead to specific outcomes. They enable what they term ‘contingent generalizations’; in other words, propositions such as ‘if circumstances A, then outcome O’ (Gerring 2007a).

The assumption of causal heterogeneity (as opposed to causal homogeneity, which assumes that ‘causal factors operate in the same way for all cases’; Ragin 2000, p. 51) allows researchers to take into account different configurations of spatial and temporal relations. Ragin (1997) has termed ‘multiple conjunctural causation’ the recognition that causal explanations need to factor in combinations of factors rather than single variables. Thus, for example, in combination with A and C, B may cause Y, but in other circumstances Y may occur in B’s absence (B’):  $Y = (A \text{ AND } B \text{ AND } C) \text{ OR } (B' \text{ AND } D \text{ AND } E)$ . Understanding the effect of X therefore requires putting it in its spatial context. Because B may have one effect in a particular context, but a different one in another situation, ‘it is not useful to generalize about the overall effect of B without saying something about the context (i.e. other variable values) in which B appears’ (Mahoney and Goertz 2006, p. 235). Ragin (1987) has proposed a formal method based on set theory, Qualitative Comparative Analysis, in order to analyse cases as combinations of conditions. Ragin (2000) argues that this ‘configurational view’ is a fundamentally different explanatory logic to that of variable-oriented research, which assumes away diversity and does examine causal factors as integral parts of a broader whole.

### Critical realism

Critical realism goes beyond other case-oriented methodologies of explanation in that its epistemological claims are grounded in a carefully articulated ontology. Again, as when it comes to other case-oriented explanation, there are different variants of (critical) realism, so the focus in this paper will be on the most influential: Roy Bhaskar, and those who have sought to enunciate the implications of his philosophies for practising social scientists. Bhaskar is realist in the sense that he acknowledges the

existence of a reality that is independent of our perception of it, but he also regards our understanding of it as theory-laden and social phenomena as concept-dependent (in other words, constituted by the meanings we attach to them). Reality is intransitive but our knowledge of it transitive; although this distinction breaks down somewhat when considering the social world, since our apprehension of social reality can change that very reality (Sayer 2000). Bhaskar regards explanation of social phenomena as being ‘both causal (as does the positivist) and interpretive (as does the hermeneuticist)’ (Collier 1994, p. 167). In other words, Bhaskar provides a way to reconcile the explanatory with the interpretive.

Bhaskar rejects the empiricist assumption that explanations can only be sought through sensory observation, and instead argues that causality can only be understood with reference to ‘transcendental’, or unobservable, structures and causal mechanisms. In Bhaskar’s philosophy, the concept of ‘causal mechanism’ refers to the causal powers (or liabilities) of objects and entities (thus, his definition is distinct from the way it is typically used in hybrid approaches; for a discussion of contrasting definitions see Mahoney 2003)). Objects (whether physical, human or social) have causal powers by virtue of their intrinsic nature: causal powers are internally, that is necessarily related, to these inner structures of objects. However, in an open system such as that of the social world, the relationship of causal mechanisms to their effects is contingent and external, rather than necessarily and internally related. In the social world, whether a causal mechanism is activated depends on the conditions in which it operates: mechanisms are tendencies that may not be actualised and even if actualised, may not be empirically observable. Only in a closed system, which is carefully manufactured in an experimental situation, can a causal mechanism potentially be isolated from other generative processes, and regular effects produced

and observed. In open systems, in contrast, there can be no symmetry between explanation and prediction: ‘The same causal power ... can produce different outcomes ... [or] different causal mechanisms can produce the same result’ (Sayer 2000, p. 15). This means that explanation needs to account for the spatio-temporal context in which casual mechanisms operate.

As a result, causation is not about the search for event regularities: social scientists need to go beyond events to understand the nature of objects, and cause-effect relationships do not produce regularities in an open system. Causal explanation lies rather in understanding the constituent nature of objects: in other words, what objects are capable of doing. Causation is about possibility and potential; Bhaskar denotes this the ‘real’ domain of causal powers, that operates independently of whether these powers are activated (the domain of the actual) and observed (the domain of the empirical). Rather than *collecting* observations, causal explanations are developed by *digging* beyond the realm of the observable to understand the necessity inherent in objects (Collier 1994). The appeal to empirical observation – either through inductive theory-building or deductive theory-testing – therefore does not satisfy a critical realist.

Bhaskar’s critical realism rejects the determinism and reductionism that are inherent in the regularity model. He ascribes causal power to human agency, thus siding with those interpretivists who argue that ‘reasons can be causes’; in other words, that beliefs have causal efficacy. Yet at the same time, explanations cannot be reduced solely to human intentionality and agency, because human agents operate within already existing social structures. Human beings are both the cause and effect of social structure: society conditions our actions, yet through our actions we produce and reproduce these very social conditions. Explanatory accounts therefore need to

encompass human intentionality – the articulated reasons of social actors – as well as an actor’s position in the social structure. Therefore, while human action is inherently meaningful and purposeful, a causal explanation cannot be built solely from actors’ own understandings and interpretations.

While critical realism offers a distinctive ontology and epistemology, it does not align itself to a specific research method. However, Sayer (1992) argues that it does suggest that inquiries into causes (as opposed to regularities) – typified by questions such as ‘What produces a certain change?’ – require an ‘intensive’ rather than ‘extensive’ research strategy. While an extensive research strategy typically relies on large-n surveys of populations, an intensive research strategy is likely to involve the qualitative, in-depth study of ‘individual agents in their causal contexts’ (Sayer 1992). Accordingly, case studies are well suited to developing causal explanations and ‘exposing’ generative mechanisms (Danermark et al 2002), while conversely the ‘explanatory penetration’ of extensive studies is likely to be weak.

Such ‘causal’ case study analysis, however, should not be mistaken for an inductive theory-building process. By rejecting the separation between theory and observation, critical realists also question the possibility of a purely inductive or deductive process of theory development. Rather, theoretical insight involves analytical processes that have been variously labelled ‘retroduction’, ‘abduction’, ‘contrast explanation’ or [...] Lawson (2003) proposes that an explanation often starts with a surprising contrast, triggered by the realisation that an observed outcome is different to what had been anticipated (provoking the question, ‘why X rather than Y?’). This suggests that either a new causal factor is in operation, that the observation domain was not as well understood as initially thought, or that existing understandings of causal mechanisms need to be refined. Lawson is describing what

is essentially an abductive process: the starting point is a perceived mismatch between an empirical observation and an existing theory, leading to a ‘redescription’ or ‘recontextualisation’ of the phenomenon (Danermark et al. 2002).

Retroduction is the process by which researchers can extend from the realm of what Lawson (2003) terms ‘surface actualities’ to their causal and structural conditions. The fundamental question for retroduction is, ‘What makes X possible?’ (Danermark et al. 2002). Posing this question enables the researcher to gain insight into the internal and necessary relations that make an object what it is. Danermark et al. (2002) suggest that case studies are important vehicles for retroduction: in particular, the analysis of extreme cases, and case comparisons that allow researchers to use counterfactual argumentation and to distinguish internal from contingent relations. This mapping out of the retroductive process – as of abduction – provides insight into the critical realist understanding of theory and theorising. Sayer (1992) proposes that theorising should be regarded as a process of conceptualization, with the chief difference between practical knowledge of the world and theory being that the latter is typically more systematically examined than the former.

Up until this point in the paper, our analysis in the section has been confined to the methodological sphere (how can and should case studies be conducted?), but has not examined research practice in IB (how are case studies conducted?). In order to address the question, we will investigate the approaches to theorizing taken in case studies published in three leading journals over a ten-year period. Before discussing our findings, we will briefly review the methods we used to identify and code the case studies in our analysis.

### **Review of journals**

In order to examine theorizing from case studies in IB research, we undertook a comprehensive and systematic review of the contents of one major IB journal, *Journal of International Business Studies* (JIBS), from the period 1999-2008. Thereafter, we contrasted and compared our findings with two major management journals, *Academy of Management Journal* (AMJ) and *Journal of Management Studies* (JMS) for the same period. All the three journals deal with topics of general management and strategy and have similar editorial policies. While *JIBS* is considered the most prestigious and highly-ranked specialized journal in international business, *AMJ* and *JMS* are among the top ones in the general field of management. For comparative purposes, we chose *AMJ* as an American journal and *JMS* as the closest corresponding European outlet. The reason for concentrating on three leading journals is based on the observation that they set the research standards and trends in a field (e.g. Clark & Wright, 2007).

In the first stage of analysis, we categorized every one of the articles (excluding editorials, commentaries and notes) published in these journals during the selected period as quantitative, qualitative (other than case studies), mixed method, non-empirical/non-research or case study (see Table 2). Most of these categories are self-explanatory, except ‘non-empirical/non-research’, which included any articles that were conceptual, theoretical, practitioner oriented, pedagogical, methodological, or literature reviews. Case studies are not limited to qualitative methods so they were classified as a separate category rather than as a subset of ‘qualitative’. As Table 2 shows, quantitative research clearly dominates all three journals, accounting for 980 out of the total number of 1626 published articles (60.3%); at the same time, case studies overshadow other forms of qualitative research.

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Despite the application of a single definition, articles were not always straightforward to categorize, for a number of reasons. First, some articles did not include so much as a section or even a paragraph on research methods, thus omitting details which would have aided our categorization. Ultimately, the accuracy of our classification was very dependent on that of the authors' own reporting. Second, we found articles that satisfied our definition even though their authors had not explicitly labeled them a case study. These we included in our analysis. Third, while authors might have labeled their study a 'case study', it did not necessarily meet our definition. In particular, some studies lacked a clear linkage between theory and empirical evidence, the case was de-contextualized, or the case was an illustration or example rather than constituting the focus of the paper. Such articles were not categorized as case studies. Overall, since our primary aim in this paper lies in understanding approaches to theorizing from case studies (i.e. how authors theorize from case data), we were deliberately inclusive in our approach. For the purposes of this paper, we sought to capture illustrative examples of approaches to theorizing from case studies across the three journals. While our analysis of the cases studies is still at a preliminary stage, in the next section we provide an overview of the different approaches to theorizing that we identified.

### **The evidence from IB and management journals**

We classified approaches to theorizing from case studies into four types. The first, and by far the most popular, approach was to use Eisenhardt (1989) as a template for both research design and ‘inductive’ theory building. One example of this ‘textbook’ application is Gilbert (2005), who cites Eisenhardt (1989) and Yin (1994) six times each during the course of his paper. His multiple case study provides the basis for what he terms ‘inductive theory development’ (Gilbert 2005, p. 745). He describes the theorising process as proceeding from formal propositions that he developed at an early stage by comparing ‘polar’ cases in his study. He then went on to ‘confirm or disconfirm’ these propositions – using Eisenhardt’s (1989) and Yin’s (2009) analogy of an experiment – by systematically analysing the evidence from each of the eight cases. His findings section presents these propositions and the evidence for them, and then integrates them into what he terms an ‘interpretive’ model – although he does not elaborate on the ways in which this model might be regarded as ‘interpretive’. A similar template approach in the IB context can be found in Coviello (2006), who positions her paper as a ‘theory-building’ multiple case study. She too offers a series of propositions as her findings, and describes her data analysis as involving ‘pattern matching’ between theory and data.

A second approach that we found in our dataset might be termed a ‘cherrypicking’ approach, as it consisted of authors who were clearly influenced by positivist assumptions and language, including guidelines from Eisenhardt and Yin, but who did not stick as closely to the template. At best, this might result in some innovative research designs – although at worst, it could result in internal inconsistencies and lack of clarity in terms of theoretical objectives. In Bresman, Birkinshaw and Nobel (1999), a case study formed a distinct part of the paper, addressing a separate ‘inductive’ research question to that of the hypotheses that were

tested in the quantitative part of the paper. While the findings from the qualitative part were labelled as ‘exploratory’, and the aim was ‘primarily’ to uncover ‘patterns’ of knowledge transfer, it was also noted that ‘we were able to induce possible causal relationships’ (p. 449). Another variation was found in Dyck et al. (2005), whose single, mixed-method case study provided qualitative and quantitative findings to confirm or disconfirm propositions. While the research design does not conform to Eisenhardt’s prescriptions, and the propositions were placed at the start of the paper and then tested rather than being presented as the findings, the authors position their paper as generating ‘an illustrative and empirically grounded basis for developing a richer understanding of organizational learning’ (Dyck et al 2005, p. 410).

A subset of this ‘cherrypicking’ type comprised case studies that were labelled as grounded theory, but were seemingly not very different from the Eisenhardt (1989) model – at least in terms of how they were reported. The very term ‘grounded theory’ has become contested, and the relationship between grounded theory and case study is not clearcut. Eisenhardt and Graebner (2007) acknowledge this explicitly, and like Yin (2009) they distance case studies from grounded theory – despite the fact that the two traditions do converge to the extent of their empiricist orientation and equation of ‘qualitative’ with ‘inductive’. It is perhaps not surprising that this confusion in the methodological literature is also reflected in research practice. This can be seen in Kotabe, Parente and Murray (2007), who use the label of grounded theory case study, but who then go on to follow Eisenhardt closely: ‘Based on our case studies and fieldwork, and following the guidelines proposed by Eisenhardt (1989) for building theories from case studies, we developed a theoretical framework (see Figure 1) on the antecedents and outcomes of strategic modularization’ (p. 88). The authors do not

explain why their study represents an example of grounded theory rather than of Eisenhardt's inductive bridge to generalising theory.

A third category consisted of those papers whose authors positioned themselves as following an interpretive approach. Such papers were most common in *JMS*, and these papers could also be accompanied by an express acknowledgement that they did not aim to propose causal relationships. An example is the discourse analysis of airline alliances provided by Vaara et al. (2004). One of the distinguishing features of this interpretive type of analysis is the greater attention to context – it is not surprising, then, that these were often single rather than multiple case studies. The degree of contextualisation in this category is striking when compared to, for example, Gilbert (2005), in which the analysis can be very decontextualised, with the temporal context not integrated into the analysis – despite the fact that the unit of analysis was online ventures and the period of data collection included the dot com crash, which presumably had a major impact on the ventures under study.

The final approach – those articles that were a consistent, explicit application of case-oriented explanatory methodologies – were by far the least common. We found no single example of a critical realist case study in our dataset, and the only form of hybrid approach that appeared came in the form of processual analysis, with this being a common form of case study published in *JMS*. For instance, Elliot and Smith (2006) employ a single case study design to investigate the process of learning from crisis in the UK soccer industry. The findings cover a timeframe that spans 58 years from 1946-2004. However, a longitudinal design did not necessarily entail a processual approach to theorizing, with authors of such cases exhibiting variation in terms of their theoretical approach.

## **Implications and conclusion**

Our preliminary analysis of approaches to theorizing from case studies in *AMJ*, *JMS* and *JIBS* shows that the influence of the Eisenhardt ‘template’, as well as positivist assumptions generally, is still widespread. The exception was *JMS*, which has been much more open to interpretive approaches. However, we have suggested in this paper that the opposition between positivist and interpretive – between *erklären* and *verstehen* – is not a helpful development. In this paper, we have questioned this dichotomy, along with others that accompany it: deductive versus inductive, general versus particular, history versus theory, observation versus theory, narrative versus causal and contextual versus generalizable.

To provide a ‘third way’ that goes beyond these binary divisions and assumptions, we have introduced a range of approaches to case-oriented explanation. We would argue that their contribution lies in the careful articulation of how case studies can produce causal explanations, their rejection of the regularity model of causation, scepticism towards the possibility of meaningful empirical generalizations, and their defence of context as being an essential component of, rather than a hindrance to, explanation. The development of a methodology for case-oriented explanation has involved the questioning of positivist and epistemological assumptions. In critical realism, Bhaskar has proposed a philosophical ‘underlabourer’ for scientific research that offers a coherent alternative to positivism and the regularity model. Yet, our discussion has shown that case-oriented methodology does not confine itself to the philosophical: proponents of case-oriented explanation have developed a suite of analytical methods and tools, such as process-

tracing, typological theorising and Qualitative Comparative Analysis, to facilitate systematic case-oriented explanations.

Given that an explanation of causal relations has always been fundamental to science, much of the debate over case-oriented explanation has involved a reevaluation of what constitutes causal explanation and of how case studies explain. We would argue that case-oriented explanation is predicated upon a reconceptualisation of *erklären* that, following Abbott (1997), can be termed ‘contextualized causation’. Case-oriented explanations, rather than seeking ‘constant conjunctions’ between cause X and effect Y, assume that such constancy does not hold. This conception provides spatial breadth and temporal depth to explanations; it also acknowledges the complexity of the world and the simultaneous operation of multiple interaction effects.

Twenty years following the publication of Eisenhardt’s article on theorizing from case studies, we have argued that it is worth revisiting the topic. Alternative methods for theorizing from case studies have been proposed, along with innovative analytical techniques. While the international business and management literature has so far not contributed to this new methodological debate, we would hope that the next ten years of the three journals we analysed will see a growing diversity and innovation in approaches to theorizing.

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**Table 2: Categorization of Journal Articles 1999-2008**

Journal	Year	Quantitative	Mixed	Qualitative	Case	Cases % of Empirical*	Cases % of Total*	Articles per Volume
AMJ	1999	39	0	0	0	0.0	0.0	42
AMJ	2000	60	4	3	2	0.0	0.0	71
AMJ	2001	56	2	3	9	0.1	0.1	70
AMJ	2002	58	1	1	8	0.1	0.1	68
AMJ	2003	44	0	1	2	0.0	0.0	47
AMJ	2004	49	1	0	3	0.1	0.1	54
AMJ	2005	52	0	0	4	0.1	0.1	71
AMJ	2006	47	0	5	3	0.1	0.1	60
AMJ	2007	52	1	3	3	0.1	0.0	84
AMJ	2008	48	1	3	2	0.0	0.0	54
<b>TOTAL</b>		<b>505</b>	<b>10</b>	<b>19</b>	<b>36</b>	<b>0.1</b>	<b>0.1</b>	<b>621</b>
JIBS	1999	22	0	0	2	8.3	0.5	31
JIBS	2000	26	3	0	1	3.3	0.2	30
JIBS	2001	27	1	0	2	6.6	0.5	39
JIBS	2002	25	0	0	4	13.7	1.1	32
JIBS	2003	26	0	0	1	3.7	0.2	35
JIBS	2004	16	0	0	2	11.1	0.5	23
JIBS	2005	24	0	0	2	7.6	0.5	33
JIBS	2006	36	0	1	1	2.5	0.5	52
JIBS	2007	46	3	1	2	0.0	0.0	66
JIBS	2008	55	0	1	4	0.3	0.1	76
<b>TOTAL</b>		<b>303</b>	<b>7</b>	<b>3</b>	<b>21</b>	<b>5.7</b>	<b>0.4</b>	<b>417</b>
JMS	1999	9	0	4	14	0.5	0.3	43
JMS	2000	12	2	8	11	0.3	0.2	48
JMS	2001	15	2	4	12	0.4	0.3	47
JMS	2002	13	0	4	15	0.5	0.3	47
JMS	2003	18	1	11	26	0.5	0.3	79
JMS	2004	16	0	8	14	0.4	0.2	66
JMS	2005	19	1	3	21	0.5	0.3	67

**Figure 1: Eisenhardt's view on the role of case study in the theorizing 'circle'**

