Chapter 2
The Business Research Process

Learning Outcomes

After studying this chapter, you should be able to

1. Define decision making and understand the role research plays in making decisions

2. Classify business research as either exploratory research, descriptive research, or causal research

3. List the major phases of the research process and the steps within each

4. Explain the difference between a research project and a research program

Business opportunity is a situation that makes some potential competitive advantage possible.

Business problem is a situation that makes some significant negative consequence more likely.

Decision making is the process of developing and deciding among alternative ways of resolving a problem or choosing from among alternative opportunities.

Describing Decision-Making Situations

Types of Business Research

Business research can be classified on the basis of either technique or purpose. The nature of a decision situation influences the research methodology.

The three types of business research are:

1. Exploratory

2. Descriptive

3. Causal

Types of Business Research

Exploratory research conducted to clarify ambiguous situations or discover ideas that may be potential business opportunities.

Descriptive research describes characteristics of objects, people, groups, organizations, or environments; tries to "paint a picture" of a given situation.

Causal research allows causal inferences to be made; seeks to identify cause-and-effect relationships.

Characteristics of Different Types of Business Research

Stages in the Research Process

Business research, like other forms of scientific inquiry, involves a sequence of highly interrelated activities. The stages of the research process overlap continuously, and it is clearly an oversimplification to state that every research project has exactly the same ordered sequence of activities.

1. Defining the research objectives

2. Planning a research design

3. Planning a sample

4. Collecting the data

5. Analyzing the data

6. Formulating the conclusions and preparing the report

Defining the Research Objectives

Research objectives are the goals to be achieved by conducting research. In consulting, the term deliverables is often used to describe the objectives to a research client. The genesis of the research objectives lies in the type of decision situation faced.

Example Decision Statements, Research Objectives, and Research Hypotheses

Planning a research design

The sampling plan is outlined in the research design, the sampling stage is a distinct phase of the research process. For convenience, however, we will treat the sample planning and the actual sample generation processes together in this section.

Planning a sample

The sampling plan is outlined in the research design, the sampling stage is a distinct phase of the research process. For convenience, however, we will treat the sample planning and the actual sample generation processes together in this section.

Gathering Data

The data gathering stage begins once the sampling plan has been formalized. Data gathering is the process of gathering or collecting information.

Analyzing the data

Data analysis is the application of reasoning to understand the data that have been gathered. In its simplest form, analysis may involve determining consistent patterns and summarizing the relevant details revealed in the investigation. The appropriate analytical technique for data analysis will be determined by management's information requirements, the characteristics of the research design,

and the nature of the data gathered. Statistical analysis may range from portraying a simple frequency distribution to more complex multivariate analyses approaches, such as multiple regression. Part 6 of this text will discuss three general categories of statistical analysis: univariate analysis, bivariate analysis, and multivariate analysis.

Formulating the conclusions and preparing the report

The conclusions and report preparation stage consist of interpreting the research results, describing the implications, and drawing the appropriate conclusions for managerial decisions. These conclusions should fulfill the deliverables promised in the research proposal. In addition, it's important that the researcher consider the varying abilities of people to understand the research results. The report shouldn't be written the same way to a group of PhDs as it would be to a group of line managers.