Are there non-financial values for a global custodian bank locating a client service department in Ireland?

This dissertation is submitted as the final fulfilment required in completing the Masters of Business Administration (MBA) at the National College of Ireland
by Adam Shah

National College of Ireland

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i. Abstract

Purpose - The primary objective of this research is to investigate if there are non-financial values which a client service unit (CSU), based in Dublin, Ireland can deliver to a multinational global custodian bank servicing multinational business, but mainly based in EMEA as opposed to relocating or outsourcing the service to a low cost centre like India.

Methodology –The research format is a qualitative case study approach designed to identify what, if any, intangible values an Irish based CSU department can deliver to the global custodial bank and its clients.

Findings - The research reveals that an Irish based CSU department delivers intangible values consistent with the top three tiers of the 'Hierarchy of Capability' pyramid and is therefore a sustainable competitive advantage to 'The Bank'. Further findings were also identified as being significant and these were deemed values rather than advantages as they were strongly influenced by national cultures within Europe and specifically in Ireland. Finally, the research identifies the significance that financial considerations have over the bank's strategies but confirms that the significance of these financial obligations diminish over time as the intangible values remain an overarching presence.

Implications -The research and its findings provide guidance to management in terms of strategic decision making and the appreciation of how short term decisions can impact the long term success of a company. The research can support the marketing of Ireland as a hub of creativity and innovation which are show to be ingrained in the Irish culture. This marketing can secure resources and attract likeminded businesses, both multinational and domestic

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iii. Acknowledgements

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1 – Introduction

1.1 Background

The financial crisis of 2008 changed the landscape of the financial services sector as major banking conglomerates, not only fought to maintain their status within the global financial world, but had to fight for their mere survival. Those which survived had to reassess their strategic goals as liquidity, from the market, such inter-bank lending and externally, through deposits and interest received from customers, were scarce.

The traditional approach of cutting overheads such as workforce was one adopted by most of the institutions globally. The approach was justified on the ground that expenses were too high and shareholders were demanding greater efficiency. As a result some departments were merged and others were outsourced. Customer Services was not exempt from this process.

Friedman (1970) and Carroll (1991) support the belief that an organisation's main obligation is to it shareholders. If it fails to generate sufficient profit, then the company ceases to exist. Although global economic growth is yet to be at a level which investors would define as 'confident', it is not in the same turmoil as it was from 2007 – 2012 (World Bank, 2015) (see figure 1).
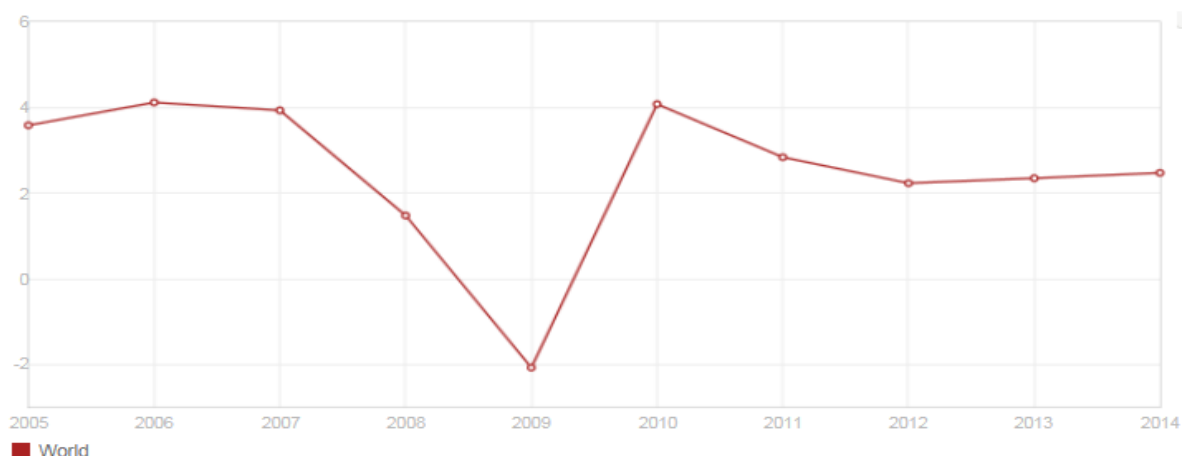
(Figure 1; 'Global GDP (annual %)', WorldBank, 2015)

Based on this information, survival threat, although not eliminated, has certainly been mitigated, therefore, to meet the basic requirements of profitability; Barney (1991) suggests

an organisation must sustain its competitive advantage. He claims there are three ways a company can achieve this. First, the bank must focus on efficiency in its use of physical resources, make appropriate use of its organisational resources (such as strategic planning, organisational structure etc., and finally nurture its human resource, including the training, relationship development and collaboration between staff and management.

1.2 Research focus

The company researched is a global custodian/investment bank. The department researched within this company is the client services unit (CSU), which is based in Dublin, Ireland. This department services the custodian bank's clients which are organisations themselves, some of which are globally listed companies. They pay fees and charges to the bank to utilise its facilities, which help these clients increase their own (and their clients') wealth by gaining access to multiple markets in every region around the world.

Customer Services have grown in importance within financial services in recent years and this growth has contributed to innovations, technological growth and enhancements in efficiencies (Malhotra & Mukherjee, 2004).

The CSU team in question is one of four service centres in Europe servicing clients that are mainly based in Europe and the Middle-East. The others are in London, Milan and Luxembourg.

Dublin is the largest of the four centres servicing approximately 400 clients across 25 Client Service Representatives (CSRs). At the beginning of 2014 there were 66 CSRs servicing a similar number of clients. Dublin is also divided into four teams.

By virtue of revenue, the team receiving the most focus is *The Investor Service team* as they service the bank's largest revenue clients. These clients generate approximately 80% of the banks total revenue but consist of only 15% to 20% of the total clients in the bank. The CSR to client ratio is 1.5:1

This is followed by the *Global Service Team* where the clients managed by this team are high revenue generating, but less than those serviced by the Investor Service Team. The clients would also have potential (deemed by the bank) to generate more income. The CSR to client ratio is 1:3

This is followed by the largest team, in terms of volume of clients; the *Core Service Team.* The CSR to client ration is 1:70. Their clients are divided into three further categories which consist of <u>Core Gold</u> where these clients fall just 'outside' of the criteria to receive Global Team service. Then <u>Core</u> which services the majority of the bank's clients in Europe. These clients generate approximately 15% - 20% of total revenue yet consist approximately 75% of all the bank's clients. Then finally, there are <u>Core Tail</u> clients which are exiting the bank and/or generate an operational loss to the bank. Their service is provided accordingly.

The final team is the *Fund Manager Team.* Generally, they are non-fee paying 'clients' that are hired by the bank's fee paying client to trade/invest on their behalf. It is worth noting that some of the larger Fund Manager companies are direct clients of the bank too. The CSR to client ratio is 1:33

It is rumoured that Milan's survival is in question, and both London and Luxembourg have also seen reductions in staffing, however, their average CSR to Client ratio stands at approximately 1:3 where in contrast to Dublin's of 1:16 (averaged).

The North American CSU outsourced some of their low-revenue clients to India approximately two years ago, so the question raised is; should the bank do the same to Ireland?

1.3 Research aims and objectives

This research aims to determine if there are intangible values (including cultural-'norms') which a service centre in Dublin, Ireland, offers compared to a low cost centre like India. According to Hamel (2010) the company must receive value represented in the upper three tiers of his 'Capabilities' pyramid in order for them to become or remain truly competitive (see figure 2).

The lower three tiers are deemed "global commodities" (Hamel, 2011). If management see employees in Ireland as being unable or unwilling to exert anything greater than 'Intellect', it would be difficult for management to rationally operate this service within Dublin, as the financial cost are considerable higher in alternative centres such as India.
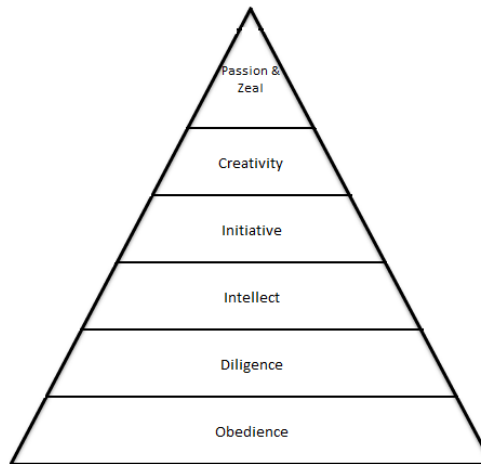
(Figure 2: 'Hierarchy of Capabilities' Adapted from Hamel, G, 2010)

Research conducted by Hofstede (1983) compiled a generalised cultural profile of approximately 50 countries.

For the purpose of this research, this paper will focus on four countries that were included in in Hofstede's research:

- **Ireland** – The main country chosen for this research
- **United Kingdom** – Used when information is not selected in detail by Hofstede and because it's a direct competition to Ireland as cultural values pose striking similarities yet the financial costs for the company researched are higher
- **Poland** - A potential, future competitive sight for EMEA operations. In addition to this, some Polish nationals are employed in the CSU department in Dublin and therefore provide a representation
- **India** – The 'standard' low cost service centre which could be, and have been, used to service some of the CSU functionality in the North American CSU department

Hofstede (1983) focused on many dimensions in an effort to demonstrate that universal management techniques and approaches could not be applied and that the business must 'fit' its management style to the domestic culture.

This paper will investigate if any values, supported by Hofstede's research, fall within the top three tiers and the results from the interviews conducted by management within the researched company will be compared and placed within Hamel's pyramid.

In order to insert these cultural dimensions into Hamel's pyramid, a definition of the tiers is required (Hamel, 2010; 2011).

Obedience – The basic capability of an employee to follow the organisation's rules.

Diligence – The capability to work as hard as necessary to complete the task. Ultimately, take responsibility for results.

Intellect – This capability expects employees to have the expertise, knowledge and skills required to do the job assigned to him or her.

Initiative – The capability of employees to identify potential and strive to go beyond their basic job description without waiting, or sometimes seeking, approval or guidance from management to do something. In other words, it's a capability to actively seek better ways of doing the 'day to day' tasks without direction or, at times, permission.

Creativity – The capability by imaginative employees that actively wants to learn from other industries and are confident in their knowledge and abilities to challenge the status quo.
They are not content with an *"that's the way we've always done it"* view but rather appreciating there may be other, possibly more efficient ways of completing a task, finding information or using the technology yielding more productive results.

Passion/Zeal – An employee that's not content in doing the '9-5' but viewing their job as a way to make a 'difference'.

Characteristics identified within Hamel's hierarchy		
Initiative	**Creativity**	**Passion**
Innovation	Imagination	Energetic
Autonomy	Risk taker	Self-Motivator
Self-Motivator	Confident	Motivator of other

1.4 Limitations

1.4.1 Introduction

This section summarises the possible limitations of the research type, predominately highlighting the 'human' element and circumstances which can affect the research findings. In conjunction with the 'Observational insights of the interviewers' section found in the appendix (p.50), which are based on an unscientific, observational commentary of the interviewer's opinion at the time of the interview, this section provides additional insight for the reader to appreciate the nature, and challenges of a qualitative research such as this.

1.4.2 Research Limitations

The limitations below are the most prominent, and possibly, the most influential of all the limitations encountered during this research. Great effort was taken to ensure none of these limitations skew the findings by strictly adhering to the framework selected to answer the research question.

Most of the interviewees are Irish nationals and all have lived in Ireland for more than ten years. This may impact the perceptions of the interviewees compared to interviewees not as closely connected to Ireland. Non-Irish or non-domiciled interviewees may see a perspective not otherwise noticeable to Irish nationals or those whom have domiciled in Ireland for a significant period of time.

All interviewees, except one, are male; female perceptions may therefore not be adequately captured. This limitation may inform others who may want to explore this topic further by researching a more dominant female view. It is, however, representative of the industry where most senior management are male (Clark, 2015).

The research and its conclusions were based on the interviews conducted with six members of senior management within the bank. It was considered more appropriate to the research to interview a small number of very senior staff in depth rather than less detailed interviews with a larger number of participants.

The researcher is an Irish national and has lived in Dublin for approximately 25 years. Although originally born in the United Kingdom, most of the researcher's life has been spent in Dublin. Similar to the interviewees, the researcher's perceptions may also be coloured by the above, but great efforts have been made to identify, acknowledge and mitigate any potential for bias, with strict adherence to the parameters outlined in the framework definitions.

Most of the interviewees have a vested interest in the survival of the Dublin CSU department, therefore, it could be claimed the information is a 'sales pitch', however, as stated previously, the decision to select senior management was due to their influence within the bank. Just as the bank competes within the markets for clients and revenue, the departments within the bank also compete for resources.

The interviewer has known all the interviewees for a number of years. As a result, previous knowledge of their experience, their work style and even personality, may impact the interpretations of their comments. To overcome this challenge, careful review of notes taken during the interview, along with multiple reviews of the recordings was conducted. This was all done to ensure the utmost accuracy of the findings and ensuring they correlate correctly to the framework proposed.

The interviews were conducted during work hours over a two week period in June 2015. The time constraints of conducting an interview during business hours may have influenced the responses (and findings). In an effort to combat this challenge and to ensure an equal opportunity for each interviewee, a target of 15 to 30 minutes was proposed for each interviewee. All but one interview was concluded within 30 minutes.

2 - Literature review

2.1 Introduction

The literature review is divided into topics, deemed most relevant to the research. Section 2.2, 'The role of the custodian bank' will provide a brief explanation of a Custodian (Investment) Bank and its role within financial services.

Section 2.3, 'Client services and client relationships', is an introduction to the role of client services. The research will use comparisons to 'call centres', as the client service unit's (CSU) primary contact medium is non-face to face (email and telephone). The aim is to identify the increasing role CSU has on 'day to day' business within the custodian bank being researched and to determine what value that role, located in Ireland, has over other potential low cost sites (e.g. India).

In Section 2.4, the review will examine client value proposition which may be deemed relevant to understanding what is important to client behaviours and their satisfaction along with a review which will focus on the Organisational and Managerial value proposition (Section 2.5). More specifically it will examine if their perception and aims are in line with the clients and their own strategic goal.

Finally section 2.6, 'Cultural significance', will assess the impact national culture has on these values and the potential success of the strategy the bank may decide to implement. The influence and presence of national cultures will consider if regionality, such as Europeans communicating with Europeans, may influence client value proposition.

2.2 The role of a custodian bank

Custodian Banks are financial institutions which hold client assets and securities for 'safekeeping' in electronic and/or physical form. They are typically classified as highly reputable and highly regulated firms and are institutions that offer a variety of services including account administration, dealing, clearing and settlement of cash and security transactions (Stahli, 2013, p.135).

It differs from a retail bank in that it doesn't hold personal accounts, mortgages or own ATM machines, etc… although the umbrella organisation may have a retail banking section attached to its operations.

The five top custodian banks (in terms of revenue generated) are (Reuters, 2014):

- JP Morgan
- Goldman Sachs
- Citigroup
- Deutsche Bank
- Bank of America

Their main responsibilities include (JPM, 2015; GS, 2015; Citi, 2015; Deutsche, 2015; BoA, 2015):

- Safekeeping accounts (SKACs) which hold assets/securities in different types of financial instruments
- Responsiblity for clients trades (settlement of purchases and sales of securities)
- Collating and disseminating market information regarding Income payments (dividends for stocks/equities and coupons/interest payments for bonds), regulatory changes, changes in tax regime (such as the introduction of the Financial Transaction Taxes introduced across European markets), Corporate Action event etc…
- Acting as a tax administrators in multiple markets in all regions
- Providing information on the securities and their issuers including proxy events, AGM's and Initial Public Offerings (IPOs)
- Performing currency exchange transactions if required
- Securities Stock Lending and the selling of Collateralised Debt Obligations (CDO) and Credit Default Swap (CDS) which are, in layman's terms, insurance policies on security payments

In essence, Custodian banks provide efficiency, mitigate risk and reduce cost on behalf of investors (hereon referred as 'the client'), across hundreds of markets globally via the utilisation of the custodian's bureaucratic services (JPM, 2015).

"Global custodians occupy a unique market position. Through contractual arrangements with domestic local-market custodians, they enable investors to hold a wide range of assets in almost every market. Global custodians' investments in operations allow them to provide a central point of contact, consistent recordkeeping and information reporting, oversight of settlements and typically a range of banking services that make it easier and more efficient for global investors to participate in global markets." (Stahli, 2013, p.136)

"Investment banks exist because they maintain an information marketplace that facilitates information-sensitive security transactions…[and] have facilitated complex deals by creating a marketplace in which informal property rights over these assets could be created and enforced… [they] lever off their relationships to provide incentives for information production and dissemination, and they are trusted because they risk their reputational capital every time they underwrite a fresh deal"

(Morrison& Wilhelm, 2007, pp42-44).

The custodian bank used to conduct this research is a global custodian as it operates the safekeeping of client's assets in multiple jurisdictions worldwide.

2.3   Client Services and client relationships

As explained, the bank is a complex institution, with complex products and clients need to have a point of contact within the bank to assist and guide them as required. This is where the role of a CSR comes into play and client relationships are developed as a result (Crosby, 2002; Malhotra & Mukherjee, 2004).

CSR's main form of communication is via telephone and email as their clients can be based anywhere around the world. Lloyd (2013) reported two thirds of daily communication between companies and their clients are non-face-to-face. The role of a CSR in this context can be compared with that of a call centre employee.

According to Malhotra & Mukherjee (2004), CSRs are the 'frontline' of customer service management within the service industry and provides *"a link between the external customer and environment and the internal operations of the organisation"* (Zeithaml and Bitner, (2000) cited by Malhotra & Mukherjee, (2004)). They suggest, most importantly, CSRs

represent the organisation and can influence the client's perception of the bank through the service received. Furthermore, they also claim CSR's quality of service have a direct link to the quality of the service provider.

> *"All kinds of behaviour and actions on the behalf of customer-contact employees during the service encounter cannot be directed and controlled by management. Hence, it can be argued that during the "moments of truth" (Carlzon, 1987) of service encounters, it is the discretionary behavior of committed customer contact employees that will largely determine service quality perceptions and customer satisfaction on the external front (Boshoff and Tait, 1996). Different forms of organisational commitment have different impacts on service quality." (Malhotra & Mukherjee, 2004, pp 163)*

In conjunction with the information provided thus far, this section will now identify the role of a CSR with the intention to acquire, retain, and maximise profits of existing and potential clients (Crosby, 2002).

- Providing a friendly, approachable yet professional service at all time
- Be prepared to act upon a client's request, whilst appropriately managing their expectations
- Have the knowledge and skill to investigate queries, and at times, proactively anticipating additional requests before receiving them
- Act in the highest regard in terms of ethics, morality and compliance, as they represent the organisation
- Have an extensive knowledge of the company's products and service offerings

2.4 Client Value Proposition

Value proposition is described as the provision of an offering, by an organisation; that is perceived to present benefits to its clients whilst differentiating its offering from its competitors to sustain the organisations competitive advantage (Lindič & Marques D.S., (2011); Payne & Frow, (2013)). Keeping the client satisfied is an important strategic goal to any organisation. To understand 'client value', first one must identify what brings value to a client.

As client 'needs and wants' changes from client to client (and sometimes the same clients demands change depending on their strategic 'shift'), the bank needs to recognise and anticipate their client's current and potential requirements and incorporate these into its strategy.

According to Hill (2012), client value proposition is about delivering and generating quality in the service offered. He continues to suggest quality in service is broken into five 'Dimensions' which in turn, help deliver perceived and actual value:

Dimension	Examples
Tangible	The physical appearance of the bank. According to Schein (2010), this could be also classified as the company's 'Artefacts' when identifying the culture. If the building is 'clean', the employees are presentable in a professional manner and the logo/brand is 'cutting edge', this could help the client understand what quality they're to receive and therefore assist the bank to narrow its identification of what value to deliver to the client.
Reliability	'Was the service done well'? A simple yet critical question for the client to answer and the bank to ask. Failing to deliver quality could be failing to identify what the client perceives as value.
Responsiveness	Considering the clients are investors and taking into account the industry's dynamic nature, the client would require a service which delivers quality in terms of the 'turnaround' time of their queries and requests. 'Time is money' therefore, the bank would need to ensure their strategy recognises their client's time sensitive requirements. It is also heavily reliant on the next two 'dimensions'.
Assurances	'Did the staff give the impression they knew what they were doing?' Similar to 'Reliability', it is a critical determinate of what a client perceives as value and good quality. The right answer, first time supports the 'Responsiveness' dimension.
Empathy	Did they seem to care about 'your' experience?' Although the clients for this research are organisations, the people behind it have high expectations that their CSR's care. Caring about the job suggests the bank delivers high quality. It assures client value proposition is at the 'forefront' of their strategy and would be imbedded within the banks' culture (Schein, 2010).

(Adapted from Hill, 2012, p 156)

2.5 Organisational and Management Value Proposition

In the previous section, it was explained that client value proposition is based on what the client perceives as quality and what they deem important in terms of value expected to be received from the bank, however, the bank, not only needs to strive to meet client expectations, but must also seek to ensure this is done so in a cost effective, commercially viable manner (Storbacka, Gronroos & Standvik, 1994).

This research aims is to identify intangible competitive advantages to having a CSU department in Ireland, when the bank's clients are based globally (but mainly in Europe). Could the bank simply move their European client services operation to a low cost centre (India) and still deliver the same level of service and quality that clients expect and demand?

According to Storbacka, Gronroos & Standvik (1994), client perceived service quality, value and satisfaction are judged by the bank's perceived sacrifice whereas the bank's perception of client's satisfaction has a cost element attached.

> *"Perceived service quality - Customers' cognitive evaluation of the service across*
> *episodes compared with some explicit or implicit comparison standard*
> *Perceived sacrifice - Perceived sacrifices (price, other sacrifices) across all service*
> *episodes in the relationship compared with some explicit comparison standard*
> *Perceived value - Service quality compared with perceived sacrifice*
> *Customer satisfaction - Customers' cognitive and affective evaluation based on the*
> *personal experience across all service episodes within the relationship" (Storbacka,*
> *Gronroos & Standvik, 1994, p149).*

Whilst there is merit to Storbacka et al (1994) claims, considering profitability and the sustainability should be at the forefront of any organisations agenda (Friedman, 1970; Carrol, 1991), Hamel (2010) and Barney (1991) contest that maximising 'human capital' can result in greater profitability. CSR's shouldn't be perceived as an 'expense', rather an asset to improve the banks' competitive advantage.

Hamel (2010) proposes management should strive to empower employees to yield the most benefit, which can be evaluated through his 'Hierarchy of capabilities' to decide how and where to staff (See figure 2).

The first three layers; obedience, diligence and intellect, are considered 'global commodities' easily acquired in any low cost country (such as India).

The other three layers; initiative, creativity and passion/zeal, Hamel (2010) argues, offer value to the organisation through discovery, drive for efficiency and being distinctive that delivers value proposition into the culture. In essence, this claim drives the question regarding the intangible value Ireland can offer as opposed to India.

2.6 Cultural significance

Culture has been defined as a collective mental programming process as it is part of the conditioning shared with other members of the same nation, region or group, but not with members of other nations, regions or groups (Hofstede, 1983).

Based on this definition, the rationale to 'host' a CSU department, which services a multinational client base, in just one location suggests the selection must take into account factors other than financial.

Historically there was a belief that with perfect management practices, companies/policies/procedures could be implemented with success, effectively homogenising the global economies, however, in the 1970's, it became increasingly obvious that practice and reality were far from the same (Gerhart, 2008).

According to Hofstede (1983), there are three reasons why nationality is important. First, political/historic values defined through legal, educational, labour & employer association systems. Second, sociological values including nationality and regionality (like in Spain where there are strong differences in regional characteristic between Catalan and Basque compared to other parts of the country) have a civic value of identity attached: the 'Who am I' factor. Finally, psychological values which are national cultural factors which develop through early life experience in family/education/social networks.

However, Hofstede's theories carry certain limitations in that the findings are generalised as they were derived from a majority rather than a unanimous view and the data was gathered the 1970's. Wealth was identified as a correlated factored which may drive the cultural 'dimensions'. During the 1970's for instance, Ireland was not considered wealthy and India was extremely impoverished. These figures have changed, with Ireland and India's GNP being placed considerably higher when compared with the findings found in figure 6 (see section 5.3.2). Based on this data, it could be argued the cultural dimensions have shifted/altered but, the UK and Ireland's similarities, despite the GNP gap were noticeably similar (see figure 3), therefore, it would be reasonable to assume the data would not be as skewed as one may initially contest. Figure 3 provides a graphical representation of Hofstede's results in terms of his dimensions of culture, which compares Ireland's findings to those of the UK, Poland and India. Please see the appendix for an explanation of figure 3 (p.55).

Ireland
in comparison with Poland* and India

Ireland
in comparison with United Kingdom and India
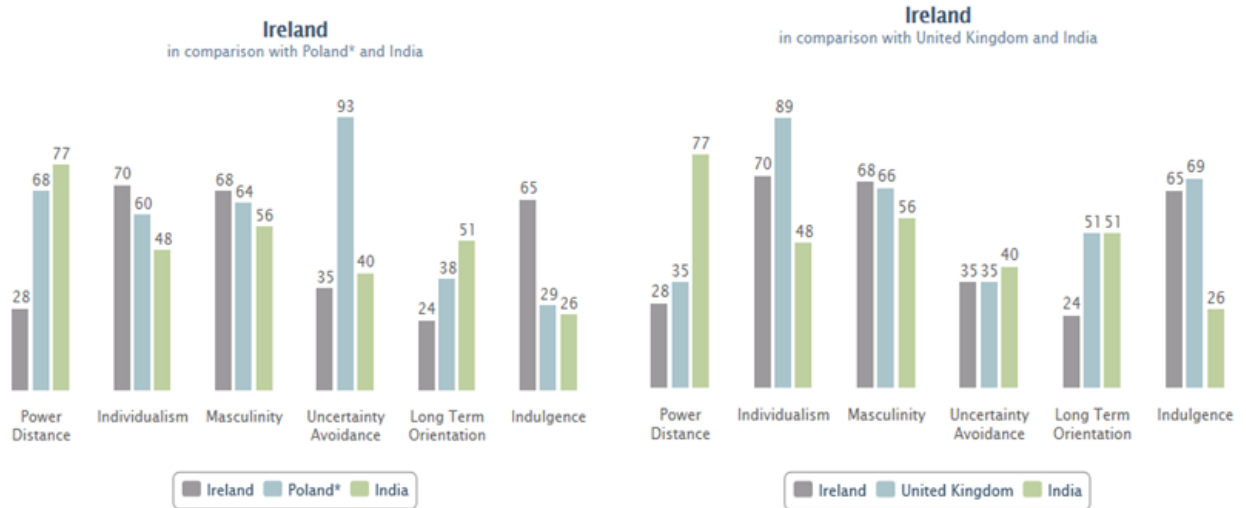
(Figure 3: 'Ireland in comparison with Poland, India and UK', The Hofstede Centre, 2015)

2.7 Literature review assessment

In conclusion to the above review, the explanation of what a custodian bank does allows the reader to understand the complexity of the industry and applies additional importance to the understanding of what Client Services is, as it conforms to the research results and questions ask. The same can be said for the value proposition reviews as the literary review, and the results, confirm the conflict which exists between client's demands and the bank's ability to meet these demands whilst attempting to control the other demands the bank has, namely finance and overheads.

The review proposes the cultural dimensions identified by Hofstede (1983) were highly relevant throughout the research. Whilst Hofstede's findings are 30 years old, the results remain true (to an extent) today as values identified, when compared to Hamel (2010) framework, coincide with the basic dimensions explained by Hofstede (1983) as there are cultural dimensions such as low uncertainty avoidance which may lead to innovative and creative thinking.

The review has also assisted to explain the variances and expectations of client's demands as culture is a precursor to expectations, but may not be considered effective when examining the organisations value proposition as cultural differences are not examined in such detail when determining the bank's strategy.

3- Research questions

3.1 Introduction

This research was developed to analyse and determine if there is value in having a client service department, located in Ireland, for a global custodian financial institution by understanding if management's expectations and perceptions meet, in theory, those of the client?

The responses to the questions represent the interviewee's personal opinions and should not be considered to represent the views of the bank as an institution.

3.2 Research Questions

- **What does the customer want?**

This first question was designed to be short, yet sufficient to 'spark' conversation and thought from the interviewee. It identified if management believe they, and the bank, know what customer's needs and requirements are. As Hill (2012) explained, without having the knowledge or information to answer this question, is it possible to understand what the banks' value proposition is? If not, then how is the bank expected to have a truly sustained competitive advantage?

- **What does the organisation want from its CSRs?**

This question was designed to determine a number of sub-questions within the expected role of a CSR in the bank. It identified if the tasks were; to simply provide information to the client, directly sales related (not overly applicable but there are elements of it within the bank) or provide sophisticated financial service transactions and customer service functions? (Armistead, Kiely, Hole & Prescott, 2002).

- **Identify and list the best attributes/traits CSR's based in Ireland can provide?**

The 'ask' here was to discover any common attributes Irish based CSRs hold. This could include approachable personalities, empathy, innovation, attitude, culture and even language. This question links significantly, with the previous and subsequent question and was used to compare them against those of Hamel (2010) 'Hierarchy of Capabilities' theory as explained in the literature review.

- **What, if any, impact would having CSU, located in a low cost centre, like India, have on the organisation and the service provided to its clients?**

Similar to the previous question, it identified what, if any, advantages to the company and its perception of client satisfaction, there would be should the bank move the CSU department to India. The goal was to identify intangible, non-financial, incentives that strengthens the banks competitiveness as well and improve on its profitability (Barney, 1991; Hamel, 2010).

- **If you were to rate the importance of financial vs non-financial. One being not as important and five being of the utmost importance, when providing service to the clients meeting their expectations as well as the organisations, what would be the rating you'd apply to each factor in both the Long term and short term?**

This question was developed during the first interview and was deemed to be a 'significant' question as it aimed to obtain a minor quantitative qualification to the research, as well as allowing the interviewee to provide additional comments that were not considered relevant during the interview.

It also provided recognition to the importance financial constraints have on any organisations.

The purpose of the two time frames specified in the question aimed to identify and recognise the potential importance of intangible values over tangible ones (such as financial), which is the thesis of this research.

4 – Research Methodology

4.1 Introduction

The purpose of this research is to determine if there are intangible values in having a Client Services department in a global custodian bank based in Dublin, Ireland. It is the intention of this research to understand the positive and negative aspects of having a customer service department in Dublin from the view point of the institution in question. Further focus was given to areas including innovation, diversification, motivation and culture; and comparing such with another possible low cost location, namely India.

This section discusses the methodical approach used in the process namely design, sample selection, data collection and analysis, etc.

All relevant ethical concerns throughout the research process are identified and taken into consideration.

4.2 Methodology

The research associated with this paper analyses both the positive and negative intangible aspects of having a client services department in Dublin for the Global Custodian.
Throughout the research, an interpretivism and subjectivism philosophy is adopted within an inductive approach using qualitative data through a multi-method, combination of interviews, archival material, documents and on-site observations. Figure 4 depicts the graphical representation used to explain the selected research model; the research "*onion*" model.
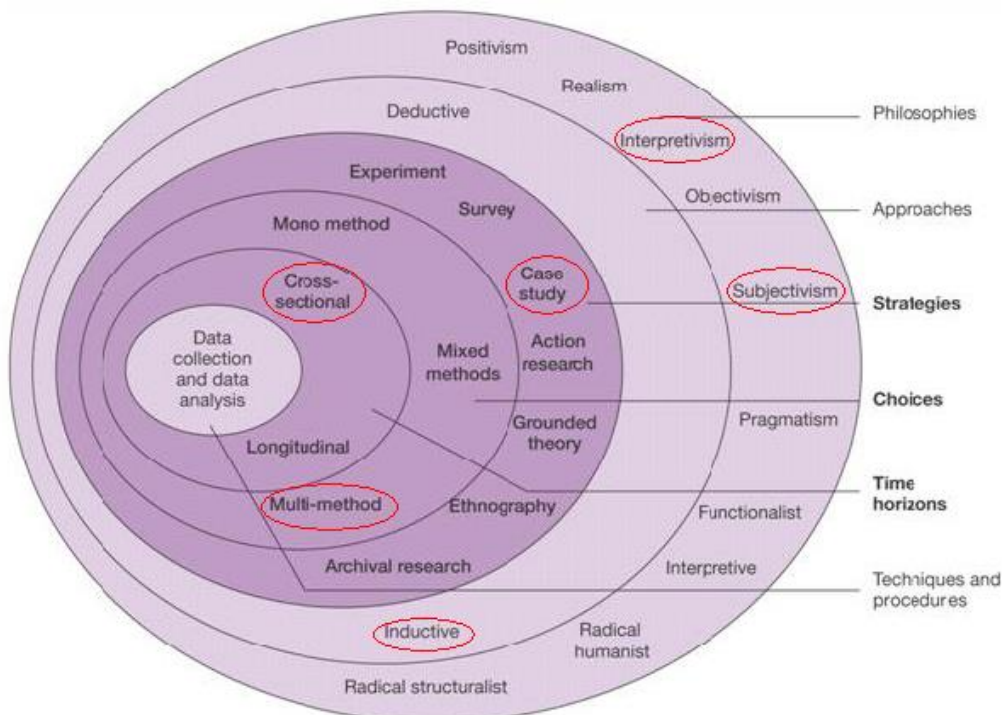
(Figure 4: The research onion, adapted from Saunders, Lewis and Thornhill (2009), with the research roadmaps)

4.3 Research philosophy

In line with the research 'onion' model proposed by Saunders, Lewis and Thornhill (2009), it is essential to consider each layer of the research process as they explain the research philosophy relates to *"the development of knowledge and nature of that knowledge" (Saunders, Lewis and Thornhill, 2009, pp 107)*. It also relates to the assumptions and perspectives which researchers use to shape the research from the initial design to final conclusions.

It is important to ensure that within the research philosophy, there is an ability to enhance the ontology and epistemology. However by doing so, the researcher must ensure the researcher's own ontological assumptions do not influence or interpret the epistemological conclusions according to Saunders, Lewis and Thornhill (2009)

In this research, a **subjectivism** approach was taken, as it is the basis of interpretation in organisational experiences shared by a group of people during a specific timeframe. Processes and culture also plays an over-arching role of the research but, as stated previously, care has been taken to ensure the facts are presented based on the information provided, rather than the researcher's own opinions.

"The subjectivist view is that customer service is produced through the social interaction between service providers and customers and is continually being revised as a result of this. In other words, at no time is there a definitive entity called 'customer service'. It is constantly changing." (Saunders et al, pp 111)

From the different paradigms of epistemology, in this research, an **interpretivism** approach is used, as human behaviours vary from person to person, rather than explained in a generalised context.

In interpretivism, the focus of the researcher is to understand the meanings of the *'social actors' and the 'part they play' "on the stage of human life" (Saunders et al, pp116).*

In addition to epistemology, an **axiological** approach is adopted as a sub-context within the paradigms of social phenomena as there are judgements made about values based on the researcher's personal values and assumptions.

4.4 Research approach

The next layer of the 'onion' model relates to the research approach used. In this research an **inductive approach** has been applied. This approach allows for flexibility which enables change throughout the research and, rather than generalisations, the inductive approach places the researcher in a better position to understanding the context (Saunders et al 2009).

Furthermore, the inductive approach supports conclusions derived from the examination of a set of particular situations, and is not, necessarily dependent on existing theories (Rothchild, 2003). The purpose of the present research is to understand non-financial values that clients and the bank may benefit from having a CSU department based in Ireland as opposed to the financial benefits of outsourcing or moving the service to a low cost centre/location. Due to the lack of sufficient, supportive literature on the topic in question, this approach is deemed the most appropriate.

Finally, a **qualitative research approach** has been judged 'best fit' for the intentions of this research, as it is a postpositive, constructivist, naturalistic, interpretative, and post-modern approach (Creswell, 2009).

The qualitative research approach helps understand what people are thinking, feeling and how they are communicating, verbally and non-verbally. This type of approach is seen as

difficult and demanding for the researcher due to the personal involvement and interpretation that may increase personal bias (Riley *et al,* 2000), but that is a challenge the researcher faced and overcame.

4.5 Research strategy: Single Case Study

The third layer of the research onion relates with the research strategy.

According to Saunders et al (2009), the entire purpose of identifying the strategy, is to ensure the strategy adopted:

a) answers the research question

b) and therefore, meets its objectives

Based on this understanding, and in line with the guidance of each layer, a **single case study** strategy best suits this research and its elements (most particularly, the question in hand).

Yin (2003) supports this strategy *"when the Investigator has little control over events, and when the focus is on a contemporary phenomenon within some real-life context." (Yin, 2003, p 1).*

It's also worth noting Yin (2003) claims, a 'how' or 'why' question may best suit a case study strategy, as one may want to determine the reason(s) behind a decision over a period of time, in contrast to a 'what', 'who' or 'where' question which can be used to anticipate 'predictive' certain outcomes (Yin, 2003, p6). *'Are there non-financial values locating a Customer Services department, for a Global Custodian Bank, in Ireland?'* doesn't neatly fall into either category; therefore the 'understanding' of objectives is particularly important.

The outcomes are not 'predictive' but are subjective to the specific organisation researched, which further supports the single case study strategy. Finally, further supporting this decision, the outcomes were relative to the period of time in which the research was conducted.

Qualitative and quantitative approaches can be used in case studies (Saunders, Lewis and Thornhill, 2009 & Yin, 2003). This particular case study prominently used a qualitative approach with a minor quantitative question to allow the interviewers to provide additional information which they may not have felt was relative to the initial questions but was relative to the subject matter at hand.

A final role, in conjunction with a single case study strategy was to become a **'practitioner-researcher'**.

As the research was conducted within the company where the researcher is currently employed, it poses distinct advantages and disadvantages for using this approach:

Advantages	Disadvantages
Identifying a need within the industry/organisation to conduct such research	Having assumptions and preconception
Access to archival information	A potential conflict of interest with the findings
Understanding of culture within the industry/Organisation	Understanding of culture within the industry/Organisation
Access to resources/ management	

However, as recommended by Saunders et al (2009), the research was targeted to ask 'basic' questions, whilst sticking with the empirical data when reaching conclusions.

4.6 Research Choice: Multi-method

A **multi-method selection** with in-depth interviews, archival material, documents and observation will be used for this research as outlined by Saunders, Lewis and Thornhill (2009, p152).

Primary data refers to the creation of new data, generated from direct methods, in this case, interviews and observations, in order to address the research question (Hewson, 2006).

Secondary data are *"...sources of data and other information collected by others and archived in some form." (Stewart & Kamins, 1993, p 1).*

There are limitations to secondary data which the researcher was aware, such as out-of-date documents or incomplete findings due to the data required for that research, therefore, it could miss vital information which may impact this research (Stewart & Kamins, 1993).

Yin (2003) proposes that the data collection process involves the existence of six sources of information in case studies. The table below outlines these six sources of information, there definitions and its application to the research.

Sources of Information	Definition	Application for this research
Interviews	*"One of the most important sources of case study information"* (p 89).It's a targeted method, focused on the case study in question. It can be a structured or semi-structured way.	Promoted a relaxed, 'friendly' methods of retrieving primary data specific to the research question and focused on the case study which yielded findings, not otherwise expected.
Documentation	Obtained from a variety of sources including newspapers and formal studies. The information can be reviewed repeatedly and can cover long periods of time and across many events and settings. It can also be biased and may restrict/remove certain information which was not applicable to that particular research but is applicable to this current research. Explicit role in data collection.	It generated answers to the research question but focused on past events or other circumstances which was used to help support or critique the findings.
Archival Records	Same as documentation, except, is considered to be more precise and quantitative in nature. Typically created for a specific purpose, therefore, similar to documentation, may contain or omit information relevant to the current research.	Although personal names and information were not disclosed, organisational and personal information was used to help formulate and critique findings because a single case study strategy was applied.
Direct Observations	*"...some relevant behaviours or environmental conditions will be available for observation. Such observations serve as yet another source of evidence in a case study." (p. 92).*	As the research question is an 'Are there' rather than a 'what' or even a 'why', it was based on the interviewee's personal, as well as profession opinions. This may have had significant impacts on the findings and may inadvertently disclosed information surrounding the culture of the organisation.
Participant observations	Similar to 'Direct observations' however, not merely a passive observer. The researcher can 'experience' realities whilst studying them. May present bias	As outlined previously in section D, the researcher adopted, in part, a 'practitioner-researcher' strategy too considering the case study was conducted in the place of work currently undertaken by the researcher.
Physical artefacts	*"A final source of evidence is a physical or cultural artefact-a technological device, a tool or instrument, a work of art, or some other physical evidence. Such artefacts may be collected or observed as part of a field visit and have been used extensively in anthropological research." (p. 96)*	Not applicable for this research.

(Adapted from Yin, 2003, pp 89-96)

4.7 Time Horizon: Cross sectional

The cross-sectional research is *"the study of a particular phenomenon (or phenomena) at a particular time" (Saunders et al, 2009, p155).*

Due to the time limitations and constraints of completing an MBA, the cross-sectional time horizon arises as the only option available to deliver the dissertation, on time, and complete the course.

4.8 Non-probability Sample

Yin (2003) and Saunders et al (2009) both highlighted constraints such as costs, resources, lack of time, unfeasibility of interviewing an entire population (and the attempt to understand what is "an entire population); sampling has become very important in a research.

> *"Sampling techniques provide a range of methods that enable you to reduce the amount of data you need to collect by considering only data from a sub-group rather than all possible cases or elements" (Saunders et al, 2009, p 210).*

(Henry (1990), as cited in Saunders et al, 2009),

> *"...argues that using sampling makes possible a higher overall accuracy than census, [as the researcher can spend more time] designing and piloting the means of collecting these data" (Saunders et al, 2009, p211-212).*

For this research, the first sampling step was to define the population used, which, in this case, is a multinational custodian bank, based in Dublin, Ireland. It was further narrowed to middle and senior management within the bank.

As a result of the type of research conducted, and in line with methodology outlined above, a non-probability sampling was used as generalisation on statistical grounds was not appropriate, nor was it sought (Saunders et al, 2009).

The sample size is also non-defined for this sampling decision as it is dependent on the research being conducted (Saunders et al, 2009).

4.9 Ethics

With any research, there is inherent risk of breaching ethical standards, which, in its simplest meaning, are to protect what is *"right, good and virtuous" (Israel & Hay, 2006, p 3)*. Israel & Hay (2006) state that there is a duty of care of researchers to protect others by minimising harm and increasing the sum of good.

For this research, the name of the custodial bank is not disclosed as per both the request of management and to protect the reputation and identities of those within the organisation. The interviewee's names are not disclosed however pseudonyms have been used to maintain anonymity but to identify the comments made by each participant.

The data collected from the interviews is used for the purpose of this dissertation only. All of the banks compliance policies, such as data protection, have been appropriately adhered too.

Each participant received a full and detailed explanation of the purpose of the research prior to it taking place, which informed the interviewee's decision to participate. Participation was voluntary and participants were entitled to withdraw their information provided at any stage of the research. Confidentiality was assured for all participants at all times.

The documents, archival materials and interview transcriptions were kept confidential throughout the research process, and once the research is submitted and fully concluded, the documents will be properly disposed of.

4.10 Limitations

Throughout this chapter, clarification regarding the logic behind the selection for this methodology is provided, however, as with any research, there are limitations too.

Qualitative research is a social study where findings are derived through assumptions and perspectives which the researcher has used to shape the research from the initial design to final conclusions. The researcher must ensure the researcher's own ontological assumptions do not influence or interpret the epistemological conclusion (Saunders et al, 2009) which was done through the use of academic literature.

As explained earlier in this chapter, the qualitative research approach helps to understand what people are thinking, feeling, and how they are communicating, both verbally and non-verbally (particularly applicable to section 4.11 and the appendix (p 49): *Observational insight into the interviews*). This type of approach is seen as difficult and demanding for the researcher due the personal involvement and interpretation that may increase personal bias (Riley et al, 2000).

Another limitation is that the research is subjective to the specific organisation being researched and the outcomes are relative to the period of time in which the research was conducted, therefore, the findings may not necessarily be representative of the entire organisation (or the entire industry) and the findings may differ if the research was conducted at a different time.

As stated in section 4.7, the time limitations and constraints of completing an MBA means that, the cross-sectional time horizon arises as the only option available to deliver the dissertation, on time, and complete the course.

Finally, the limitations of secondary data usage, such as out-of-date documents or incomplete data, which were selected, could have vital findings missing, which may impact the current research (Stewart & Kamins, 1993).

4.11 Observational insight into the interviews

4.11.1 Introduction

This section allows the reader to further interpret the responses received from the participants of this research as the same research conducted at a different time or period, may yield different responses.

It allows an opportunity to further appreciate the limitations of time constraints, as well as the various mitigating factors that influence a response including the time of day, the day of the week, even the type of day (how busy (s)he was) the participant had.

All the interviews were conducted in June 2015 over a two week period.

Please refer to the Appendix for review (p. 49).

5- Research Findings and results

5.1 Introduction

This section discusses the findings and results extracted from the completed interviews and compares to the theoretical framework, as described, to determine if there are intangible values for both the organisation and its clients, which justify locating a CSU department in Ireland rather than in a low cost centre.

These findings are then related to the relevant literature as described in chapter 2.

5.2 Findings objectives and layout

As stated in the objectives, the intangible values which need to be identified must complement the top tier of Hamel's 'Hierarchy of Capability' pyramid which include Initiative, Creativity and Passion/Zeal (2010).

Characteristics sought for within these tiers include:

Characteristics identified within Hamel's hierarchy		
Initiative	**Creativity**	**Passion**
Innovation	Imagination	Energetic
Autonomy	Risk taker	Self-Motivator
Self-Motivator	Confident	Motivator of other

Where possible, the paper links these characteristics with national cultural 'dimensions' described by Hofstede (1983) to identify and highlight the potential values to an organisation of locating a CSU department in Ireland for multinational, mainly European clients.

In additional, this paper discusses other relevant findings which have been deemed as potentially significant but which may not necessarily fit the pyramid's definitions.

The findings have been divided into three sections.

Section 1 contains findings against the Hamel's 'Hierarchy of Capabilities' (2010). The commentary informed by the interviews seeks to link identified intangible values to the top three tiers of his pyramid.

Section 2 contains additional findings commonly identified throughout the interviews which were deemed relevant and have therefore been categorised as values and advantages which may be significant factors in influencing management decisions if considering relocating the CSU department to India.

Section 3 specifies the importance of financial commitments, not only the bank but any organisation must negotiate daily. Although the research was carried out to identify non-financial values an Irish-based CSU department may offer, financial constraints were repeatedly raised as being a significant, mainly short term, factor when strategic decisions are considered and implemented. This section also highlights the importance of intangible values to the organisation.

5.3 Section 1: 'Hierarchy of Capabilities' Framework:

5.3.1 Introduction

This section examines the commentary obtained from the interviews, comparing it to the expected characteristics outlined above.
If the commentary confirms the existence of initiative, creativity and passion within the Dublin CSU site then, the claim to retain a CSU department for a multinational investment bank in Ireland is sound as it delivers quality and a sustainable competitive advantage.

If the evidence disputes the presence of these qualities in India, it would also further support Hamel (2010, 2011) claims that initiative, creativity and passion are not global commodities, and that they are, in fact, rare.

5.3.2 Section 1 Results:

- Initiative:

Innovation, autonomy and self-motivation were identified by all the participants. These characteristics include a CSR's expectation to anticipate queries through innovation. It was claimed that proactivity and initiative is triggered by both the bank's need, due to reduced availability of resources, as well as from the client:

"...as they outsource, the more questions and queries they raise by their providers to the bank, ultimately costs the client, so it's ultimately in their interest to streamline… they need more people to ask more questions [if they don't]" (INTVE 4)

"Clients want us to anticipate their questions and have that information either readily available to them or for us to present it to them… the way we do that is find out what they want, what are the frequently asked questions… anticipate the clients query & 'kill it' before it occurs and share that information" (INTVE 2)

Autonomy was indicated by INTVE 1 when he stated:

"The query may require many touchpoints, going from different departments, different countries different areas, the CSR should be managing that centrally… They must have accountability." (INTVE 1)

Therefore, there's a level of empowerment supported by the CSR's *"judgement call"* regarding how they resolve the query which is further supported by the INTVE 2's comment above

Hofstede (1983), identified the Irish culture as a highly 'Individualist' culture (See figure 6), which represents being self-motivated and having an ability to display initiative and based on the interviewees, his findings appear to remain true.

He identified a link between wealth and individualism (the higher the national GDP, the higher the Individualist tendencies) and considering the Irish GDP has grown significantly since the 1970's and 1980's this finding would certainly hold fast.

INDICATE INDIVIDUALISM INDEX (IDV)
versus 1970 NATIONAL WEALTH
(per capita GNP) *for 50 countries*
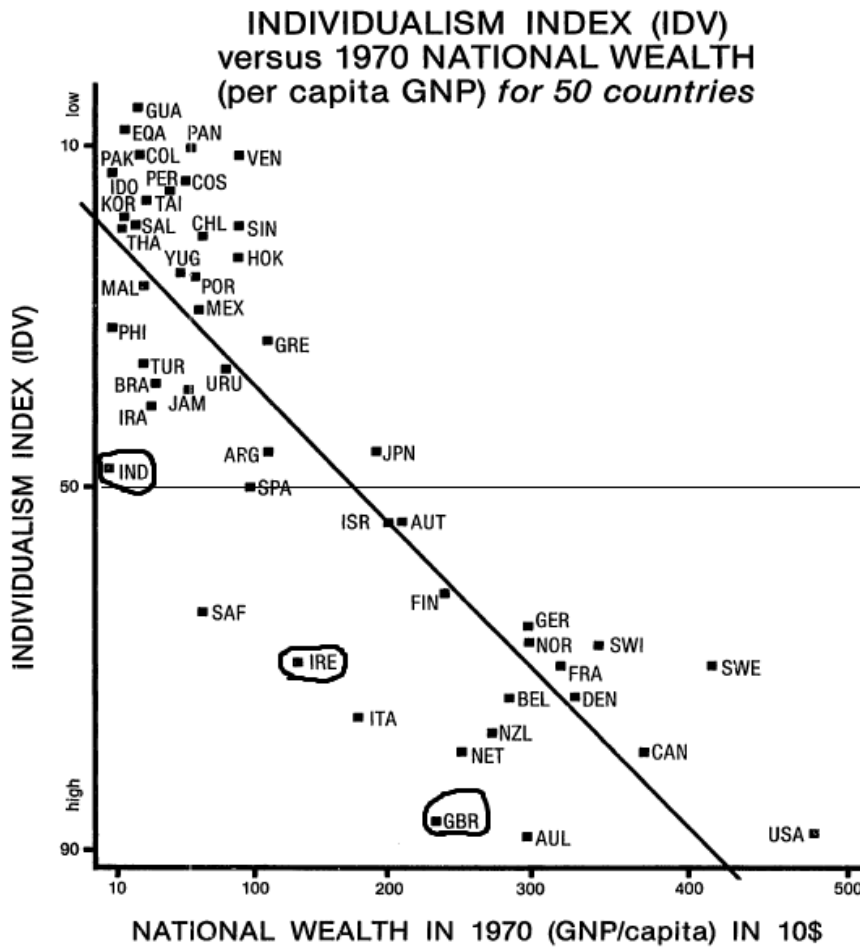
(Figure 6: 'Individualism index versus 1970 National Wealth' Hofstede, 1983, PP 80)

- Creativity:

Creativity is defined as *"…the generation of new and useful/valuable ideas for products, services, processes and procedures by individuals or groups in a specific organisational context" (Martin and Terblanche, 2003, pp68)*

Based on this definition, to qualify as having value, there is an expectation of CSRs to not only answer queries but to identify why the incident leading to the query happened as well as how to correct it going forward. This requires a level of creativity and confidence in their ability, which evolves through experience.

The identification of 'exceptional processes' typically represents itself as something that is recurring but *"…is slight left of the norm… but when something 'weird and wonderful' does*

happen we expect someone to take that, analyse it, we take the answers to those questions and then make it available to the next client…" (INTVE 2)

INTVE 5 alluded to the youthful workforce present in Ireland as *"…it is a young and energetic workforce that can come up with creative ideas for clients" (INTVE 5)*

There were no clear references to confidence or risk-taking identified in the interviews however according to Hofstede (1983) Ireland's culture would generally be deemed as having a low 'uncertainty avoidance' meaning there is an appreciation and acceptance to imagination and creativity, which further translates to an ability to take risks and tolerant different opinions as there's a level of assurance or confidence of one's own character.
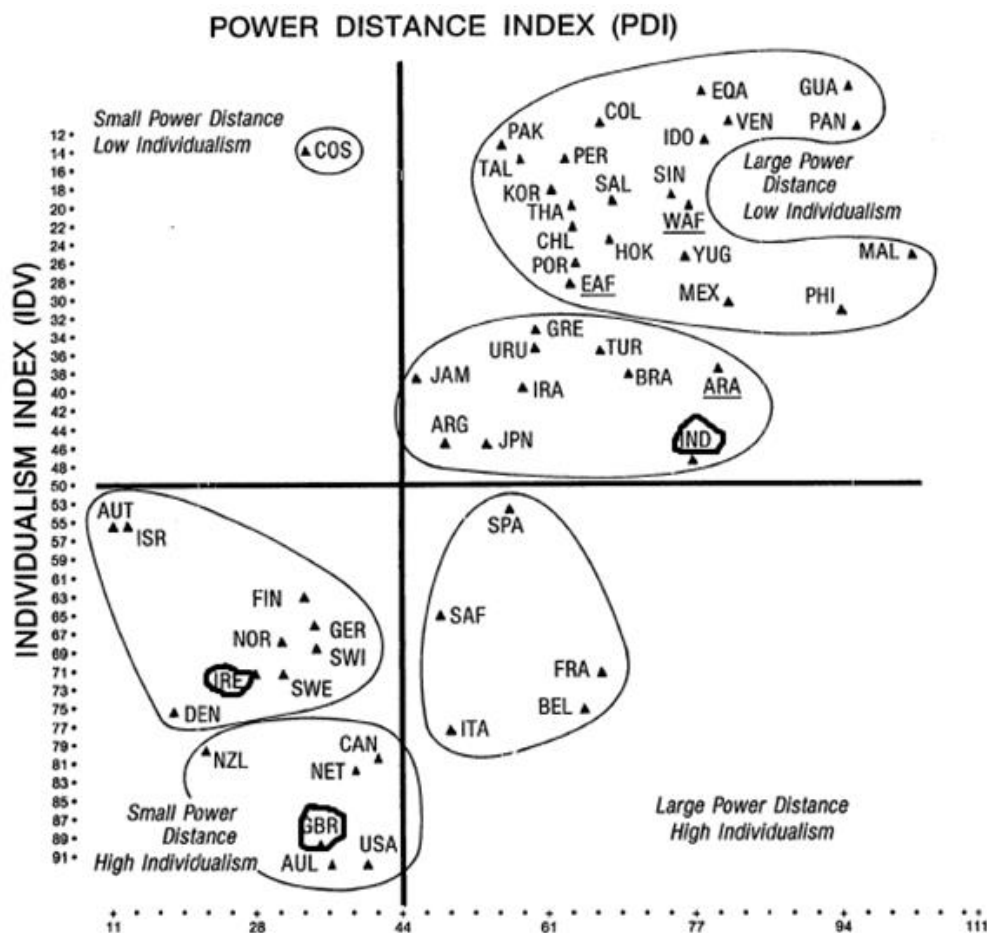
(Figure 7: 'Power Distance x Uncertainty Avoidance plot', Hofstede, 1983, PP84)

- Passion:

Hamel (2011) explained the importance of passion in the work place, as an employee with 'zeal' is not content doing the '9-5' but rather views their job as a way to make a 'difference'. This aspiration coincides with Maslow's 'Self-Actualisation' tier of his 'Hierarchy of Needs' pyramid (Maslow, 1943) as illustrated in Figure 8. Hamel supports Maslow's claim that employee's with passion use their full potential, which motivates themselves and others to achieve more.

From the bank's point of view, this would translate into employees content in doing the same job without demanding higher wages whilst exceeding output demands and reduces turnover. In the interview, INTVE 6's comment elude to the presence of this type of behavior:

> *"Culturally, as a race, we genuinely want to help. Typically, if you end up in a service role you're there by some element of choice of wanting to make a difference and wanting to help… if you're not in that frame of mind you're probably not best suited for the role" (INTVE 6)*

It was further supported by comments from INTVE 4 pertaining to the bank's expectation of CSR's ability to network have greater ownership, responsibility and accountability for their work. CSR's are

> *"…'Jack of all trades and a master of none'… relying on others to provide the information you need. In cases where CSR's, thankfully, didn't work out well in the bank, are the people who didn't validate those answers coming back… the person ultimately has more ownership… being more responsible for that answer" (INTVE 4)*
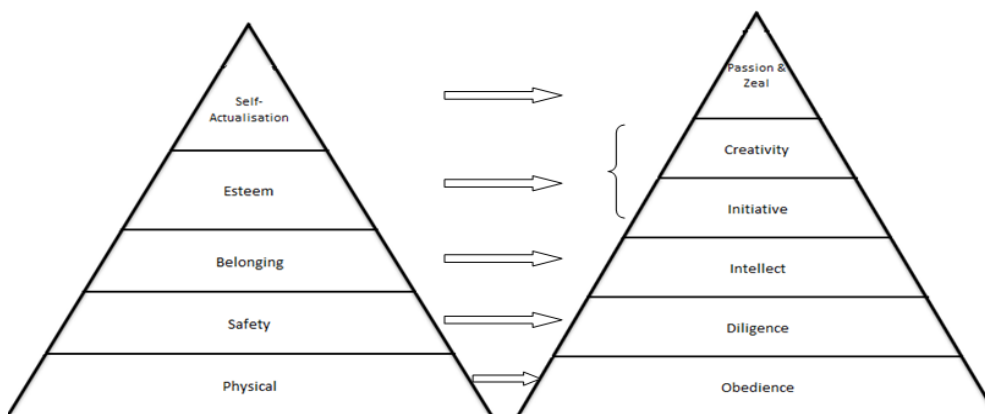
(Figure 8: adapted from Maslow, 'Hierarchy of needs' (1943) & Hamel, 'Hierarchy of Capabilities' (2010))

5.4 Section 2: Other findings

5.4.1 Introduction

These findings have been isolated as 'significant' as they were raised by a number of the participants during the interview. These findings may not necessarily fit within Hamel's pyramid but are intangible values (and advantages) which may influence the client's perception of the bank and influence the bank's decision to remain in Ireland.

These values/advantages are:

- The existence and awareness of Cultural differences
- Impact low turnover has on relationship building
- The impact that tone, language and personalities have when communicating to clients
- Impact 'foreign' accents have on client's perception
- Geographical proximity to the client base

5.4.2 Section 2 Results:

➢ Cultural Awareness/Differences/Aspects
Summary: The responses touched on the existence and awareness of cultural differences between European clients 'facing' European based CSRs versus non-European CSRs (Indian based centre). Based on Hofstede (1983) cultural definition claims; the collective mental programme is developed & shared between members of the same region and group, therefore the observations below hold merit.
Interview commentary: *"Many of our clients still have offices in the countries they 'live'… they want someone that knows what makes them 'tick' and that's one of the key differentiators with having somebody in a local office, certainly within an EMEA region because you have those 'nuances'…"* (INTVE 5) *"If you're dealing with a European client, it helps you being European. The levels of expectation might be different, demands may be different, but if you're in a low cost centre, you're going to be treated all the same…"* (INTVE 1)

Conclusions: Cultural differences may impact an organisation's ability to understand and identify client needs. Whist the organisation may 'appreciate' cultural 'nuances', if the department charged to service clients fails to accommodate it, how can the bank truly deliver client value proposition? These observations were cited as barriers to growth for call centres in India *"...lack of customer service culture [and] cultural differences between employees and clients" (Budhwar et al, 2009, pp 356)*.

> ➢ Relationship and Turnover

Summary: Both relationship and turnover have been paired together as there were suggestions that turnover in India poses a challenge for the bank and may hinder the client's ability to 'trust' their CSRs. Considering CSR's are 'the link' between the client and the organisation, a loss in trust in the CSR can impact the bank's brand (Malhotra & Mukherjee, 2004).

Interview commentary:

"Anyone can answer the phone, but you need to have someone that can add value when answering the phone… having that innate ability to understand what the client is asking and articulating that response. That's comes with time and experience, so that experience factor is a core piece" (INTVE 6)

"Relationship building is another attribute. As and when you deal with a customer you need to understand, they need to feel they are part of the process and not just a number… It's important that you address them as a person and that you get to know them. You get to know their requirements" (INTVE 1)

"[In India] there is strict adherence to risk and controls, which is a good thing, but a 'sense of urgency' when something falls outside of this and integrating what to do to support the client during a difficult situation. That's lost! ... and is probably the biggest single factor" (INTVE 5)

Conclusion: According to INTVE 6, turnover in the bank's Indian office is at approximately 30% per annum, translating to a near full turnover of staffing every three years. The challenge to retain talent equates to reduced experience and with turnover at 30% per annum, a figure also supported by Budhwar et al (2009), it's difficult to build relationships with the clients.

➢ Language, Tone & Personality

Summary: This observation, while it could be linked to cultural diversity and familiarity, is more based on the type of language used, not necessarily English but rather the tone and personality found within Irish people and people who've integrated into the Irish cultural 'psyche' which helps build relationships and rapport.

Interview commentary:

"The Irish have a good ability to develop relationships, by 'chewing the fat' by asking them how their weekend was ('small talk'). It's not something that feels like it's been forced. There's other cultures where it wouldn't be the 'done' thing" (INTVE 6) and continues by stating the "Familiarity of the language we use and informality helps build the relationship" (INTVE 6)

"Irish English is slightly different to English English… clients usually don't learn 'business English'… Irish English is more 'watered down'… it's less formal" (INTVE 2)

Conclusion: This observation is more difficult to 'pin-point' in terms of academic studies as it could be seen as specific to personal tastes but referring back to Hofstede (1983) research; figure 9 highlights the cultural similarities between regions and nations with close cultural ties, therefore further substantiating previous observations that an Irish based centre increases the likelihood that the client's CSRs are *"someone that knows what makes them 'tick'"* (INTVE 5), hence improving relationships.
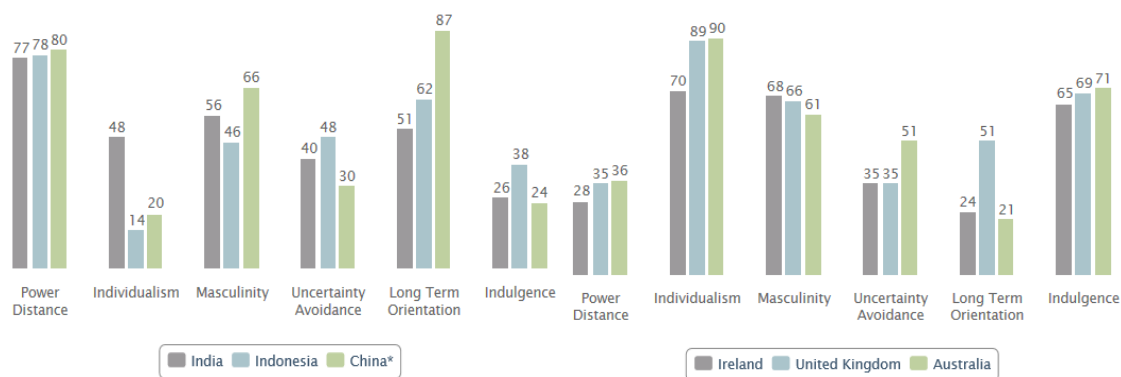
(Figure 9: 'Regional and cultural 'ties' comparison', Hofstede, 2015)

➢ Accent and Native European speaker

Summary: The perception of 'foreign' accents and non-native European speakers were raised as a possible negative impact to the bank should they move the CSU department to India. Hill & Tombs (2011) research concluded that negative predispositions to 'foreign' accents leads to negative stereotypes and bias. The commentary below either refers directly to accents or implies accents may represent a value to the bank due to improved perceptions of the organisation which can reinforce the brand (Yaseen et al, 2011).

Interview commentary:

"Language used to be a bigger deal than it is now as most clients are happy to converse in English these days… but there may be [requirements] if necessary" (INTVE 6)

It goes outside banking… people have it in their heads 'If I was to call a call centre that is nameless, faceless, difficult to deal with, I'm not going to get the answer, I'm not going to understand what I've been told'… It's in the mind-set of people…" (INTVE 3)

"There can be language barriers… both accent and language skills… accents play a part but there are arguments to say there are those that don't understand our [Irish] accents either… It may or may not be a barrier" (INTVE 5)

Conclusion: Acknowledgement of an 'unfamiliar' accent, which may trigger a negative perception in the client's mindset (Hill & Tombs, 2011) was recorded several times throughout the interview. This perception may actualise into a belief that the quality of answers are inadequate compared with a more familiar accent, leading to further support of Hofstede (1983) observations which have been previously mentioned however, there was support to say the Irish accent may not be as easily understood as others in Europe too (Rogerson-Revell, 2007).

Commentary regarding the need for a native English speaker was highlighted however, it has been suggested that, it has become less relevant, yet a need still exists (Rogerson-Revell, 2007). In India, English would be the main 'foreign' language taught. The lack of other languages such as French, German or Spanish is another disadvantage present to an Indian call center (Budhwar, et al, 2009).

➢ Geographical proximity to Europe and 'The Bank's' clients

Summary: This segment may be viewed as more of an advantage than a value, however, subconscious cultural bias which may exist within EMEA based clients (Hostede, 1983), most of whom are UK based, may see this this as a value due to the perception that an EMEA CSU center has an ability to build a relationship, at understanding their business, not to mention having the appropriate language skills and familiarity of accents (Hill & Tombs, 2011; Budhwar et al, 2009; Rogerson-Revell, 2007).

Interview commentary:

"[Dublin] is a good 'hub' for of a lot of different businesses and a lot of our competitors are around…there's a lot of people with interchangeable skills, knowledge and tools… location is key. You need to have a 'hub' where you get out to see our clients" (INTVE 4)

"Are our clients happy to travel out there [India] to speak to these guys on a day to day basis? (INTVE 3)

"… geographical, but that's linked to culture. Proximity to the process is 'fair'. You're working in the same timezone with that market so it's far easier to react… I don't think it makes much sense to have a call centre, anywhere, that's not aware of potential time differences [Impact] …" (INTVE 1 et al)

Conclusion: Geographical proximity to EMEA clients is seen as an advantage as CSU is more 'approachable' therefore clients feel less distant. There was also reference to the support present in Ireland as it's a 'hub' of knowledge which CSR's can 'tap' into. As INTVE 3 warned, this advantage is something which the bank should and needs to exploit more, not only for service to clients, but retention and growth of talent, however, the location of India and it's time zones make it more possible for the bank to provide a 24 hour service model to multiple regions, an advantage Budhwar et al(2009) cited.

5.5 Section 3: Financial Impact

5.5.1 Introduction

This paper, thus far, has examined and identified the intangible values that the bank's, Irish CSU department possess, which are deemed valuable according to Hamel (2010).

Taking cognisance of these values, the bank is justified in having a CSU department in Ireland instead of a low cost location (Hamel, 2011); however throughout the research 'financials' were raised as a significant influential factor.

In order to remain profitable and honour its commitments to its shareholders the bank must make profit and manage costs.

Based on these revelations, a fifth question, quantitative in nature, was devised to determine the significance of finances compared with the intangible values in both short term and long term time frames.

5.5.2 Section 3 Results

The Table below provides the ratings each interviewee issued with supported commentary. All the comments are either direct quotes obtained from the interview (in italics) or referenced indirectly from comments made during the interview.

INTVE 1	Financial	Non-Financial	Comments
Long Term	2	4	Word of mouth is very important and makes cost irrelevant
Short Term	3.5	2.5	Very difficult to answer as you must balance between Serving the client's needs vs a budget
INTVE 2			
Long Term	5	5	Perception is very important as it's the 'Brand'. You provide poor service, you get a poor reputation
Short Term	4	2.5	Cost is always important. A CEO's 'reign' is between 5-7 years so they aim to reduce costs
INTVE 3			
Long Term	2	4	Organisation's view is that clients come first, yet at the same time are trying to reduce costs, but over time it'll flip. *"A new CEO will come in, see satisfaction (perception) is low and will start 'throwing money at it to fix it"*
Short Term	4	2	*"In the short term, the reality is 'Cost is king' and relationships takes a back seat"* The
INTVE 4			
Long Term	4	3	
Short Term	4	3	From a senior point of view, there's recognition that satisfaction may drop, but can be justified through the savings made
INTVE 5			
Long Term	3	3	The focus is on staff retention, training… more stability. There are some services that are being insourced into the bank. She explained that low cost equates to high turnover which leads to increased cost. Finance doesn't become as much of a factor.
Short Term	5	1.5	*"(Cost) would be the only factor…it was the key driver"*
INTVE 6			
Long Term	2.5	3.5	*"The focus on cost will be relentless… for the bulk of our clients, this is a commoditised service so we have to do it in a commoditised way"*
Short Term	4.5	4.5	*"It's an expense we have to manage… it depends on the client. There's a view that we over service some clients… but as long as we are servicing the 'right' clients we'd get support to spend the money"*

The feedback indicates financial value is a significant factor for short term strategies based on budgetary constraints but, generally, over time, the significance of financial commitments, whilst ever present, recedes further supporting the significance of intangible values identified throughout this paper.

Additional information supporting this claim highlights the startling fact that a low cost location can quickly lose its 'competitive advantage' due to the high turnover rates as explained in the previous section. The below information is the rounded/approximate 'Full Time Equivalent' (FTE) costs associated with the Dublin, London, Polish and Indian service centres.

*Cost per FTE in the following locations are approximations and rounded off. They are also subject to current foreign exchange rate fluctuations between the domestic currency (Indian Rupee, Polish Zloty and Euro) against the base currency of US dollar.
Cost per FTE incorporates wages, lighting, heating, electricity, phones, taxes etc..:

London –   USD 125,000
Dublin –   USD 80,000
Poland -   USD 48,000
India -   USD 42,000 - It is also worth noting that FTE cost in India have increased approximately 93% since 2009 to 2014, when it was originally USD 26,000 per FTE (approx.) in 2008. (INTVE 2; INTVE 3; INTVE 5; INTVE 6)

> *"Soon they'll become uncompetitive and less cost effective, so service jobs will return back to Europe" (INTVE 2)*

During the interview, INTVE 3 explained the logic to move to Ireland in the 1990's, as it was a low cost alternative to the UK. However, similar to India, high turnover of staff drove costs up, which forced the Irish site to change its strategy and become competitive in terms of intangible values rather than cost driven. Whilst jobs have moved from Dublin to other locations due to cost, jobs from London is continually moving to Ireland due to both available talent and lower costs, further supporting the results above.

5.6 Summary of the results

Senior management within the bank have identified employees in an Irish-based CSU department as demonstrating characteristics such as innovation, self-motivation, confidence, energy and imagination. These characteristics are contained within the desired capabilities outlined within the 'Hierarchy of Capabilities' as they deliver true value to the bank (Hamel, 2010; 2011). Crucially, management have also suggested there could be an absence or loss of these characteristics if the department is moved to India.

These intangible values deliver benefits to the bank in terms of maintaining its position as a dominant institution within the global financial services industry, which further supports its ability to compete effectively and ultimately assist in the bank's profitability.

These values and capabilities place the bank in an advantageous position to retain a sustainable competitive advantage over competitors as, according to Barney (1991), an organisation must have resources that are difficult to obtain, substitute and imitate; all of which lies within Ireland.

Further support for these capabilities found in Ireland as opposed to India was found through Hofstede's (1983) national cultural dimensions, which supported the claim that these values are almost 'ingrained' within the Irish culture. Dimensions such as Ireland's highly 'Individualist' culture supports the capability of Initiative and having low 'uncertainty avoidance' equating to an appreciation and acceptance to imagination supports the claim that creativity is present in an Irish culture. When comparing these cultural dimensions to that of India, Indian employees were found to have a more obedient and risk adverse culture, further supporting the claim of India as a suitable representation of the three global commoditised capabilities as outlined by Hamel (2010; 2011).

Other results were highlighted as equally significant; including lower staff turnover in Dublin compared to India, the importance of having experts and knowledge within a CSU department to develop 'Client-Company' relationships, a 'familiar' accent and the perceptions clients may have with a 'foreign' accent and finally, the geographical proximity of the bank to its clients.

Whilst some of these additional findings can be interpreted as advantages more so than 'values', a lot of these advantages stemmed from the culture present in Ireland and the culture found within the region (EMEA) the bank serves (Hofstede, 1983; Gerhart 2008), therefore these advantages can actually be considered as values.

As stated previously, culture is a collective mental programming process as it is part of the conditioning shared with other members of the same nation, region or group, but not with members of other nations, regions or groups (Hofstede, 1983). Regionality and nationality add substance to the values identified in section 2, adding to their role in delivering a sustainable competitive advantage (Barney, 1991; Hill 2011).

Finally, money had an ever present undertone throughout the research. Although the aim was to identify intangible, non-financial benefits; the influence of budgetary targets and financial obligations were a constant challenge and could not be disregarded. It was noted, however, that the importance of finance, again whilst a constant, reduced over the long term and the intangible values increased further adding to support to the findings of this research.

Ultimately, the findings would advise caution to service companies like the bank, which are global leaders in their industry, not to become too preoccupied with cutting costs as true value is calculated in years. Whilst India can deliver, and has been proven to deliver good quality service at reasonable FTE cost, the cultural values held within the nations low cost centre employees operate from, along with the desired capabilities which leads to innovation and growth should be valued and nurtured.

6 – Implications and conclusions:

6.1 Introduction

The findings and results supports the relatively untested and under-researched theories identifying both what and how non-financially driven values in client/customer services in a multinational financial institution, can deliver to all stakeholders within the organisation.

The research was tasked to identify if these values fall outside the defined parameters, set by Hamel (2010), of 'Global Commoditised Capabilities' whilst establishing the link between these values against national cultural 'dimensions' proposed by Hofstede (1983)

The results indicate multiple values which management can use to improve efficiencies yet maximise human capabilities as well as implications on marketing theory for both the organisation and the state.

6.2 Marketing Implications

The research provides insight into values, not commonly found and can be difficult to isolate, within the global human capital market (Hamel, 2010).

By having an established site within a location identified as having these desired capabilities and values, the bank and in particular, the Irish site, has an opportunity to market itself for additional resources, either new or relocated from other, more expensive and possibly less effective sites, and to potential clients which want to benefit from a creative and innovative culture like Ireland has.

Furthermore, the research could be used as an academic argument to support the evidence that IDA Ireland, the semi-state body charged with attracting Foreign Direct Investment (FDI) into the country, release. It provides additional insight into the data they release adding further credibility to their claims.

IDA Ireland promotes Ireland's innovativeness and creativity, as well as the various advantages including English and multilingual speakers via their website and quarterly reports designed to attract multinationals to Ireland.

"Ireland is the only English speaking country in the Eurozone and provides an ideal hub for organisations seeking a European base. The brightest talent from across Europe is attracted here, mixing with our own to offer a multinational and multilingual melting pot of skills with a positive attitude to match." (IDAIreland.com, 2015)

"The IMD World Competitiveness Yearbook 2014 ranks Ireland 1st in the world for availability of skilled labour, flexibility and adaptability of workforce. The same report also ranks Ireland 1st in the world for productivity and efficiency of companies and large corporations" (IDA Ireland, 2015, p1)

6.3 Managerial Implications

Not only does this research establish potential values that 'non-financials' have on marketing, the study also provides an opportunity for management to define what they want to achieve from their CSR's in terms of growth within the bank, and also in terms of the service they're expected to provide to clients.

These results could provide management the opportunity to outsource or relocate certain functions deemed "global commodities" (Hamel, 2011) and, at the same time, to adjust managerial styles and strategies to nurture the more 'elusive' and desired values which provide 'true' competitive value to the bank (Hamel, 2010; Barney, 1991).

By first establishing the desired values, management can locate in countries with cultures that could fit these 'desires'.

Once identified, the bank can efficiently allocate resources, as well as capable managerial qualities, which fit these cultural values and ultimately build a network of highly motivated, highly passionate and highly capable individuals. These functions propel the organisation into a superior global standing, not only in terms of financial affects but in terms of self-actualised individuals (Hamel, 2010; Maslow, 1943).

6.4 Conclusion

Financial controls and constraints will be an ever present challenge that management needs to take account of when developing their strategy however, in the analysis of the responses derived from the interviewees, it was concluded that Ireland, as a centre to deliver client/customer service, possesses values, qualities and capabilities that fall within the top three tiers of Hamel (2010) 'Hierarchy of Capabilities' pyramid.

Initiative and creativity had a strong presence in CSRs based in Ireland and it was also suggested that these capabilities would be difficult and less readily available in a low cost centre such as India.

These findings were representative of research conducted by IDA Ireland (2015) and also from Budhwar et al (2009).

Passion was also present in CSRs in Ireland, but the results were more implied rather than directly stated by the interviewees but considering empowerment and freedom for personal growth can lead to a self-actualised state of mind (Maslow, 1943), it's not surprising that possession of initiative and creativity lays the foundations for passion in the work place.

Other findings such as a better ability to build relationships, native English speaking, but also the option of multilingual speakers, the absence of a 'foreign' accent, as well as geographical location were also raised as significant advantages the Irish site/CSR's have over those in India. Whilst they may be perceived as advantages, Hofstede (1983) and Gerhart (2008) suggest they are in fact values based on cultural and regional bias found within the subconscious of individuals.

The ability to build relationships was also cited as a value Ireland was able to deliver to clients due to the high levels of turnover experienced in India (approximately 30% accordingly to INTVE 6 and supported by Budhwar et al (2009)). The high turnover, along with the 'foreign' accents found in an Indian call centre leads to perception issues and 'brand' challenges to the bank, therefore makes it more difficult for clients to build a rapport with their CSR's (Budhwar et al 2009; Hill & Tombs, 2011; Yaseen et al, 2011).

Finally, the challenge of managing within a budget was seen as disadvantage in argument for retaining an Irish CSU department, as FTE costs are approximately 70% higher than that of

India, but as noted by several interviewees, these challenges are most significant in a short term timeframe and, the intangible values stated above become more prevalent over time.

In conclusion, the presence of a CSU department in Ireland, should the bank want to remain servicing clients primarily in EMEA, needs to be supported.

Failure to do so, could damage the bank's competitive advantage of delivering top quality service to the biggest custodial clients in the world as the ability to remain creative, innovative and grow faster than competitors becomes a greater challenge over time.

Reducing costs will always be a responsibility of management; however these costs decline based on the existence of highly capable staff, due to the bank's investment, that delivers efficiencies through initiative, creativity and passion found in Ireland.

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Appendix

Appendix 1.0 Observations and Interviewee details

Interviewee 1 designation: INTVE 1

Location:	INTVE 1's office
Time:	Wednesday at 16:45 GMT
Title:	Vice President; Department Manager
Experience:	Over 10 years at 'The Bank'. Mainly in Operations and Operational role
Nationality:	Spanish
Sex:	Male
Interview duration (Approx):	16 minutes

Observations:
The office was warm and the day itself was late.
INTVE 1 was approximately 15 minutes late for the interview due to another meeting which over ran slightly yet despite that, INTVE 1 was engaging and happy to proceed with the interview.
INTVE 1 made plenty of eye contact and hand gestures when answering the question.
There was an appearance of careful consideration given when answering the questions. He was not 'rushing' to finish the interview and the responses appeared to be honest and representative of his actual opinion.
At the end, when the recording finished, INTVE 1 recommended the questions should be provided beforehand. He felt, if he was prepared, he could have had answers he felt were more fitting. Reiteration was given that his comments were his on that day (a limitation to the research method) and assurances were also issued that the information was sufficient for the research.

Interviewee 2 designation: INTVE 2

Location:	INTVE 1's office
Time:	Friday @ 11:10 GMT
Title:	Vice President, Section Manager
Experience:	9 years at 'The Bank'. Mainly in Operations and Operational role
Nationality:	Irish
Sex:	Male
Interview duration (Approx):	19 minutes

Observations:
Office was cool and early mid-day. INTVE 2 was fresh and not tired.
He was approximately 5 minutes late as he just returned from a client meeting but was happy to proceed with the interview.
There was consideration given when answering the questions, supported by eye contact and hand gestures throughout. INTVE 2 was even taking notes of the answers provided.
INTVE 2 came across as very political but exuded self-confident in his opinions and answers based on his knowledge and experiences.
His views were heavily process orientated, so not as much concern regarding personality. It proved to be an interesting point of view as it's very methodical and could be a view senior management in 'The Bank' take when making business decisions

Interviewee 3 designation:	**INTVE 3**
Location:	INTVE 3's office
Date:	Friday at 14:30 GMT
Title:	Senior Vice President, Department Manager
Experience:	Currently 3 years at 'The Bank' but previously worked there for approximately 10 years, seven years ago. Approximately 13 years at 'The Bank' in total. Mainly Client Services and relationship management expertise.
Nationality:	Irish
Sex:	Male
Interview duration (Approx):	29 minutes

Observations:
Interview was conducted shortly after lunch on Friday. INTVE 3 appeared relaxed but did advise of a call in 30 mins so was pressed for time.
Interview was conducted in his office, which was cool in temperature.
INTVE 3 was very engaging and informative. The experience and knowledge of CSU as well as his historical experience was hugely valuable and insightful. There was a noticeable difference between INTVE 1 and INTVE 2 regarding insight of client services.

Interviewee 4 designation:	**INTVE 4**
Location:	INTVE 1's office
Time:	Monday @ 11:00 GMT
Title:	Vice President, Section Manager
Experience:	9 years at 'The Bank'. Mainly client services
Nationality:	Irish
Sex:	Male
Interview duration (Approx):	26 minutes

Observations:
Interview was conducted before lunch on Monday. The researcher and INTVE 4 have known and worked with each other for several years, so INTVE 4 was relaxed and happy to conduct the interview.
The interview was conducted in INTVE 1's office, which was cool in temperature.
INTVE 4 was very informative and his experience and knowledge of CSU presented an alternative view. There was a noticeable difference between INTVE 1, 2 and 3, possibly due to the fact that most of his career has been spent in CSU. The responses were orientated around personalities and were very subjective in nature.

Interviewee 5 designation:	**INTVE 5**
Location:	INTVE 5's office
Time:	Friday @ 14:00 GMT
Title:	Director, EMEA Operations
Experience:	15+ years at 'The Bank'. Former department manager of CSU. Operational expertise liaising with clients daily
Nationality:	Irish
Sex:	Female
Interview duration (Approx):	18 minutes

Observations:
Interview was conducted, after lunch, on a Friday afternoon. The office was at a comfortable temperature. INTVE 5 and the researcher had worked with each other for several years and had a very friendly yet professional relationship representing in a very relaxed interview.
INTVE 5 answers were very quick and to the point, but thought and consideration was provided. This observation was supported by Q 2 when; at one point we were proceeding to the next question; she stopped to add additional info.
INTVE 5's information contained similarities with the others, but again, her experience and status within the company provided additional insights and a view which was not raised as directly from other participants.
INTVE 5 was also the only female interviewee possibly adding a different prespective to her interpretation to the questions raised

Interviewee 6 designation: INTVE 6
Location: INTVE 6's office
Time: Friday @ 16:30 GMT
Title: Managing Director, Dublin EMEA Operations Head
Experience: 18+ years. Predominantly management in operations, but client interaction too
Nationality: Irish
Sex: Male
Interview duration (Approx): 42 minutes

Observations:
The interview was conducted late in the day on a Friday afternoon. INTVE 6 only returned from a two day business trip and completed several meetings throughout the day. The temperature of the room was warm. Whilst INTVE 6 is the most senior of the participants, with over 450 reporting into him, his was very happy to participate and provide his answers to the questions. It was also the longest interview, a fact the researcher greatly appreciated and acknowledged.
INTVE 6 was extremely insightful in his understanding of the organisational requirements as well as the clients expectations.
Plenty of thought, eye contact and hand gestures were given whilst answering the questions. INTVE 6 also had academic knowledge of the topic in nature and provided additional research suggestions to further support findings obtained from the interviews.

Appendix 2.0 – Consent form template for Interviewees

National College of Ireland (NCI) Dissertation Interview Consent form

Thank you for taking the time to conduct this interview.

The interview is part of a qualitative research I'm conducting as part of my dissertation for a Master in Business Administration (MBA).

The research question aims to identify what values, (non-financial) if any, there may be, with having a Client Services Department in Ireland as opposed to a low cost centre like India.

I aim to ask 4 main questions which I expect should take from 20-35 mins to complete.

The information is purely based on your own opinion as an experience, senior manager within **'The Bank'** but is not necessarily the opinion of the Bank. (This point will be stressed in the paper).

The company along with your identity will not be disclosed in the paper, but may be available to the supervisor and external examiner if requested.

Any direct quote used in the paper will be from a pseudonym (e.g. Interviewee A stated *"I believe Dublin CSU can offer …"*).

I'd be happy to share a copy of the paper and its findings once completed with you if requested.

It is my ethical obligation to advise you that, with any research of this nature, there is a risk for the interviewer, when assessing the findings, to misinterpret feedback received; however, great efforts will be used to ensure these misunderstandings are mitigated, if not eliminated.

At any time before, during or after the interview, you reserve the right to withdraw your consent to have your comments included in the research.

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<<NAME>>   Adam Shah

Interviewee   Interviewer

Date:

Appendix 3.0 – Sample of interview notes and observations typed immediately after the interview and used in the findings/results:

Interviewee 1 name: <<< NAME >>>
Interviewee 1 code: INTVE 1
Location: INTVE 1's office
Date: 10th June 2015 Wednesday @ 16:45 GMT
Title: VP, Dept Manager
Experience: Over 10 years at **'The Bank'**. Mainly in Operations and Operational role

Observations:

Office was warm and the day itself was late.
He was approximately 15 mins late for the interview due to another meeting which ran over slightly yet despite that, INTVE 1 was engaging and happy to proceed with the interview.
There was plenty of eye contact and hand gestures used when answering the question.
Also, there was consideration given when answering the questions. He was not 'rushing' to finish the interview. I felt he was honest with his responses.
At the end, when the recording finished, he recommended I provide the questions before hand. He felt, if he was prepared, he could have had answers he felt were more fitting. I reiterated that his comments were his on that day (a limitation to the research method) and assured him the information received was sufficient for the research.

Q1>
-Availability to information as and when they require it
- The customer wants as little 'touch points' as possible.
- This varies between customers. "Some customers think, by paying for a service entitles them to drive the requirements of that information"
-Efficiency in query handling (Could be interpreted as proactivity and foresight)
"The client wants information available, in the format they require, in the time they need it and not have to interpret it in a language they're not familiar with"
- They want someone that treats them as a client and not a number (Approachability, friendly, professional- heavily personality driven)
- Language and accent they are familiar with

Q2>
- "They want the CSR to be able to manage the query for the customer from the moment they receive it until the moment the customer is comfortable with the information received"- Ownership (pride?)
-"The query may require many touchpoints, going from different departments, different countries different areas, the CSR should be managing that centrally". "They have to be accountability"-
Expects a level of empowerment and how the resolve it is a "judgement call" by the CSR
- Meet client's expectations as above

Q3>
- Process knowledge (INTELLECT/ OBIEDIENCE)
-Cultural differences/awareness's- Understanding what Europeans wants/expectations are. Low cost may not be able to differentiate between the various cultures within Europe and may provide a 'blanket'/uniform service

- Use friendly tone and Language (accent difference) & personal touch provided and not just a number. [The information given] is clearly understood with the appropriate tone, language. The appropriate feels, so the client feels they are part of the process. They are engaged with the process"
- "Relationship building is another tribute. As and when you deal with a customer you need to understand, they need to feel they are part of the process and not just a number" It's important that you address them as a person and they you get to know them. You get to know their requirements"
-There's a want to build a relationship
- Want to be part of the process (Innovation/Proactivity)
- "On the same time-zone to EMEA markets." I don't think it makes much sense to have a low cost anywhere [without being aware of the time difference impacts]".

Q4>
-"Financial is a clear and important factor"
- "Concern for knowledge of the process. The understanding of the client business, but that might come over time and their ability to react to demands" (INTELLECT)
- Ability to react to demand. They can provide a basic service, but questions if they can go 'the extra mile' by taking ownership and proper interpretation of the query
- "With a low cost strategy, "the information is there, why can't you check it yourself""
- Low cost provides 'no added value' as they are there to focus on reduction of costs and no as much on service

Q5>
If you were to rate the importance of financial vs non-financial. One is not as important and five is of the utmost importance when providing service to the clients meeting their expectations as well as the organisations
"It's a very difficult question because my role as a manager is to deliver the best service possible to my clients but at the same time I have a budget I have to meet, so where is the balance between financial and non-financial?"
"In the long-term to succeed, you need to deliver results to the clients. You need to keep the clients happy. You need to make sure that 'the word of mouth' from client's works. How much is it going to cost you is irrelevant because you are supposed to gain revenue by keeping people happy"
The Short term unfortunately requires that this year you might need to deliver a 20 FTE in cost…. What's the easiest way to do it? It's by focusing lessoning the service. 'I'm going to stop providing this report because it saves me 2 FTE straight away

Appendix 4.0 – Explanation of figure 3 as explained directly from 'The Hofstede Centre' (The Hofstede Centre, 2015)

"What about Ireland?

If we explore the Irish culture through the lens of the 6-D Model©, we can get a good overview of the deep drivers of Irish culture relative to other world cultures.

Power Distance

*This dimension deals with the fact that all individuals in societies are not equal – it expresses the attitude of the culture towards these inequalities amongst us. Power Distance is defined as **the extent to which the less powerful members of institutions and organisations within a country expect and accept that power is distributed unequally.***

At 28 Ireland sits in the much lower rankings of PDI – i.e. a society that believes that inequalities amongst people should be minimized. Within Irish organisations, hierarchy is established for convenience, superiors are always accessible and managers rely on individual employees and teams for their expertise. Both managers and employees expect to be consulted and information is shared frequently. At the same time, communication is informal, direct and participative.

Individualism

*The fundamental issue addressed by this dimension is **the degree of interdependence a society maintains among its members.** It has to do with whether people´s self-image is defined in terms of "I" or "We". In Individualist societies people are supposed to look after themselves and their direct family only. In Collectivist societies people belong to 'in groups' that take care of them in exchange for loyalty.*

At a score of 70 Ireland is an Individualist culture. In the business world, employees are expected to be self-reliant and display initiative. Also, within the exchange-based world of work, hiring and promotion decisions are based on merit or evidence of what one has done or can do.

Masculinity

A high score (Masculine) on this dimension indicates that the society will be driven by competition, achievement and success, with success being defined by the winner / best in field – a value system that starts in school and continues throughout organisational life.

A low score (Feminine) on the dimension means that the dominant values in society are caring for others and quality of life. A Feminine society is one where quality of life is the sign of success and standing out from the crowd is not admirable. ***The fundamental issue here is what motivates people, wanting to be the best (Masculine) or liking what you do (Feminine).***

At 68 Ireland is a Masculine society – highly success oriented and driven. Behavior in school, work, and play are based on the shared values that people should "strive to be the best they can be" and that "the winner takes all". The Irish are proud of their successes and achievements in life, and it offers a basis for hiring and promotion decisions in the workplace. Conflicts are resolved at the individual level and the goal is to win.

Uncertainty Avoidance

The dimension Uncertainty Avoidance has to do with the way that a society deals with the fact that the future can never be known: should we try to control the future or just let it happen? This ambiguity brings with it anxiety and different cultures have learnt to deal with this anxiety in different ways. ***The extent to which the members of a culture feel threatened by ambiguous or unknown situations and have created beliefs and institutions that try to avoid these*** *is reflected in the score on Uncertainty Avoidance.*

At 35 Ireland has a low score on Uncertainty Avoidance. Ideas are important, being imaginative is appreciated. Irish businesses embrace creativity and are always looking for new ways to approach problems. Making a point with practical facts is more appreciated than the use of too much technical language.

Long Term Orientation

*This dimension describes **how every society has to maintain some links with its own past while dealing with the challenges of the present and future**, and societies prioritise these two existential goals differently. Normative societies. which score low on this dimension, for example, prefer to maintain time-honoured traditions and norms while viewing societal change with suspicion. Those with a culture which scores high, on the other hand, take a more pragmatic approach: they encourage thrift and efforts in modern education as a way to prepare for the future.*

With a low score of 24, Ireland has a culture classified as normative. People in such societies have a strong concern with establishing the absolute Truth; they are normative in their thinking. They exhibit great respect for traditions, a relatively small propensity to save for the future, and a focus on achieving quick results.

Indulgence

*One challenge that confronts humanity, now and in the past, is the degree to which small children are socialized. Without socialization we do not become "human". This dimension is defined as **the extent to which people try to control their desires and impulses**, based on the way they were raised. Relatively weak control is called "Indulgence" and relatively strong control is called "Restraint". Cultures can, therefore, be described as Indulgent or Restrained.*

With a high score of 65, it is clear that Irish culture is one of Indulgence. People in societies classified by a high score in Indulgence generally exhibit a willingness to realise their impulses and desires with regard to enjoying life and having fun. They possess a positive attitude and have a tendency towards optimism. In addition, they place a higher degree of importance on leisure time, act as they please and spend money as they wish." (The Hofstede Centre, 2015)