

SECOND  
EDITION

Jonathan Wilson

# ESSENTIALS of BUSINESS RESEARCH

A Guide to Doing Your Research Project





# ESSENTIALS of BUSINESS RESEARCH

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# Companion Website



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## Book Home

Welcome to the companion website for the second edition of *Essentials of Business Research* by Jonathan Wilson.

## About the Book

Concise, authoritative and jargon-free, the new edition of Jonathan Wilson's best-selling introduction to business research is the perfect guide to completing a successful research project.

Written specifically for business students it highlights each stage of the research process, guiding the reader through actionable steps and explicitly setting out how best to meet a supervisor's expectations.

Easy to navigate and full of practical advice it supports core themes such as choosing a topic and writing a proposal with easy to follow tips and detailed screenshots and diagrams.

Key student features include:

- 'You're the Supervisor' sections - helps students to meet learning objectives
- 'Common questions and answers' - real-world advice on how to tackle common challenges
- Examples from many different types of businesses across cultures
- Detailed guidance on software packages such as SPSS and NVivo
- Student case studies
- Annotated further reading sections
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A must-have title for all business and management students this is the ideal companion for achieving success in your research project.

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This book is dedicated to my students at Anglia Ruskin University who remind me why I decided to become a lecturer in the first place. I would also like to dedicate this book to my family, especially my beautiful daughter Jemma and mother Jean.

It is only due to their love and support that I was able to write this book.

Jonathan Wilson

# Preface to the second edition

Since the publication of the first edition in 2010, the feedback I have received from both lecturers and students suggests that *Essentials of Business Research: A Guide to Doing Your Research Project* has delivered on what it set out to achieve. That is, to offer a concise, student-focused guide to business research. In most cases, the feedback has been overwhelmingly positive – it is always nice to receive a positive response from readers, especially students! However, when writing the second edition I was particularly interested in some of the recommendations as to areas of improvement. I am grateful for these suggestions and have tried to incorporate many of them in the new edition.

Like the first edition, this book is intended for both undergraduate and postgraduate students undertaking a research methods module and/or business research project. It is also an ideal text for research project supervisors and those teaching research methods. In relation to the latter, the book is set out with this in mind. Each chapter is organized in a clear, thematic way, therefore making it straightforward for students to follow.

Why the need for a second edition? Has writing a research project really changed that much in the last three years? Well, in many cases, no it hasn't. The research project continues to be a feature of many university degree programmes. Moreover, it remains a significant piece of work that is often the culmination of three or four years of study. However, certainly from my own experience of teaching research methods and supervising students, it is apparent that there are particular elements of the research process that are often difficult for students to grasp. One of these elements is research methodology. As with the first edition, this book provides a detailed overview of research methodology. Yet, in an attempt to make the whole issue of methodological approach more explicit, I have introduced the *Honeycomb of Research Methodology* in Chapter 1. The main aim behind this framework is to illustrate the key concepts of research in a honeycomb diagram, so as to show you in simple terms how they fit into your research methodology.

In this edition, I have striven to introduce new material and pedagogical features which improve the book and reflect changes in the subject area. For example, in the relatively short period of time since the first publication there are certain things that have changed. Undoubtedly, students are increasingly moving away from more traditional data collection tools to online data collection. The ease of use and accessibility means that there is a growing trend towards web-based data collection tools such as Survey Monkey, so Chapter 6 has been expanded to include a section looking at online data collection. A new pedagogical feature in

each chapter is 'Research in Action'. This examines a particular aspect of an actual academic piece of research or research practice, depending on the topic covered within the chapter. More general updates include new case studies and learning material to aid business students with their research project. Once again, I have introduced *student case studies* as many students are interested in the challenges faced by their peers.

A popular feature in the first edition and included in this revised book is 'You're the supervisor'. This requires the reader to take on the role of the research supervisor by answering typical student questions. The importance of the supervisor is stressed throughout, as they typically play an important role in the research process. At the end of each chapter there is also a *case study*, *common questions and answers*, *references* and *further reading*. A useful *glossary* section is provided at the end of the book. These are all intended to help test and further your knowledge of the subject. It is worth noting that I have avoided making major changes and have endeavoured to maintain the conciseness and student focus that was so well received in the first edition. A summary of the key features include:

- 'You're the Supervisor' sections – helps students to meet their learning outcomes;
- 'Common questions and answers' – provides students with an invaluable point of reference for some of the challenges they are likely to face while undertaking their research project;
- Research in Action;
- a full student glossary;
- student case studies;
- annotated further reading sections and summary and references at the end of each chapter.

This edition also includes a revised companion website containing extensive material for lecturers and students, including:

- chapter-by-chapter links to academic journal articles demonstrating each method's application;
- chapter-by-chapter links to YouTube resources to provide further context;
- chapter-by-chapter PowerPoint slides to help lecturers and students;
- copies of completed student research projects;
- author video and audio podcasts.

The 11-chapter structure of the first edition remains the same: Chapter 1 sets out by introducing business research, in particular the differences between academic and organizational research. In Chapter 2 we concentrate on how to develop a research topic. Chapter 3 focuses on how to conduct a literature review, while Chapter 4 deals with the importance of addressing ethical issues. Chapter 5 looks at establishing a research design, Chapters 6 to 7 describe data collection – primary and secondary, respectively. In Chapter 8 we focus on sampling techniques. I also give advice on how to overcome sampling problems. Chapters 9 and 10 examine data analysis, the former being quantitative analysis, while the latter qualitative analysis. Finally, Chapter 11 deals with the important task of writing up. It provides a detailed look at the typical structure, content and presentation of your research

project. Finally, I would like to express my gratitude to lecturers, students and reviewers who provided invaluable feedback on the first book; I hope that readers will provide a similar level of feedback on this revised second edition.

Jonathan Wilson, Cambridge



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I am grateful for the support I have received from my colleagues, friends and family during the writing of this book. I am particularly indebted to Jai Seaman of Sage Publications for her commitment and guidance throughout the publication process. I would also like to acknowledge the invaluable feedback from my students at Anglia Ruskin University. I have taken on board many of their comments in this revised second edition.

Above all, I would like to extend my sincere gratitude to my former PhD supervisor Dr Ross Brennan, now at the University of Hertfordshire, who has been instrumental throughout my academic career.

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# 1

## An Introduction to Business Research

### Learning Objectives

After reading this chapter, you should be able to:

- know what research and business research are, and why they are important in both business and academia;
- understand the key concepts of research;
- be aware of the relationship between the key concepts of research as illustrated in the 'Honeycomb of Research Methodology';
- understand the rationale for using multi-strategy research;
- appreciate how business research is linked to the organization;
- be aware of the research skills required to undertake research;
- know the stages in the research process;
- understand the differences between academic and organizational research; and
- know the role played by research project supervisors and the kind of support they provide.

### Introduction

Research is one of those words that you are likely to come across on an almost daily basis. You may have read in the newspaper that the latest market research study links passive smoking to an increased likelihood of lung cancer. Or perhaps a news headline makes reference to a groundbreaking piece of medical research into a possible cure for HIV/AIDS. To be sure, illustrations of various types of research are regularly publicized in the media. However, the information provided often only relates to research findings. What exactly is research? What distinguishes business research from other types of research? This chapter aims to answer these questions and sets out to provide a clear introduction to business research.

This chapter starts by clearly defining and explaining research, and more importantly business research. In order to emphasize the message that an understanding

of research, methodology and methods is an essential requirement to your project, we spend a reasonable amount of time looking at these particular terms. Following this, readers are first introduced to *The Honeycomb of Research Methodology*. This is a new feature of the second edition. One of the aims of the honeycomb is to show the six main elements that combine to make up the centre segment – research methodology. We begin by examining the first three of these elements, also referred to as the ‘key concepts of research’, and consider the relationship between all three concepts. The other elements of the honeycomb are addressed later in the book. Next, we look at how business research is linked to the organization and explore the necessary research skills required to be an effective researcher. This is followed by an overview of the likely steps that you will go through when conducting your research. Although the majority of this book is aimed at business students, the next part of this introductory chapter provides an insight into the differences between academic and organizational research. Mature students and those of you who have worked within a business setting may already be familiar with the nature of organizational research. However, it is important to understand the differences that exist, not least because it will impact on your approach towards your research project.

The last section looks at the role of the project supervisor. The importance of your project supervisor cannot be underestimated. Unfortunately, many students fail to use their supervisor to good effect. Therefore, I have included a section, ‘The role of the supervisor’, in Chapter 1 in order to illustrate the importance of the supervisor from the outset. Finally, the chapter concludes with a case study, ‘You’re the supervisor’, and common questions and answers. These pedagogical features are a common theme within each chapter. They are designed to aid you during the research process by including actual student case examples, common student questions that I have come across in the context of project supervision, and finally what I call ‘role reversal’, where you are required to answer questions from the project supervisor’s perspective.

## The Meaning of Research

Although the title of this book makes reference to ‘business research’, I think it is worth having a review of what is actually meant by the term ‘research’. The majority of students usually take some kind of research skills module as part of their study programme. For that reason, some of you may have an understanding of what is meant by research.

While research is important in both business and academia, there is no consensus in the literature on how it should be defined. The main reason for this is that different people can interpret research differently. However, from the many definitions there appears to be conformity that:

- research is a process of enquiry and investigation;
- it is systematic and methodical; and
- research increases knowledge.

Let us look at each of the above points in turn. First, a ‘process of enquiry and investigation’ suggests that research is all about having a predetermined set of questions, and then aiming to answer these questions through the gathering of information, and later analysis. Second, ‘systematic and methodical’ imply that your research must be well organized and go through a series of stages. Finally, ‘research increases knowledge’ is relatively self-explanatory. Your own knowledge about your chosen subject will certainly improve as a result of your research, but so too, hopefully, will that of your audience, and this may also include your project supervisor!

*Research* can be defined as a ‘step-by-step process that involves the collecting, recording, analyzing and interpreting of information’. As researchers, we are interested in improving our knowledge and understanding of our chosen topic. To do this effectively, researchers must have a clear set of research questions. The importance of research questions cannot be stressed highly enough. The research questions are the main focus of any project, and can probably best be described as ‘*the glue that holds the project together*’.

Generally speaking, research is all about generating answers to questions – to advance knowledge. The nature of these questions depends on the topic of research. For example, a marketer might carry out research to investigate consumer perceptions about a certain brand. Or a medical researcher might want to explore the association between recovery times and different medical treatments. Although the research questions are tailored towards a particular topic, essentially the process that researchers go through usually involves a similar series of stages, and I shall address these later on in this chapter.

In addition to research, it is likely that you have come across *methods* and *methodology*. It is necessary to distinguish the difference between the two terms as students often use them interchangeably, although there is a distinct difference. *Methodology* can be defined as ‘the approach and strategy used to conduct research’. In general, methodology is concerned with the overall approach to the research process. This includes everything from your theoretical application to the collection and analysis of your data. On the other hand, *methods* refer to the different ways by which data can be collected and analyzed.

## Business Research

The purpose of business research is to gather information in order to aid business-related decision-making. *Business research* is defined as ‘the systematic and objective process of collecting, recording, analyzing and interpreting data for aid in solving managerial problems’. These managerial problems can be linked to any business function, e.g. human resources, finance, marketing or research and development. Your research project can also be interpreted as business research in the sense that it will be related to business and management. In some cases, this may encompass more than one particular business discipline. For instance, a study might focus on the level of marketing knowledge among finance managers (marketing and finance). Some examples of areas of business and possible research issues are shown in Table 1.1.

**TABLE 1.1** Examples of business research

Business aspect	Research issues
Consumer behaviour	Buying habits, brand preference, consumer attitudes
Human resources	Employee attitudes, staff retention, material incentives
Promotion	Media research, public relations studies, product recall through advertising
Product	Test markets, concept studies, performance studies
Finance	Forecasting, budgeting, efficiency of accounting software

## Why Research is Important

We have already established that research is all about providing answers to questions and developing knowledge. These questions in themselves are significant, hence the need to conduct research. You are likely to have conducted your own research to address questions that are important to you. For example, if the international students among you wish to return home for Christmas, it is unlikely that you would buy a ticket from the first airline that you see advertised. Instead, you would probably do some research to find out if there exists a cheaper alternative carrier. This may involve exploring various airline websites, or asking friends and family. Quite simply, research is the key to decision-making. Without sufficient information, decision-making is likely to be more difficult.

### Importance of research in business

In business, research is important in identifying opportunities and threats. Often, a company's success or failure is dependent on the actions undertaken as a result of conducting research. Although carrying out business research does not guarantee success, it is likely to increase the possibility that a new product, service, brand identity or even an event is successful. In some cases, the level of research conducted can be questionable, especially if public opinion is markedly different to that of an organization's viewpoint, as illustrated in the following case example.

#### RESEARCH IN ACTION

### The London Olympics 2012 logo

The logo of the London 2012 Olympic Games was unveiled to the world in June 2007. At a cost of £400,000, it was hailed as 'dynamic' and 'vibrant' by organizers, while its 'graffiti style' was designed to appeal to the younger generation and work across a variety of media platforms.

Designed by leading brand consultants Wolff Olins, the logo took the best part of a year to produce and bears a resemblance to the year 2012. However, shortly after its launch, the design came up against widespread disapproval, with one Jewish person even ringing the BBC to complain that it was reminiscent of the infamous Nazi SS symbol.

Design guru Stephen Bayley condemned it as ‘a puerile mess, an artistic flop and a commercial scandal’. An online petition to get the logo scrapped received thousands of signatures, while research conducted by Ipsos MORI, one of the UK’s leading research companies, found a similarly negative response. For example, when questioned ‘Do you approve or disapprove of the logo?’ only 16% of respondents commented that they approved of the logo.

Although the London Organising Committee of the Olympic and Paralympic Games (LOCOG) stressed that the logo was paid for by private money, Mr Bayley voiced his astonishment that the emblem – available in blue, pink, green and orange – had cost £400,000. ‘That’s outrageous,’ he said. ‘There are 5,000 talented designers who could have done the job for £10,000.’ (Carlin, 2007; Ipsos MORI, 2007)

In the case of the London Olympics 2012 logo, it can be questioned as to whether LOCOG carried out sufficient research prior to choosing the new logo. Later media coverage suggests that many people eventually warmed to the design, thus illustrating that business research may only provide a snapshot of people’s opinion, and that attitudes can change over time.

### Why studying research methods is important

The London Olympics 2012 logo example highlights why research is important in a commercial setting. However, as mentioned in the introduction, it is also an important part of your course. Your research project is probably the culmination of three to four years of hard study. Yet, for those students who participate in a research skills module as part of their study programme, in some cases the module is perceived as not being essential, or even relevant. There are perhaps two reasons for this. First, it is often embedded within a course and sits alongside modules that are relevant to your chosen subject. For example, if you are studying a finance degree, you will probably take modules in auditing, management accounting, corporate finance, etc. Yet a first glance at your study timetable may raise the question ‘What is this module?’, or perhaps ‘I’m here to study for a degree in finance, not research skills!’ A common problem facing us poor lecturers is to try to get across the message that research skills is relevant to your course, provides a wide range of transferable skills and, above all, serves to provide the necessary skills in order to successfully complete your research project. Second, when taking a research skills module, students usually have a wide range of questions from the outset. In general, if these questions are addressed early, it can certainly help to alleviate some of the apprehension regarding the subject. Examples of some of the more common questions students tend to ask towards the beginning of learning research skills is shown in Table 1.2.

### What are the long-term benefits of studying research skills?

As mentioned, in the short term, the primary importance of studying research skills is so that you are aware of what is required in order to satisfactorily complete your

**TABLE 1.2** Your research questions answered

Question	Answer
<i>What is research?</i>	Research can be defined as a ‘step-by-step process that involves the collecting, recording, analyzing and interpreting of information’.
<i>Why do I need to learn about business research?</i>	An essential part of most business-related study programmes is the research project. Learning about business research helps you to successfully complete your project as well as provide transferable skills that can be used in a wide variety of business and management positions.
<i>How do I conduct research?</i>	This book fully explains everything you need to know about how to conduct research. By the end of the book you should be in a position to answer this question!
<i>Where do I conduct research?</i>	This might seem obvious. However, international students may decide to conduct research in their own country, particularly if focusing on cross-cultural research, while those students who work part-time may conduct some aspects of their research in the workplace.
<i>When do I conduct research?</i>	In general, undertaking your research project commences towards the end of your final year of study. However, check with your university or college.

research project. However, the skills learned through studying research skills can also have long-term benefits, such as helping you to become a better reader of the research of others. This is an important skill for anyone going into business. For instance, at some point in your career you will probably be required to read and interpret a business report. This could be on any subject. If you have learned about research skills and research in general, then you are far more likely to be capable of understanding the study, not to mention interpreting the results and drawing your own conclusions.

Having experience of carrying out research is also an important requirement if you wish to continue with your education. Like undergraduate degrees, master’s programmes usually require the submission of a major research project. These tend to be based on a larger number of words (typically 20,000–25,000). Yet much of what you learn through studying research skills can still be fully applied.

## Key Concepts of Research

Having established the nature of research – in particular business research and why research is important – this next section takes a more theoretical look at research. Under the broad heading of ‘key concepts of research’, we shall look at research philosophies, research approaches and research strategies. By the end of this section you should understand each of these concepts, how they relate to your research project and the relationship between them.



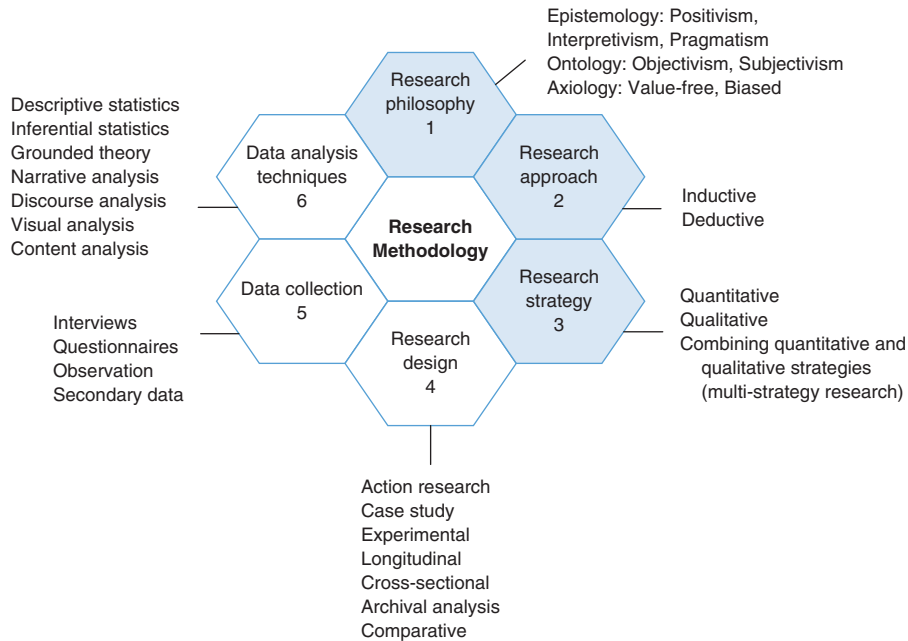
## The Honeycomb of Research Methodology

In order to understand the key concepts of research and how they fit into your methodology, we now consider the *Honeycomb of Research Methodology* (see Figure 1.1). In this honeycomb, the three highlighted elements or key concepts of research are joined with three other elements to make up research methodology. Put another way, in the honeycomb, the six main elements – namely: (1) research philosophy; (2) research approach; (3) research strategy; (4) research design; (5) data collection and (6) data analysis techniques – come together to form research methodology. This structure is characteristic of the main headings you will find in a methodology chapter in a business research project. The purpose of the numbered segments is to help you to see at which stage each element falls within the chapter.

Earlier in the chapter we looked at methodology, noting that there is a distinction between methodology and methods. At this point, it is also worth stressing that there are many different interpretations of ‘research methodology’. Once again, my view is that methodology is ‘the approach and strategy used to conduct research’. Several authors share a similar view. For example, Somekh and Lewin (2005: 346) defined methodology as both ‘the collection of methods or rules by which a particular piece of research is undertaken’ and the ‘principles, theories and values that underpin a particular approach to research’. By way of example, let us say you wanted to construct your own house. Your methodology would not only include your proposed plan, but also consideration would be made as to the type of materials, timeframe, the approach to building the house, your views on sustainability and quality controls.

The highlighted segments in Figure 1.1 include a list of the main research philosophies, research approaches and research strategies, respectively. We will examine the contents of each list later in this section. However, they are by no means exhaustive. In particular, you will come across a wide range of different types of research philosophies. It is important that you read additional literature on these key concepts as it will give you a more in-depth understanding of how they might feature in your own research.

How does the Honeycomb of Research Methodology compare to other research models? Several research methods textbooks show the fundamentals of research methodology in the form of either a linear-type diagram, or a series of layers. Although these types of examples are ideal for highlighting the elements set out in the honeycomb, they often fail to address three key issues. First, although a research methodology chapter typically follows a set structure, you may not necessarily consider each element in the order that it is structured within the chapter. For example, once your research strategy has emerged from your research approach, your next step might be to decide to conduct interviews (data collection) and then choose to analyze a single case (research design). This is why the Honeycomb of Research Methodology not only shows the typical structure of a research methodology chapter by including numbered segments, but also recognizes the fact that the thought process may not necessarily be linear. This is illustrated by showing the six outer elements combining to make up the centre segment, research methodology, as



**FIGURE 1.1** The Honeycomb of Research Methodology (©2013 Jonathan Wilson)

opposed to a series of stages or layers. Second, other research models do not always indicate the link or relationship between each of the elements. And finally, the six elements are not always considered in the context of writing a methodology chapter as part of a business research project.

We will now consider the three key concepts of research. Other elements of the Honeycomb of Research Methodology are explored later in the book. Research design is examined in Chapter 5, while data collection is covered in Chapters 6 and 7. Finally, data analysis techniques are considered in Chapters 9 and 10, along with a summary on the relationship between the six elements.

## Research philosophy

In general, your research philosophy is linked to your views on the development of knowledge. In other words, what you think constitutes knowledge will impact the way that you go about your research. Subconsciously, this is something that comes naturally. Nonetheless, an understanding of research philosophy is important because it is fundamental to how you approach your research. Mark Easterby-Smith et al. (2002) suggest there are three reasons why an understanding of philosophical issues is very useful. First, it can help to clarify *research designs*. This entails considering the type of evidence required and how it is to be collected and interpreted. Second, knowledge of philosophy can help the researcher to recognize which designs work best. Finally, knowledge of philosophy can help the researcher identify

and adapt research designs according to the constraints of different subject or knowledge structures. In short, an understanding of research philosophy is important as it gets you thinking about your own role as a researcher. Research philosophies are now fully explained in the next section.

### Epistemology (what is the nature of knowledge?)

*Epistemology* refers to the nature of knowledge, which means how we conceive our surroundings. The key question that epistemology asks is ‘What is acceptable knowledge?’ – ‘A particularly central issue in this context is the question of whether or not the social world can and should be studied according to the same principles, procedures and ethos as the natural sciences’ (Bryman and Bell, 2007: 16). If you intend adopting an approach similar to that of the natural scientist, then your epistemological approach is likely to be positivist.

*Positivism* takes an *objective* view when conducting research and is detached from those involved in the study. On the other hand, you may be critical of the positivist approach and prefer to take an active role when carrying out your research. If that is the case, then you are likely to adopt an *interpretivist* view to your research. Unlike positivists, interpretivists often look at one particular subject in-depth. The purpose of their research is therefore not to generalize, but to be actively engaged in their research through high levels of interaction and/or participation.

Positivism and interpretivism are perhaps the two most well-known research philosophies. Each one is different in terms of what constitutes knowledge, although certain aspects can come under the heading of both philosophies. Positivism and interpretivism are essentially related concepts in the sense that as a researcher, whichever approach you choose, you need to produce a convincing set of findings and argue that your findings are valid. Treating the concepts as related is of benefit because it can help to promote mixed methodologies in order to help validate your findings. The next section of this chapter examines the main research paradigms in greater detail.

**Positivism** If you assume a *positivist approach* to your study, then it is your belief that you are independent of your research and your research can be truly objective. Independent means that you maintain minimal interaction with your research participants when carrying out your research. Through being detached in this way, the hope is that you can be truly objective. To put it another way, as a researcher your own personal biases have no part in the research effort.

Positivists believe that research needs to be carried out in a scientific nature. It is empirical research that follows a strict set of guidelines and should be carried out by appropriately trained scientists. The carrying out of this research is usually based on a deductive approach, moving from theory to observation. In general, positivists want their findings to have applicability to the whole of a population. Analysis of observations is likely to be quantifiable as opposed to qualitative. Moreover, there is likely to be a high level of reliability to positivist research due to a highly structured approach. Reliability is fully discussed in Chapter 5.

Researchers critical of the positivist approach are likely to argue that interesting insights are liable to be lost if one adopts positivism. For example, *post-positivists* argue that reality can never be fully apprehended, only approximated (Guba, 1990: 22). Post-positivism relies on multiple methods as a way of capturing as much of reality as possible.

Certain studies are unlikely to lend themselves well to a positivist approach. For instance, if you wish to study shopping habits at your local supermarket, as well as establish consumer perceptions governing pricing, you are more likely to adopt an interpretivist view.

**Interpretivism** You may not agree with the positivist approach because you believe that the social aspects of business are too complicated to be measured along the same basis as the natural sciences. If so, then you might be inclined to adopt the role of the interpretivist researcher. *Interpretivism* is an epistemology that supports the view that the researcher must enter the social world of what is being examined. If you decide to assume an interpretivist perspective, then you are likely to analyze social actors within their own cultural setting. This may involve observations that are qualitative and subjective in nature.

A key factor for the interpretivist researcher is to understand the social world of the research participants. Thus, interpretivists are often interdependent with their research and their research is truly subjective. Interdependent means that the researcher is likely to interact with research participants. In certain circumstances, researchers may even observe research participants while working alongside them (participant observation). This illustrates the interpretivist's view of research as being both collaborative and participatory. The carrying out of this research is usually based on an inductive approach, moving from observation to theory.

Overall, interpretivists view the world as complex and open to interpretation. It is the interpretation of findings that can lead to problems associated with reliability. In spite of this, it is often not the intention to generalize, but to provide interesting new insights into a particular context.

Researchers critical of interpretivism tend to focus on the issue of measurement and reliability. Because studies tend to be qualitative, they do not normally adopt any precise systems of measurement. Consequently, reliability in the sense of accuracy and repeatability can be called into question. For instance, to what extent has the researcher adopted a thorough approach? If a poor record has been kept in relation to data collection and analysis, then it makes it all the more difficult for future researchers to come along and carry out the same piece of work.

**Pragmatism** The philosophical debate is often centred on the differences between positivism and interpretivism. If you are unable to choose, or believe that your research is not aligned with either of these philosophies, then you are perhaps a *pragmatist*. The pragmatic paradigm does not align itself with any one philosophical stance and recognizes the importance of both the physical and social world. Pragmatist researchers focus on the 'what' and the 'how' of the research problem

(Creswell, 2003: 11). Pragmatism is generally viewed as the most popular paradigm for mixed methods social enquiry (Greene, 2007), although mixed methods could be used with any paradigm. Pragmatists place the research problem and research questions at the centre of the research and use the methods they consider to be the most appropriate in generating the most significant insights into their research. For example, if you are interested in researching how small companies in your region are coping with the current economic downturn, you may believe that the 'best way' to tackle this research question is to interview the owners of the companies and administer a questionnaire survey to employees. In short, this example can be described as taking a pragmatic stance. The focus is clearly on the research problem, while employing methods considered the most appropriate in answering the research question.

### Ontology (the way we think the world is)

While epistemology is concerned with 'What is acceptable knowledge?', *ontology* is concerned with the nature of reality. In essence, it asks how we perceive the social world, or to put it another way, the way we think the world is. You need to decide whether you consider the world is external to social actors, or the perceptions and actions of social actors create social phenomena. If you consider the latter ontological stance, then you will adopt the subjectivist view. Subjectivism is clearly linked to interpretivism in that the researcher examines the motivation and social interactions of respondents. As a researcher you need to understand the subjective beliefs and attitudes motivating respondents to act in a particular way. For example, if you decide to analyze management perceptions towards their business networks, you are likely to record a wide range of feedback based on each person's own experience and perceptions. In effect, what you are doing is analyzing business networks based on everyday interaction that management experience. Business networks are therefore viewed by analyzing the subjective experiences of individual actors, namely, management.

Conversely, you may take an external view of the world, associated with objectivism. Objectivism is an ontological stance that implies that social phenomena are based on external realities that are beyond our reach or control. Citing the earlier 'business networks' example, rather than involving social actors directly in the research, objectivism would deal with business networks as being external to social actors. Analysis would then be on treating business networks as tangible objects that are clearly defined and external to the everyday changing interactions involving individual actors.

### Axiology (role of values in inquiry)

*Axiology* is concerned with the nature of value. Although this includes notable ethical issues that we will cover in Chapter 4, axiology is essentially concerned with

the role that your own perception plays in the research. Your values play a role throughout the entire research process. Positivists consider the process of research as value free. One reason for this is that they are independent of their research. Or to put it another way, they are ‘from the outside looking in’.

Interpretivists consider that they are interdependent with their research, or in many cases ‘embedded’. They are unlikely to be value free as they consider their own values. Thus, the interpretivist needs to work hard to ensure the production of a credible set of results. You will have your own values in terms of collecting and interpreting your data, and presenting your findings. In short, values are included in the research process. Sometimes these values are likely to be explicit. For instance, you may decide to choose judgemental sampling, thereby choosing respondents whom you perceive as ‘adding value’ to your study. Or the values can be implicit, such as interpreting findings in a cross-cultural study based on your own cultural values.

### How do I know which philosophy to adopt?

You may already see yourself as a particular type of researcher. For instance, you may consider yourself to be a more ‘creative, hands-on’ person, and therefore inclined to think that interpretivism is best suited to your way of thinking. Alternatively, if you see yourself as someone who prefers accurately measuring information, and taking a non-participatory role in your research, then you may opt for a positivist stance. In reality, the approach you take largely depends on your proposed research questions, along with your own assumptions as to how you should go about your research.

### Research approach

Research methods are often associated with two approaches – *inductive* and *deductive*. Let us look at each of these in turn. First, Kenneth F. Hyde (2000: 83) defined *inductive* as ‘a theory-building process, starting with observations of specific instances, and seeking to establish generalisation about the phenomenon under investigation’. In other words, if you decide to follow an *inductive approach* to your study, you will be seeking to make observations about your research, and then perhaps contribute to a new theory. Conversely, a *deductive approach* ‘begins with and applies a well-known theory’. For example, if your research project was focused on cross-cultural management and based on a deductive approach, then you may decide to apply Geert Hofstede’s (1980) cultural theory. In other words, you are applying theory rather than attempting to generate new theory through an inductive approach.

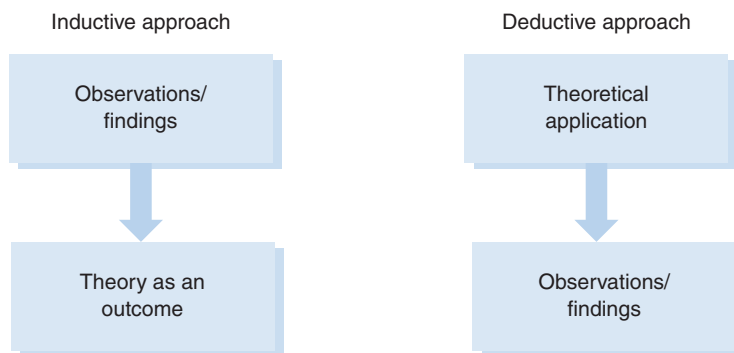
One of the main distinguishing features between business research in an academic setting and ‘real life’ is *theory*. Quite simply, your own research project requires theoretical content. However, an important question you will need to answer quite early on is: ‘How will theory feature in my study?’ This brings us

to the important distinction between ‘induction’ and ‘deduction’. A *deductive approach* is concerned with developing a *hypothesis* (or hypotheses) based on existing theory, and then designing a research strategy to test the hypothesis. ‘In this type of research, theory, and hypotheses built on it, come first and influence the rest of the research process – this type of research is often associated with the *quantitative* type of research’ (Ghauri and Grøhaug, 2005: 15). On the other hand, an inductive approach would collect data and develop theory as a result of your data analysis. This type of research is often associated with the *qualitative* type of research. These two types of research strategy are examined later in this section.

At this point, it is worth stressing that I have discussed the dichotomy between qualitative/quantitative research and inductive/deductive. By dichotomizing these terms my intention is to make them easier to understand. Many researchers now challenge such dichotomization by recognizing that there is no reason why overlap cannot take place. For instance,

as evaluation fieldwork begins, the evaluation may be open to whatever emerges from the data – a discovery or inductive approach. Then, as the inquiry reveals patterns and major dimensions of interest, the evaluator will begin to focus on verifying and elucidating what appears to be emerging – a more deductive approach to data collection and analysis. (Patton, 1991: 194)

The approach you choose may depend on existing literature, e.g. can you see a gap in the literature that needs to be filled, or possibly your type of research questions, e.g. looking at relationships between variables or theory-building. It is worth remembering that if deciding to follow an inductive approach, you need to demonstrate excellent knowledge of the subject. Figure 1.2 shows how theory fits into each approach. Clearly, theory can be applied from the outset (deductive) or be produced as an outcome (inductive). In addition, Table 1.3 summarizes the major differences between deductive and inductive approaches to research.



**FIGURE 1.2** How theory fits into your research



**TABLE 1.3** Major differences between deductive and inductive approaches to research

Deduction emphasizes	Induction emphasizes
<ul style="list-style-type: none"><li>• Scientific principles</li><li>• Moving from theory to data</li><li>• The need to explain causal relationships between variables</li><li>• The collection of quantitative data</li><li>• The application of controls to ensure validity of data</li><li>• The operationalization of concepts to ensure clarity of definition</li><li>• A highly structured approach</li><li>• Researcher independence of what is being researched</li><li>• The necessity to select samples of sufficient size in order to generalize conclusions</li></ul>	<ul style="list-style-type: none"><li>• Gaining an understanding of the meanings humans attach to events</li><li>• A close understanding of the research context</li><li>• The collection of qualitative data</li><li>• A more flexible structure to permit changes of research emphasis as the research progresses</li><li>• A realization that the research is part of the research process</li><li>• Less concern with the need to generalize</li></ul>

Source: Saunders et al. (2007)

Once again, Table 1.3 dichotomizes deductive and inductive in order to show you the distinction between the two approaches. This distinction is somewhat ambiguous. For example, an inductive approach could also involve the collection of quantitative data. Similarly, a deductive approach may involve the collection of qualitative data, e.g. through interviews. The table is intended to highlight the traditionally perceived differences between the two approaches. Still, this does not mean that a certain amount of overlap cannot take place. Then why make the distinction? In essence, making the distinction between theory and research by considering deduction and induction can help you to decide how to go about your research. Moreover, it can help you to identify which approach existing researchers are taking in your chosen area of research. For instance, if the majority of researchers appear to be adopting an inductive approach, you may decide to ‘add something to the literature’ by adopting a deductive approach.

### Research strategy

Two terms often used to describe the main research strategies to business research are *qualitative* and *quantitative*. Norman K. Denzin and Yvonna S. Lincoln (2000: 8) described the distinction between *qualitative* and *quantitative* as follows:

the word ‘qualitative’ implies an emphasis on the qualities of entities and on processes and meanings that are not experimentally examined or measured (if measured at all) in terms of quantity, amount, intensity or frequency. *Qualitative researchers* stress the socially constructed nature of reality, the intimate relationship between the research and what is studied, and the situational

constraints that shape inquiry. Such researchers emphasize the value-laden nature of inquiry. They seek answers to questions that stress how social experience is created and given meaning. In contrast, *quantitative studies* emphasize the measurement and analysis of causal relationships between variables, not processes. Proponents of such studies claim that their work is undertaken from within a value-free framework.

In all likelihood, these are terms that you may have come across before. In short, the main difference is that quantitative research is usually associated with numerical analysis, while qualitative is not. Nevertheless, comparing the two strategies on the basis of analysis is rather simplistic. A number of other key differences also exist. For example, a quantitative strategy is viewed as objective and involves data collection methods such as questionnaires. Yet a qualitative approach is viewed as subjective and involves data collection methods such as interviews. Increasingly, researchers are using mixed methods that offer the advantage of overcoming single-method studies. The next section in this chapter takes a closer look at qualitative and quantitative research.

### Qualitative research

Once again, quantitative research examines data that are numerical, while qualitative inquiry examines data that are narrative. *Qualitative research* shares good company with the most rigorous quantitative research, and it should not be viewed as an easy substitute for a 'statistical' or quantitative study (Creswell, 1998). A qualitative strategy is usually linked with an inductive study. As we have already established in this chapter, an inductive theory means that theory is likely to be an outcome, rather than applied from the outset.

Combining qualitative research and inductive theory are common as they are well suited to providing insights that allow for the generation of theoretical frameworks. For example, you might be interested in studying the impact that Chinese cultural values have on Sino-European joint venture performance. If no theoretical framework exists in this particular area, then one option would be to undertake an inductive approach. In the first instance, this may involve identifying cultural values and establishing how these will be measured. Next, interviews might take place with Chinese and European managers involved in the running of the joint venture. This would then be followed by an analysis of your findings. Lastly, depending on your results, you may then propose a theoretical framework that illustrates the relationship between the cultural values and joint venture performance.

### Quantitative research

'A *quantitative approach* to research might draw a large and representative sample from the population of interest, measure the behaviour and characteristics of that sample, and attempt to construct generalizations regarding the population as a whole' (Hyde, 2000: 84). Unlike qualitative research, quantitative research is often