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Reconciling Theory and Context: How the Case Study Can Set a New Agenda for IB Research

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Reconciling Theory and Context:

How the Case Study Can Set a New Agenda for IB Research

Abstract

Our decade award winning article from 2011 argued that it is not possible to fully explain social phenomena without consideration of their contexts. However, a persistent assumption in international business (IB) is that findings should be context-free. This affects the methodological choices we make, favoring the inductive theory-building approach to theorizing from case studies. In 2011 we proposed an alternative – contextualized explanations – that in our view better utilizes the main strength of the case study: reconciling theory and context. In this Retrospective, we further develop our original argument that context is essential, and not a hindrance, to theorizing, as well as elaborate on how decontextualization impoverishes theoretical insights. In order to achieve contextualized explanation we offer four alternatives: process research, historical research, the extended case method and configurational theorizing. We argue that for the IB field to take contextualization seriously, we need an open debate about what theory is and how we produce it. We hope this paper will broaden the scope of our discussion from the need for methodological pluralism to the need for theoretical pluralism, thereby setting a new agenda for future IB research.

INTRODUCTION

It is a privilege and a rare opportunity in an academic career to reflect on an article written 10 years ago. We are grateful to the editors and members of the selection committee of the *Journal of International Business Studies* (*JIBS*) for granting us the Decade Award for the article entitled 'Theorizing from Case Studies: Towards a Pluralist Future of International Business Research' (Welch, Piekkari, Plakoyiannaki, & Paavilainen-Mäntymäki, 2011). The award came as a surprise to us, since the 2011 article is often seen as a qualitative methods paper, making it a less conventional contribution to International Business (IB) scholarship in *JIBS*.

Our point of departure in the *JIBS* Decade Award winning article was that context is essential to theorizing. By generating theories that incorporate context, scholars are able to better explain anomalous and counterintuitive research findings, specify the exact causal mechanisms at play, take change into consideration, enlarge the scope of their theories and facilitate application of research findings (Johns, 2017). We would argue that it is not possible to explain adequately how and why phenomena in the social world occur without treating context as explanatory – not just descriptive – material. However, a persistent assumption in IB research (and management disciplines more broadly) is that scientific knowledge is and should be context-free. This assumption has reinforced the popularity of methods that deliver findings thin on context.

The assumption of the 'decontextualized ideal' (Toulmin, quoted in Tsoukas, 2009: 286; see also Tsoukas, 2017) also applies to the case study in IB, where Eisenhardt's (1989) template for building theory inductively from cases was (and remains) dominant. We argued in 2011 that a key weakness of this inductive theory-building approach is that it produces weakly contextualized conclusions. Yet the main strength of the case study is to reconcile theory and context by generating contextualized explanations. Compared to the original paper, our aim in this Retrospective is broader: we intend to show how a debate about the case study can inform the entire field of IB. We would argue that methods encouraging 'weak' contextualization also risk leading to 'weak' theoretical explanations that are incomplete or even misleading. In this regard, methodological and theoretical pluralism in a field are inextricably linked. Our assumptions about what theory is and should be will lead us to value some methodological choices over others. However, what constitutes a theoretical contribution is rarely problematized, despite this being so central to how we view the production of knowledge in our field. A decade after the publication of our original paper this theme has still not gained sufficient attention in IB, although it is a critical foundation for a more pluralist, and therefore a more vibrant, field of research.

We begin this Retrospective by revisiting the original paper, highlighting the motivation behind it and its core arguments, to set the foundation for the present paper. In doing so, we outline our critique of inductive theory-building and argue for the relative strengths of the other case study traditions. Our main concern in the current paper is contextualized explanation, a platform for future research that reconciles theory and context. We offer four approaches to conducting contextualized explanations. This takes us beyond the scope of the original paper, which was also written at a time when understanding of this theorizing style (Cornelissen, Höllerer, & Seidl, 2021) was still not well formed. Next, we comment on the progress in the field during the past decade. Unfortunately, not as much has changed in the past 10 years as we would have liked. The theoretical potential of the case study has still not been fully realized in IB and the risks of decontextualized research – leading to theories that are simplistic, reductionist, incomplete, or even misleading – still exist.

However, while change has been slow, some important developments have taken place over the past decade: we now have a better understanding of contextualized explanation and the different options for achieving it. We take stock of these options by introducing four emerging approaches – process research, historical research, extended case method and configurational theorizing – and identify examples of how they have been used by IB researchers. Together, these approaches expand our methodological resources and diversify our styles of theorizing. In the remainder of the paper, we reflect on three main areas in need of further attention: the potential for a joint focus on contextualization by both qualitative and quantitative IB researchers; the possibilities for greater contextualization across all case study traditions; and the need for a debate about our prevailing views of theory and theorizing.

MOTIVATION FOR THE 2011 PAPER

In the period leading up to the *JIBS* call for papers for the special issue on qualitative research in 2009, case studies mainly adhered to the Eisenhardt 'template' for conducting case research (Piekkari, Welch, & Paavilainen, 2009) that is, a multiple case study whose aim is to build rather than test theory. By template, we mean 'widely recognized and institutionalized "recipes" that reduce the epistemological and methodological dilemmas of doing research to a clearly delineated set of steps' (Mees-Buss, Welch, & Piekkari, 2020: 2). We experienced first-hand the conviction held by IB scholars that the Eisenhardt template must be adhered to. For example, we were erroneously told by reviewers that single cases were unscientific; that it was not acceptable to compare two cases given that Eisenhardt specified 4-10 cases as being the optimal number; that it was necessary to develop propositions in order to make a theoretical contribution; and that cases are only suited to exploratory research.

Methodologies bear the imprinting of the times in which they are forged. When Eisenhardt (1989) proposed her guidelines, qualitative researchers were still struggling to legitimize their work in the eyes of the quantitative mainstream. In 1989, case research was unfamiliar to the IB and management fields and handbooks and training on qualitative methods were scarce. Set against this background, Eisenhardt (1989) offered a welcomed 'roadmap' for conducting and publishing case studies that would meet reviewers' and editors' expectations. Her audience is the hypothesis-testing researcher, whom she is trying to convince of the case study's credibility as a scientific approach. At the same time, she distances herself from other, more interpretive qualitative traditions, which she describes as concerned with 'rich, complex description' rather than 'development of generalizable theory' (Eisenhardt, 1989: 546).

We were uneasy with Eisenhardt's (1989) inductive-theory building approach because her template did not match the research process we experienced ourselves, nor did the endpoint of testable propositions match the theoretical contributions we were trying to make. But initially, we did not have alternatives to hand. Catherine and Rebecca developed a PhD course on the case study in 2007 and allocated one seminar to the topic of 'theorizing from case studies'. When it came to delivering the seminar, they were initially puzzled: apart from Eisenhardt, what other readings could be assigned? They realized that while the case study stands or falls on the basis of its theoretical contribution, how to theorize from case studies was rarely discussed. In preparing for the session, they found that considerable attention had been paid to unlocking the theorizing potential of the case study in other areas of the social sciences. While these alternatives to inductive theory-building formed a stark contrast to the Eisenhardt template, they had not yet had an impact on management disciplines (for exceptions, see Dubois & Gadde, 2002; Dyer & Wilkins, 1989). This realization triggered the search for alternative ways of theorizing from cases that culminated in the 2011 paper.

To legitimize the case study, Eisenhardt's template contains two features that concerned us, and that became the foundation for our own paper: i) theory-building from case studies is characterized as an inductive process in order to identify potential regularities, and ii) the theorizing process leads to weak contextualization. Turning to the first feature, Eisenhardt argues that the case study is ideal for producing new theorical relationships whose generalizability can then be quantitatively tested on large datasets. Famously, this makes the case study exploratory in nature, often justified by the limited amount of previous work in the area. The process of inductive theory-building leads the case researcher towards a particular theoretical output: delivering propositions about potential regularities for testing (see e.g. Tsang, 2013). This perpetuates a series of dualisms – data and theory, inductive and deductive, theory building and theory testing, qualitative and quantitative – that have been widely problematized by others (Brannen, this issue; Cooper, Glaesser, Gomm & Hammersley, 2012; Tsoukas, 1989). The template also confines the case study to a very narrow role in the production of scientific knowledge.

The second feature, weak contextualization, seemed to us to be an inherent requirement of the Eisenhardt template. The objective of the case researcher is to uncover patterns that hold across multiple cases, as these are likely candidates for generalization. In the process, researchers need to decide 'which are the most important relationships' and which are 'simply idiosyncratic to a particular case' (Eisenhardt, 1989: 547). Thus contextual detail is only relevant if it is generalizable – even though excluding contextual detail might lead to inadequate or even false conclusions being drawn about individual cases. As we shall see, there is growing recognition among management researchers that excluding or minimizing situational and contextual detail in this way can jeopardize the quality of the theoretical output (e.g. Johns, 2017).

But as IB researchers we had an additional concern. A central paradox of the IB field is that its *raison d'être* is to understand how differences in context affect business; yet as IB researchers we tend to do our utmost to control for, exclude and restrict the coverage of the very context we are supposedly studying. This can be attributed to deep-seated convictions that scientific knowledge is and must be context-free. While we teach our students the danger of universalizing in our cross-cultural management classes, we still cling to universalizing fictions ourselves. If context is included at all, it is weakly so: that is, treated as background, as a variable, or as the boundary conditions of a theory (Bamberger, 2008). Case studies following the Eisenhardt template do not contribute to solving this context deficit in IB research. For us, this was a powerful motivation to propose alternative approaches to case research.

REFLECTING ON OUR ORIGINAL MATRIX

The matrix at the core of our paper was motivated by the drawbacks of inductive theory-building described above. Our concern that context and theory are treated as opposing - rather than as reconcilable, even inseparable - drove our decision-making about the two dimensions that form the matrix: causal explanation and contextualization. The matrix offers a typology of theorizing styles rather than a template with rule-like recommendations. It raised awareness among IB researchers of the different alternatives that were available to produce theory and represent theoretical outputs – a map to navigate the literature on theory and theorizing.

In this section, we will briefly explain our thinking behind the matrix. In offering alternatives to inductive theory-building, we wanted to encourage greater pluralism in case research. But we also wanted to highlight an emerging alternative: what we termed contextualized explanation. We believed it showed the most potential in reconciling context and causal explanations, thus capitalizing on the particular strength of the case study. Philosophically, the matrix highlighted three main perspectives on the social world: qualitative positivism, located on the lower-half of the matrix (quadrants 1 and 2), and interpretivism (quadrant 3) and critical realism (quadrant 4) on the upper-half of the matrix.

Insert Figure 1 about here

As Figure 1 shows, we named our first dimension ‘causal explanation’ to reflect the purpose of doing a case study. As any case researcher knows, case studies are suited to answering ‘how’ and ‘why’ questions. In other words, they are explanatory in nature, seeking to understand the causes of social phenomena. We side with those who argue that theories can be explanatory, without being predictive (e.g., Gregor, 2006). By making ‘contextualization’ the other key dimension in our matrix (Figure 1), we were taking the stance that theorizing from case studies requires context to be treated as explanatory, not as descriptive, material (Pierson, 2004). In other words, the case researcher aims to explain why the case turned out the way it did, calling for a holistic appreciation of the potential driving forces. In the search for these forces, it is not enough to consider the focal phenomenon in isolation because it operates in an open, not closed system. This is why case study researchers have been advised to study the phenomenon 'within its real-world context' (Yin, 2014: 16).

We placed the Eisenhardt template in the weak-weak corner of the matrix, i.e., weak on both contextualization and causal explanation (Figure 1). We then compared the inductive theory-building approach to the three alternative case study approaches that we identified through searching the methodological literature on the case study and analyzing research practices in the dataset of IB and management case studies from 1999-2008. It was during this process that contextualized explanation emerged as the strong-strong approach of our matrix.

In the inductive theory-building approach (quadrant 1), context is relegated to the status of background or boundary conditions rather than being utilized to explain the findings. This is a weak form of contextualization that attenuates its explanatory power. The propositions that are the endpoint are correlational, not causal, theorizing (Delbridge & Fiss, 2013: 325; Furnari, Crilly, Misangyi, Greckhamer, Fiss, & Aguilera, 2020). While Eisenhardt (1989) argues that these correlations are based on an understanding of the 'why' behind them, we suggest they run the risk of being incomplete given the low emphasis placed on contextualization. Moreover, according to Eisenhardt, understanding 'why' is secondary to the main theoretical output: the potentially generalizable constructs 'linked together in relationships' (Eisenhardt, 2021: 148) during the analysis. For these reasons, we place inductive theory-building in the weak-weak corner of the matrix.

Natural experiments (quadrant 2) are an important tradition in their own right: they can be traced back to the gradual acceptance of quasi-experimental designs in psychology (Campbell & Stanley, 1966).[1] They are also an important reference point for Yin (2014), whose guide to the case study is strongly framed in this tradition. While Eisenhardt and Yin are typically twinned together, we differentiate the two – at least when it comes to Yin's explanatory case study, which is the primary focus of his book (Piekkari & Welch, 2017). Crucial to a natural experiment is the theory-driven selection of an appropriate research site which will allow the case researcher to observe the operation of the causal mechanism of interest. While the field setting does not provide the controlled environment of the laboratory, the capacity to choose the field setting allows researchers to include or exclude particular features of a case and its context. The focus is on emulating a laboratory environment as much as possible in controlling for particular aspects of the context that might otherwise confound the study of the central mechanism.

The interpretive tradition (quadrant 3) – or traditions, as it is a broad tent (Prasad, 2005) – is the oldest of the four in our matrix. The case study was originally very much associated, or at least compatible, with this strand of qualitative research, before Yin made a decisive break with it in his quest to legitimize the case study in the 1980s (Platt, 1992). Context is essential to interpretive scholarship: it renders social action meaningful. This suggests there are no clear boundaries between a phenomenon and its context. However, scholars working in interpretive traditions have tended to distance themselves from the aim of providing causal explanations, as many of them insist on maintaining the longstanding distinction between 'understanding' (*verstehen*) and 'explanation' (*erklären*). They reject causal explanation as the theoretical purpose of an interpretive study (e.g., Sandberg & Alvesson, 2021). We disagree with this position as we would argue that any account of 'how' and 'why' is explanatory in nature (for a similar view, see Schwartz-Shea & Yanow, 2012). Nonetheless, we decided to represent the typical position of interpretive scholars, hence the weak-strong positioning in our matrix (Figure 1).

Given these commitments, the theoretical output of an interpretive study is very different to the correlational form of propositions produced in an inductive theory-building study. Sandberg and Alvesson (2021: 498) characterize the purpose as being 'comprehending': that is, refining our understanding of the nature and meaning of phenomena. This constitutes generalizing to theory (i.e., analytical generalization) rather than specifying relationships between constructs that may be found to be statistically generalizable. However, this rejection of propositions and correlational theorizing means that interpretive work runs the risk of being regarded as atheoretical by researchers subscribing to other traditions. Very often the contribution of an interpretive study is a reconceptualization or reframing of a topic; that is, existing understandings of a phenomenon are challenged (Cornelissen et al., 2021). Comprehending may also involve emancipatory purposes: i.e., exposing the power structures that constrain social action (Cornelissen et al., 2021). The theorizing process is neither purely inductive nor deductive: rather, it involves a process of challenging one's initial interpretations, following surprises and defamiliarizing what is already known.[2] Weick (2005) has likened the process to one of sensemaking, which we reflected in our label for quadrant 3 in our matrix (Figure 1).

We considered contextualized explanation (quadrant 4) to be a promising platform for future IB scholarship, hence its strong-strong positioning in our matrix. As our label suggests, this approach reconciles context and theory, so that context becomes part of the explanation – it has explanatory power. In this approach, context is not just description: researchers explain *in* context, rather than *away* from context. Scholars engaging in this theorizing style express causality as a complex and dynamic set of interactions and interdependencies. They seek to produce situated explanations, not generalizable findings, of particular outcomes. For them, history and process are necessary aspects of an explanation. Researchers in this tradition treat context holistically, rather than extracting out variables and relationships of interest. This dissolves the distinction between phenomenon and context: context does not surround the phenomenon we study, it is constitutive of it (Clarke, 2005). Contextual elements of a specific social situation may not be as observable as the immediate interactions to research participants, but that does not mean they are any less important as explanatory factors.

Contextualized explanation is not as well established as the other alternatives in our matrix, and at the time we wrote the 2011 article it lacked a vocabulary and clear guidelines. But it offered an alternative stance on case study explanations. Case studies are not sites for identifying potential candidates for generalizations. Rather, they are sites for tracing the mechanisms by which outcomes are produced (e.g., Easton, 2010). In other words, case research is about asking how and why, recognizing that causal effects will vary depending on the context. The term 'contextualized explanation' was our attempt to crystallize the key distinctiveness of this approach. Contextualized explanation has an affinity with critical realism, although it is not limited to that philosophical approach. Like other case study researchers in management and organization studies at the time (e.g., Easton, 2010), we were attracted by the potential for critical realism to offer a solution to the deadlock that had developed between the interpretive and positivistic camps. It shares many of the assumptions with interpretive sensemaking, such as human agency and the interpreted nature of the social world, but accepts the goal of generating causal explanations.

To sum up, by setting up these alternatives to inductive theory-building, our hope was to encourage a more pluralistic approach to case research in IB, and to encourage interest in contextualized explanation in particular. The question then arises as to whether this more diverse future for the field has been realized during the past decade. In the next section we take stock of what has happened, arguing that the theoretical potential of the case study still remains to be realized in IB and that the risks of decontextualization loom large due to the persistence of qualitative positivism in the field.

THE PAST DECADE: HOW FAR HAVE WE COME?

Changes in the IB field

Our 2011 article appeared in a special issue of *JIBS* dedicated to qualitative research in IB (see Brannen, this issue). Unfortunately, the special issue did not lead to a flourishing of qualitative methods in the field. In fact, primary research of any kind became an endangered species (Nielsen et al., 2020). There was some diversity found with regards to the types of case study research undertaken – for example, there has been a more frequent use of single cases in IB from 2019 onwards (e.g., Gutierrez-Huerter, Moon, Gold & Chapple, 2020; Wang, Clegg, Gajewska-De Mattos & Buckley, 2020). Similarly, abductive reasoning has received attention (e.g., Figueira-de-Lemons & Hadjikhani, 2014) as a 'non-positivist', 'non-linear' alternative to inductive case study theorizing (Dubois & Gadde, 2014: 1277). Abduction is triggered by counterintuitive observations that redirect the research process in search of plausible explanations (Van Maanen, Sorensen & Mitchell, 2007). Even a qualitative paper based on a natural experiment published was published in *JIBS* (Darendeli & Hill, 2016). Despite this promising diversity, change has been slow paced. A review we conducted of *JIBS* and the *Journal of World Business (JWB)* revealed that the Eisenhardt template remains the most popular type of case study published in these two journals. Inductive theory building has been further reinforced by the rise of the Gioia template (Gioia, Corley, & Hamilton, 2013).

At first glance, it might appear that our article has been a counterweight to such templates. Citations to our article based on Scopus data have steadily increased every year since 2011, from 17 in 2012, to 49 in 2016, to 90 in 2019. The article has become a standard citation for qualitative (case-based) IB research in general and for context-sensitivity in particular. Out of a total of 509 citations, we examined the 43 articles (self-citations removed) published in *JIBS* and *JWB* that mention contextualized explanation. But a closer look at this subset of articles shows that a clear majority of authors use the reference to navigate across different case study traditions, to identify their own theorizing style and to justify their approach to data collection and analysis.

Our advocacy of contextualized theorizing happened at an opportune time, as researchers in IB also called for greater attention to context (Michailova, 2011). There was even a special issue in *JWB* on the topic of contextualizing in IB research (Teagarden, Von Glinow, & Mellahi, 2018). The growing importance of context is also highlighted in emerging market scholarship that questions the primacy of Western theories and the use of standardized research tools across contexts (Corner, Liu, & Bird, 2021; Plakoyiannaki, Wei, & Prashantham, 2019). In particular, scholars engaged in research on China have paved the way for increasing appreciation of context. At the same time, cross-cultural management scholars were alarmed about the over-reliance on etic research (Stahl & Tung, 2015).

Decontextualization as a risk to theory

Turning to other disciplines, similar concerns about the inattention to context and the perils of decontextualized research have also been voiced over the past decade in fields such as entrepreneurship (Welter, 2011; Welter, Baker, & Wirsching, 2019; Welter, Gartner, & Wright, 2016; Zahra & Wright, 2011; Zahra, Wright, & Abdelgawad, 2014), human resource management (Beer, Boselie, & Brewster, 2015; Parry, Morley, & Brewster, 2021; Thunnissen, Boselie, & Fruytier, 2013), information systems and management (Davison & Martinsons, 2016; Hong, Chan, Thong, Chasalow, & Dhillon, 2014), management and organization studies (Busse, Kach, & Wagner, 2017; Jackson, Helfen, Kaplan, Kirsch, & Lohmeyer, 2019; McLaren & Durepos, 2021), organizational behavior (Härtel & O'Connor, 2014; Johns, 2017; Li, Chen, & Blader, 2016) and strategy (Argyres, De Massis, Foss, Frattini, Jones, & Silverman, 2020).

This extensive multi-disciplinary conversation over the past decade has sensitized researchers to the ways in which decontextualization threatens the quality of the theories we produce. We summarize major risks of decontextualization in Table 1, along with illustrative examples of IB studies that have overcome them. The first set of risks relates to the causal connections that are postulated.

Decontextualized theories run the risk of reductionism, often in the form of oversimplified explanations that attribute causes solely to individual agency, neglecting social structures (Jackson et al., 2019). In their study of interpersonal knowledge seeking in MNC teams, Haas and Cummings (2015) overcome this by accompanying person-based differences between team members with their position-based differences, to arrive at a more complete explanation and avoid misattributing differences only to individual-level factors.

Decontextualization can also produce oversimplification in the form of singular, linear versions of causation, downplaying the interconnectedness of phenomena and the context dependence of causal effects (Furnari et al., 2020; George, Howard-Grenville, Joshi, & Tihanyi, 2016). Such explanations risk being trivial, reducing causal explanations to a single factor 'so broadly defined' that it becomes almost meaningless (Casson, 2021). There is growing awareness among IB researchers of the need to account for non-linear trajectories when studying the internationalization of the firm. For example, Johanson and Kalinic (2016) capture the irregular nature of firm internationalization by studying acceleration and deceleration, rather than just the speed of the process (Table 1).

Insert Table 1 about here

The second set of risks associated with decontextualization relates to the danger of misinterpretation when social behavior is not placed within broader social webs of signification. This should be a concern for a field that acknowledges the importance of culture, as Buckley, Clegg, Chapman and De Mattos (2014) point out in their discussion of the importance of emic perspectives (Table 1). Not analyzing the case holistically also means that differences between cases may be understated, leading to a mistaken assumption that cases are more homogeneous than they actually are. Such misinterpretations can be further exacerbated if researchers lack the necessary contextual understanding to interpret the data – the context of the researcher matters too (see Grisar-Kassé, 2004 for a rare example of this being openly discussed in Table 1).

The third set of risks associated with decontextualization is that researchers produce findings that lack practical relevance (Table 1). By neglecting context, our theories become detached from time and space (Johns, 2017), losing their connection with the people and the settings we study. These theories face then danger of being ill-suited to explaining changes to the phenomena we observe. For example, the very notions of headquarters and foreign subsidiary are still taken for granted in IB research, despite there being strong evidence that they no longer effectively capture the ways in which the contemporary MNC is organized (Edwards et al., 2021, forthcoming).

Finally, decontextualization can also lead to inappropriate generalizations being made (Table 1). Context provides us with greater insights into the heterogeneity of the cases that we study, allowing us better to understand the potential transferability of our findings. This can be seen in a study on practice transfer by Gamble (2010), who chose as his case the less-studied context of a Japanese MNC from the service industry. He uses the effects of multiple contexts – industry, home and host countries – to inform his discussion of the potential transferability of his findings. Without such context sensitivity, there is real danger that the scope of research findings and conclusions can be misinterpreted (McLaren & Durepos, 2021). This is exacerbated if, in the pursuit of potentially generalizable findings, insufficient attention is paid to anomalous findings, outliers and negative cases that may be the inspiration for new theoretical insight. This generative potential of anomalies is famously illustrated by Aharoni's (2011) behavioral theory of FDI decision-making.

Greater awareness of the explanatory strengths of context is one welcome development that has occurred over the past decade. But considerable advances have also been made in appreciating how to produce contextualized explanations – something that was still not well understood at the time we wrote our original paper. We will now discuss these approaches, showing how they overcome the problems of decontextualization that we have outlined and thereby provide a strong foundation for IB research in the future.

APPROACHES TO CONTEXTUALIZED EXPLANATION: ADVANCES IN THE PAST DECADE

In this section, we cover four approaches to contextualized explanation (Quadrant 4) that in the past decade have gained more attention – although more so in management and organization studies than in IB. As Table 2 shows, each approach is a distinct tradition in its own right, so we present them separately: process research, historical methods, the extended case method, and configurational logic and provide examples to show how they can be applied to study IB phenomena (for additional examples, see the Online Appendix). Despite their distinctiveness, they also share fundamental commitments in relation to context and theory. The resulting theories incorporate context as explanatory factors: that is, they offer strong forms of contextualization. We conclude the section with a synthesis of the commonalities between the approaches. Overall, we show that there is much more understanding now than a decade ago about how to develop contextualized explanations of IB phenomena, providing IB researchers with more tangible options for research design and for different forms of theoretical contributions.

Insert Table 2 about here

Process Research

Background to the tradition and philosophical orientation. Process research catches 'reality in flight' (Pettigrew, 1990: 268). It is preoccupied with describing, analyzing, and explaining the 'sequence of individual and collective events, actions, and activities unfolding over time in context' (Pettigrew, 1997: 338). In doing so, process research 'explicitly incorporates temporal progression of activities as elements of explanation and understanding' (Langley, Smallman, Tsoukas, & Van de Ven, 2013: 1). A problem in making process research amenable to IB more broadly is the diversity of perspectives and the confusion over what constitutes a process. This can be attributed to the many influences – ranging from early (e.g. Heraclitus, James, Whitehead) and contemporary process philosophers and social scientists (e.g. Abbott, Pettigrew, Weick) – that have created a 'melting pot' of understandings of process theorizing (Sandberg, Loacker, & Alvesson, 2015: 321).

Nonetheless, there are some principles that unite these multiple strands of process research. Perhaps the most fundamental is an ontological one: that the social world is made up of processes rather than stable entities, meaning that human conduct is perpetually changing (Langley et al., 2013). Consequently, process scholars are concerned with questions of emergence and change; namely what happens, how and why it happens, what results it generates, as well as the location, sequence, and temporality of events over time (Langley et al., 2013; Pettigrew, 1997). In doing so, their quest is to tap into the ordering of events to generate different pathways and process outcomes; the lived experiences of actors involved in the process; and the underlying mechanisms that make the events and process happen. These mechanisms are not universal but context-embedded, meaning that changing contingencies can drive events and processes in different directions.

View of context. Process research cannot be disentangled from context: without context it is impossible to conceptualize change (Pettigrew, 1997). Processes are embedded and enacted in shifting contexts and alongside other processes, meaning that context is also a process (Sminia & de Rond, 2012). This renders the distinction between process and context arbitrary: context is endogenous to the process, not an outside 'environing' domain (Avgerou, 2019: 978). Context is shaped by the subjective interpretations of actors, but it also has agency (Pettigrew, 1997). It generates 'unexpected and largely uncontrollable chains of activity and events in which actors, environments, and organizations are all in constant and mutually interacting flux' (Langley et al., 2013: 5).

Explanatory purpose of context. Process research constitutes an explanatory theorizing style that focuses on how and why something happens in context (Cornelissen et al., 2021). Process researchers are interested in the ordering of events that generate multiple pathways and redirect the process, as well as in the generative mechanisms that underpin the process (Cloutier & Langley, 2020). Process theorizing generates contextualized explanations as a narrative storyline and model that capture the process, context and mechanisms at work. The narrative becomes the vehicle for explanation that joins together temporality, focal actors and plot, context and mechanisms, interpretations and emotions (Pentland, 1999). This can be done in a variety of ways: postulating a linear sequence of events; showing how linear processes mutually affect each other; or taking a cyclical and ongoing view of a process that makes room for dynamism and causal complexity (Cloutier & Langley, 2020).

IB examples. In the two examples below, the authors use the temporal context to identify the causes of patterns of events and produce contextualized explanations. Both examples are single cases but not samples of one as different spatial and temporal subunits enable within-case comparison. They draw on real time and retrospective, multiple data sources and rely on temporal bracketing as a means to advance process models. In both cases, the process model, together with narrative, becomes the vehicle for theorizing and explanation.

The first example by Gutierrez-Huerter et al. (2020) investigates the translation of corporate social responsibility reporting transferred from the headquarters of a UK-based MNE to its American, Brazilian, Danish, Dutch and French subsidiaries. It addresses the question 'What are the micro-processes (i.e., the activities undertaken by translators) that lead to specific types of translation in the transfer of a practice from HQ to its subsidiaries?' (2020: 390). Context features prominently in the theoretical background, the proposed process framework and concluding theoretical explanation of the study. Without an understanding of the social, spatial and temporal situatedness of translators, the micro-processes of translation might have been misinterpreted (Table 1).

In the second example, Ryan, Buciuni, Giblin and Andersson (2020) use process research to explain how a subsidiary can accomplish upgrading in an intra-MNE Global Value Chain (GVC) over time, drawing on a 12-year data collection period. The authors pose the question: 'How may a subsidiary's upgrading in a product-specific MNEs GVC lead to changes in this GVCs governance?' (2020: 498). They iteratively advance a process model that explains the 'evolutionary processes, GVC upgrading trajectories, changes in the GVC governance and their drivers as they intersect and change over time' (2020: 515). Ryan et al. (2020: 505) remain 'steadfastly context-sensitive' throughout their study, as underestimation of context might have generated the risk of singular and linear causation by ignoring intersecting or shifting trajectories of the investigated evolutionary processes (Table 1).

Historical Research

Background to tradition and philosophical orientation. Historians aim to provide a faithful and illuminating understanding of past events, but they are very aware of the interpretive challenges of doing so. These challenges arise from the temporal distance between past and present, and the dependence the historian has on the incomplete fragments and traces of empirical material that have survived (Buckley, 2016 citing Berlin, 1960; Buckley, 2020; Pierson, 2004). Historians therefore possess a hermeneutic sensitivity towards the influence of their own temporal standpoint on their interpretation of the past. Much has been made of the difference between history and the social sciences: that historians only aspire to provide an account of particular events, whereas social scientists build abstract models that are transferable across time and settings. But recently, there has been a growing awareness that the preferred explanatory form of history – its narrative approach – has an underlying causal fabric that could benefit many areas of the social sciences, including IB, particularly when it comes to incorporating context (Buckley, 2016; 2020; Burgelman, 2011; Pierson, 2004).

Historical studies explain how past events, or cases, can make sense of present and future phenomena (Orlikowski & Yates, 2002; Yates, 2014). They do so by reconstructing the past and providing exemplars of lived experiences in history (Smircich & Stubbart, 1985; Lepore, 2001) that highlight continuities, contingencies, complexities and patterns also relevant to the contemporary context (Sewell, 2005) – and point to possible futures (Koselleck, 2004). Typically, historical research begins with existing archives and then attempts to build an explanatory, chronological, context-embedded narrative from them (Gaddis, 2002: 62).

View of context. In historical research events and actions are only given authentic meaning when they are placed in their temporal context. That is, the events, actions, actors, artefacts and locations are portrayed at and positioned in a specific time and place in the past (Lepore, 2001; Ravasi, Rindova, & Stigliani, 2018; Yates, 2014). Historical context is not just a backdrop; it is an integral and inseparable part of the phenomenon (Lubinski, 2018). The events under study cannot be abstracted from the historical period in which they took place: hence, the suspicion of abstract models, as even the stylized models of process researchers involve an extraction of event sequences from their broader context. Contextualization gives significance to past events and actions (Kipping, Wadhwani, & Bucheli, 2014; Wadhwani, 2016). Wadhwani and Decker (2017: 118) summarize that 'in historical practice, contexts are interpreted conditions that place an event or action into a causal or semantic relationship in time' and thus contextualization operates as 'the most basic way in which historical research establishes explanation'. The view of context is holistic, or what Burgelman (2011) terms ecological: it offers a dynamic and systems-perspective to obtain more complete understanding.

Explanatory purpose of context. The influence of hermeneutics (Heidegger, 2001/1927) on history means that knowledge is seen to be interpretive in nature. This process frequently takes the form of abductive research, featuring revisionism, where previous explanations are challenged, revised, and replaced by re-seeing and re-interpreting the past (Ricoeur, 2004; Wadhwani & Decker, 2017). A complete or final explanation of historical events is not obtainable, given that interpretations are made from the temporal vantage point of the researcher, but with each iteration – with each alternative explanation of the surviving excerpts of the past – synthesizing knowledge of the past can be gained (Fridenson, 2008; Wadhwani, Suddaby, Mordhorst, & Popp, 2018; Yates, 2014). The resulting historical accounts involve rich narratives that should not be seen as anecdotal storytelling. Rather, they provide plausible causal explanations based on a meticulous assessment of rich historical, contextual evidence over time (Boje, Haley, & Saylors, 2016; Haley & Boje, 2014; Shepherd & Suddaby, 2017).

IB examples. The chosen examples show how historical research methods have been applied in IB to generate contextualized explanations. The historical interpretive case study by Berns, Gondo and Sellar (2021) focuses on the country-of-origin network development over time, assessing how such networks develop and facilitate internationalization. Two cases are selected, representing the regions (Romania and China) 'with the largest concentration of Italian presence outside of Italy' (2021: 482) and timeframes mirroring the high investment intensity of Italian firms to the two regions. The study did not impose established measures of context, but employed regional and historical contexts as emerging shapers of networking. The analysis engaged simultaneously in replication of and contrasts between the cases in a dialogical, abductive manner. Context and time were specifically used to find 'the best explanation' for theorizing and situate the unfolding events of the network's development. Had Berns et al. (2021) discarded the role of the historical context as a meaning-giver, sense-maker and process-driver, they might have misinterpreted the social dynamics of the emergence of the whole-country networks (Table 1).

While the first example illustrates how historical context is applied to enrich and complement existing IB theorizing, the second study (Bucheli & Salvaj, 2018) exemplifies how past historical events can explain current phenomena. It focuses on assessing the success or failure of American telecommunications and oil MNCs' (ITT, Esso, Royal Dutch-Shell) strategies of creating connections with a host country's (Chilean) elite to legitimize their operations in light of long-term political, social, and economic changes. The chosen temporal context was 'from 1932 to 1973, [when] Chile adopted a state-led import substitution industrialization (ISI) protectionist model' (2018: 401). The study employed a longitudinal, contextualized qualitative analysis of archival data with a historically informed reading, where the 'analysis zooms in and out of the MNC strategies [the micro-level] by constantly placing them in relation to the larger context and the long-term elements that spurred changes in that context [the macro-level]' (2018: 404). Without connecting the micro to the macro, the study might have misattributed the causes of events (Table 1) and not detected how the legitimacy of an MNC's operations in the host country is historically determined by previous political and social struggles.

Extended Case Method

Background to the tradition and philosophical orientation. The extended case method is an ethnographic method that is explicitly positioned as anti-positivist (Burawoy, 1998) and aims at uncovering complex phenomena in non-linear terms (Table 2). It is based on a 'reflexive' form of science that presumes a 'real world' external to our observations, but 'one that we can know only through our constructed relation to it' (Burawoy, 2009: 94). The origins of the extended case method can be traced back to the post-war Manchester School of Anthropology (Barata, 2010). More recently, the methodology has been further developed by the sociologist Michael Burawoy (1998). His experiences of conducting micro-level observations of groups in workplace settings alerted him to a downside of the ethnographic approach: that the broader, macro-level social forces which reshape the immediate social relations under study are easily overlooked by researchers in the field. Reflecting on his early ethnographic experiences, he realized that he had missed the impact of broader global forces on the field sites he had studied (Burawoy, 2009). As a result, he assumed that the social structures and relations he was observing were more stable and enduring than was the case.

View of context. The extended case method 'takes context and situation as its points of departure' (Burawoy, 2009: 72). Influenced by post-Marxist theory, this method 'entails mapping out the power-laden interaction between the local, the national, the transnational, and the global' that are mutually constitutive of each other (Barata, 2010: 3). Power structures have their own dynamism, and are constantly changing, despite our tendency to reify them. The role of the researcher is to expose the micro-macro connections which are not immediately observable – that is, to see the macro in the micro (Morgan, 2011).

Explanatory purpose of context. In developing his version of the extended case method, Burawoy (1998) emphasizes that theoretical understanding cannot be achieved if broader social processes and forces are bracketed out. In the extended case method, researchers search for the social forces that can explain an outcome at a particular time and in a particular place (Wadham & Warren, 2014). The findings of the extended case method tell 'us about society as a whole rather than about the population of similar cases' (Burawoy et al., 1991: 281). In this regard, the researcher engages in both explanatory and emancipatory theorizing by giving voice to less-privileged groups in society (Cornelissen et al., 2021).

The extended case method recognizes that theorizing requires 'extending out' from immediate field observations to the general, from the micro site to macro forces, and from the present to the past. Of these multiple extensions, the most relevant is the need to extend out from the immediately observable social situation to the broader power regimes which structure the social processes in the field site. Burawoy (1998) acknowledges the analytical move from micro to macro is fraught with difficulty. Participants experience macro forces without necessarily being aware of them. To expose these linkages, Burawoy recounts having used a variety of techniques such as adding new data; tracing the changing effects of relevant macro forces through history; understanding how different local sites, while seemingly separate, are connected through macro linkages; and using alternative, even conflicting theoretical explanations. Even so, he acknowledges that the threat of macro forces is that they can easily be overlooked, or their effects downplayed, simply because they are taken for granted by both participants and the researcher alike (Burawoy, 1998). Thus, the role of theory is to enable the researcher to extend beyond the immediate, and direct attention to other possible causes.

IB examples. Burawoy's extended case method has recently been taken up by IB researchers, although this method is still a rarity in our field. In the two examples below IB researchers to 'extend out' from the immediate research site to identify micro-macro connections. They start by questioning existing theories because these are unable to explain the phenomenon under study. In both examples, the authors set up a critical dialogue between theory, data sources and analysis to reconstruct existing theories in the spirit of abduction (Wadham & Warren, 2014).

In the first example, Geary and Aguzzoli (2016) explain how an MNC originating from Brazil succeeds in imposing a new pay and performance management system on its subsidiaries in Canada, the UK, Switzerland and Norway, despite the fact that this new system contradicts the host norms. They express dissatisfaction with the institutional explanations used in IB to understand processes of practice transfer because these explanations lack serious considerations of diverse interests, power resources and competing value systems that characterize internal conflicts and struggles in the MNC. Their study follows a single case design that draws on interviews and documents and is critical realist in its positioning. Without a consideration of macro forces, such as home and host institutional influences as well as host economies' dependence on foreign investment, the findings by Geary and Aguzzoli (2016) might have run the risks of reductionism and causal misattribution (Table 1).

In the second example, Bjerregaard and Klitmøller (2016) study the conflictual reception of a headquarters' mandated management control system in a Danish-owned subsidiary in Mexico. Based on an ethnographic case study with interviews and participant observation they explain how local employees accommodate, actively support but also resist various parts of the incoming control system. The analysis extends out from 'the immediate departmental situatedness of subsidiary employees' to transnational institutional and social spaces, such as the Mexican special economic zone and maquiladoras (2016: 1290). Their conceptual model explicitly shows 'how broader socio-material structures both shape and are shaped by micro-level situations of social interactions and events' (2016: 1278). Bjerregaard and Klitmøller re-conceptualize practice transfer as conflictual practice sharing, underscoring power structures. Thus, without acknowledging the micro-macro connections, their explanation would have potentially been too simplistic (Table 1).

Configurational Theorizing

Background to tradition and philosophical orientation. Configurational theorizing was introduced as a coherent approach to qualitative comparative analysis (QCA) by the sociologist Charles Ragin (2014/1987). He indicated at the time that the book was the start, not the end, of the process of developing configurational thinking, and indeed he has considerably extended the approach since its publication. The popularity of configurational approaches in sociology and political science led to their gradual adoption in management (Misangyi, Greckhamer, Furnari, Fiss, Crilly, & Aguilera, 2017), but it has only been in the past decade that they have gained more recognition – also in IB (Fainshmidt, Witt, Aguilera, & Verbeke, 2020). Adoption has been encouraged by the development of software tools to automate and support the analysis. But at the same time, the availability of the software has increased the risk that the tool might be applied without remaining faithful to – or even being aware of - the distinctive logic underlying it. Automation makes it possible to analyze a larger number of cases than would otherwise be possible, but it also opens up the additional risk of then being less familiar with each case in its entirety.

Configurational logic is thoroughly qualitative and case-oriented in nature, even though it can be used on large datasets. In his 1987 book introducing his analytical approach, Ragin emphasizes that his innovation is to formalize the analytical practices that are inherent to qualitative case-based comparisons. In specifying the logic of comparative case research, he builds on a long line of scholars that can be traced back to John Stuart Mill (Saka-Helmhout, 2011). One of Ragin's aims is to articulate the value of case research to social scientific explanation, by clearly differentiating it from the variable-oriented logic that dominates current quantitative research. In mathematical terms, variable-oriented logic is based on probability theory while case-oriented logic relies on set theory. This is because the role of case research is not to predict frequencies across a population, but to differentiate causal outcomes; i.e., to assign cases to sets according to their causal combinations. There are also deep-seated ontological and epistemological differences between the two approaches or styles of theorizing. Initially, Ragin did not link his approach to particular philosophical traditions, but in later years he made these linkages more explicit. In a 2009 work, he characterizes the configurational approach as consistent with key tenets of complexity theory and critical realism, using the term 'complex realism' to denote his positioning.

View of context. As Fiss (2009) argues, the configurational nature of the case study is what distinguishes it as a research strategy. That is, a phenomenon is studied as a combination of conditions that together produce an outcome. Given this, it does not make sense to extract out variables and relationships of interest to study, as this overlooks the interdependent and intersecting nature of conditions. The effect of a particular factor (or 'variable') on an outcome is never fixed: it depends on the other factors that co-occur at that point in time. This means that the effects of variables can only be investigated within the context of the case as a whole (Ragin, 2014/1987). This does not imply that all the conditions are of equal importance: part of the analytical process is to decide which sets of conditions are necessary and sufficient to producing an outcome. Sometimes, the presence of a particular factor is critical to an outcome – whereas in other situations, its absence may be necessary. This complexity means that configurational theorizing requires in-depth understanding of each case in a multiple case study – or, if larger numbers of cases are included in the study, that the causal relevance of the conditions under examination is already well established in prior studies and there is a strong rationale for their inclusion.

Explanatory purpose of context. The configurational nature of social phenomena fundamentally transforms the understanding of causality. In the social world, causality is complex, given that the relationship between conditions (or variables) and their effects is always context specific. Not only do multiple conditions combine to produce an outcome (i.e., causation is conjunctural), but different combinations of conditions may produce the same outcome (i.e., causation is equifinal). The aim of an inquiry is to specify the 'causal recipe' – or combination of causes – that is sufficient to explain the outcome of each case in a multiple case study. These causal recipes can then be compared across cases in order to identify similarities and differences. While a potentially daunting variety of causal combinations is logically possible, in practice a more limited number of combinations is likely to feature in a dataset of cases (Ragin, 2008), given the way in which social structures pattern and order the interactions of individuals and organizations.

Ragin (2014/1987: xxi) characterizes configurational theorizing as an iterative process that is 'facilitate[d] [by] a dialogue between theory and evidence'. He emphasizes that a crucial starting point for the case researcher lies in not taking a case as given at the commencement of inquiry, but constituting it during the course of the analysis. In other words, a case study involves deciding what the case study is a case of. If case research is about set membership, a key question remains what is the nature of that set. Assigning cases to subsets of particular causal combinations is also by no means a straightforward process. Researchers need to be alert to contradictions in the data, which potentially suggest that an important causal factor has been omitted. Classifying cases in terms of their causal recipes also requires considerable judgment and knowledge of both cases and relevant theories. This means that while QCA has been designed to be used on larger-N datasets than is typical in traditional case research, such studies are also highly dependent on the insights that can be obtained from in-depth case evidence (Livne-Tarandach, Hawbaker, Lahneman Boren, & Jones, 2015).

IB examples. QCA has attracted greater interest from IB scholars in recent years due to its applicability to intermediate and large secondary datasets (for examples, see Saka-Helmhout, Chappin, & Vermeulen, 2020, who analyze 594 firms; Witt, Fainschmidt, & Aguilera, 2021, whose dataset comprises 521 firms). This more deductive approach to QCA is a potential use of the approach, and one of the strengths it can offer – with the caveat that the resulting analysis will only be as trustworthy as the set of conditions selected for the cross-case analysis. Another limitation is that if analysis is restricted to cases that are given and to factors that have already been identified by existing research, there is limited scope to identify new causal conditions, or to interrogate the constitution of cases. In other words, the theoretical contribution will be relatively modest.

These constraints of a more deductive approach can be addressed through more innovative research designs that utilize additional qualitative data. For example, Fainshmidt, Judge, Aguilera, and Smith (2018) supplement secondary data on what they term the 'understudied' institutional contexts of 68 countries with the qualitative judgements of expert panels, to provide the basis for building and classifying the institutional profiles of these countries. This additional data source provided them with insights that went beyond the 'crude measures' available from secondary datasets.

The deductive approach can be contrasted with a design that allows for the identification of new causal conditions. This is illustrated by Crilly (2011), whose extensive interview data with country managers of 52 subsidiaries of 13 multinationals enabled him to identify relevant causal conditions that are then the input to a QCA study of the 52 subsidiaries. In deriving the causal conditions for his analysis from in-depth fieldwork, Crilly is able to extend existing theory on stakeholder orientation. Without the first phase of his study, this advancement of existing theory would not have been possible, as he would have depended on the conditions currently discussed in the literature – conditions which his study suggests are insufficient in explaining firm behavior. This study is an illustration of the generative potential of configurational theorizing and its shift to complex causality (Table 1) that is yet to be exploited in IB scholarship.

What Do These Approaches to Contextualized Explanation Have in Common?

From the perspective of theory, all four approaches challenge traditional dichotomies in qualitative research and therefore, remain rare in IB. They depart from traditional dualisms, namely induction versus deduction; theory building versus theory testing; theory versus observational data; generalities versus particularities; and qualitative versus quantitative approaches. They replace these dichotomies with a new mindset and vocabulary - such as abduction, theory reconstruction, deep structures, unobservable forces, and knowledge production through extension and emancipation rather than generalization - in order to articulate and make visible the generative moments of doing qualitative research.

In contrast to inductive theory-building, which conceives theory as emerging from data (Burawoy, 2009), the four approaches consider theory to be actively and imaginatively constructed by the researcher. The approaches also challenge the traditional view of linear causality as insufficient. As an alternative, they offer proximate and plausible, not final, causes, and outline multiple intersecting conditions, paths and conjunctures which link in a multitude of ways the features of context to the outcomes under study. The weaving together of contextual features to explain outcomes – to theorize – can take various forms, such as a narrative plot, event sequencing and chronological ordering. Taken together, these approaches provide a critique of induction as not being able to explain how theory is generated from data (Dubois & Gadde, 2014; Klag & Langley, 2013).

The approaches also share the view that social knowledge is inherently context-bound (McLaren & Durepos, 2021) and therefore the scope for generalizations about the social world is inherently limited (Thomas & Meyer, 2015). Instead of treating context as a stable external factor, a fixed variable or a limitation of the study, context is seen as dynamic, multi-layered, endogenous, and agentic, forming an inherent part of the explanation. These approaches acknowledge that researchers are also “situated in a particular time and space, which acts as our context, despite claims of objectivism” (McLaren & Durepos, 2021: 80). They show the close linkage between theory and method; and how research methods grounded in different philosophical traditions drive the knowledge researchers are able to produce. Their philosophical orientations differ, but all go beyond qualitative positivism.

The four approaches have clear implications for research design. They are comfortable with single or small-N case designs that have been selected for their uniqueness rather than average qualities. As the examples indicated, they favor deep engagement with the field to achieve both spatial and temporal reach in data collection, adhering to holism rather than particularism. Researchers following these approaches typically spend extended periods of time doing fieldwork, collect more extensive datasets than the norm and draw on unconventional data sources such as previously inaccessible archives or legal documents (Bryman & Buchanan, 2018).

DISCUSSION: THE FUTURE OF IB RESEARCH

In this Retrospective, we have shown how the evolution of the case study over the past ten years provides the foundation for a productive research agenda in the future. Ten years following the publication of our original paper, we can be confident that the IB field now has more guidance on how to produce contextualized explanations. In this section, we argue that the longer-term implications of the arguments in our 2011 paper do not end there. We outline the potential for a joint focus on contextualization between qualitative and quantitative researchers; the possibilities for greater contextualization across all case study traditions, as well as in quantitative IB research; and the need for a debate about our prevailing preconceptions about theory and theorizing, given the close link between the theories that we produce and the methods that we use for producing them. The agenda that we outline in this section informs the entire field of IB, so is not solely addressed to qualitative researchers.

Future methodological innovations We would anticipate that the next ten years will see additional innovations that support the development of contextualized explanations due to the fast pace of methodological change, fueled as it is by technological advances such as natural language processing and complex systems modelling (e.g., Chandra & Wilkinson, 2017). As in the case of QCA, there is potential for traditional divisions between qualitative and quantitative research to be questioned, even overcome, in the process. Developing more context-sensitive approaches is in fact one way in which researchers will be able to bridge the qualitative-quantitative divide. For example, small-N critical discourse analysis can now be combined with large-N structural topic modelling, allowing researchers to study ‘the breadth and depth of discourses’ in the mediatized society (Aranda et al., 2021). In the decade to come, we expect that the options for contextualized explanation will be expanded beyond the four we have offered in this paper.

Our review of the past ten years has revealed that the lack of contextualization and complex causality is equally of concern to quantitative researchers (Caprar, Devinney, Kirkman, & Caligiuri, 2015; Eden & Nielsen, 2020; Johns, 2017; Knight et al., this issue; Shenkar, 2012). IB scholars have been warned against 'the temptation to use a simple formula to gauge variations in the complex, intangible phenomenon' of culture (Shenkar, 2012: 13) and instead advised to draw on a situated understanding of culture (Stahl & Tung, 2015). In order to fully explain anomalous or conflicting results, context is often critical (Johns, 2017, Table 1). Outliers are promising candidates for theorizing (Aharoni, 2011), also in quantitative research, as they invite researchers to explain the drivers behind the deviations and specify the boundary conditions of their theories (Beamish & Hasse, 2022; see also Gibbert, Nair, Weiss, & Hoegl, 2021). Thus, contextualizing our research is an agenda that can, we hope, serve as a generative meeting ground between qualitative and quantitative researchers and lead to greater collaboration in the future.

Contextualizing other case study traditions While we have focused on developments in the past decade that provide guidance on ways to contextualize our explanations, at the same time there are indications that the other case study traditions in our matrix may become more context sensitive in the future. Specifically, recent years have seen a more intensive discussion on the need to incorporate micro-macro linkages, also within inductive theory-building studies (quadrant 1). Kouamé and Langley (2018) point to the possibilities for researchers in this tradition to propose linkages between micro-processes and macro outcomes – and we would add that macro-processes have the potential to illuminate micro outcomes. The interpretive sensemaking tradition could be legitimized if, as Cornelissen (2017) has pointed out, 'thick description' could be recognized and valued as a theorizing style. While the term is typically treated as synonymous with rich description in IB, thick description in fact refers to a process of theorizing in which the researcher links the specificities of the field situation to the social structure of meaning which makes them intelligible (Geertz, 1973). Last but not least, advocates of natural experiments (quadrant 3) have become aware of their potential to factor in complex causality, for example the presence of supporting conditions for causal relationships (Crasnow, 2015) and the tracing of causal processes (Dunning, 2012; Millstein, 2019). Overall, then, each of these case study traditions has become sensitized to the importance of context to theorizing.

We believe all these developments are very promising. If adopted more widely, they would allow for more contextualization, no matter the case study tradition the researcher is following. This means not just richer data, but also more robust theory – namely theories that are better able to address the 'how' and 'why' questions that are the rationale for choosing a case study design. These changes in the past decade also remind us that context is not just relevant to *what* we study: we also need to consider the context of the researchers *who* undertake the study. Specifically, our understanding of methodologies changes over time, affecting how we go about studying the phenomenon in question. As we have documented in this paper, we as a field think differently about the case study today than we did ten years ago, and this will change again in the future. This is to be welcomed. As Gummesson (2017: 12) observes, 'case study research has been floating around in pretty much the same water for several decades. Every single article or thesis I read or get to review …. refers to Yin … [and] Eisenhardt ... but has nothing happened in the past few decades?' In a recent essay, Eisenhardt (2021) herself acknowledges that she has become increasingly cognizant of the temporal context and has softened her arguments about 'blank slate' induction. Our hope is that, if the trends towards greater contextualization across all our four case study traditions continue, the matrix that we proposed in 2011 will become obsolete. Contextualization would then simply be an integral part of the case study across all the traditions we identified, and would no longer be a way of distinguishing them.

Diversifying the theorizing styles in IB In order for all these developments to gather pace, there is a further important precondition, and one that we think that has so far been missing from the reception to our paper. This missing element is how we think about theory and theorizing. Assumptions about theory have far-reaching implications – not just for qualitative researchers, but for the future of our field more generally. In IB, unlike in other fields (e.g., Abend, 2008; Cornelissen et al., 2019; Delbridge & Fiss, 2013; Gregor, 2006), we are yet to have a debate about what theory is,[3] or the potential that lies in diversifying our styles of theorizing. But for the field to take on the challenge – and opportunity – of contextualization, prevailing assumptions about what theory is and how to produce it will require reexamination. This argument from our 2011 paper is just as relevant today - and is perhaps even more urgent, given the dissatisfaction that has been expressed about the current state of IB research (e.g., Delios, 2017) and the need to address the 'grand challenges' that the global community is facing (Buckley, Doh, & Benischke, 2017).

The remedy does not lie in greater methodological pluralism alone: it also needs to encompass greater theoretical pluralism in the form of a greater range of theorizing styles. Our position in this paper has been that the struggle to generate more contextualized theories in IB can be attributed above all to the style of theorizing that dominates the field. Methodology and theory are closely interlinked (Corvellec, 2013; Lê & Schmid, 2020): methodological diversity depends on a diversity of theorizing styles, and vice versa. That is to say, our current methodological practices lead us to produce certain types of theory - and in turn, our expectations about what theory should look like reinforce the dominance of certain methodological practices (i.e., the preference for context-free generalizable propositions goes hand-in-hand with Eisenhardt's inductive-theory building approach). As we have seen, the four approaches to contextualized explanation that we have covered in this paper - process research, historical research, extended case method and configurational theorizing - are very alert to this tight coupling between methodology and theory. We would argue that only when there is greater acceptance of the many forms that a theoretical contribution can take beyond correlational theorizing will it be possible to address the decontextualized nature of case research - and of IB research more generally.

Questioning the convention of correlational theorizing invites researchers to step back and reflect on their own practices. It entails engaging in a dialogue about what constitutes theory; revisiting the nature of concepts used to describe, understand, and explain the world; and facilitating the adoption of new research practices. Such "intellectual openness" can only be achieved in a field by encouraging multiple philosophical perspectives that constantly interrogate the types of knowledge that 'become accepted as legitimate and are institutionalized' (Tsoukas & Chia, 2013: 4). Hence, it is philosophy that ensures the sustainability, evolution and renewal of a field by orienting mindsets towards change. In the words of Tsoukas and Chia (2013: 15) 'philosophical analysis helps keep meaning open in a scientific field.' However, openness to different perspectives should not be conflated with philosophical flexibility, implying either 'one size fits all' or dismissal of the relevance of philosophy for research.

We would disagree with Eisenhardt (2021: 155), who adheres to the view that ontology and epistemology are “not core” to methodological decisions: on the contrary, they drive the methodological and theoretical choices we make, whether we are aware of it or not. Building upon our 2011 article, we have highlighted the interconnectedness of philosophy, theory and methodology, and call for further efforts to advance the philosophical dialogue in IB scholarship.

CONCLUSION

The tight inter-relationship between methodology and theory means that our 2011 paper should be seen as more than just a methods paper – it is about the nature of the theories we produce. In the original paper, we argued why context is essential to theorizing, and why other approaches to theorizing – rather than bracketing context out, ignoring it, or controlling for it - are both possible and necessary. There is greater recognition today than 10 years ago that our field runs a serious risk due to its decontextualized approach to research. This risk is that the theories we produce do not contend with the realities of the social world in which we live – a world which is marked by dynamism, causal complexity, the situatedness of social action in time and space, and the meaning-ladenness of social behavior. We will start making substantial progress in contextualizing our theories once an open debate about some deep-seated beliefs about theorizing is initiated. Such a debate would be truly transformative for our field. We hope this Retrospective can become a catalyst for it.

ENDNOTES

[1] We should clarify that natural experiments are distinct from field experiments. In a field experiment, the researcher runs an experiment in a real-life setting; whereas in a natural experiment, the researcher observes events unfolding in their real-life context (Millstein, 2019).

[2] In philosophy of science, the possibility of pure induction has been questioned. When we enter the field as researchers, we always have pre-conceived theoretical ideas that influence both data collection and analysis. In fact, knowledge of prior theory is necessary because it ensures that we do not collect data randomly, ask irrelevant questions, and reproduce what is already known.

[3] At the 25th anniversary symposium of the Centre for International Business Research at the University of Leeds on 5 July 2021 the question of what theory is was publicly raised, but there was limited time to address it properly.

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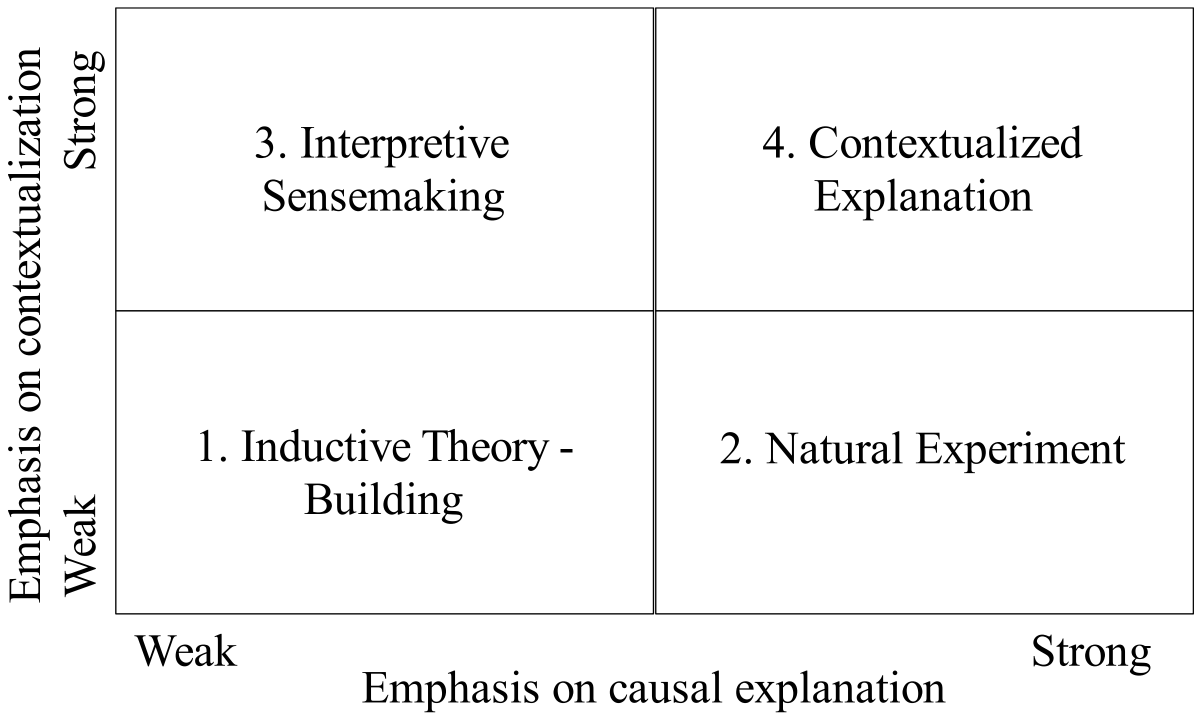
Figure 1. Four methods of theorizing from case studies



Source: Welch, Piekkari, Plakoyiannaki and Paavilainen-Mäntymäki, *JIBS* (2011: 750)

Table 1: The risks of decontextualization

Type of risk	*Definition and description*	*Examples of how to avoid decontextualization*
Causality		
Risk of reductionism and causal misattribution	If a focus on the micro is not accompanied by attention to the macro (Morgan, 2011), the result may be oversimplified explanations attributing causes solely to the actions of individuals, neglecting social structures (Jackson et al., 2019).	Interpersonal knowledge seeking within MNC teams can be better understood by considering both person-based and position-based differences between individual members of the team (Haas & Cummings, 2015)
Risk of singular, linear causation	Dominance of linear causation makes our research ill-suited to addressing causal complexity (George, Howard-Grenville, Joshi, & Tihanyi, 2016; Furnari et al., 2021).	Accounting for acceleration and deceleration, not just speed, of an SME's internationalization process helps explain the non-linear, irregular, dynamic and multi-dimensional nature of firm expansion (Johansson & Kalinic, 2016)
Misinterpretation		
Risk of neglecting the meaning of social behavior	Social behavior is misunderstood if not placed within broader social webs of signification (i.e., emic perspective) (Redding, 2005).	In an emic study of native categories, it was found that in German-Polish acquisitions, the Polish and German managers perceived the same events in opposing ways. The native categories acquire meaning when an emic and etic perspective are combined (Buckley, Clegg, Chapman, & De Mattos, 2014)
Risk of not considering researchers' own context	Fieldwork, the theorizing process and the theoretical output are influenced by researchers' methodological understandings, preferences and ideologies, which change over time and across space (McLaren & Durepos, 2021; Michailova, 2011; Welter, Gartner, & Wright, 2016).	A negative cross-cultural experience in the field had a transformative effect on the German researcher's interpretation of Senegalese values and viewpoints; yet as Grisar-Kassé (2004) points out, this is often not reported on in published papers
Lack of relevance		
Risk of producing irrelevant research findings to practice and society	Researchers are unable to detect when their theories become obsolete to explain the social world. Abstractions divorced from time and space may be obsolete and have limited practical utility (Johns, 2017).	Notions of headquarters and foreign subsidiary, still taken for granted in IB research, are "close to meaningless in terms of how MNCs organize their production and service provision, and how work is organized and governed" in reality (Edwards et al., 2021, forthcoming; Nell et al., 2017).
Generalization		
Risk of inappropriate generalizations	The pressure to generalize may lead to assumptions of homogeneity and similarity across findings rather than highlighting heterogeneity and differences across cases.	A study revealed that organizational practices transferred by a Japanese retail MNC to China appeared to be "significantly more 'Japanese' than reports of at least some manufacturing subsidiaries of Japanese MNCs in the UK" (Gamble, 2010: 723). This led to an important insight about greater heterogeneity in Japanese practice transfer than previously recognized.
Risk of not being able to explain outliers, anomalous and conflicting results	Contextual effects may be critical to explaining outliers, anomalous or conflicting results (Johns, 2017).	When Aharoni (2011) found that the foreign direct investment (FDI) decision processes of US firms investing in Israel deviated from the classical economic theory, he placed these processes within a broader "organization and a social system" to explain the anomalous findings and develop a behavioural theory of FDI decision-making.

Table 2: Four approaches to contextualized explanation

	Process Research	**Historical Research**	**Extended Case Study Method**	**Configurational Logic**
Philosophical Orientation	Process ontology (vs. substance ontology) that views the world as a process in a state of creation, emergence and becoming	Reconstruction, hermeneutics, revisionism	Ethnographic tradition, reflexive science, intersubjectivity	Set-analytic social science
Research Aim	Temporally evolving phenomena, emphasis on transition and change	Contextualized phenomena from past to present (and future)	Complex phenomena in non-linear terms	Specifying the multiple causal pathways that lead to an outcome
View of Context	Complex, in constant flux, endogenous to the process, context has agency, context is a process	Evolutions, context eventuating causality, explaining the present with past experiences	Multilevel, connecting the micro to the macro	Complex, holistic, configurational
Explanatory Purpose of Context	Holistic explanation, narrative theory, multiple and contextual causality, mechanisms	Interpretive temporal explanation, knowledge production through hermeneutic iteration, synthesising plausible causal explanations from rich contextual evidence over time	Local understanding, interpretive explanation, knowledge produced through extension rather than generalization, emancipatory knowledge	Causality context-specific, multiple conjunctural causation
How Contextualized Explanations are Generated	Iteration of theory and data, temporal bracketing	Abduction, revisionist explanations, overdetermination (parsimony of consequences, not causes)	Reconstructing pre-existing theory, departing from induction	Iteration, explanatory models by identifying and resolving contradictions

Online Appendix – Contextualized Explanation Examples

These papers are illustrative examples of contextualized explanation published in the *Journal of International Business Studies* and *Journal of World Business*. They were selected as they treat context holistically and inherent to explanation instead of viewing it as a variable or boundary condition.

Amdam, R. P., Lunnan, R., Bjarnar, O., & Halse, L. L. 2020. Keeping up with the neighbors: The role of cluster identity in internationalization. *Journal of World Business*, 55(5): 1-13.

Berns, J.P., Gondo, M., & Sellar, C. 2021. Whole country-of-origin network development abroad. *Journal of International Business Studies*, 52(3): 479–503.

Boussebaa, M., Sinha, S., & Gabriel, Y. 2014. Englishization in offshore call centers: A postcolonial perspective. *Journal of International Business Studies*, 45(9): 1152–1169.

Buchanan, S., & Marques, J. C. 2018. How home country industry associations influence MNE international CSR practices: Evidence from the Canadian mining industry. *Journal of World Business*, 53(1): 63-74.

Butler, B., & Soontients, W. 2015. Offshoring of higher education services in strategic nets: A dynamic capabilities perspective. *Journal of World Business*, 50(3): 477-490.

Cheung, Z., Aalto, E., & Nevalainen, P. 2020. Institutional Logics and the Internationalization of a State-Owned Enterprise: Evaluation of International Venture Opportunities by Telecom Finland 1987 – 1998. *Journal of World Business*, 55(6): 56-68.

Crilly, D. 2011. Predicting stakeholder orientation in the multinational enterprise: A mid-range theory. *Journal of International Business Studies*, 42(5): 694-717.

Fainshmidt, S., Judge, W. Q., Aguilera, R. V., & Smith, A. 2018. Varieties of institutional systems: A contextual taxonomy of understudied countries. *Journal of World Business*, 53(3): 307-322.

Fletcher, M., Harris, S., & Richey Jr., R. G. 2021. Retrospective and prospective learning: Accelerating the internationalization process. *Journal of World Business*, 56(3): 1-18.

Geary, J., & Aguzzoli, R. 2016. Miners, politics and institutional caryatids: Accounting for the transfer of HRM practices in the Brazilian multinational enterprise. *Journal of International Business Studies*, 47(8): 968-996.

Grøgaard, B., Colman, H. L., & Stensaker, I. G. 2019. Legitimizing, leveraging, and launching: Developing dynamic capabilities in the MNE. *Journal of International Business Studies*, advance online publication, June 15. doi:10.1057/s41267-019-00245-5.

Gutierrez-Huerter, O. G., Moon, J., Gold, S., & Chapple, W. 2020. Micro-processes of translation in the transfer of practices from MNE headquarters to foreign subsidiaries: The role of subsidiary translators. *Journal of International Business Studies*, 51(3): 389-413.

Haley, U. C. V., & Boje, D. M. 2014. Storytelling the internationalization of the multinational enterprise. *Journal of International Business Studies*, 45(9): 1115-1132.

Hatani, F., & McGaughey, S. L. 2013. Network cohesion in global expansion: An evolutionary view. *Journal of World Business*, 48(4): 455-465.

Kriz, A., & Welch, C. 2018. Innovation and internationalization of firms with new-to-the-world technologies. *Journal of International Business Studies*, 49(4): 496-522.

Liu, X., Gao, L., Lu, J., & Wei, Y. 2015. The role of highly skilled migrants in the process of inter-firm knowledge transfer across borders. *Journal of World Business*, 50(1): 56-68.

Mees-Buss, J., & Welch, C. 2019. What happened to the transnational? The emergence of the neo-global corporation. *Journal of International Business Studies*, 50(9): 1513-1543.

Pant, A., & Ramachandran, J. 2017. Navigating identity duality in multinational subsidiaries: A paradox lens on identity claims at Hindustan Unilever 1959-2015. *Journal of International Business Studies*, 48(6): 664-692.

Parente R., Rong K., Geleilate J. M. G., & Misati, E. 2019. Adapting and sustaining operations in weak institutional environments: A business ecosystem assessment of a Chinese MNE in Central Africa. *Journal of International Business Studies*, 50(2): 275-291.

Ritvala, T., Granqvist, N., & Piekkari, R. 2021. A processual view of organizational stigmatization in foreign market entry: The failure of Guggenheim Helsinki. *Journal of International Business Studies*, 52(2): 282-305.

Rodrigues, S. B., & Dieleman, M. 2018. The internationalization paradox: Untangling dependence in multinational state hybrids. *Journal of World Business*, 53(1): 39-51.