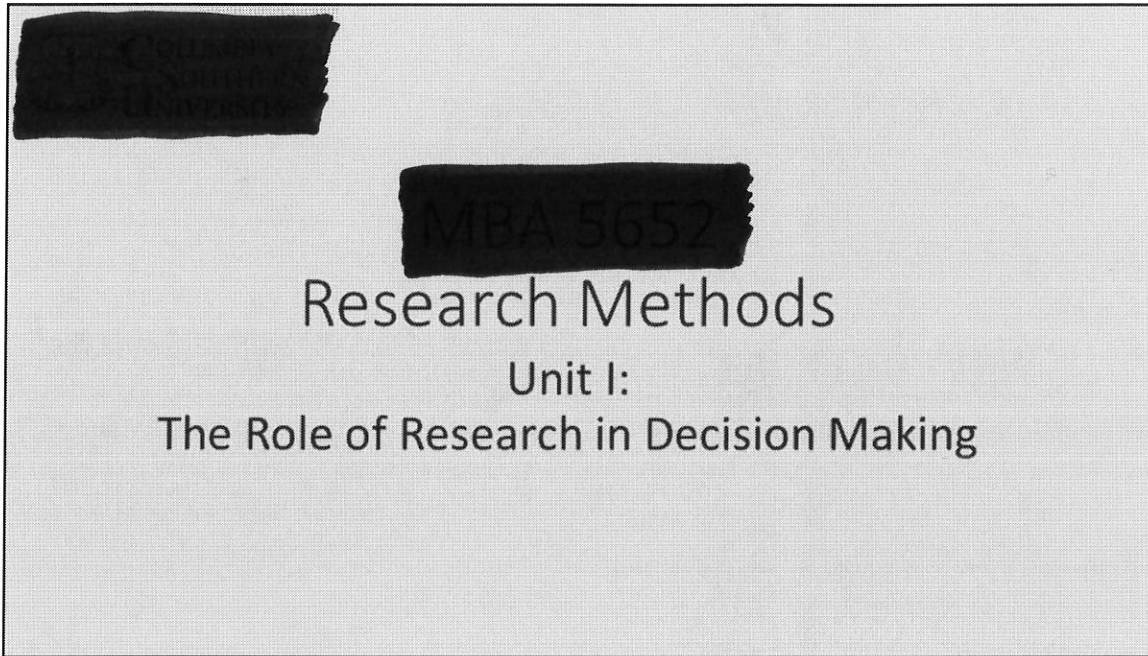




Unit I: The Role of Research in Decision Making

Outcomes

Upon completion of this unit, students should be able to:

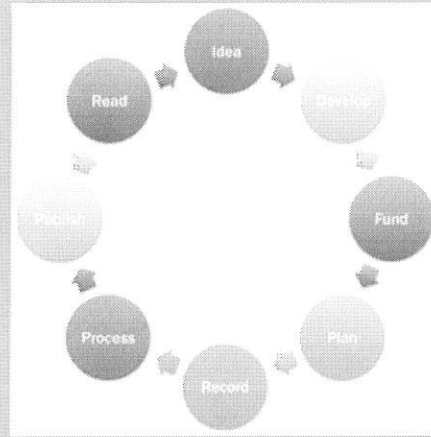
- Discuss the importance of research-based decision making in a company.

Upon completion of this unit, students should be able to:

Discuss the importance of research-based decision making in a company.

What is Research?

- Collecting information to establish facts, draw analogies, and solve problems
- Generating knowledge about what the world is (Lee & Lings, 2008)
 - Leads to more effective decision making
 - Continuously improves and increases knowledge



(Neylon, 2009)

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The first thing we need to establish is “What is research?” Research in its most basic form suggests collecting information systematically in order to establish facts, draw analogies, and solve problems within an organization.

It is suggested that research is about generating knowledge about what you believe the world is (Lee & Lings, 2008). Presumably, this will lead to more effective decision making and strategy development within an organization. Knowledge gained through research needs to be continuously improved and increased within an organization, or the organization runs the risk of operating under the presumption of irrelevant or inaccurate information.

Applied vs. Pure Research

- **Pure research**—theoretical approach with the mission of expanding knowledge (McDaniel & Gates, 2015)
- **Applied research**—conducted to reduce uncertainty in decision making
- Two ways to collect data
 - Analysis of existing internal documents
 - Research study designed for specific needs



(Dugale, 2010)

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Research can be categorized into either applied research or pure research.

According to McDaniel and Gates (2015), *pure research* is a more theoretical approach with the mission of expanding knowledge.

Conversely, *applied research* is conducted to reduce uncertainty in management decision making. Extending from the day-to-day decision making, business research serves wholly as a management tool in the development of business strategies in managing growth.

The collection of research is referred to as data collection and can be conducted through an analysis of internal documents, such as financial statements or other internal reports. Alternatively, a specific research study can be conducted with the sole purpose of collecting data with an eye on a specific issue within the organization.

Types of Research

Business research (management research)—aids in an organization's long-term planning.

Occupational safety research—includes characteristics and causes of injury to reduce the number of accidents in the workplace.

Policy research—is conducted to analyze programs and develop solutions for organizations.

Evaluative research—analyzes previously conducted research on social programs.

There are several different types of research used in different disciplines and industries.

Business research, commonly referred to as management research, consists of research that will aid in the long-term strategic planning of the organization. It provides a venue for redefining and reassessing organizational issues, solving problems, managing risk, and recreating the overall business strategies within an organization. One example of this could include market research that might analyze consumer preferences about certain products. Conducting this business research would provide management teams with the ability to make more informed decisions with respect to new product introductions.

Occupational safety research consists of the study of the incidences relating to the characteristics and causes of the injury within the workplace. This addresses the psychosocial working environment, musculoskeletal disorders, and dangerous substances (European Agency for Safety and Health at Work, 2005). The ultimate goal of the research is to decrease the overall injuries within the workplace. For additional insight into occupational safety and health research, refer to the Gonzalez article located in the Suggested Reading area.

Policy research is conducted globally in order to analyze programs and develop solutions for organizations such as universities, professional associations, governmental agencies, and society as a whole.

Evaluative research analyzes and compares previously gathered research on social programs.

Types of Research (continued)

Market research—enables marketers to gather information about their customers.

Budget planning cycle research—provides business leaders with data for effective financial planning.

Negotiation preparation research—provides data that is necessary for negotiations.

Investment research—involves the gathering of financial information for analysis.

Psychological research—utilizes research to analyze why the respondents are reacting in certain ways.

Market research enables marketers to gather information about their customers in order to better serve their needs.

Budget planning cycle research provides business leaders with data that will enable effective budgetary planning within an organization.

Negotiation preparation research provides data that is necessary for successful negotiations between one organization and another.

Investment research involves the gathering of financial information, providing for an in-depth analysis of investment opportunities.

Psychological research, also referred to as social science, typically utilizes research to analyze why the respondents are reacting in certain ways and how that impacts everything else.

Ethical Considerations of Research

- Subjective research should be avoided.
- Respondents should not be abused, and their confidentiality should not be violated.
- Research should not be sold to individuals or organizations without permission.
- Respondents' right to privacy should be upheld.
- Organizations are working to maintain integrity in research.



(Gerald_G, 2010)

Equally important are the ethical questions that arise from the gathering of research. When conducting research, an organization needs to refrain from allowing subjectivity into the research. This could involve using biased interpretation, ignoring statistics, or simply conducting research with the idea of supporting a predetermined idea.

Other ethical violations might include the abuse of respondents or the violation of confidentiality.

Additionally, the selling of research to individuals or organizations without the permission of the respondents would be another unethical act with respect to the gathering of business research (McDaniel & Gates, 2015).

The right to privacy is yet another ethical consideration of significant concern to both respondents as well as the organizations conducting the research. All respondents have the right to privacy, which must be protected by the researcher. The most controversial aspects of the privacy laws are held within the methods used to collect data on the internet. Companies are tracking online behavior, which is not being kept as anonymous as one might think.

Organizations such as the Council of American Survey Research Organizations (CASRO) and the Marketing Research Associate (MRA) work to maintain professionalism and integrity within the global research industry. CASRO implements “voices and values” of the market research industry, including promoting a rigorous code of conduct that protects the rights and privacy of the public, advocating for the industry’s effective self-regulation, and supporting legitimate research companies (CASRO, n.d.).

Summary

- Research is a necessary component of any organization.
- It allows organizations to solve problems and stay relevant in their industry.
- Researchers must be able to collect data and use it.
- It is imperative research can be applied to the organization.

In summary, research is a necessary component of any organization in order for it to remain relevant and innovative within its industry as well as to solve specific problems within the company. The ability of researchers to collect data and turn it into useful, pertinent information that can be applied to the organization is key to the effectiveness of the research program.