Indigena Solutions, Tensions in an Aboriginal IT Impact Sourcing Firm

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ABSTRACT

This paper explores the role of cultural tensions in the operations of an Information Technology Impact Sourcing (ITIS) venture called Indigena Solutions. The company was based in Vancouver Canada and was intended to provide meaningful careers to a marginalized group, namely Canadian Indigenous Peoples. The company provided on-shore IT services such as help-desk support and software testing. With the support of Accenture and with initial success at high profile clients such as BC Hydro and Vancouver City Trust, the company lasted about seven years. Indigena was declared bankrupt in 2017. This research demonstrates the cultural tensions inherent in creating an Impact Sourcing venture, with challenges of location, the inability to attract Indigenous workers to a non-traditional career, and the underlying challenge of structural racism, despite the recognized social responsibility and commitment to help a marginalized group. The research was designed as a case study using an interpretive approach. The originality of this research rests on the exploration of why Impact Sourcing in a developed country failed to meet the needs of the marginalized Indigenous Peoples community. This research contributes to the body of work that explains tensions inherent in ITIS. Practitioners may find this research valuable as they consider the challenges of establishing and successfully operating an ITIS firm.

KEYWORDS

Enterprise, Impact Sourcing, Indigenous Peoples, Outsourcing, Social Responsibility

INTRODUCTION

Information technology impact sourcing (ITIS) is defined as 'the practice of hiring and training marginalized individuals to provide information technology, business process, or other digitally-enabled services' (Carmel, Lacity, & Doty, 2014, p. 401). Prior research (ibid) has pointed out that people could be marginalized by many factors such as remote location, religion, ethnicity or gender and the promise of Impact Sourcing is to benefit such marginalized people by providing employment opportunity in IT outsourcing centres. Much of the prior ITIS research to date is hopefully optimistic and has demonstrated the benefits for individuals and communities (e.g. Heeks & Arun, 2010; Madon & Sharanappa, 2013; Nicholson, Malik, Morgan & Heeks 2015). Another stream of ITIS

literature, emanating mainly from practitioner reports and white papers, rests on the assumption that the desire to help marginalized people is unproblematic and tends towards unitary goals across all stakeholder groups (e.g. Kubzansky, 2011; Avasant, 2012; Everest, 2014). Implicit in this uncritical perspective on ITIS is a form of technological determinism akin to the literature that marvels at the globalizing potential of computing and telecommunications (e.g. Coyle, 1997; Friedman, 2006). This doctrine extends into some ITIS literature to represent technology "weightlessly" transferring labour un-problematically in the "flattened world" to anyone, anywhere with sufficient computing, bandwidth and skills and thus offering gainful beneficial employment to marginalized people in a 'one size fits all' method. A smaller but more critical ITIS literature has emerged focused on the particular circumstances and challenges of ITIS in improving the economic and social condition of marginalized people. A good example is Sandeep and Ravishankar's (2015a) case study from rural Himalayan India which points out that the marginalized local community may not unilaterally welcome incoming ITIS with joyful "open arms". Their analysis shows how community resistance against ITIS ensued despite the well-meaning development goals of the provider firm. In another example again from rural India, Malik, Nicholson and Morgan (2013) point out how women faced opposition from family and community to being involved in ITIS work as this clashed with local cultural norms.

This paper builds on this more skeptical literature focusing on the uniqueness of particular marginalized groups and identifying tensions and contradiction evident in ITIS. The focus is on heterogeneous groups and individuals with multiple perspectives that are both historically and culturally rooted in norms, values, traditions and belief systems. There is a paucity of research in ITIS that explores this facet and thus the paper combines the dialectical tensions conceptual lens (Gibbs, 2009) with a framework of culture (Gallivan and Srite, 2005; Gregory, Prifling & Beck, 2009) illustrated by drawing on a case study of ITIS at Indigena Solutions located in Vancouver, Canada.

Indigena Solutions, began operations in 2011 with the goal of Indigenous Peoples community transformation and enablement through individual achievement, but was declared bankrupt in 2017. The original motivation for this research was to understand why an Impact Sourcing venture with a valid social mission was having such commercial difficulty; now the case can be viewed as a post-mortem assessment of an Impact Sourcing failure. With this background, the following question will be addressed:

How do dialectic tensions constrain or enable the effectiveness of Impact Sourcing?

We ask this question because of the growing interest in Impact Sourcing, initially defined by the Monitor Group and the Rockefeller Foundation (2011) and increasingly examined by scholars (Heeks & Arun, 2010; Lacity et al, 2012, 2014; Malik et al, 2013; Carmel et al, 2014; Sandeep & Ravishankar 2015a, b) and consultants (Avasant 2012; Everest Group 2014). In 2017 the Rockefeller Foundation in collaboration with Business for Social Responsibility (BSR) established the Global Impact Sourcing Coalition (GISC)[1] which has defined standards for Impact Sourcing.

Our paper contributes to the theoretical understanding of culture tensions and their negotiation in ITIS initiatives adding to the relatively few ITIS studies with a focus on marginalized Indigenous Peoples communities in North America. One similar Impact Sourcing case, Cayuse Technologies, described by Lacity et al (2012), also explores the role of Indigenous communities in IT outsourcing. More specifically, this paper builds on prior work exploring tensions of ITIS particularly Sandeep and Ravishankar (2013, 2015a, 2015b) who examined the "paradoxical orientations of commerce and social upliftment" (2013, p. 1). Practical implications of this paper focus on the management of these tensions and conflicts which are inherent in many ITIS models.

This paper is structured as follows. Firstly, the theoretical frames that guide the research are explained, with an overview of the relevant ITIS literature. Secondly, the research methods are described. Thirdly, the case is described in terms of three tensions identified from analysis of

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