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Cross-Sector Collaboration

A Study on Collaborations in Financial Inclusion and Mobile Financial Services

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Background: Across the globe, approximately two billion people do not have access to essential financial systems such as a bank account; at the same time, cell phones are becoming widely available, even amongst the poor. This opens up for a chance to connect the underprivileged to financial instruments, as mobile financial services can be offered at significantly lower costs compared to traditional banking options. However, apart from a rather small number of examples, the implementation of these services has not satisfied expectations. A potential approach to address this circumstance is seen in cross-sector collaborations among companies and non-commercial entities. **Purpose:** The overall purpose of thesis is to explore how cross-sector collaboration between an Information and Communication Technology (ICT) company and Charitable Development Organizations (CDOs) can facilitate financial inclusion in developing countries. **Methodology:** A qualitative case study approach was implemented with 16 semi-structured interviews and four secondary reports to complement information. **Conclusion:** What may be more important is a network effect with partners to whom organizations get introduced to in the initial collaboration. **Implications:** Empirical findings indicate that collaborations are not as close as literature suggests, that existing monitoring systems of partnerships lack precision, that long-term goals of partners should be considered more carefully, and that a resource exchange in the partnership is used to reduce risk. **Limitations of this Study and Future Research:** The significance of results is limited by the relatively small sample size and the narrow empirical focus on an ICT company partnering with CDOs. Future research should focus on the entities in the CDO definition more in depth as the number of partnerships also increases.

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List of Abbreviations

CDO	Charitable Development Organization
CSC	Cross-Sector Collaboration
CSR	Corporate Social Responsibility
ICT	Information and Communication Technology
KPI	Key Performance Indicator
MFS	Mobile Financial Services
MNO	Mobile Network Operator
MOU	Memorandum of Understanding
NGO	Non-Governmental Organization

List of Definitions

CDO (Charitable Development Organization)

A CDO is an organization which primary purpose of existence is to tackle global inequalities, to lift disadvantaged populations out of poverty, and to not generate profits while doing so. The latter component of the definition does not mean that the organization does not charge a price for its services. Instead, the organization does not intend to generate a profit with its pricing model, neither today nor in the future.

CSC (Cross-Sector Collaboration)

A CSC describes a partnership among organizations which originate from at least two different organizational spheres (private, public, and/or civil society). Throughout the thesis, the terms "collaboration" and "partnership" are used interchangeable.

CSR (Corporate Social Responsibility)

CSR describes the voluntary integration of social and environmental concerns into business operations.

Developing Country

A country is classified as a developing country if it has a weak industrial base and a low societal development. Most developing countries are therefore located in Sub-Saharan Africa, but also in larger numbers in parts of South Asia and South America.

ICT Company (Information and Communication Technology)

Organization with a commercial background and profit-earning interest which primarily operates in ICT markets meaning that it offers solutions of information technology (IT) with a particular focus on unified communications.

MFS (Mobile Financial Services)

MFS describe a wide array of financial solutions to consumers. In its simplest form, MFS can consist of some form of account on which consumers can deposit and withdraw cash. More developed solutions allow for more features such as, amongst others, options to transfer money to friends and family, a line of credit, the possibility to use it as a payment method in stores, etc. In the context of developing countries, these financial solutions need to be manageable to a large degree via cellphones.

MOU (Memorandum of Understanding)

A MOU is an agreement between two or more parties expressing an intended joint course of action. It is usually not legally binding.

NGO (Non-Governmental Organization)

For the purpose of this thesis, an organization qualifies as NGO if it is not controlled by a government, does not have an intention to generate profits, and focuses primarily on the reduction of societal or environmental issues. Consequently, this organizational type includes a wide variety of institutions such as aid/humanitarian agencies, disaster relief agencies, or foundations.

Think Tank

A think tank is an organization whose primary purpose is to conduct research on societal, political, economical, or technological developments and to spread this knowledge to a certain target audience.

1. Introduction

The first chapter will commence with the background of the thesis, followed by an introduction to the stakeholder environment, a description of the problem area, thesis purpose, the research question, contributions, and delimitations. The chapter is ended with a structural overview of the entire thesis.

1.1 Background

The success of M-Pesa, a cellphone-based financial service system in Kenya, has revolutionized the world of financial inclusion. Within five years of its launch, M-Pesa had 15 million customers, equivalent to 37.5% of the country's population, and was processing $10 billion annually - making Mobile Financial Services (MFS) one of the most promising solutions towards financial inclusion in developing countries (Lal & Sachdev, 2015)

Living in poverty is not only about being short on cash, it is also about being excluded from formal financial systems[1] (Donnovan, 2012), which slows down economic growth and exacerbate inequality (Demirüc et al., 2008). Many argue that financial inclusion through novel methods is a key prerequisite to lift populations out of poverty and drive economic and inclusive growth (Lal & Sachdev, 2015; Lyngdoh, 2014). A particularly successful example can be found in M-Pesa and the establishment of MFS (Etim, 2014; African Development Bank Group, 2012; Lal & Sachdev, 2015; Donnovan, 2012; ITU, 2013). MFS offers a big potential as cellphones are widely available even among the poor in developing countries, enabling them to carry out financial transactions without the need of a formal bank account or a physical bank branch (ITU, 2013). Even though the success of M-Pesa serves as an indication of the promising future of MFS, the success on a broader scale has been hampered by the issue of scalability (Lal & Sachdev, 2015). To achieve scalability, distribution and diversity of solutions are crucial, requiring the presence of a number of stakeholders (Lal & Sachdev, 2015; US Chamber of Commerce Foundation, 2015). Typically, Mobile Network Operators (MNOs) have been the driving force in this development, however as a result, many non-connective individual "island" solutions exist, creating an issue of interoperability[2] (GSMA, 2010; Jenkins, 2008). In addition to that, Information and Communication Technology (ICT) companies have gained interest in

[1] Members of formal financial systems are those organizations which are recognized by a central bank. Informal financial organizations are therefore for instance moneylenders who charge exorbitant interest rates to their customers.

[2] Interoperability mainly describes the existence of an interface between two distinct solutions, thus, enabling customers to transfer money from one bank to another.

the area, with their ability to set up infrastructural capabilities addressing issues of connectivity (Bansal, 2014; Lloyd, 2005; Chopora et al., 2015). However, for the private sector there are barriers since developing countries require a high degree of local adaptability and knowledge (Dubiel & Ernst, 2013).

Apart from the private sector, civil society organizations, especially Non-Governmental Organizations (NGOs), have a track record in coordinating ground work for innovative solutions and business opportunities (Dahan et al., 2010; Kong et al., 2002), creating inclusive growth in developing countries (ITU, 2013). They have also started to engage in the areas of financial inclusion and MFS (Nyakwawa, 2016); US Chamber of Commerce Foundation, 2015). However, their contributions are limited because of their resource constraints to develop MFS solutions (Sakarya, 2012).

Therefore, it seems like achieving financial inclusion via MFS could potentially be addressed by collaborations among cross-sector entities (Dahan, 2010; Kong et al., 2002). There is an underlying rationale for both parties to engage in a partnership where the strength of one outweighs the weakness of the other. Furthermore, these types of partnership are likely to increase in number in the future as private actors need to meet demands beyond profit generation, exemplified by the vast adoption of a Triple-Bottom Line[3] and Corporate Social Responsibility (CSR)[4] in corporate agendas (Waddock & Smith, 2000) and with NGOs increasingly pursuing commercial activities due to decreasing government funding (Furusten, 2013; Berlie, 2010).

Based on this introduction, we decided to further investigate this from the angle of an ICT company for two reasons: (1) an ICT company seems to be in a position to both provide end consumer solutions and to extend financial services in remote areas by connecting existing services to each other (Bansal, 2014; Lloyd, 2005; Chopora et al., 2015), and (2) the thesis is sponsored by Ericsson. However, to develop an understanding of all the (potential) actors in MFS, we deemed it important to investigate the stakeholder environment.

1.2 Stakeholder Environment (Pre-Study)

We had some early meetings with employees of Ericsson who have a particular knowledge in the area. These employees include members of Ericsson's MFS department who are responsible

[3] Triple-Bottom Line describes a "balancing of economic, ecological, and social interests" (Berlie, 2010)
[4] CSR is defined as the "voluntary integration of social and environmental concerns into business operations".

for business development and the corporate MFS strategy. Moreover, they provided us with reports and presentations of previous collaborative projects as well as an introduction to the most relevant sources of information for related industry and societal issues.

In the private sector, MFS could be developed by a number of actors, the most obvious being banks expanding existing business models towards another service channel. Secondly, since the transactions in MFS occur via cell phones, MNOs could implement and offer solutions to their subscribers. Thirdly, ICT companies could play a role since they provide the physical communication infrastructure and the software solution needed for the usage of MFS. Other companies which typically handle payment processes such as PayPal or Google are currently not applicable for MFS in developing countries because of formal requirements[5]. Besides the private sector, there are also local governments and governments of developed countries that may act through aid agencies, e.g. Swedish International Development Cooperation Agency (SIDA) or development banks such as the African Development Bank. Additionally, development efforts can also be carried out by civil society organizations, e.g. NGOs such as private foundations.

The discussions with Ericsson employees highlighted that they do not necessarily cluster development organizations in many different categories (e.g. NGO, Aid Agency, etc.). Instead they use NGO as a working term for all organizations that can contribute in this area for Ericsson via *Cross-Sector Collaboration* (CSC), as their level of contribution is perceived to be more or less the same. “Traditional” NGOs are only one of many stakeholders in the interest of Ericsson. Therefore, our initial focus on civil society organizations, particularly NGOs, proved to be too narrow. Instead, we want to introduce the term *Charitable Development Organization* (CDO) to categorize organizations which are neither companies nor primarily a government organization. By introducing the term CDO, we also want to respond to the confusing institutional environment we encountered when doing our empirical studies and pre-study. Our definition of CDO goes beyond the scope of an NGO, since it allows for some government involvement in the organization. A CDO is an organization which primary purpose of existence is to tackle global inequalities, to lift disadvantaged populations out of poverty, and to not generate profits while doing so. The latter component of the definition does not mean that the organization does not charge a price for its services. Instead, the organization does not intend to generate a profit with its pricing model, neither today nor in the future. This focus on the purpose of an

[5] Smartphone Application solutions such as PayPal require an already existing bank account and a mobile data connection.

organization instead of a particular emphasis on ownership or control rights allows for an inclusion of organizations such as the Swedish International Development Cooperation (SIDA), the World Food Programme, or private foundations such as the Bill and Melinda Gates Foundation.

1.3 Problem Area

Although a collaboration seems very promising, two parties that originate from two distinct institutional spheres with vastly different prime goals (social development vs. profit), prime beneficiaries (communities vs. shareholders), knowledge (local knowledge vs. best practices from mature markets) will, most likely, define financial inclusion and its value in different ways. Furthermore, apart from changing market conditions and the integration of cross-sector strategies, as discussed in the background with NGOs engaging in more commercial activities due to lack of funding and private companies' integration of CSR in corporate agendas, more specified rationales for engaging in CSCs in this area are lacking. Finally, engaging in a partnership does not come without any hurdles since the assumed intentions to collaborate (access to technology/funding vs. access to credibility/legitimacy) might differ. Addressing these issues and finding potential ways to overcome them is crucial for a successful collaboration, something that we have found in academia and empirical research, however, not specifically targeted towards the area of financial inclusion and MFS.

1.4 Thesis Purpose

Based on the problem area, the aim of this thesis is to understand how CSC can facilitate financial inclusion via MFS in developing countries. We want to do this by examining the efforts of the private sector, in this case an ICT company, and CDOs both as separate constituents but also in collaboration in the context of MFS, in order to understand the relevance and definition of financial inclusion from the two spheres, reasons for engagement, and how the management of CSC in financial inclusion and MFS can look like.

1.5 Research Question

In line with the aim of thesis, the resulting research question is the following:

How can cross-sector collaboration among ICT companies and CDOs facilitate financial inclusion via MFS in developing countries?

As the research question is rather broad, we chose to develop a framework of three areas of exploration in answering the overall research question (cp. Figure 1) in line with our research purpose. This framework aims to holistically explore the essential dimensions of the research question. First, as the context of CSCs in this thesis is on MFS and financial inclusion, we research ***What*** this actually means to interviewees and its relevance for the organization. Second, we plan to uncover ***Why*** different constituents choose to engage in collaborations in this area instead of pursuing unilateral actions. These two initial guiding questions are essential as they allow for a better understanding of ***How*** the management and evaluation practices in partnerships in this context look like (cp. Figure 1).[6]

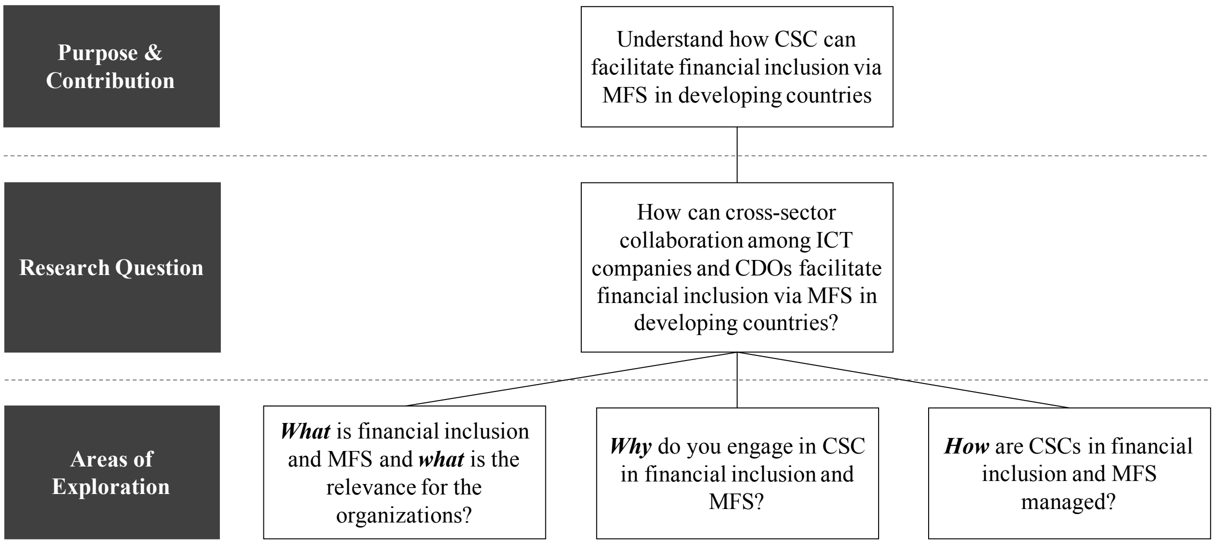

Figure 1: Thesis Purpose & Contribution, Research Question, and Areas of Exploration

1.6 Contributions

This thesis contributes insights to practitioners since it is based on practical insights and derived from the real world setting. Therefore, the findings have immediate benefits for the constituents which were directly involved in the study. These entities can apply the findings in order to create new relationships or enhance the efficiency and effectiveness of already established relations. The benefits of constituents who were not directly involved in the study are positively correlated with their degree of similarity to the interviewed parties; hence, organizations within the field of MFS have a substantial benefit.

[6] The fact that in the areas of exploration it is termed "financial inclusion *and* MFS" instead of *via* as in the research question should not be interpreted as an intention to do a study on two separate fields. We want to understand how financial inclusion and MFS work jointly, but to do so we deemed it important to also understand how the interviewees see them as separate components and how they benefit each other in what could be termed as a funnel approach.

It also contributes to academia as the research bodies of CSC and more specifically its implication in the context of MFS are studied. The specific CSCs in the field of MFS is a rather nascent research field as cell phones became only widely available within the last decade. Hence, this thesis provides new information for that perspective which helps to close the existing knowledge gap and provides a framework for researchers to build upon.

1.7 Delimitations

The aim of the thesis is to explore the options for an ICT company and CDOs to jointly promote financial inclusion. There are certainly ways other than MFS to achieve the overarching goal of financial inclusion, but this thesis is limited to MFS as a tool towards financial inclusion. This limitation is chosen for two reasons: First, MFS is one of the most recent and most promising innovations in the pursuit of financial inclusion and is consequently worth investigating. Second, as Ericsson as an ICT company is a sponsor of the thesis, we have close access to insights in this specific field which we want to leverage.

Based on the sponsorship of Ericsson and the time constraints of the thesis, the empirical part of this study is limited to a case study about one private company (Ericsson) and their (potential) collaborations/engagements with CDOs. These purposefully chosen restrictions have also a limiting factor on the findings and contributions. Although implications can be drawn to other stakeholders, the findings are based on the interface between an ICT company and CDOs. Therefore, they are most applicable in this specific context.

1.8 Thesis Outline

This thesis is structured in the following way:

- *Chapter 1* presented a brief introduction to the content of the thesis by introducing the background of MFS and CSC. Starting from this context, a research question, supporting areas of exploration, and the purpose of this paper were articulated.
- *Chapter 2* provides a more thorough overview of financial inclusion and CSC using literature sources. Also, current research findings on other areas of exploration are presented: These include a definition of financial inclusion, reasons for CSC, their management, and their evaluation. Lastly, a reaffirmation of an existing research gap is mentioned.
- *Chapter 3* develops a conceptual framework on which the remainder of the thesis is built upon.

- *Chapter 4* provides insights into the employed methodology in this study, i.e. the guiding principles in line with our research design and process are presented.
- *Chapter 5* presents the empirical findings from the conducted interviews.
- *Chapter 6* builds upon the empirical findings of the previous chapter and analyzes their deeper meaning.
- *Chapter 7* briefly concludes the analyses and ultimately answers the research question.
- *Chapter 8* presents the contribution of the thesis to both managers and academia.
- *Chapter 9* highlights directions for future research to further enhance the knowledge in relevant areas.

2. Literature Review

The structure of the literature review chapter is related to the posed research question and resembles to some degree a chronological order. To lay the groundwork, the first part is devoted to an introduction to CSCs, financial inclusion and MFS. To then follow a chronological order, the next parts summarize theories on the reasons why constituents actually engage in collaborations and how these are executed and evaluated (cp. Figure 2).

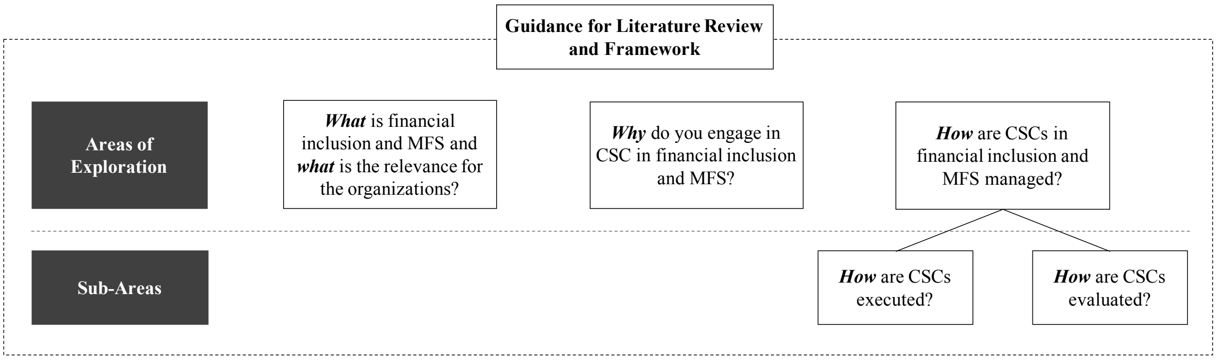

Figure 2: Areas of Exploration

2.1 Introduction to CSCs

Organizations are generally clustered into three different sectors: public, private, and civil society organizations with NGOs being the most prominent constituent in the latter (Berlie, 2010; Kourula, 2010). These classifications create a number of collaboration configurations as can be seen in Figure 3 (Berlie, 2010).

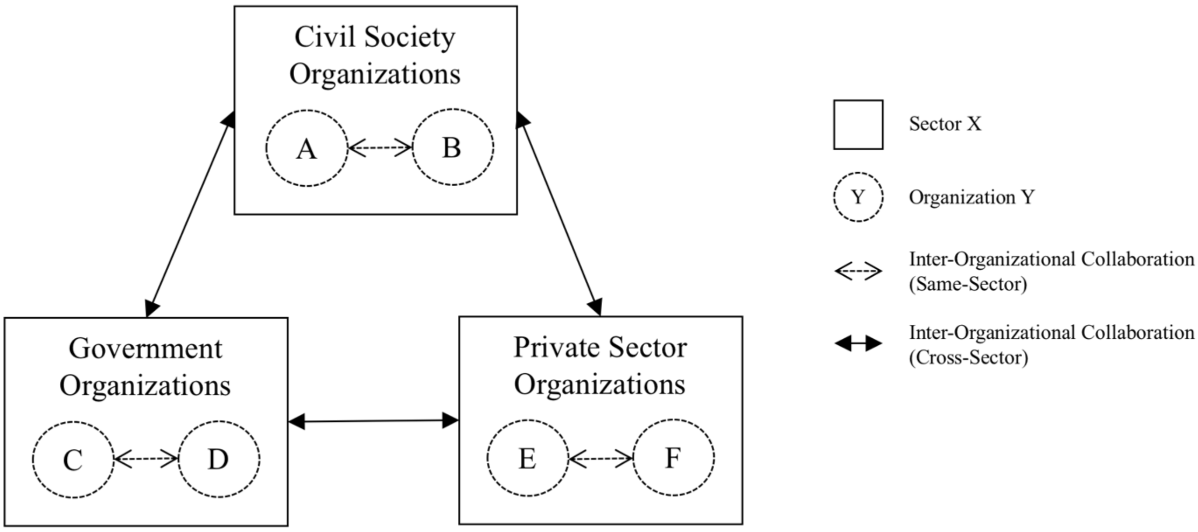

Figure 3: Collaboration Types

As our research interest lies in CSCs in a specific area, we will only focus on the collaborations among private sector organizations (here: an ICT company) and CDOs which primarily belong to the sphere of civil society organizations, but may also have some connections to government agencies. Collaborations among constituents which belong to the same organizational type are not of interest in this thesis.

In order to set the ground for the theory section, the following definitions are essential to establish a mutual understanding of the discussed phenomenon (cp. Table 1).

Table 1: Essential Organizational Definitions

Organization	Definition
ICT-Company	Organization with a commercial background and profit-earning interest which primarily operates in ICT markets meaning that it offers solutions of information technology (IT) with a particular focus on unified communications.
CDO	For the purpose of this study, CDOs are defined as organizations which primary purpose of existence is to tackle global inequalities, to lift disadvantaged populations out of poverty, and to not generate profits while doing so. The latter component of the definition does not mean that the organization does not charge a price for its services. Instead, the organization does not intend to generate a profit with its pricing model, neither today nor in the future.

2.2 Introduction to Financial Inclusion (*What*)

This section will define financial inclusion, highlight its importance, and summarize ways to achieve it according to frequently discussed solutions among scholars.

Definition of Financial Inclusion

Financial inclusion is vital due to an existing exclusion created by poverty, unavailability of banking and other financial services, incomplete procedures for existing financial services, financial illiteracy, traditional cultural values, and lack of faith in the banking system (Gwalani, 2014). Financial inclusion is therefore a feature of financial development (Babajide, 2015) and has many definitions to its name. However in its simplest form it can be characterized by a small number of factors, two of them being an access and a usage component (cp. Table 2 which is influenced by Thankom et al., 2015 and Kim, 2016). Lal & Sachdev (2015) further discuss the importance of scalable distribution and the ability of solutions to work in diverse settings. Therefore, we add scalability and adoptability to the list of financial inclusion factors.

Table 2: Financial Inclusion Breakdown

Factors	Description
Access (Availability)	Full financial inclusion involves extending access to safe, affordable, and convenient financial products to the previously excluded. Financial inclusion is more than just mobile payments or "banking the unbanked". It includes access to credit, savings, and insurance products that meet the needs of lower income people.
Usage (Degree of use/adoption and meeting needs)	Usage requires some sort of ownership of a transactional account where people can store, receive, and use money (e.g. prepaid cards, mobile money accounts, and current accounts). Of relevance is also how much the product is used (e.g. share of consumer's payments made with a payment product versus cash).
Scalability (Geographic coverage)	Scalability is primarily solution-driven and takes into account the opportunity to use the service in more than one market and expand its presence.
Adoptability (Integration of systems)	The ability to connect multiple stakeholder system into one seamless network of services which is an important factor in achieving interoperability.

Financial inclusion is therefore a state in which everyone has access to a full suite of financial services in order to increase the quantity, quality, and efficiency of financial intermediary services (Babajide, 2015). It helps people in disadvantaged and low income groups to manage their resources in a better way by building financial capabilities at an affordable cost (Thankom et al., 2015; Gwalani et al., 2014; Babajide, 2015; Committee on Financial Inclusion, 2008; Mahendra, 2006).

Importance of Financial Inclusion

The economic welfare and growth of a nation depends on the accessibility to financial products and services (Bansal, 2014; Lal & Sachdev, 2015) and is perceived as a key enabler for development (Thankom et al., 2015). It generates local savings which increase productive investments in local businesses (Babajide, 2015), facilitates economic growth and reduces income inequality by shifting the negative relationship between income inequality and economic growth into a positive (Kim, 2016), and is critical to economic development in general

(Demirguc-Kunt & Klapper, 2012) as poverty can be reduced by financial inclusion and financial accessibility to the poor (Sehrawat, 2016). It is therefore understandable that financial inclusion has become a subject of growing interest among researchers, policy makers, and other financial sector stakeholders (Allen et al., 2015; Babajide, 2015; GPFI, 2015).

Solutions for Financial Inclusion

Scholars typically discuss three general areas when talking about financial inclusion: Micro-Financing, MFS, and ICT (cp. Table 3). It should be concluded though that these areas are not perfectly mutually exclusive and collectively exhaustive[7], and other steps have been taken as well.

The solutions presented in Table 3 are dependent on each other even if often discussed separate. In order to succeed with financial inclusion, their distribution and diversity are important aspects, yet establishing physical bank branches are uneconomical in some geographical areas due to high costs of operation and low revenue generation. Therefore, it is not surprising that a solution which has gained significant attention in is MFS (Lal & Sachdev, 2014) which leverages recent years' established high mobile coverage (ITU, 2013). However, MFS is highly dependent on ICT.

For the purpose of this thesis, we define MFS as a wide array of financial solutions to consumers. In its simplest form, MFS can consist of some form of account on which consumers can deposit and withdraw cash. More developed solutions allow for more features such as, amongst others, options to transfer money to friends and family, a line of credit, the possibility to use it as a payment method in stores, etc. In the context of developing countries, these financial solutions need to be manageable to a large degree via cellphones.

[7] Minto (2008) proposed that information should be presented in a way which he calls "MECE" (Mutually Exclusive and Collectively Exhaustive) - a structure in which different components describe a superordinate element holistically without the occurrence of redundancy.

Table 3: Areas of Financial Inclusion

Area	Definition	Benefit	Drawback	Authors
Micro – Financing	A banking service e.g. in the form of an account requiring zero or minimum balance or very low minimum balance.	Provide the means of saving, borrowing, and insurance.	Can be skewed and exclude some areas. More flexible options are required.	Chakrabati & Sanyal, 2015; Amutha, 2012; Mukhopadhyay & Rath, 2011; Shankar, 2013; Thorat, 2006; Dev, 2006
MFS	A service in which a mobile phone is used to access financial services.	Positive relationship between MFS adoption and financial inclusion with a high mobile phone coverage around the world (E.g. successful project M-Pesa).	The success of MFS has been limited due to issues of scalability and interoperability among various providers.	GSMA, 2010; Lal & Sachdev, 2015; Bold et al, 2012; Jenkins, 2008; Porteous, 2006; Ehrbeck, 2012; Donnovan, 2012
ICT	Information and Communication Technology to access, gather, manipulate, and/or communicate information.	ICT can act as a tool to develop a platform to extend financial services to remote areas. Technology helps to reduce costs, increase customer reachability, and improve the management of business risk.	Few technological solutions have been proven and work still needs to be done to make them interoperable especially with a lack of infrastructural capabilities.	Bansal, 2014; Lloyd, 2005; Chopora et al., 2015; Raspopovic & Vasic, 2014; Madsen & Vaccaro, 2009

2.3 Rationale for CSCs (*Why*)

Scholars have been developing theories to explain organizational collaboration for decades, but recently there has been an increased interest in CSCs. Theories first developed from the interface between the private sector and the government, but increasingly the interface between NGOs and the private sector gains relevance (Berlie, 2010; Buckley, 2002; Buckley & Ghauri, 2005; Doh & Teegen, 2002 & 2003). Although from today's perspective, these alliances are almost perceived as a logical relationship, the two parties have traditionally been "long-standing adversaries" (Bendell & Murphy, 1999) or "bitter enemies" (Stafford & Hartman, 1996). Scholars argue with a diverse set of rationales for CSCs, but most often the individual rationales can be attributed to a superordinate, well-established theory. The most prominent theories include: Resource Dependency, Transaction Cost, Societal Sector, and Social Issues Management Theory.

Resource Dependency Theory

Probably the most recurring theory to explain CSCs is the Resource Dependency Theory (Foster & Meinhard, 2002; Selsky & Parker, 2005; Guo & Acar, 2005). The theory suggests that an organization will be open to collaborations when it faces a scarcity of resources which can be complemented by others (Pfeffer & Salanicik, 1978). An overview about the most important resources typically provided in a NGO-Business collaboration can be found in Table 4 which is based on Berlie (2010).

Table 4: Provided Resources in a NGO-Business Collaboration

Resources Provided by NGOs	**Resources Provided by Businesses**
Legitimacy (as NGOs are trusted in society)	*Money*[8]
Knowledge (e.g. about local communities or societal trends)	*Knowledge* (e.g. about marketing, distribution, or technical issues)
Networks (e.g. with local communities or governments; supports indirect lobbying)	*Networks* (e.g. with business associations or supply chain companies)
Absent of confrontation (i.e. the close collaboration enables a company to proactively avoid public confrontation with a NGO)	*Change* (i.e. adapting the status quo business practices to a more desirable state through collaboration)

Resource Dependency Theory has gained significance with the public sector cutting down its funding for non-profit organizations, especially in North America, which forces NGOs to substitute missing government grants by other donations (Foster & Meinhard, 2002). As legitimacy offered by NGOs is an interesting phenomenon and perceived to be the by far most important resource provided by NGOs, scholars established a so-called *Legitimization Theory* to address this resource separately. The idea of this theory is that businesses know about pressures of

[8] Monetary contributions can flow to and from companies. Private foundations, which we classify as NGOs, usually contribute money to companies. In contrast, other NGOs such as aid or humanitarian agencies depend on funding from, amongst others, companies.

society to engage in social or environmental activities and the best way to counter this pressure is to partner with a NGO as its name carries value in society (Stafford & Hartman, 1996; Elbers, 2004). This value, or power, is based on trust which the society places in them and a partnership can transfer trust to the company (Fowler, 2004). As this resource is unique to a NGO, many scholars consider legitimacy the most important resource to qualify a NGO as a collaboration partner (Stafford & Hartman, 1996). Other resources such as local knowledge can also be created internally or be acquired from consultants (Berlie, 2010). Nevertheless, with the growing professionalization of CSR activities and their alignment with the overall strategy, legitimization as prime resource from NGOs loses relevance and instead contributions such as local knowledge become more important (Dahan et al., 2010). A further consideration of the Resource Dependency Theory can also be found in Table 5 which shows resources clustered according to established functional areas such as marketing or distribution.

Transaction Cost Theory

The *Transaction Cost Theory*, sometimes also labelled *Efficiency Theory*, derives an impetus to collaborate from potential cost advantages by combining efforts (Foster & Meinhard, 2002). Transaction costs exist for instance in form of drafting and negotiating an agreement which occur when using market mechanisms (Williamson, 1985). When entering a collaboration, these transaction-based costs can be avoided by aiming for a longer lasting trustful partnership which reduces complexity and thus transaction costs (Smith et al., 1995; Chiles & McMacking, 1996; Ostrom, 1998).

Societal Sector Theory

In contrast to the previously mentioned theories, the *Societal Sector Theory* considers a more abstract angle on collaboration as it follows broader sector trends. The theory proposes that the boundaries among the three sectors in society are increasingly blurring as all sectors adopt methods which originated from another sector, such as NGOs pursuing some commercial activities due to decreasing government funding (Furusten, 2013; Berlie, 2010). In contrast, companies have to meet new demands from stakeholders which go beyond mere profit generation which is exemplified by the vast adoption of the so-called Triple-Bottom Line[9] or also CSR in corporate agendas (Waddock & Smith, 2000). These emergent corporate agendas offer numerous overlaps with the purpose of NGOs which in return provide a common ground for collaborations (Berlie, 2010).

[9] Triple-Bottom Line describes a "balancing of economic, ecological and social interests" (Berlie, 2010)

Social Issues Management Theory

In line with the above mentioned Societal Sector Theory, the *Social Issues Management Theory* takes a more abstract stance on the rationale for collaborations. The theory proclaims that organizations are generally stakeholders of issues which they should address (Waddell, 2005). However, some issues, so called "meta-problems", cannot be addressed by a single organization; instead, they need to be overcome by multiple organizations collaborating with each other (Gray, 1989; Selsky & Parker, 2005; Waddell, 2005). These collaborations are generally of a temporary nature with a clear separation between the partnering organizations (Roberts & Bradley, 1991; Selsky & Parker, 2005).

Moderating Factors

The theories presented above try to offer a holistic explanation for collaborative behavior, however, there are also variables which have an impact on the sentiment of individual organizations to collaborate. These factors include, amongst others, legal enforcement to collaborate, the organization's age or size, and whether or not the organization is led by a woman (Guo & Acar, 2005; Foster & Meinhard, 2002).

2.4 Management of CSCs (*How*)

In this section the *How* perspective will be discussed by identifying different areas and intensities of collaboration, how hurdles and tensions are managed, and how collaborations are designed when providing new services to a developing country (Section 2.4.1). Section 2.4.2 will then cover how to evaluate CSCs.

2.4.1 Execution of CSCs

The areas in which CDOs and companies collaborate are increasing in number with an evolving view of social contribution in the private sector. Dahan (2010) identifies six functions in which collaboration can exist (cp. Table 5). This clustering is also in line with the Resource Dependency Theory as discussed in section 2.3.

Table 5: Functional Areas Open to CSCs

Function	Execution of Collaboration	Authors
Market research	Most NGOs involved in developing countries have “on-the-ground” resources and knowledge about the specifics of the individual market. A firm would benefit from collaboration to develop a product or service offering better adapted to the local market context.	Wilburn, 2009
Product R&D	NGOs have a close market proximity and therefore an understanding of needs vital for the R&D process.	Ilays-Ahmed et al., 2003
Procurement and Production	Being successful in developing countries requires a low-cost consideration. Corporations of global scale typically have the relationships and skills to run low-cost operations, while NGOs can be of support in procurement of e.g. low-cost labor and development of local labor pool training.	Bendell, 2011
Distribution	Corporations provide global distribution systems and NGOs with their local knowledge can access networks and existing distribution systems and build trust with local stakeholders.	Ekewe, 2010
Marketing	Corporations have the means to create marketing messages with high impact and reach. The knowledge of NGOs about social issues in addition to its legitimacy can enhance any message from companies.	Kourula, 2010
Business Model Development	The parties contribute different resources, capabilities, strengths, and areas of expertise: in combination, these allow for co-creation of complex systems of value delivery that would otherwise be inconceivable.	Bocca & Gopalan, 2009

Within these areas, collaboration can be either based on strictly divided functions or shared execution depending on the phase of collaboration (Steger, 2000; Dahan, 2010). In terms of relationship intensity, the level and depth of engagement between NGOs and companies varies and can take the form of ad hoc opportunistic coalitions or they may involve common problem solving or the lending of credibility and legitimacy (Steger, 2000). This entails a development curve starting from a typically project based interaction evolving into an alliance (Dahan, 2010). Both Rondenelli (2003) and Kourula (2010) divide the degree of engagement into three levels that span from low to high intensity relationships with different goals of each entity across the levels. According to these two scholars, a CSC with a low level of relationship intensity is mainly characterized by corporate support for employee participants and is termed an Arm’s-Length-Relationship. A more intense relationship, an Interactive Collaboration, is displayed as, among others, NGO certification of business practices and targeted project support. Lastly, an Intensive Management Alliance represents the highest relationship intensity and describes a formal alliance in which NGOs are trying to influence the way corporations work and vice versa. Appendix I shows a more in depth overview about these three different types of collaborations together with a detailed description about the differences among the types along all functions mentioned in Table 5.

Collaborations do not necessarily run smoothly, instead there are usually some obstacles that can occur along the way towards the partnership goals. This statement holds especially for CSCs. Probably the most prominent source for obstacles are the differences that exist between partnering organizations with very distinct backgrounds. These organizational asymmetries are typically experienced by all people involved in the partnerships (Parker & Selsky, 2004). Some scholars state that it is critical that the organizational cultures and processes of the partners are aligned to allow for success, or at least for faster progress (Doz, 1996; Dyer & Singh, 1998; Faulkner & De Rond, 2000). However, other scholars make probably the more interesting point by redirecting the focus on the fit between the partnership goals of the individual organizations (Austin, 2000; Cimon, 2004; Saxton, 1997). This fit offers a more interesting perspective since partners in CSCs will almost necessarily display very different organizational cultures and backgrounds. Moreover, this stance is more in line with the Resource Dependency Theory as a reason to collaborate since it suggests that only an asymmetry in resources can lay the foundation for a partnership. Asymmetries are generally present in one of the areas as displayed in Table 6 which is based on a report of the Nonprofit Sector Strategy Group (2001). These three areas of asymmetries also apply to an ICT company and NGO setting as introduced by Raspopovic & Vasic (2014) and Madsen & Vaccaro (2009), although they clustered them on a more granular level.

Table 6: Areas for Asymmetries in CSCs

Asymmetry areas	**How to overcome them**
Power and Resources	Clarify value contributed by partner (Ashman, 2001)
Culture and Competencies	Learning over time (Berlie, 2010)
Mission and Goals	A substantial misalignment can hardly be overcome; common ground is essential (Ogilvie & Everhardus, 2004)

2.4.2 Evaluation of CSCs

Businesses generally evaluate their resource allocation and return on investment on projects carefully in order to transparently communicate financial progress to their shareholders. In contrast, NGOs operate in a context with a broad set of potential targets leading to a less developed reporting system due to confusion about the selection of indicators and the inherent complexity in quantifying them (Berlie, 2010). This discrepancy between the evaluation processes indicates potential conflicts when businesses and NGOs collaborate, opening up an interesting research field. Nevertheless, due to the novel character of NGO-business collaborations and the heterogeneity of projects, there are not many research papers about the measurement of an entire collaboration yet. Most papers focus on the financial results of companies engaging in CSR-related collaborations, but scholars typically fail to go beyond mere financials and the constituents of the company and the society/environment; the consequences for partnering NGOs are generally neglected (e.g. Berlie, 2010; Hansen & Spitzeck, 2012; Knox & Maklan, 2004; Weber, 2008).

In line with the lack of detail to measurements in academia, NGOs and companies often fail to actually implement evaluation tools, although both generally agree on the value and benefits of such tools (Austin, 1999; Tholke, 2003; Tuxworth & Sommer, 2003). The list of benefits includes a clear formulation of goals which allow for an alignment with a superordinate strategy (Hoffmann, 2002), a chance to track progress over time (ibid.), a potential to positively impact the overall performance of the project (Sammer, 2007; Saterson et al., 1999), and the provision of a communication tool to stakeholders (Tuxworth & Sommer, 2003). Given these benefits, the question remains why especially in NGO-company collaborations evaluation tools are generally either absent or very limited at best (Austin, 1999). Arguments against a wide implementation of performance measures comprise the perceived level of bureaucracy to establish them (Berlie, 2010), the complexity of this process (Saterson et al., 1999), and the difficulty to agree on which measures to use in the first place (Brouthers, 2002; Olk and Ariño, 2003).

If developed, performance measures should include some indicators for the partnership level and others for the individual organizations (Berlie, 2010). Due to the heterogeneous culture within the collaboration, it is generally advised to also communicate the intra-organizational goals to prevent any form of unjustified distrust from the partnering organization and to identify all potentials for reaching established goals (Hughes, 2002). When setting up evaluation criteria, there are two basic dimensions which should be considered, one being process performance and the other being result performance (Ariño, 2003; Nielsen, 2007). Process performance focuses more on the question how the alliance works, whereas result performance evaluates what outputs and outcomes were achieved. Consequently, the measurement of process performance indicators can start immediately when the partnership commences, whereas result indicators can only be used after some time when first outcomes are observable (Tholke, 2003).

Despite the difficulties in measuring partnership performance which offers many research opportunities for scholars, there are only very few empirical studies about the evaluation practices in NGO-business collaborations. A study conducted by Berlie (2010) focuses on three multinational CSCs with a focus on environmental issues. The major finding of the study is that evaluation criteria are either non-existent or underdeveloped, a fact of which the alliance partners are well aware of, as the study finds major discrepancies between the interviewee's perceived relevance of evaluation areas and the existence of measurements for these areas. Due to the complexity to measure the alliance's impact on environment, none of the collaborations actually evaluated this dimension despite the fact that it is the prime goal of the collaboration. Another study by Zhao (2002) which focused on joint ventures among companies, academic and research institutions, and others found a similar, although less significant, discrepancy between the perceived relevance of certain key performance indicators (KPIs) and their actual usage. This may indicate the general complexity in developing measurements for collaborations among stakeholders with distinct organizational backgrounds.

2.5 Summary of Research Gap

The research question and its subordinate guiding questions aim to investigate *what* financial inclusion is to the interviewees, *why* CSCs in this specific context may exist, *how* they are executed and evaluated, in order to achieve the goal of financial inclusion. The subsequent literature review chapter provided the current status of published research results in this domain.

The literature of understanding financial inclusion is relatively comprehensive, since it is a developed concept. However, even if factors of financial inclusion could be harnessed form previous research, it still needs to be assessed from our current setting.

Although sometimes based on a more theoretical thought process without empirical testing, the literature on the rationale for CSCs in general is quite comprehensive. However, some of the findings may be already outdated or otherwise not applicable for the context of MFS. Moreover, the documentation of the researched partnering organizations was not always transparent towards a dimension which receives particular attention in this thesis: Collaboration in developing countries. This non-transparency may disguise a different structure in the rationales for a partnership since collaborations in developing countries are often unnoticed from the consumers in the developed world (Berlie, 2010). This difference has implications on the relevance of the Resource Dependency Theory.

When it comes to the execution of partnerships, existing literature mostly fell short on taking into account social business opportunities in developing countries as it is the case for MFS. This context may have a substantial influence on the way how a partnership is managed since companies see a completely different competitive landscape and potential future growth compared to industrialized economies.

The literature review concerning the evaluation of collaborations highlighted an interesting circumstance: Practitioners rarely apply formalized evaluation criteria to monitor the partnerships they engage in. At the same time, most of them generally agree on the importance of measurements which is supported by the research of numerous scholars. The increasing professionalization of CDOs as well as the dealings with them from the corporate side may now allow for a better review of how practitioners evaluate partnerships compared to a few years ago.

3. Conceptual Framework

Following the structure and purpose as introduced in chapter 1, we designed a framework (cp. Figure 4) based on three central building blocks which represent the areas of exploration. The logic is to some degree inspired from and supported by literature on project management (Wysocki, 2011). First, we investigated what dimensions of financial inclusion are particularly pronounced among the interviewees. The dimensions comprise access, usage, scalability, and adoptability as introduced in chapter 2.2. The second block is dedicated to an exploration of the reasons to collaborate. Interviewees may employ argumentations in line with the different theories presented in chapter 2.3 including potential moderating factors. The third and last block is concerned with the execution of CSCs. This area of exploration consists mainly of two areas which is the execution of the partnership itself, and the evaluation and monitoring processes as shown in chapter 2.4.

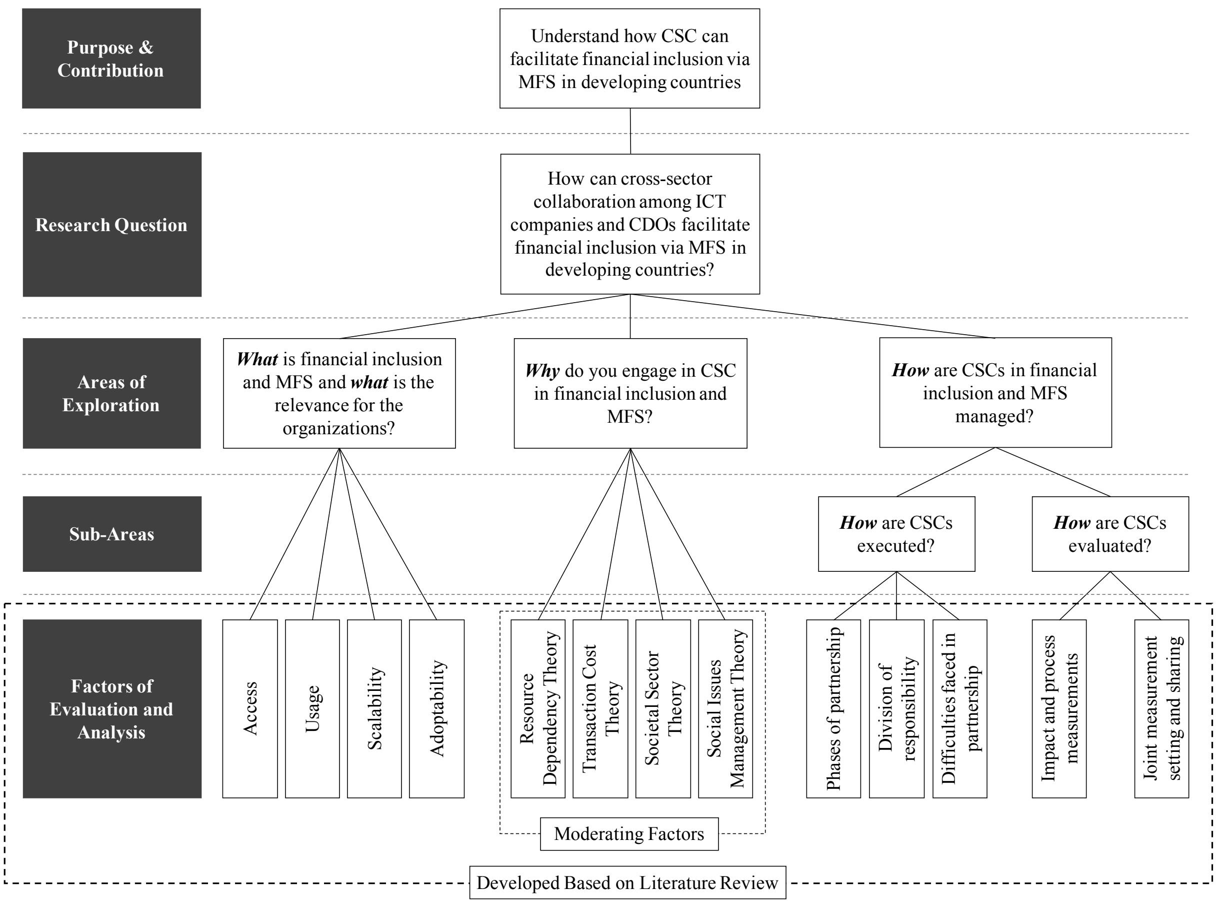

Figure 4: Conceptual Framework

4. Methodology

The methodology section is divided into two main parts: section 4.1 Principles, and section 4.2 Research Design & Process.

4.1 Principles

We employed a number of guiding principles in our work on the thesis which are presented in the following.

4.1.1 Abductive Approach

The field of collaboration is relatively extensive (support for a deductive research approach), however, the context of the study is relatively nascent (support for an inductive approach). To account for those mixed characteristics, an abductive approach was deliberately chosen as it is suitable for studies similar to this (Dubois & Gadde, 2002; Alvesson & Sköldberg, 1994). Abduction is a mix of both the inductive[10] and deductive[11] approach. It is a combined interactive theoretical and empirical discussion (cp. Figure 5 which is based on Järvensivu & Törnroos (2009)) that accepts existing theory, to improve the theoretical strength of the case analysis, and allows for a less theory driven process – enabling a data driven theory generation (Järvensivu & Törnroos, 2009; Bryman, 2015; Reichertz, 2010). The abductive approach allowed an establishment of an initial frame while still being receptive to changing conditions.

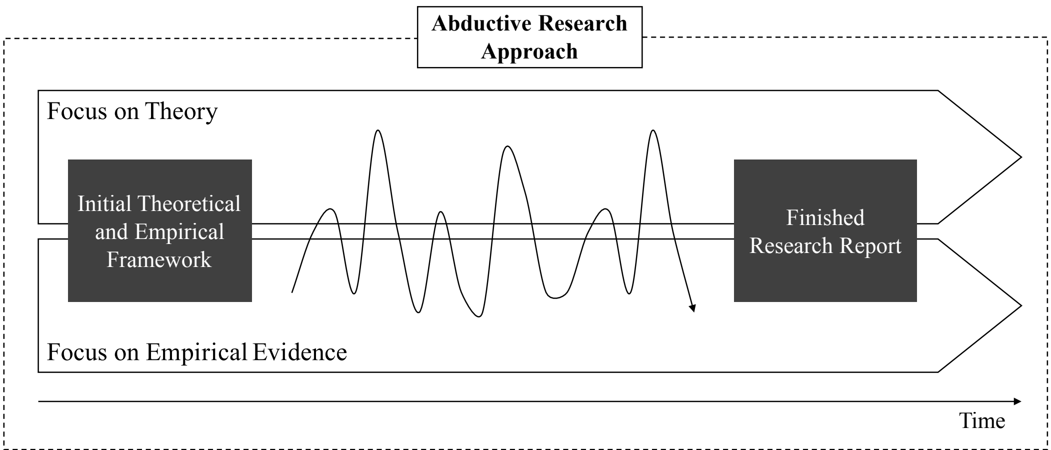

Figure 5: Abductive Research Approach

When using an abductive approach it is important to distinguish in what way it is abductive (Järvensivu & Törnroos, 2009). The five process steps underlying our research can be seen at

[10] An inductive process concerns understanding and explaining empirical findings by developing abstractions, hypotheses, and theories instead of testing existing ones (Bryman, 2015 pp. 24-27).

[11] In a deductive process, the researcher starts with existing theories from which hypotheses are constructed and tested by observations in reality (Bryman, 2015 pp. 24-27).

the top of Figure 6. Below these process steps, there is illustration of the application of inductive, abductive, and deductive approaches which is based on Järvensivu & Törnroos (2009). For a more thorough discussion about why the different phases qualify for different approaches, please refer to Appendix II.

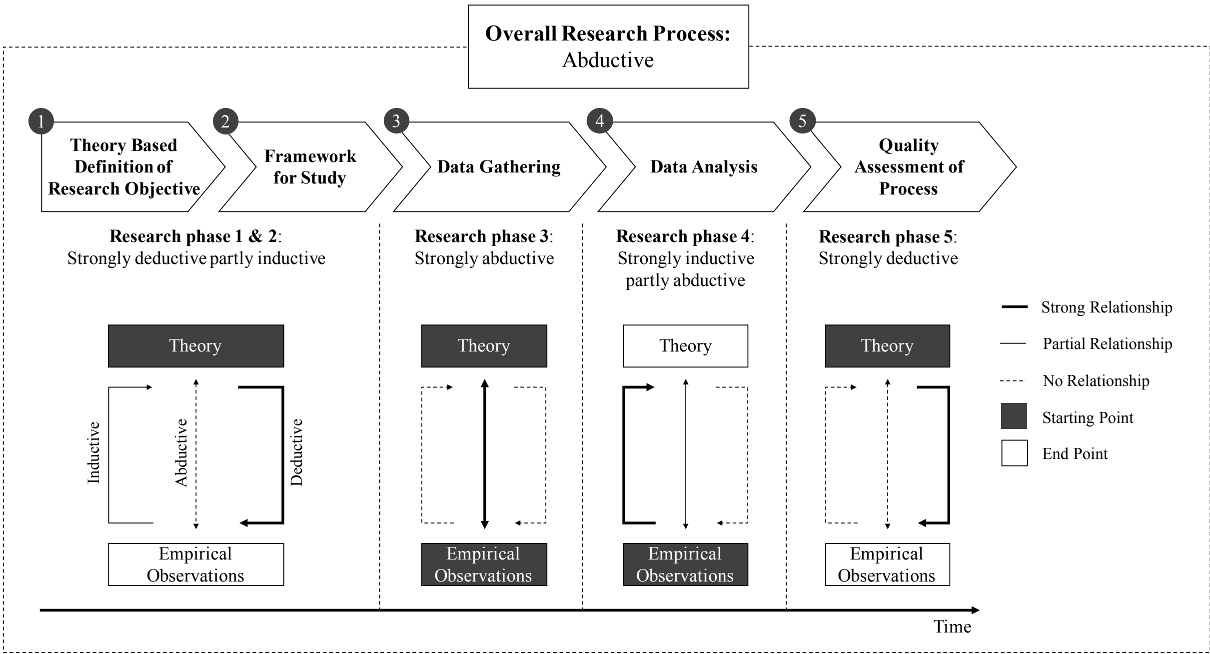

Figure 6: Abductive Research Process in 5-Step-Framework

4.1.2 Qualitative Case Study

To fill the theoretical gap, a qualitative method was chosen as it is recommended when building theory in a nascent area (Edmonson & MacManus, 2007; Yin, 2009; Hahn & Gold, 2013; Bryman & Bell, 2015). In particular, a qualitative case study method is employed – a natural experience facilitating the testing, modification, and refinement of existing theories (Piekkari et al., 2009; Yin, 2009). The essence of qualitative research is to make sense of and recognize patterns among words in order to build up a meaningful picture without compromising its richness and dimensionality. Like quantitative research, qualitative research seeks answers for questions about "how, where, when, who, and why" with a perspective to build a theory or refute an existing theory (Leung 2015), however, grants researchers more flexibility regarding information expected from data gathering (Jacobsen, 2002). The methodological choice is perfectly in line with the format of the thesis with its *What*, *Why*, and *How* components (Sandelowski, 2000; Grimes & Schulz, 2002; Leung, 2015) which is further supported by previous studies employing a similar methodology in the area of collaboration and areas related to our context (Kourula, 2009; Hahn & Gold, 2013).

4.2 Research Design & Process

The overall research process is inspired by Stuart et al. (2002) and presents a process with five distinct phases (cp. Figure 7) to structure and present the research.

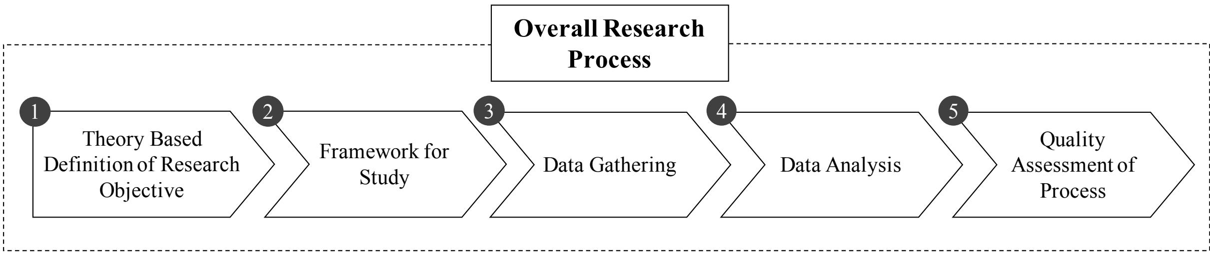

Figure 7: Qualitative Research Process

4.2.1 Theory Based Definition of Research Objectives

Limited literature existed on a partnership level within financial inclusion and the MFS context, but also in terms of ICT companies engaging in CSC partnerships. Therefore, the study was influenced by partnerships in other contexts through the lens of a relational view, by literature covering CSR and CSCs with a high focus on NGO-private sector partnerships.

4.2.2 Framework for Study

A case study is suitable for scientific exploration (Yin, 2009), making the approach relevant for studying partnerships within a MFS context – an area scarce of empirical findings (Hahn & Gold, 2013). Given its nature, a new framework was created. The *What*, *Why*, and *How* elements were based on a combination of previous studies in the area (Sandelowski, 2000; Grimes & Schulz, 2002; Leung, 2015) with an inspiration from project management literature (Wysocki, 2011). In project management, the traditional process steps are about defining, planning, executing, controlling, and closing (ibid.). The structuring of this process had a significant influence on the framework proposed in this thesis, as all five steps from the project management literature are reflected, to different degrees, in the *What*, *Why*, and *How* elements.

4.2.3 Data Gathering

Data gathering can be divided into a primary and secondary data collection

4.2.3.1 Primary Data

Primary data can be defined as data collected with the primary purpose of being used in the research (Bryman & Bell, 2015). Related processes in the gathering of primary data included some preparatory mechanisms before interviews have been conducted.

Definition of Sample Cases

Ericsson as a case company is relevant since it has operations in developing countries, has many departments interested in financial inclusion and CSCs, and is a leading provider of mobile/ICT services, as stated by several interviewees at Ericsson. This counters the critique against using one company and not several organizations as with the CDOs, because size ensures a diverse picture (Roth & Kostova, 2003). In regards to the cross-sector partners, the original focus was on NGOs and civil society. In locating these, the logic and method as shown as in Appendix III was applied. As the thesis progressed, however, with regards to the abductive approach and the pre-study (section 1.2), further organizations that were not necessarily civil society organizations were included. This shift occurred mainly due to the following three reasons:

a) The starting point for the thesis is a private company perspective (ICT) and many interviewees of Ericsson did not make a clear distinction between the non-corporate partners in this context. As the discussions with Ericsson employees commenced, it became quickly apparent that they generally perceived NGOs and government aid agencies to be equal when it comes to their interest in financial inclusion.
b) Although the population size is rather small, the higher quality of responses from knowledgeable interviewees outweighs, in our opinion, the larger quantity of responses from mostly uninformed subjects. This filtering of potential interviewees was in another step also implemented by the people who received our interview requests as only those with a particular experience in the narrowly defined research area offered to participate. A common reply can be found in Appendix IV. Given the small population size of appropriate sources from the CDO side, it quickly reduced the number of available participants (cp. Appendix V for contacted organizations).
c) Most organizations hesitated to call themselves an "NGO", as they perceived themselves as a unique entity which does not fit into the established definitional framework. In doing so, they challenged the common view to divide the organizational environment into three sectors of civil society, government bodies, and companies (cp. Figure 3). Instead, they often saw themselves as somewhere in between sectors or as a unique entity (e.g. Brunsson, 1994). To counter this context, NGOs as sole collaboration partner were no longer suitable for this thesis.

These arguments serve as a clarification why the sample includes a mix of organizations. This circumstance requires consideration as the conceptual framework was mainly based on collaborations among companies and civil society organizations, mainly in form of NGOs. However, a comparison of the empirical findings with what the theoretical sources suggested showcases a resemblance, thus, justifying a retention of the initially created framework.

Finding Subjects

The candidates for interviews were selected on their level of knowledge in financial inclusion, previous partnerships and if the organizations were active in a developing country. Generally, two to three persons in every organization were contacted to increase the opportunity of answer (cp. Appendix VI for a list of interviewed organizations). Furthermore, a snowball technique (Atkinson & Flint, 2001) was used, meaning that each interviewee was asked about other potentially relevant interviewees. The total number of interviewees is relatively small (16) with an additional small number of further interviews which were excluded from the empirical findings chapter as they were not suitable for answering the questions we posed. Furthermore, candidates did not always have the appropriate history of partnerships and financial inclusion/MFS knowledge. For instance, they could be directly involved in financial inclusion and private partnerships, however, with little experience in MFS or vice versa. With little existing research and the field starting to evolve in practice, the primary focus was not only to answer whether or not partnerships existed, but also to find out how and what partnerships could potentially generate. To account for these limitations, interview data was complemented by secondary data (cp. 4.2.3.2)

Contacting Interview Candidates

Potential interviewees were to a vast majority approached by an email containing a presentation of the research project, guidance regarding who should respond, how it should be responded, and contact details of the researcher (cp. Appendix VII). If no response was received, a reminding e-mail was sent out after one week to remind candidates and motivate participation. Repeated reminders were sent out to achieve a higher response rate and closure. However, the response rate was very low in the end, being below 10%.

Conducting Interviews

The interviews were of a semi-structured format (Jacobsen, 2002) and held in English with an average duration of about one hour. Even though English was not the native language of most participants, all of them were confident in speaking English, hence, the language did not represent a substantial limiting factor. Face-to-face interviews were performed when possible, however, the majority of interviews were conducted via video/conference calls because of international placements of many subjects. As the interviews were semi-structured, an interview guideline was used to provide some directions (cp. Appendix VIII). The interview guideline is focused on relational aspects and a broad range of facets regarding how to do business, the organization's individual contribution and efforts towards achieving financial inclusion and the development of MFS. To ensure applicability and validity, two articles were used as reference (Kourula, 2010; Brinkerhoff, 2002).[12] The guideline was used as a general agenda for the interview rather than a fixed frame. Follow-up questions were created spontaneously depending on provided information. Interviews were noted down, the vast majority was also recorded[13] and transcribed to ensure that all details in the interviews were fully captured. The main part of data collection was performed during March and April. Supportive secondary sources and related material were collected on a continual basis.

4.2.3.2 Secondary Data

Secondary data is collected by others with a primary use other than this thesis (Bryman & Bell, 2015). A thorough research on the topic on a general level via databases and academic journals was performed (cp. Appendix IX). To find further suitable literature, reference lists were used as an inspiration for follow-up readings. Literature recommended by our tutor was also taken into account.

Moreover, the primary data was triangulated with published case studies, corporate reports and websites about sustainability issues, and documents on previous engagements being of particular interest. Four reports serve as an additional frame of reference in the empirical findings (cp. *Table 7*). These substantiate the research and add depth as organizations proved harder to get a hold of then initially expected.

[12] Kourula (2010) had a similar methodological approach in a related area and revealed the interview guide in the article. In addition, Brinkerhoff (2002) presents a framework for assessing and improving partnership relationships with example categories and questions

[13] One interviewee had a policy about not being recorded when giving interviews.

Table 7: Secondary Sources

ID	Title	Organization
S1	The Opportunities of Digitizing Payments (2014)	World Bank
S2	Banking on Change Project Outline (2016)	Clinton Foundation
S3	Why do Partnerships in Mobile Financial Services Struggle (2013)	CGAP
S4	Partnerships in Mobile Financial Services: Factors for Success (2013)	International Finance Corporation

4.2.4 Data Analysis

The data analysis section covers the employed approach of qualitative content analysis and the process of anonymizing participants.

4.2.4.1 Qualitative Content Analysis

In analyzing data, a structured approach (Jacobsen, 2002) is essential which for this thesis was qualitative content analysis (Duriau et al., 2007; Mayring, 2000). It embodies a systematic, rule-governed, and theory-driven analysis (Mayring, 2000). Our analysis started from the patterns of categories deductively developed beforehand as suggested by Seuring & Gold (2012).

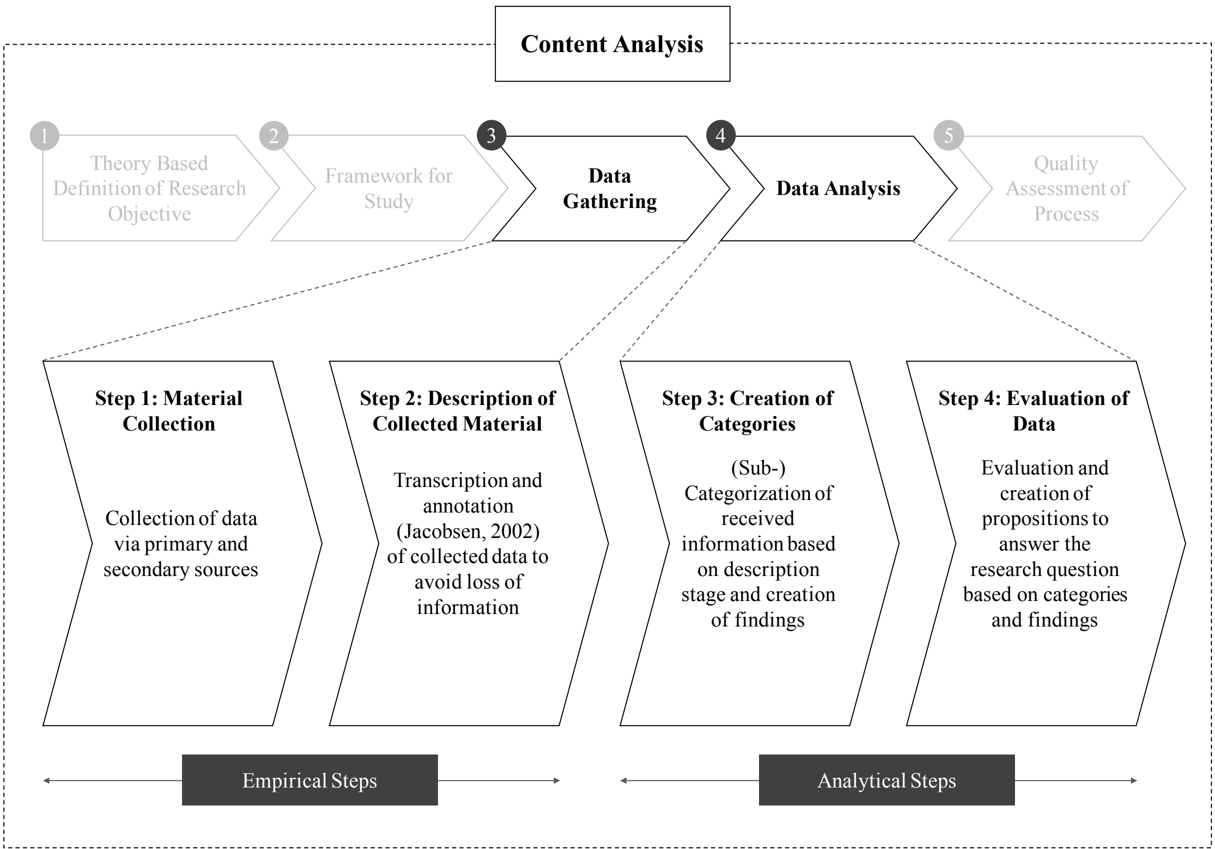

Figure 8: Content Analysis Visualization

We combined Seuring and Gold (2012) and Jacobsen (2002) to distill a four-step approach for conducting content analysis: (1) material collection through interviews, (2) description of the characteristics of the material, (3) creation of categories, and (4) evaluation of data based on this framework. The overall process can therefore be seen as being twofold: an empirical step and analytic step. The full extent of the data analysis conducted is illustrated in Figure 8 (based on our interpretation of Seuring & Gold (2012), Jacobsen (2002), and Stuart et al. (2002)).

4.2.4.2 Anonymity of Participants

Upon the request of some participants, all subjects interviewed are not quoted by name and instead aliases were created (cp. Table 8). It should not be perceived as a limitation to the study as offering anonymity can facilitate a more open discussion and knowledge sharing (Brink, 1993). To be consistent in quotation styles throughout the empirical section, secondary sources are coded in the same way (cp. *Table 7*).

Table 8: Primary Sources (Interviewees)

ID	**Organization**	**Area (Position)**
E1	Ericsson	MFS Department (Strategic)
E2	Ericsson	MFS Department (Marketing)
E3	Ericsson	MFS Department (Business Development)
E4	Ericsson	MFS Department (Sales)
E5	Ericsson	MFS Department (Strategic Growth)
E6	Ericsson	CSR Department (Management)
M1	NGO	Project Management (Senior Management)
M2	NGO	Corporate Fund Raising (Management)
M3	NGO	Advisory Department (Markets and Microfinance)
M4	NGO	Project Management (Management)
M5	NGO	International Projects (Management)
M6	NGO	Project Management (MFS development)
M7	Think Tank	Strategic Management (Region Management)
M8	Think Tank	Financial Programs Department (Specialist)
M9	UN Agency	Private Partnerships (Regional Manager)
M10	UN Agency	Financial Inclusion Department (Coordinator)

4.2.5 Quality Assessment of Process/Study

The problem with assessing qualitative research is the applicability of validity[14] and reliability[15] as both concepts assume there is one absolute truth in a social context which, however, is not necessarily the case (Bryman & Bell, 2015). In particular, reliability is questioned in qualitative research as consistency and replicability is hard to achieve (Bryman & Bell, 2015). Validity is questioned since measurement is not a major activity in qualitative research, hence, the issue of validity has little relevance (Bryman & Bell, 2015). This critique has opened up for alternative criteria (Lincoln & Guba, 1985 ref. Bryman & Bell, 2015; Guba & Lincoln, 1994 ref. Bryman & Bell, 2015; Brink, 1993; Leung, 2015). Based on the views of Guba & Lincoln (1994), the elements of *trustworthiness* and *authenticity* have emerged as better evaluation criteria.

Trustworthiness

As there might be several accounts of social realities, it is crucial to check for the *credibility* of the interviewee and his statements. To evaluate this component, two actions are usually considered; (1) respondent validation and (2) triangulation (Bryman & Bell, 2015). (1) describes that qualitative researchers can provide their findings to the interviewees to ensure that the latter, as experts in the area of exploration, agree on the overall correctness of the inferences (Bryman & Bell, 2015). (2) describes a process of cross-checking findings from research with alternative sources of information (Guba & Lincoln, 1994). We did not provide the interviewees with our findings to receive a verification which can be seen as a limitation to the study. This lack of respondent validation is mainly based on time constraints of the thesis and the rather long time period of primary data gathering. However, we used triangulation to counter this shortcoming, i.e. we used secondary sources such as CSR reports, case studies, homepages of CDOs and companies, and project reports to validate our findings from the interviews (Brink, 1993).

Furthermore, to increase the level of trustworthiness and credibility, we were careful in analyzing the data and did not draw conclusions about the identification or classification too quickly (Maxwell, 1996). Additionally, we recorded the observations, hence acted as "low-inference

[14] Validity concerns accuracy and truthfulness of scientific findings; the extent to which research findings are a true representation of reality rather than being the effects of extraneous variables and addresses the degree to which such representations or reflections of reality are legitimately applicable across groups. (Bryman & Bell, 2015, p. 400; Brink, 1993).

[15] Reliability concerns consistency, stability and repeatability of the informant's accounts as well as investigators' ability to collect and record information accurately and ability of a research method to yield consistent results over repeated testing (Brink, 1993; Leung, 2015).

descriptors" (Brink, 1993). In transcribing the interviews, we tried to "be as true to the conversation as possible" (Bazeley, 2013) to avoid wrong inferences (Silverman & Marvasti, 2008). Furthermore, we followed typical steps for analysis in this area (e.g. Seuring & Gold, 2012): coding by creating categories and themes about the context and variations in the phenomena under study, developing names for categories and elaborating on our classification system, and testing them within the data as they are collected and comparing them against each other (Brink, 1993; Jacobsen, 2002). By acting as much in a non-subjective way as possible in analyzing the data we aimed at the same time to achieve *confirmability*, which is concerned with the objectivity of the researchers, by aiming to avoid two common threats: researcher bias and competency, that if unchecked, may considerably influence the trustworthiness of data (Brink, 1993).

Another aspect within the element of trustworthiness includes t*ransferability* which is concerned with the degree of generalizability of the findings (Lincoln & Guba, 1985, ref. Bryman & Bell, 2015). As the interviews were highly specific to the context of financial inclusion and MFS in its current development status, the findings should not be considered as being universally valid in other settings. To provide the reader with a good understanding of the context, long transcribed extracts from the interviews have been highlighted in section 5 (Empirical Findings).

Dependability, a criterion similar to reliability in quantitative studies, was accounted for by keeping a record of all phases of the research process, such as selection of research participants, fieldwork notes, interviews transcripts, and data analysis decisions as recommended by Bryman & Bell (2015). We did not make use of a knowledgeable auditor to check for the correctness of the implications based on the full provision of transcribed interview and further data (Bryman & Bell, 2015). However, we received some advice from our supervisor on a regular basis which may serve as an indication for some evaluative measures from outside parties.

Authenticity

Authenticity is the other central aspect in evaluating qualitative research. Although there are several components to it, *Fairness* is probably the most relevant aspect which deals with a fair representation of different viewpoints in the study. We tried to specifically address sampling bias and selection bias, i.e. over-representing or under-representing the phenomena. To avoid inaccurate or insufficient data, we analyzed available evidence to choose subjects who possessed sufficient knowledge and were able to respond precisely to questions asked (Brink, 1993). One limitation is our extension of the sample size of interviewed subjects (Martinko & Gardner, 1985) in combination with the fact that we do not have an equal representation of groups of respondents. However, it helped to move away from relying on only “a few well-chosen examples” (Silverman, 2010) which further enriched our knowledge by “extending the perspective in the research process” (Flick, 2007). Additionally, the interviewees were to a large proportion from developed Western countries which might lead to some cultural distortions.

5. Empirical Findings

This chapter is devoted to present the findings of our study which will be achieved by presenting interview examples in a structure as introduced by the literature review chapter. The chapter includes mainly primary sources, however, some secondary sources are also used to enrich the information provided by the interviewees. The first part of the chapter briefly presents findings about the general occurrence of partnerships between CDOs and private sector/ICT companies as stated by our interview partners. These findings are then followed by a presentation of the interviewees' understanding of financial inclusion, their reasons for collaborations, the ways how they are executed, and the evaluations of partnerships. As already introduced in the methodology section, some sections are ended with the mentioning of findings which will be discussed in detail in the subsequent analysis chapter.

5.1 Findings about Existence of Partnerships

Although most of our interviews with CDO and Ericsson employees confirmed a general interest in CSCs, the number of already existing partnerships is rather limited. According to an interview with E1, the interest in MFS within Ericsson started in 2010 which shows the still young development stage of the field. Nevertheless, there was already a rather big joint project in Peru which started in early 2013 and was finalized in February 2016. E1 also confirmed ongoing negotiations with four to five CDOs. As early as in the beginning of March, Ericsson signed a contract with a large-scale foundation to foster the design and development of a proof of concept model which focuses on the establishment of MFS in the context of disasters such as earthquakes. Interviews with CDOs confirmed their interest to partner with the private sector. However, their past partnering focus was not with with ICT companies, but rather with MNOs or banks. Their choice between these two organizations was to a large degree dependent on the prevalent market conditions. A clear preference which is valid across all countries could not be observed.

5.2 Findings about Financial Inclusion (*What*)

While the achievement of financial inclusion seems like a binary choice, i.e. it is either fulfilled in one case or it is not, in real life the line is much harder to draw. This circumstance became apparent when interviewing people from different organizations which might have opposing intentions. A member of a private foundation challenged the current definition of what financial inclusion is as it, in his opinion, artificially improves the progress.

> *M1: The industry has established the standard that an account is defined as "active" if it is being used once in 90 days. That's a* ***measure that makes you look good, but it doesn't have a real impact for society****. We, in the industrialized world, use our accounts daily, so how can we label a single usage in 90 days "active"?*

This statement shows that what is critical in his mind is the impact of financial inclusion on an individual person, i.e. if he is actually using his financial instruments on a regular basis. M10 further backed up this perspective.

> *M10: What's crucial is that people get a greater* ***access and usage*** *of services that conventional banking cannot provide.*

In contrast, an interviewee of Ericsson focused more on a different aspect as can be seen in the following comment.

> *E1: Establishing* ***interoperability*** *[meaning solutions are linked and working with each other] is an essential part for the achievement of financial inclusion.*

What is apparent in this framing is the focus on the technical infrastructure; the impact on the user is less pronounced, while indirectly taken into consideration. While this one sentence stands alone here, it was a recurring theme in the interviews with Ericsson employees.

Finding 1: ICT companies and CDOs have different focuses in their understanding of financial inclusion. While CDOs embrace social impact, Ericsson emphasizes the establishment of the technical infrastructure

5.3 Findings about Rationale for CSC (*Why*)

In contrast to other question areas, interviewees were rather determined in their statements about the rationale for collaborations and gave comprehensive answers. In doing so, interviewees mostly argued from a very operational point of view. They thought of the partnership as an instrument which could be used to fulfill a certain, very specific function.

> *E1: We would like to link in one or two NGOs who could actually* ***support*** *us when it comes to the establishment of the ecosystem for MFS. And we figure out potentially with one of them which has some kind of appetite to support us. Some of them provide more* ***resources****, some of them provide* ***grants****, some of them have a mix.*

The private sector as the starting point for the development of MFS was also supported by a secondary source which puts the limitations of a company in the spotlight, indicating that in the environment of MFS in emerging countries, it might need more than a single company acting unilaterally in order to succeed.

> *S1: Because of the* ***high start-up costs*** *and the* ***often limited market incentives*** *for private-sector entities to act, it may take a number of CSCs to implement a digital payments solution.*

This perspective was complemented by another line of reasoning derived from a specific partnership. As already introduced earlier, Ericsson recently signed a partnership agreement with a large-scale foundation which incorporates a grant from the foundation to Ericsson for the development of a prototype to be used as mobile money solution after a disaster situation. An interviewee at Ericsson who was directly involved in the contract negotiation, which took 1.5 years, argued in the following way.

> *E4: Ericsson doesn't just benefit* ***monetarily*** *from this partnership, but also having a close relationship with the foundation gives you a quick and easy* ***access to documentation*** *of other projects and you also get* ***introductions to NGOs and to other organizations*** *they are working with.*

This emphasis on networking benefits was a recurring theme across most of our interviews which was also found on the side of CDOs. There, a corporate fund raising manager confirmed the importance of networking as a benefit in collaborations.

> *M2: Definitely, we need* ***funding****. But it's also about tapping into* ***knowledge and skills*** *that we wouldn't otherwise be able to reach. That's really valuable to us. And being able to leverage those partnerships to get companies to* ***introduce us to other people****. It's kind of the* ***unknown things that come out of a partnership*** *like this in MFS which we don't know everything about yet. But funding would definitely be our primary reason.*

The inherent complexity in CSCs is something that helps to explain the line of reasoning towards the end of the above mentioned statement. The nascent nature of MFS and partnerships in this area makes organizations uncertain about what they can expect to get out of a collaboration – many things are unknown. As a consequence, several interviewees reported that the process before a partnership is established takes a long time and even after an initial agreement, the partnerships tend to be rather shallow in nature. Nevertheless, these partnerships potentially could extend both in depth and width – having more partners involved in the initial partnership and the addressed problem.

> *E5: An important aspect of engaging in partnerships is to decrease the time to implement a MFS solution. In order to do this, you need to look at the effect the initial pilot project had on on other players. This is all possible because* ***in a one-to-one partnership you will always affect others and it establishes connections to new partners and potential to expand*** *the solution and your business. When working with other partners you have not worked with before, you challenge yourself and learn how to deploy things faster and easier.*

Since one of the guiding theories for the incentives for companies to collaborate involves a positive marketing effect when engaging with an NGO, we were surprised that this statement was never actively stated by an interviewee when asked about the rationale for CSC in general. E6 responded to a more direct question about this rationale in the following way.

> *E6: I wouldn't say that's [using partnership as marketing tools] a trigger of what we do. It's rather a* ***consequence****. Communicating our efforts helps the organizations with which we partner. It also gives a feedback to us. And of course as a market leader there are also* ***expectations*** *on us. Not from consumers, since we are not a consumer company, but* ***from citizens*** *about what nowadays the role of the private sector is.*

The previous statement of E6 was not framed in an operational view which can be attributed to the job position of E6 as a member of the CSR department of Ericsson. He had the least focus on the organization he is representing and was more concerned about the existing societal issues which can also be seen in the following statement about the nature of the issues.

> *E6: A reason to collaborate with a NGO is to continue to prove the model of public-private partnerships. We believe* ***some issues cannot be solved by just one organization****. We think they require a collaboration. We see that there are not that many collaborations yet, and we want to change that.*

This focus on the issues to solve instead of the traditional roles of organizations was not limited to this one statement. Instead, a member of a NGO also discussed the current understanding of organizational roles.

> *M3: We increasingly engage in CSCs because it feels like the issues in society are pushed in focus. Sure,* ***companies want to make money****. But they also* ***understand that***

> *__they need to support local communities__ in doing so. This is for instance visible in the CSR activities which makes them more open for our agenda.*

This remark was complemented by M5 who also argued from the NGO perspective.

> *M5: Our approach in addressing societal issues is constantly changing. Since we are not involved in disaster relief activities, we tackle issues that often exist for a long time in society. Therefore, we try to find a model that is sustainable. This means primarily that it needs to be more or less __financially self-sustaining__. We need to find a way that we can __generate reasonable revenues__ for our services because only that guarantees for our continuous support.*

Finding 2: Partners collaborate and exchange resources to reduce the risk of involvement in an area characterized by uncertainty and long-term involvement.
Finding 3: An initiating reason to why organizations are gaining interest in CSC in financial inclusion and MFS is because organizational differences are smaller nowadays so there are often synergies between organizations' strategies and long-term goals.
Finding 4: Organizations that collaborate in financial inclusion and MFS utilize initial partnerships as a catalyst to extend the partnership to a network of actors.

5.4 Findings about Management of CSCs (*How*)

In the following, empirical data on the execution and evaluation of CSCs is presented.

5.4.1 Findings about Execution of CSCs

The execution of collaborations is a feature that proved to be very diverse across statements of the interviewees. Still, the initiation of potential partnerships was something that was generally very similar. The very nature of CSCs in a nascent area of business leaves constituents in the marketplace uncertain about feasible ways of partnerships. Hence, from an initial contact to the establishment of a partnership agreement it can take many months, if not years. To metaphorically demonstrate this process, two interviewees made use of an analogy to dating in personal relationships.

> *M9: [The initiation process of a partnership] is like a date. Nobody knows what to expect from each other, let alone how to manage a partnership with a very different organization. But __eventually, we like each other and things slowly become more serious and you sign a contract__.*

E1: When you date someone, it's sometimes informal, sometimes formal. But the period to ***get to know each other takes a long time*** *either way. It's similar with CSCs only that the process takes much longer.*

After this initial phase when a partnership is about to commence, the management of CSCs becomes very context-specific. When it comes to one project that was carried out in Peru, E1 recalled that the partner was mainly entrusted with knowledge-generating tasks. These investigative actions by the NGO were carried out rather independent from Ericsson.

E1: The NGO provided the resources on the ground to dig into ***how*** *do we do this, what* ***use cases****, what* ***partners****, what* ***agents****, what about* ***principal agreements*** *that must be in place between the different entities etc.*

To contrast this rather early involvement of an NGO in the development of a solution, M5 gave a different perspective into one of the projects.

M5: We [the NGO] were involved in the ***product testing****. We received a physical product to be tested by us in the field for about one year. The product was already quite developed; you could maybe label it a* ***"beta-product"****. Our findings then influenced the design of the final product.*

When asked more in detail about how this product testing was managed towards the company, M7 responded in the following way, indicating a rather loose relationship.

M7: We [the NGO] were ***quite independent in conducting our testing****. Since the company wanted authentic feedback, we were treating the product under normal conditions, although we monitored it more closely. The* ***entire coordination with the company occurred on a monthly basis via reports****.*

When asked about the areas of collaboration, M9 explained that his organization is open to collaborate in all functional areas, and in the past has in fact already engaged in CSCs in all areas.

M9: Before we collaborate, we have a long due diligence process to assess the risk for our brand and to check if our potential partner fulfills certain codes of conduct. That said, ***once a company is approved for collaborations there is not really a part where we don't collaborate.*** *It's rather the companies that sometimes avoid collaborations in certain areas since they don't want to fulfill all our requirements concerning public disclosure of information.*

Starting from that openness to collaborate, M9 also talked about how collaboration in these areas is actually managed.

> *M9: Usually we **establish a working group** with a company. On our side there are usually one or two account managers. On the company's side there are similar positions. In one particular example, we had a technical solutions work group, then a marketing work group which was subdivided into one talking to the consumers, and one directly to the company's brand.*

M6, a member of a NGO that plans to digitalize all its payments to beneficiaries, gave an example of collaborating on educating the users of MFS.

> *M6: We work closely together with Econet [local MNO] to **jointly organize workshops** for our beneficiaries. In these workshops, we try to teach them how to use MFS; we provide the **relationships and hands-on knowledge**, Econet provides their **technical expertise**.*

While partnering is important, it is crucial that each partner provides support which is rooted in his core competencies. The high level of complexity of CSCs in the nascent domain of MFS necessitates that tasks must be carried out by those who actually master them.

> *S3: Partners must play a **role** that is aligned with the **area of their core interest** or **expertise**. This has an impact on both the ability and the motivation of the partner to perform well. In MFS, local regulations may force a stakeholder to act in a role that he is ill-equipped for which can be troublesome.*

However, the scarce existence of CSCs in MFS makes it impossible to leverage a big pool of best practices from the past. S4 mentions the necessity for several stakeholders to partner in MFS, but at the same time perceives that currently there are some misalignments.

> *S4: The current suboptimal allocation of certain roles among partnering organizations might be due to the nascent stage of the MFS industry. The learnings on the division of labor in this domain is related to **a learning curve that applies to the first movers in any new industry**.*

All these illustrations about the division of labor among the partnering organizations does not come without any hurdles. Interviewees mentioned several issues they have to cope with in CSCs, some of which might be inevitable due to the fundamental characteristics of cross-sector engagement. The following two accounts are representative for statements which were made by almost all interviewees.

> *E6: **Mindsets are different**. The ways of working. The mentality. The tempo. That's very different between a big NGO and a small agile NGO. These different actors are difficult to align. I always say public-private partnerships sound amazing and it's the right way to go, but making it work is difficult.*

> *M3: Perhaps there is a **lack of understanding** of the methodologies that we use typically in our work – on the part of companies.*

Apart from these more obvious challenges, CDOs also questioned to some degree the motive of companies to do good. There were statements about companies which stick too much to their business approach and do not adopt it to dealings with CDOs. This became apparent by the private sector sticking to their contractual obligations even though sometimes there are spontaneous chances to benefit society without much additional work, but which goes beyond initial contractual frameworks

> *M4: I mainly experienced two issues. First, companies have a project thinking when doing CSR, meaning that they do many things during a rather short project duration, but **once the project ends they just walk away**. Second, I perceive that **companies do CSR only for marketing reasons** which is why they **shy away from a project as soon as we [NGO] want to implement a sustainable business model** in the project. That is against their "doing good for the sake of doing good" thinking – no money can be made, not even to cover costs.*

> *M2: For partnerships we usually set up MOUs[16] which serve as a guiding framework for our collaboration. Companies are usually very good in fulfilling what is mentioned in there. But they **hesitate to do anything in addition that might pop up along the way**. More flexible elements in MOUs would overcome this issue, but companies are strongly against them.*

The issues perceived by CDOs do not end there. Another aspect of CDOs is that they want to communicate their efforts and learnings from projects as openly to the development industry as possible. This extreme degree of openness clashes with the more confidential processes which are in place in companies. The following statement of M8 serves as an exemplary testimony representative for many other interviewees.

[16] A MOU is an agreement between two or more parties expressing an intended joint course of action. It is usually not legally binding.

M8: A ***key issue is always data sharing and the sensitivity around the data*** *of mobile money usage. Companies have of course an interest to keep their findings confidential so that they have an advantage over competition. The more open sharing-mentality of NGOs does of course conflict with that.*

Finding 5: CSC in financial inclusion and MFS go through a phased process and the length of the partnership is a prime driver in the commitment towards the partnership and resources exchanged.
Finding 6: The difficulties encountered in partnerships in the area of financial inclusion and MFS in general, were about aligning organizational and operational differences and allow non-commercial and commercial goals to work in harmony.

5.4.2 Findings about Evaluation of CSCs

While the interviewees generally emphasized the benefits of a collaboration, they proved to focus most often only on the achievement of their own development targets, be it directed towards the organization in general or towards society. Often, the only measurement on a partnership level was in terms of the achievement of the predefined criteria in a MOU. M2 gives an example of the types of measurements usually employed in CSCs.

M2: Our internal KPIs and those of our corporate partner are related to the project itself, so if we have ***reached the number of people*** *we intended, have we* ***lifted them out of poverty****, have their* ***incomes improved****. Their [corporate partner] KPIs are also very much arranged around the project itself and* ***employee engagement*** *from their side of view and the* ***publicity*** *they get as measured by the number of mentions.*

Although the prime motive of CDOs is to foster social development, the question is how closely any KPI can track the progress. The vast majority of the interviewees, in line with scholars, reported of problems to identify the proper performance measures to check on the success of joint efforts. M1, a member of a large-scale foundation which often invests money in social projects/ventures, exemplifies this issue.

*M1: In collaborations, we usually agree upfront on KPIs – we call it results framework. These measures are usually in the area of social impact****, but since that is hard to measure we use proxies which may describe social development****, such as the level of household incomes. However, due to issues in attributing these outcomes to a project,* ***we sometimes rely more on classical business indicators such as subscription***

> ***rates, cost structures, adoption rates in judging partners****. Of course, you have to check their development in relation to the social impact to see if it still makes sense.*

Furthermore, the social impact of achievements in financial inclusion would only be measurable in the long term. However, there is resource discrepancy between a CDO and a company in regards to the time and money they are willing to contribute. M7 exemplified this issue.

> *M7: The time horizon for measuring social impact is really long. I do not think that anyone has done above 5 years. Usually it is more like 2-3 years even though most agree that you can't really measure anything in that period of time. But* ***measuring costs money and the longer it takes, the more it costs - often more than private actors are willing to contribute.***

As already mentioned previously, CDOs try to openly communicate their project findings to the development community. S2 highlighted the importance of these learnings with its definition of success indicators for a cross-sector financial inclusion project: a third of all the indicators are closely linked to learnings.

> *S2: The partnership success in our MFS project is measured by a) the number of impacted people, b) the level of improvement for the impacted people, c) the increase in female rights and status, d) the cost effectiveness, e) the* ***improvements to methodology****, and f) the* ***innovations in financial inclusion solutions****.*

While Ericsson employees also emphasized the importance of an impact evaluation, E3 added an evaluation which originates from the commercial background of Ericsson.

> *E3: Ericsson has a long experience about public-private partnerships. The assessment criteria which we apply in those are twofold: There is an* ***impact assessment*** *and the* ***evaluation of a sustainable model.***

The sustainability of the model, though it may include a consideration of the value of the product to society, appears to be more directed towards an evaluation of the business case for a solution. This performance measure could lead to a conflict with the partnering CDO. However, we also investigated whether the employed internal performance measures where actually communicated to the partner. In general, the level of sharing was low between the partners, however, could differ depending on the project which explains opposing statements from Ericsson employees.

E6: I think that [to openly communicate internal criteria to a partner] is a must. ***They need to know why we are in the partnership – What's our purpose?*** *And we need to know why they partner with us.*

E1: We ***don't communicate internal evaluation criteria****. It's purely internal.*

Finding 7: The collaborations were mainly analyzed from an impact point and focused mainly on proxies rather than hard measures when it came to financial inclusion and MFS and its social impact.
Finding 8: Organizations collaborating in Financial Inclusion and MFS did not in the majority of cases share internal criteria amongst each other, but believe it is important to do so.

5.5 Empirical Summary

The empirical evidence found in this study was concluded with findings to emphasize what is of the essence in each section. These findings were purposefully created in order to facilitate our process but also to guide the reader in the commencing analysis section.

6. Analysis

The analysis section first analyzes findings within our areas of exploration (vertical) which is followed by an analyses across areas (horizontal).

6.1 Vertical Analysis of Areas of Exploration

In each category of the analysis we will refer back to findings we concluded the empirics with and then end each section with proposition(s).

6.1.1 Analysis of Financial Inclusion (*What*)

Finding 1

ICT companies and CDOs have different focuses in their understanding of financial inclusion. While CDOs embrace social impact, Ericsson emphasizes the establishment of the technical infrastructure.

The purpose of asking about one's understanding of financial inclusion was to get insights into the relevance of the organization and person for our thesis and also served as a sanity check for the criteria we developed. Relating the quotes to our criteria, *usage* and *access* as elements are applicable since CDOs carefully monitor them on a regular basis as their core concepts. On the other hand, the ICT company was more interested in the technological solution. This can be linked to the *scalability* and *adoptability* dimensions (Lal & Sachdev, 2015), as it would be important in achieving interoperability (Bold et al., 2012; Jenkins, 2008) (cp. Figure 9).

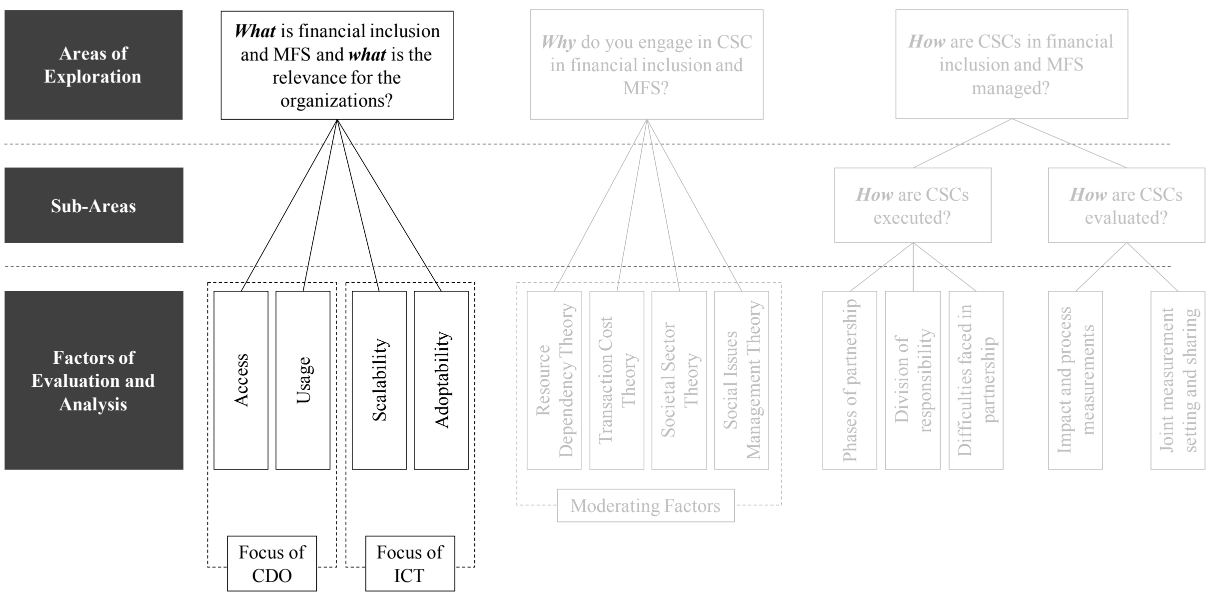

Figure 9: Analysis of Financial Inclusion (What)

Proposition

In regards to our conceptual framework, we make the following proposition.

Proposition 1: In CSC among ICT companies and CDOs, the CDOs want to ensure usage and access while the ICT companies want to ensure scalability and adoptability in relation to the MFS solution.

6.1.2 Analysis of Rationale for CSCs (*Why*)

In the following, our three findings in the *Why* aspect will be analyzed.

Finding 2

Partners collaborate and exchange resources to reduce the risk of involvement in an area characterized by uncertainty and long-term involvement.

Finding 2 supports the Resource Dependency theory as organizations are open to collaboration when there is something to gain from doing so, such as risk reducing resources (Pfeffer & Salanicik, 1978). For Ericsson, it is a reduction of risk associated with investing in initially non-profitable ventures. From the CDO perspective, it is about gaining access to business acumen and solutions. For instance, Ericsson could provide both MFS solutions and infrastructure for transferring mobile money, and has previously done so in disaster situations. CDOs which are closer to the market of implementation can provide vital knowledge in the form of infrastructural difficulties and end-consumer understanding. An interesting finding though was that depending on the type of CDO (Aid agency vs. foundation vs. think tank), monetary flows could be reversed meaning that companies can also approach CDOs for funding as a way to reduce their monetary risk.

An absence of a potential finding was an outspoken legitimacy reason for utilizing CDOs to promote a specific cause. CDOs suspected companies to primarily use this resource. However, in none of the interviews at Ericsson it was mentioned as a reason, but rather knowledge and access to networks in the long run. This could be attributed to the growing professionalization of CSR and legitimization being replaced by other aspects (Dahan et al., 2010). Alternatively, it might not be honorable to use legitimacy as a reason for collaboration and interviewees consequently did not argue in that way. However, the value of a potential partner's resources will at least initially be based on legitimacy in terms of its name recognition (Stafford & Hartman, 1996; Elbers, 2004) and could thereby itself work as a risk reducing asset.

Finding 3

An initiating reason to why organizations are gaining interest in CSC in financial inclusion and MFS is because organizational differences are smaller nowadays so there are often synergies between organizations' strategies and long-term goals.

This finding supports the Societal Sector theory as interviewees from both sectors argued for the need to balance operating practices of a CDO versus a company. As the interest within the different sectors in developing and utilizing MFS is growing closer to each other (Berlie, 2010), organizations have realized the importance of heterogeneous mindsets, both within and between organizations engaging in MFS in order to solve problems in society whether it is commercial or non-commercial.

Finding 4

Organizations that collaborate in financial inclusion and MFS utilize initial partnerships as a catalyst to extend the partnership to a network of actors

This finding supports Social Issues Management theory as interviewees from all sectors argued that combined forces are generally better than working in isolation. This is especially true in the case of a "meta-problem" such as financial inclusion. Since we stated in Table 3 that a problem with MFS and ICT solutions is to make them interoperable, it should be a key purpose of a collaboration between an ICT company and a CDO to access a much wider network of partners; especially since Ericsson with its clear focus on "networked society" could integrate multiple stakeholders. This again supports the Resource Dependency perspective of network provision as a key resource (Berlie, 2010). The CDO would, therefore, both have a risk reducing and a catalyst effect by providing an ICT company with access to MNOs with already existing MFS solutions but also to other CDOs and vice versa.

Hence, the often smaller initiating partnership between a few actors is an important initiator and enabler of what in the end will be the achievement of financial inclusion: a network of mutually beneficial arrangements among various actors in society to create interoperable solutions in order to to achieve financial inclusion. Therefore, this could potentially achieve a synergy effect among cross-sector resources (Steger, 2000; Dahan, 2010).

Propositions

Based on our analysis we make the following propositions[17] in relation to our conceptual framework and factors of analysis.

- **Proposition 2:** ICT companies and CDOs collaborate in financial inclusion and MFS to reduce the risk of engagement and synergize complimentary resources.
- **Proposition 3:** ICT companies and CDOs collaborate in financial inclusion and MFS because they see increasing similarities amongst each other.
- **Proposition 4:** ICT companies and CDOs collaborate in financial inclusion and MFS because they perceive the financial inclusion objective too difficult to be achieved by one sector unilaterally.

We would further argue that rationales of collaboration are phased as illustrated in Figure 10. Moderating factors will set the overall tone of the partnership as we saw a high degree of context-dependency. With increasing similarity and adoption of cross-sector behaviors, the interest in learning from "the other side" would initiate a partnership (support for Societal Sector Theory); based on this interest, resources are exchanged to create a pilot project (support for Resource Dependency Theory). As stated in the empirics, the pilot project serves as a foundation to extend the partnership by looking at the pilot's effect on the broader network of actors (support for Social Issues Management Theory). We did not find support for Transaction Cost Theory as a major driver, however, it could be supported in the future, since it depicts potential cost advantages by combining efforts.

[17] The propositions follow the same order as the findings, meaning that proposition 2 belongs to finding 2 and so forth.

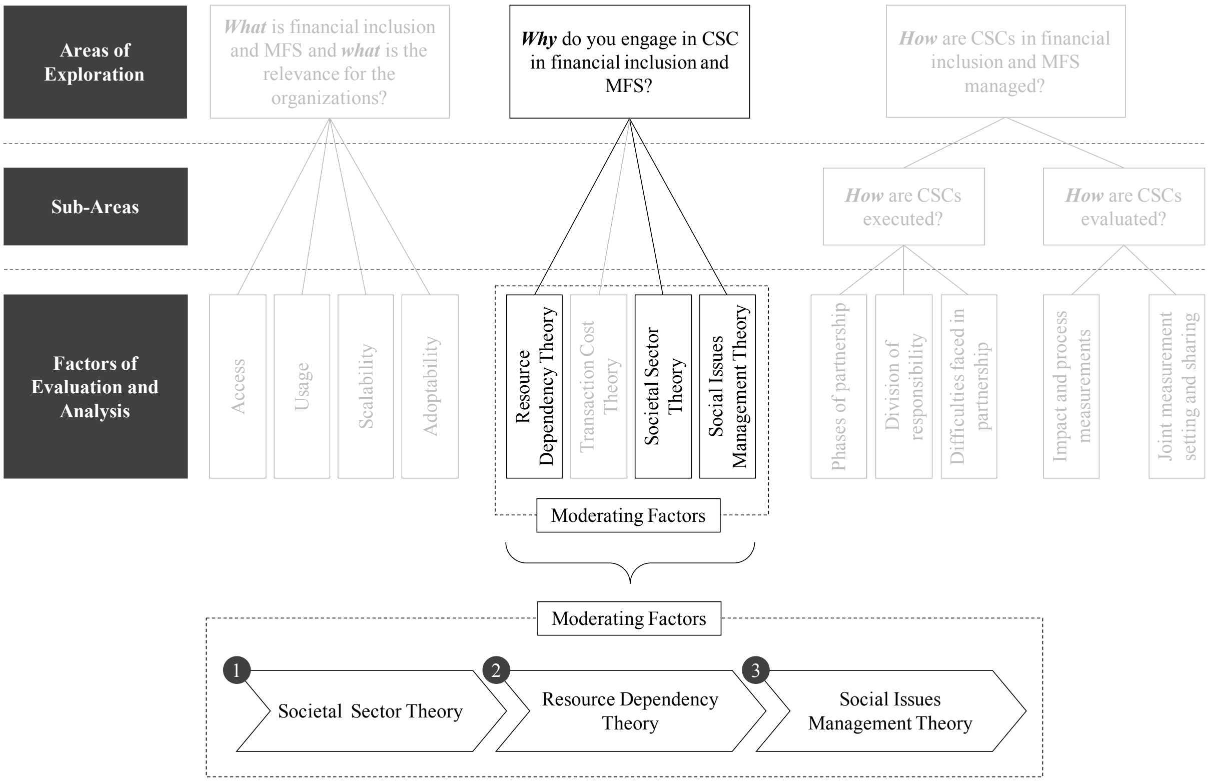

Figure 10: Analysis of Rationale for CSCs (Why)

6.1.3 Analysis of Management of CSCs (*How*)

This section is concerned with an analysis of both the execution and the evaluation of CSCs.

6.1.3.1 Analysis of Execution of CSCs

Finding 5

CSC in financial inclusion and MFS go through a phased process and the length of the partnership is a prime driver in the commitment towards the partnership and resources exchanged.

A part of conducting this research was to answer "how collaborations can facilitate financial inclusion" but also given its explorative nature "to what extent these partnerships exist and how they look like". A few interviewees had worked with ICT companies before, but MNOs are more common collaboration partners for CDOs. Therefore, previous engagements in financial inclusion and MFS are in general scarce but have gained interest as it is perceived as one of the most promising solutions for financial inclusion. The ones that existed tended to be short- to medium-term relationships and qualify as a result more as *arm's-length* and/or *interactive collaborations* (Kourula, 2010; Dahan, 2010), as the CDOs generally believed that private companies shy away once they received their CSR "credits" and the contract has ended.

It should be noted that no "stereotypical" partnership existed and its impact was highly dependent on the nature of the partnership and the parties involved. However, based on our empirical data, we can conclude that partnerships go through a couple of "standard" phases (see Figure 11) as discussed in the literature review (Dahan, 2010). Two of the interviewees actually termed the first stage "dating" stage, in which multiple actors are involved in the evaluation of who would be a suitable actor for the cause. Once the "dating" stage ended, typically one actor is chosen and an MOU is signed. The next phase is taking actions towards achieving the agreements in the contract and exchange resources as promised. The answers regarding how this stage is performed were generally mixed. Some argued that it is a close collaboration while the majority stated that the tasks are being performed in isolation. Therefore, the resources contributed and division of tasks should have been rationally divided, based on each actor's core competence. However, as the domain of MFS is still in an explorative stage, some tasks might have been assigned to the wrong actors since the very nature of a few issues might only be revealed after some time. This resource exchange and compilation of the individual efforts, will move towards the achievement of a joint pilot and/or a full-scale program being tested in the local market. Furthermore, as we mentioned in the rationale for partnerships (cp. section 5.3), typically after a program/pilot has been put in place, the partnership could be extended with other partners. This would infer that there is an evaluation stage in which the partnership is evaluated based on the program/pilot's performance and the overall satisfaction of the partnership, ultimately leading to a decision about either terminating or continuing the partnership to extend it beyond its current state. This would be particularly interesting for an ICT company as they can provide the infrastructure and connections to make that extension happen (Bansal, 2014; Lloyd, 2005; Chopora et al., 2015). Furthermore, the length of these phases can differ depending on the CDO. Usually the entire process takes more time when being involved with a UN Agency, compared to i.e. an NGO, that often is closer to the market of implementation.

Finding 6

The difficulties encountered in partnerships in the area of financial inclusion in general, were about aligning organizational and operational differences and allowing non-commercial and commercial goals to work in harmony.

In general, the most difficult part in achieving a good partnership is balancing the objectives of different sectors with different mindsets to begin with (Parker & Selsky, 2004). This is particularly troublesome as the length of involvement differs between a private company and CDOs. Private companies are less inclined to participate long-term as it is hard to visualize the effect of social causes on the bottom line. CDOs claimed that the time horizon in an area such as financial inclusion requires long-term commitment and spontaneous actions to achieve its objective which is something that a private company can hardly engage in far from its core business. To secure progress, however, it is critical that organizational cultures and processes of the partners are aligned to allow for success, or at least faster progress (Faulkner & De Rond, 2000; Doz, 1996; Dyer & Singh, 1998). Therefore, long-term success would only be achieved if one finds areas where the non-commercial and commercial interests intersect, which would increase the fit between the partnership goals and the vision of the individual organizations.

When analyzing difficulties on a more granular level they can be divided into three stages: pre-partnership stage, partnership stage, and post-partnership stage (see Figure 11). Pre-partnership is mainly about understanding each other's business model/areas of interest, overcoming different mindsets, and establishing a contract. Creating the contract/MOU often proved to be the hardest task. In the partnership stage, one issue was flexibility of the contract terms, as CDOs perceived companies to only focus on what was written down in contracts/MOUs. This perception is in line with our risk adversity claim in the *Why* section regarding our ICT company. Furthermore, operational differences and alignment of joint efforts proved to be a difficulty in this stage. This is however not surprising as private sector companies tend to be more structured and streamlined in how they work (Bocca & Gopalan, 2009) compared to CDOs. The post-partnership stage starts once the contract has ended. In this stage, the problems were mainly about general maintenance and a continuation of commitment from companies as they are more interested in the short-term benefit of a social initiative rather than the long-term commitment involved in addressing the cause.

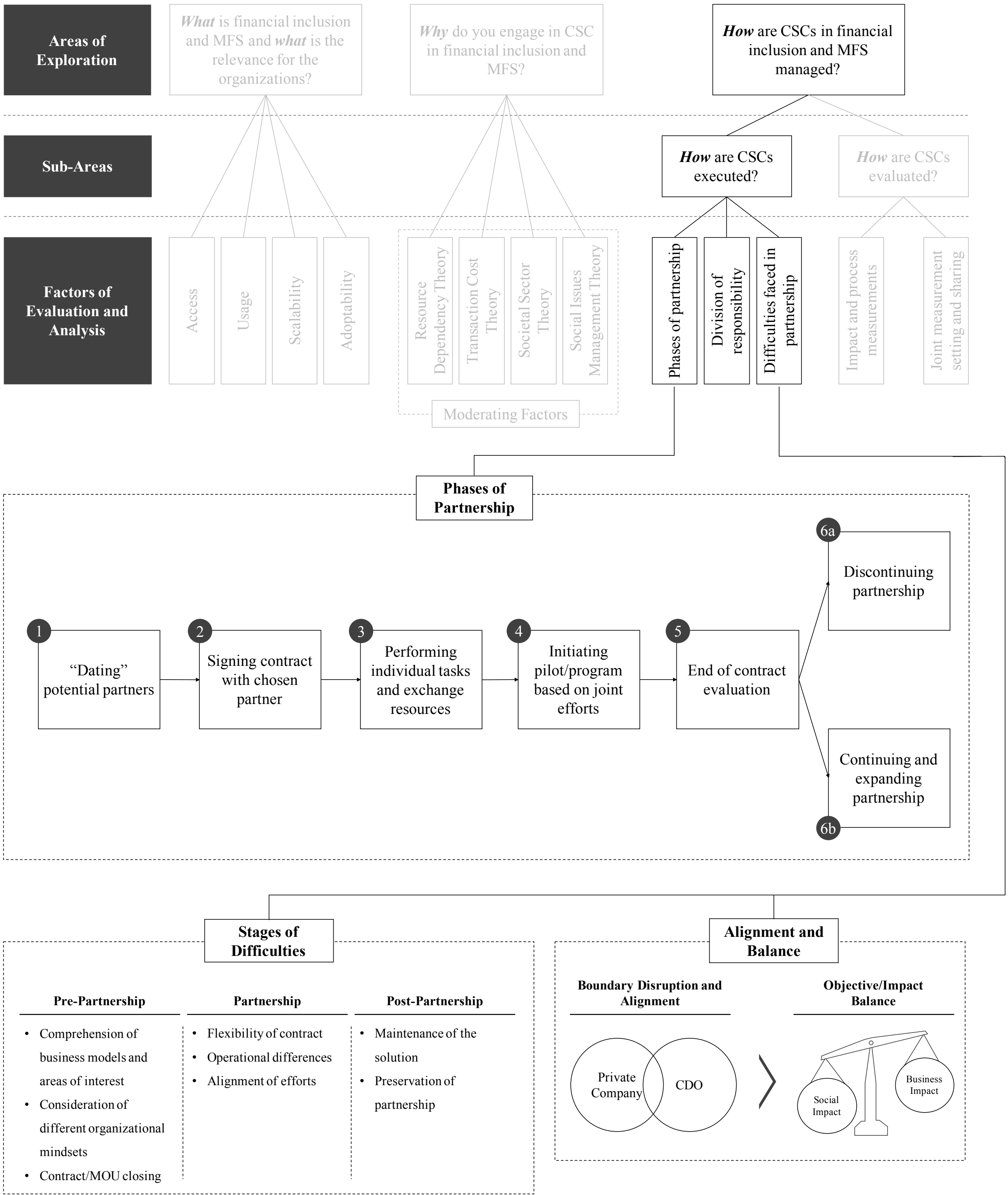

Figure 11: Analysis of Execution of CSCs (How)

Propositions

Figure 11 depicts a partnership process that showcases the fifth stage as a decision point. This stage will be decisive for financial inclusion initiatives that can achieve high levels of access, usage, scalability, and adoptability, since it will be dependent on multiple stakeholders and resources. Therefore, we make the following proposition.

- **Proposition 5**: There is a phased process towards a decision on extending an initial successful partnership into a network of actors.

Within the phases of the partnership process, the tasks were mostly performed in isolation, based on the core competencies of the partner. Hence, we make the following proposition.

- **Proposition 6:** In most cases the division of tasks to be performed and resources contributed are rationally divided based on the core competencies of the parties involved.

Furthermore, difficulties can be viewed from a three-level perspective: pre-partnership, partnership, and post-partnership stage. The main issue through all stages is to align and balance the objectives of each sector. Based on this reasoning we make the following proposition.

- **Proposition 7:** Difficulties are managed by finding common ground among the organizations' objectives and processes to the extent that the partners find an intersection between non-commercial and commercial goals

6.1.3.2 Analysis of Evaluation of CSCs

Finding 7

The collaborations were mainly analyzed from an impact point and focused mainly on proxies rather than hard measures when it came to financial inclusion and MFS and its social impact.

CDOs operate in a context where complexity exists in quantifying impact measures (Berlie, 2010). Just as in existing literature, our interviewees highlighted that companies engaging in social collaborations, like financial inclusion and MFS, typically fail to go beyond the constituents of the company. The consequences for the partnering CDO are generally neglected, as the focus is more on the business case. Furthermore, the evaluation process of the collaboration itself was in general absent apart from a qualitative judgment of satisfaction in the end of contract.

It should be noted that in contrast to theory (Waddock & Smith, 2000), Ericsson did have social impact in mind, as they see an increasing linkage between acting on social causes and on a commercial agenda. The difficulty was to go beyond simple measurements stated in the contract such as the number of users of the solution and actually measure the social impact. In the case of MFS, the number of users is a valid measurement (Thankom et al., 2015), however, many important aspects are too soft to monitor in order to reveal the total impact of a solution and ICT/CDO-partnership.

Finding 8

Organizations collaborating in financial inclusion and MFS did not in the majority of cases share internal criteria amongst each other, but believed it was important to do so.

This finding is in line with studies in related areas (e.g. Berlie, 2010; Zao, 2002). Much of this can be attributed to the fact that both actors fail to go beyond a consideration of the impact on the own organization and society apart from what is jointly agreed on in the MOU and therefore fail to actually implement joint evaluation tools. In our empirics we can see contradictory quotes from Ericsson that in some cases they share in others they do not. However, in the majority of the cases sharing is not emphasized. Even though it seems obvious to do as both sectors, in line with our literature (e.g. Austin, 1999; Tholke, 2003; Tuxworth & Sommer, 2003), generally agreed on the value and benefits of such tools

Arguments against a wide implementation of performance measures comprised the perceived level of complexity and resource intensity in establishing them, and difficulty in agreeing on the measures to use in the first place. In general, companies were more short-term orientated and demanding faster results, while CDOs realize that financial inclusion impacts should be considered from a long-term perspective. However, establishing long-term measurements is resource intensive and with the absence of company resources due to lack of long-term interest, it is something that is left unmonitored. Although this cost of measuring represents a big obstacle, improved measurement systems could motivate for an increased level of commitment (Hoffmann, 2002; Saterson et al., 1999; Sammer, 2007).

Propositions

What partners agreed to measure was stated in the contract mainly from a business case impact view, as social impact is hard to measure. Furthermore, they usually did not engage in any sharing behavior as they kept internal KPIs to themselves, which could be perceived as contradictory to the cause they engaged in as they do not share what they themselves believe to be most important. We therefore make the following propositions.

- **Proposition 8**: Impact measurements are used to evaluate the CSC. However, the evaluation stage is hampered by the difficulty in quantifying the nature of involvement together with the long term orientation of projects
- **Proposition 9**: The partners do not share internal criteria with each other apart from what is jointly agreed on in the MOU/contract.

6.2 Horizontal Analysis of Areas of Exploration

In this section, a horizontal analysis is performed as relationships between our key questions can be found. The model below (Figure 12) indicates the relationship that we will look into. In this first section, we will make a combined analysis of *How*: execution and evaluation, and in the second section a combined analysis of the components *Why* and *How*. We will utilize the concepts that we developed in the analysis sections in order to frame our horizontal analysis.

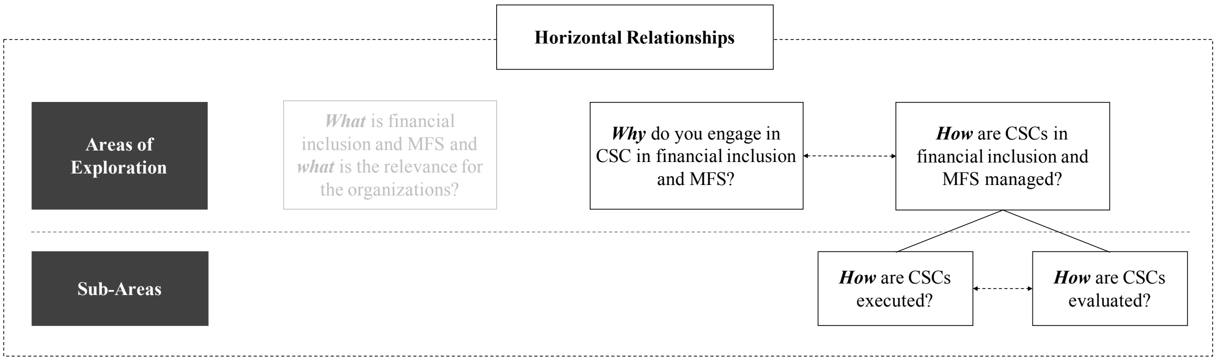

Figure 12: Horizontal Analysis across Categories

6.2.1 Combined Analysis of Execution and Evaluation

A key difference among the various organizations was the long/short-term execution and long/short-term evaluation focus when engaging in CSC in financial inclusion and MFS. This is particularly interesting since financial inclusion is perceived as something that will be achieved in the long-term through combined efforts. While private companies are more short-term orientated, CDOs are more long-term oriented, which of course relates to the difference in how they work and what they want to get out of the collaboration. The same pattern regarding time investment can be seen in the measurement part as well. Therefore, the difference perceived in short-term impact and long-term solution was seen both in how they collaborated and what they measured, which would support a famous quote of Peter Drucker *"What gets measured gets done"*.

Furthermore, there was no real sharing of measurements, especially when it came to intra-organizational measurements. This could explain why the third stage in "Phases of Partnership" in Figure 11 is mostly done with isolated efforts.

With support from our literature review, our viewpoint is that joint measurements of CSC in the area of financial inclusion and MFS would not only promote progress but would also make both parties more involved in the process. When dealing with heterogeneous cultures within the collaboration, it is generally advised to also communicate the intra-organizational goals to prevent any form of unjustified distrust from the partnering organization and to identify all potentials for reaching established goals (Hughes, 2002). The list of benefits as mentioned in the literature review chapter serves as further support.

6.2.2 Combined Analysis of *Why* and *How*

The vertical analysis revealed several implications regarding *How* a "typical" collaboration was managed and *Why* it is established. We elaborated on a typical partnership process and three reasons for *Why* partnerships in financial inclusion and MFS are established. The conceptualization is achieved by utilizing the three *Why* factors as main process steps as discussed more in detail below and within these three steps connect it to *How* the partnerships looked like (cp. Figure 13).

Context: Moderating factors

The individual partnership in question will be dependent on contextual factors which is in line with Guo & Acar (2005) and Foster & Meinhard (2002), who claim that there are unique variables which have an impact on the sentiment of individual organizations to collaborate and how collaborations will look like.

Phase 1: Initiation of partnership

Organizations in financial inclusion and MFS try to find common ground and establish a project with multiple perspectives, similar to a Triple-Bottom Line thinking (Waddock & Smith, 2000). This stage would therefore work as the initiator of a relationship, were various organizations take inspirations from each other. This first initiating step of the partnership can therefore be linked to Societal Sector Theory. When relating this to how the partnership is managed, this stage is about finding a partner, creating an understanding, and balancing the other organization's interests and in the end formulate that understanding in a contract.

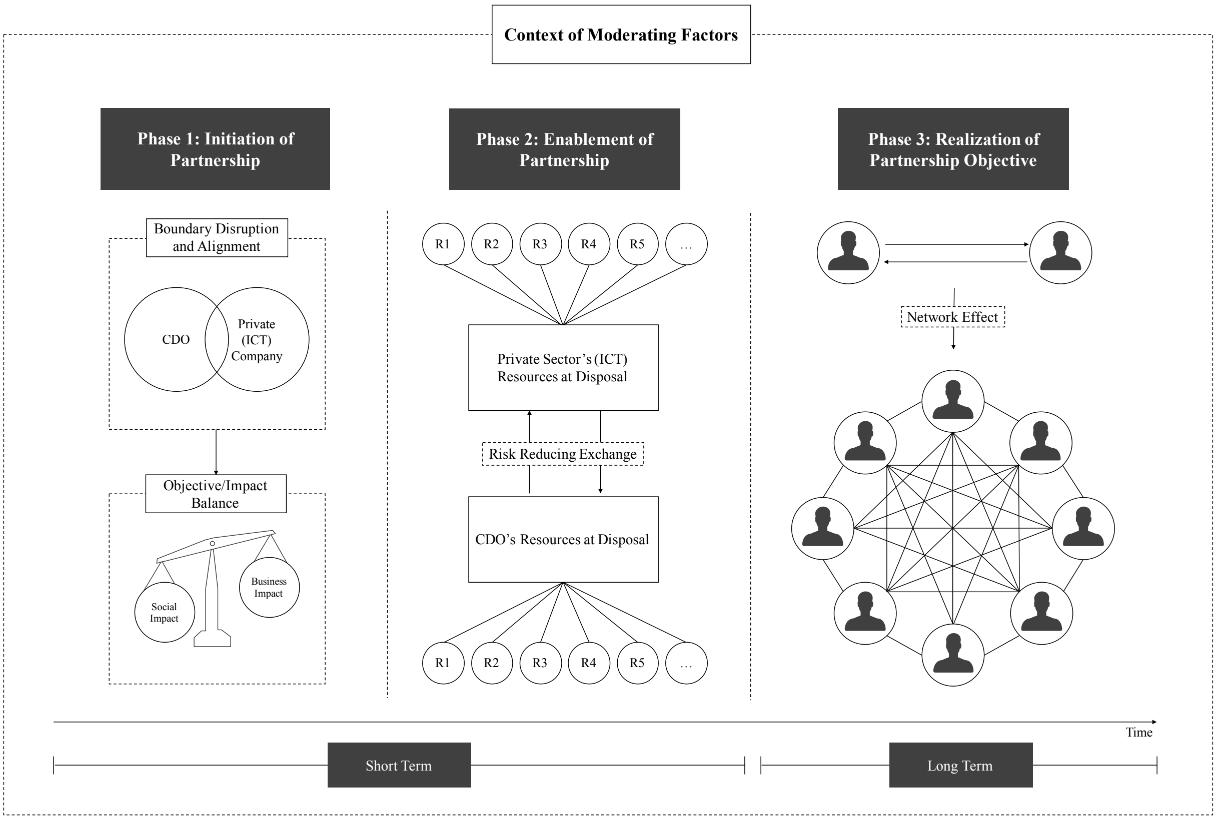

Figure 13: Phases of Relationship Development

Phase 2: Enablement of the partnership

Partnership in the researched context is to a large degree about gaining resources from someone else to reduce the risk of involvement. It also enables the balancing act identified in the first stage of the potential relationship. Hence, the Resource Dependency Theory is where one moves from talk to action. This exchange of resources will facilitate a pilot project that proves the value of the partnership's combined efforts. In order to capitalize on the first phase, one needs to manage the relationship in a way in which there is a quid pro quo exchange of resources that shows mutual commitment to the cause, but above all finds the synergies between the joint resources in a way that utilizes the strengths of the partner (Steger, 2000; Dahan, 2010).

Phase 3: Realization of partnership objective

The interest of collaborating in financial inclusion and MFS is to a large degree about gaining access to the network of a partner and to integrate them in the solution (cp. Phase 6 in Figure 11). The final phase is, therefore, about capitalizing on the "short term" investments that one has done in the relationship and move from a resource exchange to what best would be described by Social Issues Management Theory. Consequently, in the final phase organizations realize that unilateral actions might not be sufficient so they deploy joint resources in phase two that in the future will extend the partnership both in depth and width.

7. Conclusion

To summarize the analysis section, Table 9 provides an overview of all established propositions.

Table 9: Answers to the What, Why, and How of CSC in Financial Inclusion/MFS

What **is financial inclusion and** ***what*** **is the relevance for the organizations?**	
Proposition 1	In CSC among ICT companies and CDOs, the CDOs want to ensure usage and access, while the ICT companies want to ensure scalability and adoptability in relation to the MFS solution
Why **do you engage in CSC in financial inclusion and MFS?**	
Proposition 2	ICT companies and CDOs collaborate in financial inclusion and MFS to reduce the risk of engagement and synergize complimentary resources
Proposition 3	ICT companies and CDOs collaborate in financial inclusion and MFS because they see increasing similarities amongst each other
Proposition 4	ICT companies and CDOs collaborate in financial inclusion and MFS because they perceive the financial inclusion objective too difficult to be achieved by one sector unilaterally
How **are CSCs executed in financial inclusion and MFS?**	
Proposition 5	There is a phased process towards a decision on extending an initial successful partnership into a network of actors
Proposition 6	In most cases the division of tasks to be performed and resources contributed are rationally divided based on the core competencies of the parties involved.
Proposition 7	Difficulties are managed by finding common ground among the organizations' objectives and processes to the extent that the partners find an intersection between non-commercial and commercial goals
How **are CSCs evaluated in financial inclusion and MFS?**	
Proposition 8	Impact measurements are used to evaluate the CSC. However, the evaluation stage is hampered by the difficulty in quantifying the nature of involvement together with the long term orientation of projects
Proposition 9	The partners set up joint measures in the MOU but do not in most cases share internal criteria with each other

As the areas of exploration function also as guiding questions, the propositions can be seen as conclusion to our *What*, *Why*, and *How* questions. Also, these propositions are relevant for future research and could potentially translate to new conceptual frameworks.

By adopting a bottom-up approach, the propositions will answer the factors of analysis, thereby the areas of exploration, and ultimately our research question (cp. Figure 14). Taking all our findings and analyses in consideration, we believe that the most important outcome of CSC in this area is what we have established as a network effect. We, therefore, propose the following main answer to our research question:

CSCs among ICT companies and CDOs can facilitate financial inclusion via MFS in developing countries by initiating a network effect which ultimately supports the creation of interoperable ecosystems among already existing and new solutions.

As established in the analysis section, an important outcome of partnerships is the access to each other's partner network. This network would also function as a risk reduction for the various actors involved. As the ICT company, and according to CDOs private actors in general, wants to provide limited resources within a shorter period of time, a small scale pilot in a developing country is a good initiator. This serves as method which can substantially reduce the risk for all parties involved, a circumstance highly appreciated by both parties. Furthermore, an ICT company can provide services that take advantage of this network by e.g. connecting existing MFS solutions and thereby addressing the issues of scalability and interoperability. CDOs that previously have worked with MNOs and other companies in developing countries as discussed in the empirics, can provide contacts and access to local markets and knowledge relevant to address this. However, it could also be that the ICT company provides contacts to the CDOs.

Therefore, it is not the initial aim of a partnership that might prove to be the most valuable in achieving financial inclusion and MFS, but instead the effects of it; in this case a successful pilot of an initial partnership would most likely lead to an extension of the partnership with more actors involved. Beyond the initial partnership, it could mean that competitors collaborate to create increased transparency to integrate digital solutions such as MFS. CDOs can support this development through their legitimacy and connections. Even if a partnership in isolation might not be able to achieve financial inclusion, it is the endless networking opportunities that prove to be of most relevance to achieve financial inclusion via MFS in a developing country.

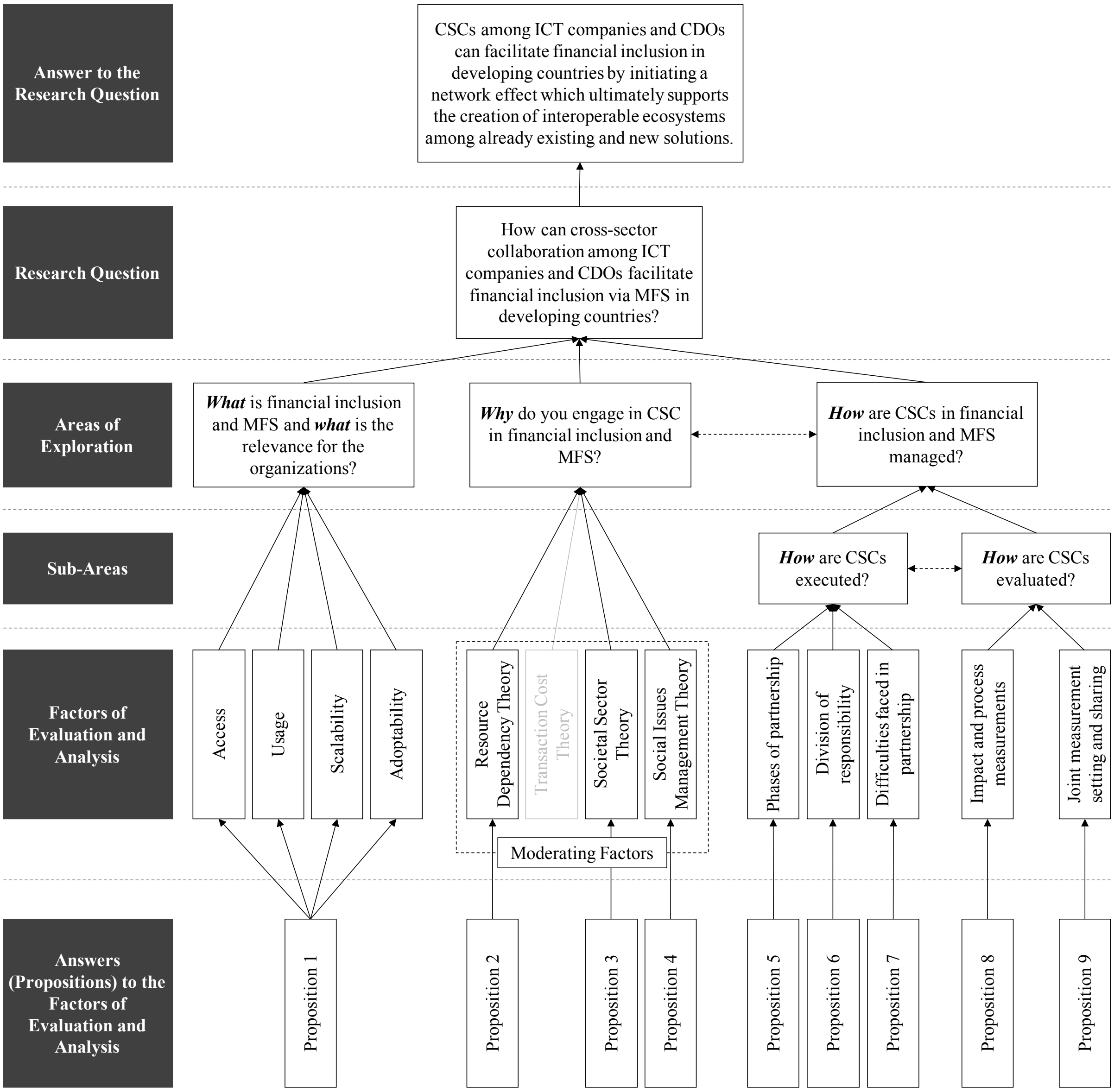

Figure 14: Bottom-Up Approach in Answering the Research Question

8. Implications

Based on our propositions and findings described in the analysis section, we have found several theoretical and managerial implications and contributions.

8.1 Theoretical Implications

The created propositions will not only act as conclusions to our areas of exploration but also as theoretical implications and contributions as they contain theoretical concepts. Our overall finding is what could be perceived as a dual layer network effect: it is about getting access to both partners and existing solutions. In an effort to combine propositions 1, 3, 4, 5 and 6, we propose the following model as illustrated in Figure 15.

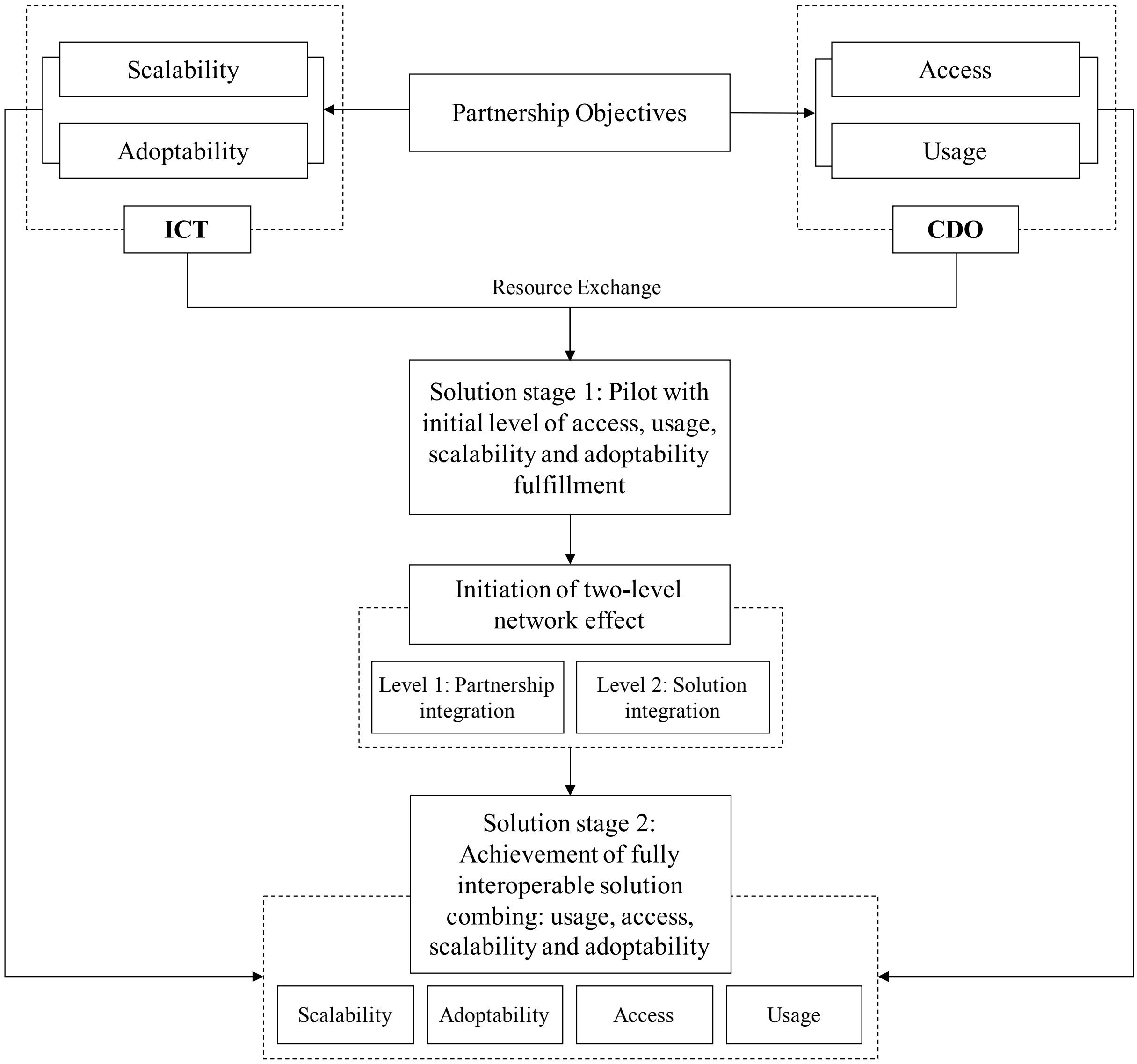

Figure 15: Theoretical Model of CSC Network Effect in Financial Inclusion and MFS

In order to move from an initial partnership and pilot project to the next phase of network integration, one needs to find an initial connection between usage/access, initially focused on by the CDOs, and scalability/adoptability, initially focused on by the ICT company, as we discussed in proposition 1. It is, therefore, important that one finds the synergies between the resources at disposal, with each partner focusing on their area of expertise as discussed in proposition 6. Ensuring success of the initial solution is vital in deciding to move forward with the partnership and sharing access to one's network of partners and their solutions as discussed in proposition 4 and 5. This would enable joint efforts that could connect both new partners and other solutions in order to create interoperability and scalability. Therefore, when the extension of a partnership creates a network of other actors one will most likely achieve high levels of the four objectives of financial inclusion: access, usage, scalability and adoptability at the same time. We therefore contribute to existing CSC literature on the perspective of financial inclusion and MFS.

8.2 Managerial Implications

Firstly, closer collaboration is important as objectives and processes need to be aligned to the extent that the partners find an intersection between non-commercial and commercial goals to allow for success in MFS and financial inclusion, especially since the empirical section uncovered a general tendency towards isolated actions that merge together in the end. Hence, it is important that there is a continuous exchange to ensure a strong and coherent strategy.

Secondly, measurement systems are critical as they impact what and how things will be done in the partnership as discussed in the analysis section. In general, it was perceived that measurements are something that all parties wanted to improve, but that it was hard for both constituents to establish them. Also a lack of sharing was observed. More concrete measurement or at least closer collaboration and a more open communication of internal measures would improve the overall strategy and alignment.

Finally, organizations should not only choose a partner solely based on how they can support them in the short-term, but based on how they can provide value in the future beyond the partnership, i.e. what partners they are working with and which connections they have. This is important since the achievement of a network effect is key to success. Therefore, the first two steps in Figure 16 are vital to increase the probability of reaching this stage.

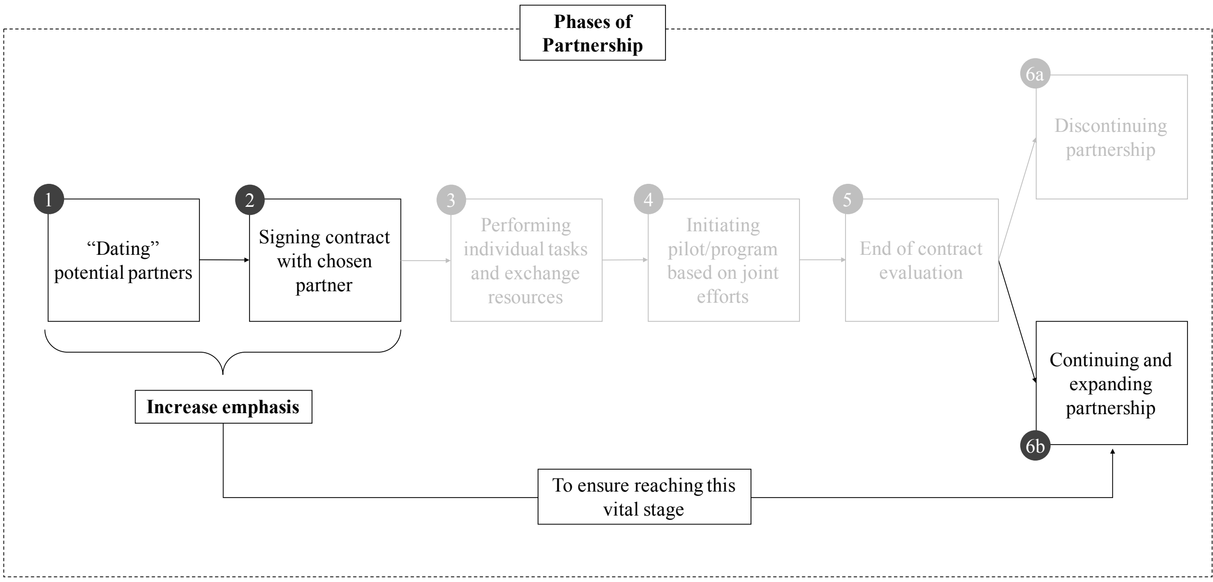

Figure 16: Evaluation of Appropriate Partner

9. Future Research

The future research based on our study can be divided into four components: partnership development, conceptual framework, the area of financial inclusion, and evaluation in CSC.

9.1 Partnership Development

When these types of partnerships are growing in volume, further research should be conducted in the area. Interesting findings would be from research looking into what different isolated types of actors can contribute. As with our study, we can only talk about tendencies based on the sample. A foundation such as Bill & Melinda Gates Foundation in the NGO sample have both monetary resources and connections while other NGOs were better at aiding in the local implementation and supplying contacts to others. UN (aid) agencies often had difficulties to implement something quickly due to bureaucracy reasons. However, they have a country-wide perspective when it comes to implementation. Think tanks are suitable if in-depth market knowledge and research is of interest.

9.2 Theoretical Frame of Reference

CSC in MFS spans across various actors and future research may choose a different research body as starting point than being based on NGO-private sector collaborations and focus in the empirics on one single actor. In this stage, it would be interesting to look into the implication of Transaction Cost Theory. We believe it could be a main reason why the collaborators are looking for a network effect, since integrating multiple stakeholders can reduce the transaction costs between the parties as they have joined the same cause. However, since the majority of partnerships have not reached this stage yet, we do not want to draw that conclusion (see Figure 17).

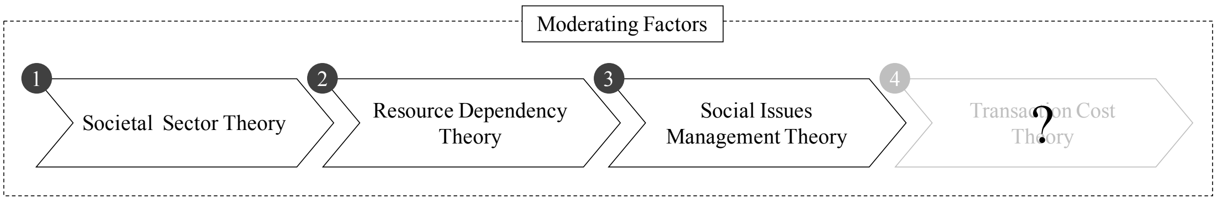

Figure 17: Extending the Model with Transaction Cost Theory

9.3 Area of Financial Inclusion

Future research should closely look at the development of the domain of MFS. This is especially the case since several interviewees stated that the industry is very dynamic and many changes are foreseen in the near future. The potential of affordable smartphones and mobile data connections spreading across developing countries may render current solutions obsolete and lead to an adoption of solutions which are already present in developed countries using applications. For instance, a smartphone called "Freedom 251" is offered for less than four USD in India as of summer 2016 which could potentially introduce millions of people to mobile internet.

Furthermore, it would be interesting to look into the issue of replicability of current financial inclusion business models in mobile money. M-Pesa is highly successful in Kenya, however, not as successful in other areas where it has been tested

9.4 Evaluation Criteria Employed in CSCs

As previous CSC research already highlighted, there is a lack of collaboration and management in establishing evaluation criteria in our context. Therefore, the use of KPIs in CSC aimed at social causes opens up an interesting research field, something researchers with a more quantitative interest should look into.

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11. Appendices

Appendix I: Levels of Relationship Intensity along Functional Areas

Table 10 shows a combined model of the work of Rondenelli (2003), Kourula (2003), and Dahan (2010) that highlights the differences along functional areas.

Table 10: Functional Areas and Levels of Relationship Intensity

	Low ← Level of relationship intensity → High		
***Defini-tion/* Function**	**Arm's-Length-Relationship**	**Interactive Collaboration**	**Intensive Management Alliance**
Defini-tion	*Relationship displayed as corporate support for employee participants.*	*Relationship displayed as, among others, NGO certification of business practices and targeted project support.*	*A formal alliance in which NGOs are trying to influence the way corporations work and vice versa.*
Market research	Informal information sharing on already established CSC market research.	Collaboration on market research more targeted on a specific project of a CSC.	Fully integrated collaboration, jointly created to meet and understand a specific need.
Product R&D	Informal information sharing on R&D processes and NGO knowledge on generalized market needs.	More details are discussed to achieve a specific product R&D undertaking. However, few joint actions are taken.	The collaboration has shifted towards joint product R&D and transparent information sharing.
Procurement & Production	Generalized input and information sharing between NGOs and companies on production and procurement of resources in a developing country to establish a future network.	More detailed communication and sharing of contacts in relation to how production and procurement can be achieved.	Apart from detailed communication and information sharing, joint actions are taken to establish production capabilities and procurement of resources.
Distribution	Explorative communication between the entities on potential distribution methods.	Communication extends to being formal and exchange of contacts to achieve distribution.	Joint actions to set up distribution networks.
Marketing	Informal communication exchanges on marketing considerations. Company is responsible for marketing.	More input in creating marketing messages and choice of channels. Contacts are exchanged and established with e.g. local news agencies and other channels.	Joint message creation and dissemination of messages.

Business Model Develop-ment	Input exchange for business model creation in a developing country.	Formal input for business model creation. NGOs have a more prominent role in the influence of business model creation at this level.	A combination of the parties' distinct resources allow for co-imagination and co-creation of business models specifically targeted at a developing country.

Appendix II: Characteristics of Different Research Process Steps

Phase 1 & 2: Theoretical definition and framework

Initially, only a few guidelines existed except a preliminary idea of what to study with no clear research questions, research framework, or case material. This first stage was primarily theory-driven, however, an empirical understanding was developed as secondary empirical sources were reviewed. Therefore, this stage is not truly abductive, but rather deductive with a separate inductive line of inquiry.

Phase 3: Data Gathering

The research progressed with an abductive logic as choices regarding cases started to influence theoretical thinking, and in turn the empirical investigation. However, the scope of the case study changed as alterations were made with regards to the case sample due to reasons described later in this chapter.

Phase 4: Data Analysis

Data analysis proceeded mostly in an inductive manner. However, some abductive aspects were involved, since the analytical process refined the framework and its theoretical aspects.

Phase 5: Quality Assessment of Research Process

In the final phase, the validity and analytical generalizability of the results from the third phase were assessed. This phase is deductive since the purpose is to take the generated theory and then test its validity and transferability.

Appendix III: Original Criteria for Interviewee Selection

Table 11: Original Criteria for Interviewee Selection and Method of Locating

Criteria 1: Definitional fit	Criteria 2: Relevance
• Non-governmental and not-for-profit organizations that have a presence in public life, expressing the interests and values of their members or others, based on ethical, cultural, political, scientific, religious or philanthropic considerations. Civil Society Organizations therefore refer to a wide of array of organizations: community groups, NGOs, labor unions, indigenous groups, charitable organizations, faith-based organizations and professional associations (source: World Bank)	• Interest/agenda in financial inclusion • Partnership with private actors • Use/interest in mobile financial services ▪ Directly involved → co-participant in the development on new methods ▪ Indirectly involved → utilizing the services for its cause or planning to get involved
External Method of Locating Organizations	
• https://www.ngoadvisor.net/ • http://www.wango.org/resources.aspx?section=ngodir#tab2 • https://www.betterthancash.org/members#filters	

Appendix IV: Typical Response from Contacted Organization

[redacted]

23 Mar 2016 18:09

To: Didrik Falkenberg

Inbox - Google

E

Re: Student Research: Master Thesis Interview Cross - Sector Collaboration Financial Inclusion

Dear Didrik

Thank you for contacting [redacted] regarding your research. We are always pleased to hear from people who are interested in the work we do. However, as we receive a large number of research requests and have limited time and resources, we are unable to assist with research.

However, we have a fantastic website, which contains an abundance of up to date information about our work - press releases, newsletters, and also development and campaigning information, which I hope will provide you with the information you need for your research: [redacted]

You may also like to look at our Policy and Practice website [redacted] which highlights [redacted] current policy, programme and research areas as well as providing access to over 3,000 published resources including books, policy papers, research reports, case studies and journal articles

In addition, for an informative description of the year's activities, including [redacted] aims and objectives, you can view our Annual Report and Accounts for 2012/13 and previous years - at the following link: [redacted]

I hope that with the above suggestions you will be able to complete your research successfully.

You can also now find us on Twitter: [redacted] and Facebook: [redacted]

Thanks once again for your interest in our work and good luck with your research.

Best Wishes

[redacted]

P.S. Deadly clashes and air strikes have killed and injured thousands of people in Yemen. A million more have been forced to leave their homes and are struggling to find food and water. Fuel prices have risen by 690% putting 10 million people at risk of losing access to water and basic services. [redacted]

Figure 18: A Common Reply from Contacted Organizations

Appendix V: List of Contacted Organizations

Table 12: List of Contacted Organizations

Organizations contacted		
Accion	Ericsson	Oxfam
Acdi/Voca	Fighting Poverty With Financial Inclusion	Pathfinder International
Action Aid	Flowminder	Plan International Sweden
Acumen	Ford Foundation	Plan International Zimbabwe
Afrikagrupperna	Free The Children	Positive Planet
Alliance For Financial Inclusion	Freedom From Hunger	Praekelt Foundation
Better Than Cash Alliance	Friends International	Refunite
Bill & Melinda Gates Foundation	Grameen Foundation	Rockefeller Foundation
Brac	Heifer International	Root Capital
Care International	Help Age International	Safe Waters Foundation
Catholic Relief Services	Hivos	Save The Children
CGAP	Huawei	SIDA
Chemonics International	IFRC	The One Acre Fund
Cherie Blair Foundation For Women	Innovations For Poverty Actions	Tostan
Child & Youth Development International	Inter-American Development Bank	Vital Voices
Child And Youth Finance International	International Alert	Water Misson
Christian Care	International Finance Corporation	Whitaker Development And Peace Initiative
Cisco	International Monetary Fund	World Bank
Clinton Foundation	International Rescue Committee	World Food Programme
CMS	ITU	World Vision
Concern World Wide	Kfw Development Bank	Yunus Centre
Cordaid	Kopernik	
Cuts International	MEDA	
Diakonia	Mercy Corps	

Appendix VI: List of Interviewed Organizations

Table 13: List of Interviewed Organizations

Category	Organization	Description and Relevance for MFS
Company	Ericsson	One of the leading ICT companies in the world. The banking business is in general not part of their strategy, but they have the technology (both soft- and hardware) to facilitate the establishment of MFS. Financial inclusion is one of the core aspects on which the company focuses its CSR activities on. Additionally, the corporate M-Commerce department explores business opportunities in this domain.
NGO	Bill and Melinda Gates Foundation	One of the largest private foundations in the world. With a focus on a few countries in Africa and South Asia, they fight poverty and inequality. While the core interest is on health-related issues, they believe that they can achieve a big societal benefit by promoting MFS. This is especially the case since their founders have an IT-related background.
NGO	Concern Worldwide	With operations mainly in Africa and Asia, they are mostly concerned with fighting poverty. They perceive MFS as a chance to distribute funds to beneficiaries more efficiently and reliably. Since they are headquartered in Dublin (Ireland) they are particularly exposed to the local IT cluster.
NGO	Safe Waters Foundation	As each year thousands of people drown in Lake Victoria, they want to make lake transportation systems and the local fishery industry safer. To achieve that, MFS allows for a sustainable way to provide weather reports or other information services from a distance or physical goods such as life jackets for rent.
NGO	Water Mission	They are concerned with the provision of fresh water and the handling of sewage water in developing countries. The interest in MFS is mainly rooted in a chance to sustainably provide fresh water to the poor with a digital payment system in place which can provide them feedback on usage patterns, indicating technical issues etc.
Think Tank	Consultative Group to to Assist the Poor (CGAP)	Partnership of more than 30 organizations, completely dedicated to the topic of financial inclusion. They analyze efforts and innovations in the financial system and spread lessons learned to policy makers and others. MFS is perceived as the best chance to eradicate financial exclusion as initial evidence shows great results within only the past few years.
UN Agency	International Monetary Fund	UN agency mostly aimed at the promotion of financial stability and growth as well as the reduction of poverty. MFS are seen as a tool to support financial stability from a macro perspective as existing financial institutes are insufficient in achieving that completely.

UN Agency	World Food Programme	UN agency with core interest in fighting hunger and promoting food security. MFS is perceived as a tool that could support this agenda by making sure that people have a safe account which they can use to buy food with.

Appendix VII: Introductory E-mail Letter

Briefing

We are two Master students from Stockholm School of Economics in Sweden currently working on our thesis with support from Ericsson. We do explorative research on cross-sector collaboration in the domain of financial inclusion (MFS) with a focus on developing countries. With a shift in CSR practices from monetary donations towards true partnerships, we try to find out more about this interesting connection. We would highly appreciate an opportunity to interview someone knowledgeable in the field of financial inclusion and partnerships.

What we want to find out

- What is the definition used for financial inclusion and MFS and the relevance for your organization?
- Why you decide to cross-sector collaborate? What will you benefit from it?
- How the collaborations are managed? I.e. execution of and the process to evaluating the partnership.

How we would like to do it

We are using a case study approach with Ericsson representing the private sector side. It would be very valuable to see how your organization cooperates with private companies (ICT and/or others) in this matter, both in relation to Ericsson and/or to other companies in general. Therefore, we appreciate an opportunity to conduct an interview with someone of your organization who has particular knowledge about collaborations and financial inclusion (MFS) as the context. The interview would last approx. one hour. If requested, we can provide you with more detailed information about the questions to be covered.

When we plan to do it

We would appreciate to have an interview at your earliest convenience. To schedule an interview, you can reach us either by answering to this e-mail or by calling [phone number].

What you will gain from it

Your contribution is valuable in expanding the expertise in this important domain. Therefore, we would like your organization to benefit from your contribution. After the completion of our thesis in June 2016 you will receive an executive summary of the insights from the interview sessions and the potential strengths and opportunities for improvements in cross-sector relationships.

Appendix VIII: Interview Guideline

Introduction

1. What is the main purpose of your organization?
2. What is your position/role in the organization?
3. What is your organization's interest in financial inclusion/MFS?
4. What is financial inclusion to you?
5. Did your organization have already collaborations in the field of MFS? If yes, how many and with whom?
6. How would you describe your organization's relationship status with Ericsson?

Reasons for collaboration

1. How did past collaborations start?
2. Who initiated contact? If is was you, how did you select/filter and reach out to potential partners?
3. What are the reasons why you collaborate(d), especially in the field of MFS?
4. Why do you think your corporate partners normally chose to collaborate with you?

Execution of collaborations

1. Can you describe how a "typical" corporate partnership looks like in your organization (if possible in the field of MFS)? What phases do you go through?
2. How different are the collaborations and how do they differ?
3. How are tasks divided among the partnership members (e.g. joint project lead vs. project lead by you/your partner, …)?
4. Which functional areas are relevant for a collaboration and which ones are most important?
5. Which difficulties do you face most often? Which ones are most critical? How do you address/overcome them?

Evaluation of collaborations

1. Do involved parties normally agree on joint evaluation criteria for the collaboration itself or do they only have their own internal criteria?
2. Do you openly communicate your internal criteria? Does your partner?
3. How do you evaluate the success of a collaboration (e.g. KPIs for various dimensions such as satisfaction with collaboration, financials, learning, impact of collaboration on society/chosen cause, ...)? How do these evaluation criteria differ from internal KPIs?
4. What impact does the evaluation have on future collaborations?

Final Question

1. Is there anything that has not been asked that you would like to add or you think is relevant?

Appendix IX: Method and Sources of Secondary Data Collection

Table 14: Sources of Secondary Data Collection

Databases	Journals	Keywords
• Business Source Premier • Science Direct • Emerald Insight • Scopus • Google Scholar	• International Journal of Economics and Financial Issue • Journal of International Business Studies • Journal of Business Research • The International Journal of business in society • European Management Journal • Journal of World Business • The Journal of Applied Behavioral Science • International Journal of Social Economics • ACRN Journal of Entrepreneurship Perspectives • Academy of Management Journal • Journal Of Business Ethics	• Partnership • Alliance • Collaboration • Cross-sector • NGO • Non profit • Civil Society • Social Enterprises • Financial Inclusion • Mobile Money • Mobile Financial Services