Exemplary practitioner research in management: ten studies from Southern Cross University's DBA program

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EXEMPLARY PRACTITIONER RESEARCH in MANAGEMENT

Ten Studies from Southern Cross University’s DBA Program

Gita Sankaran & Peter Miller, Editors
EXEMPLARY PRACTITIONER RESEARCH in MANAGEMENT

Ten Studies from Southern Cross University’s DBA Program
The editors

Gita Sankaran has close to 20 years’ experience in journalism and works as a Lecturer and coordinator of the Publications Program at the Graduate College of Management in Southern Cross University. She is currently completing a doctorate in knowledge diffusion from practitioner research in management.

Peter Miller is an Associate Professor of Management and the Director of the Doctor of Business Administration program at the Graduate College of Management, Southern Cross University. He has over 25 years’ management experience in public sector, private sector, vocational and educational training, aged care and tertiary educational organisations. Peter has also published a number of books and international refereed journal articles.
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THE GRADUATE RESEARCH COLLEGE (GRC), in line with Southern Cross University’s Mission, concentrates on developing research activities in fields of national and international significance where it can draw upon local resources and opportunities and, in return, make a significant contribution to the North Coast region. One way the GRC supports research is by supporting the reporting of research outcomes within the University. I was therefore very pleased when Gita and Peter approached me to seek funding support for this book on 10 exemplary research studies from the Doctor of Business Administration (DBA) program.

The genesis of this book goes back to 2004 when the Graduate College of Management (GCM) established the Publications Project, staffed by Gita Sankaran and Professor Alex Kouzmin, to assist completed DBA candidates to publish the results of their research in international refereed journals. The Publication Project has been very successful with two book chapters, 44 journal articles and 37 conference papers published in 2005, and two books and one book chapter, 13 journal articles and 22 conference papers published in 2006. These publications add to the University’s national and international profile and to its research funding base.
In addition, the successful completions from the DBA program have been 20 for 2005 and 23 for 2006, which have been independently benchmarked as the highest number of doctoral completions for any DBA program in Australia. I congratulate the staff of the GCM for the supervision they provide to the doctoral candidates to enable this level of output to be achieved and maintained.

Having established very high completion and publications rates when compared to other Australian Universities, it was not surprising that Gita and Peter decided to assemble a sample of the exemplary research being undertaken in the program and to make it available to others in a book of this nature. This book is an important work to those who aspire to doctoral level research and demonstrates, through the themes emerging in the 10 selected cases, the processes involved in planning, designing and implementing a successful project. Importantly, the hurdles encountered by all researchers when undertaking research are identified and discussed frankly by the researchers and their supervisors.

On behalf of the GRC, I congratulate Gita and Peter on the production of this book and wish them both well for the continued success of the DBA program.

*Professor Peter Baverstock*
Pro Vice-Chancellor & Vice-President (Research)
Director of the Graduate Research College
AM VERY PLEASED TO BE ASKED to write the preface for this important work on business-related doctoral research emanating from Southern Cross University’s successful Doctor of Business Administration (DBA) program. The DBA forms part of the program suite offered by the Graduate College of Management.

The DBA program was established in 1996 under the guidance of Emeritus Professor Geoffrey Meredith and was one of the first business-related professional doctorate programs offered in Australia.

Since its establishment, the program has received many external acknowledgments. It has been benchmarked against other Australian DBAs by the Australian and New Zealand Academy of Management (ANZAM). The results showed that the Southern Cross University program was the largest DBA program by enrolments and had the largest number of graduates of any Australian DBA (source: ANZAM 2005, Research Productivity in Australian Management Departments from 2000 to 2002).

Additionally, the National 2005 Graduate Careers Australia Report of the Postgraduate Research Experience Questionnaire (released October, 2006), which aimed to provide a national picture of selected aspects of graduates’ research experience to allow comparisons of educational
quality among the 39 Australian universities, ranked Southern Cross University postgraduate research candidates (includes both DBA and PhD graduates), as number one in overall satisfaction, an outstanding result for the University.

Doctoral level research is often regarded as one of the driving forces of publications and research income for universities and I am particularly pleased that the doctoral candidates and staff of the Graduate College of Management have led the university over the past few years in publications rates and doctoral completions per academic staff member.

An important aspect of doctoral research projects from the DBA program is the rigour and quality of the research and its relevance to modern business practice in a globally competitive environment. This book publishes reflective accounts of 10 projects which have been selected because of their contribution to management theory and practice. The variety and diversity of the research projects selected for the book have provided the stimulus for improvements to business and professional practice and many of the projects have delivered significant commercial value.

A strength of the book lies in the variety of research questions that have been included. This range provides an opportunity for the reader to see how the research process can be applied in many different circumstances. And the reflective nature of the work means that the strengths and limitations of different methodologies are brought to the fore.

Southern Cross University is building upon the success of its DBA program and has recently increased its emphasis on professional doctorates by establishing the International Centre for Professional Doctorates. This Centre will, in the future, coordinate the development of a range of professional doctorates to better meet the needs of the various disciplines and industries.
The graduates and supervisors who have contributed to this book have done an excellent job of reviewing their research experiences in a meaningful way within the space constraints. Gita Sankaran and Peter Miller have assembled the research projects and provided a means for the researchers to frame the processes and outcomes of their projects in a reflective way so that the reader can gain insights into the doctoral research process, its complexities and uniqueness.

I congratulate them on this constructive work. Indeed, I look forward to the next edition of this book which might then include the outcomes of the research projects from the other professional doctorates soon to be developed.

Professor Paul Clark
Vice-Chancellor
Southern Cross University
24 July 2007
Introduction

This book had two catalysts. The first was Frost and Stablein’s (1992) excellent work titled Doing Exemplary Research, on which this book is modeled. The second was that Southern Cross University (SCU) has had one of the largest and most successful Doctor of Business Administration (DBA) programs in the Asia-Pacific, far outperforming the national benchmark (ANZAM 2004). Since the inception of the program in 1996, SCU has had approximately 190 successful doctoral completions, with another 160 candidates currently enrolled. We felt that the success of the program should be shared with a wider audience. We would also like to acknowledge two of our major sponsors, namely, SCU’s Graduate College of Management for its innovative publications program set up in July 2004 with the aim of increasing the rate of knowledge diffusion from its DBA program, and the university’s Graduate Research College for underwriting the costs of this particular project. Our thanks also to Barbara Bowden, Publishing Coordinator of SCU Press and Printery, for her help in transforming the rough draft of this book into the finished product.

The gap between academic research and management practice is well documented. However, there is also a sense that academic research is behind rather than ahead of organisational practice (Rynes et al 2001).
Aram and Salipante (2003) point out that behind the rigour-relevance debate lie fundamental ontological and epistemological differences between the academic’s search for generalisability and the practitioner’s preference for particular solutions. However, globalisation and super-competition have made practitioners more receptive to any research that might give them competitive advantage. Meanwhile, cuts in government funding have increased higher education’s reliance on the private sector (Rynes et al. 2001). Hence the divide between theory and practice is now being bridged by innovative doctoral programs devoted to the development of practitioner-scholars. Their purpose has been to produce knowledge that is relevant and accessible as well as rigorous. The rationale is that practising managers can be generators as well as users of knowledge (Salipante & Aram 2003; Tranfield et al. 2004).

Our intent was to produce a text that will have wide appeal to practitioners, academics and potential practitioner researchers. The book comprises 10 ‘exemplary’ projects selected from the 190 successful SCU DBA completions so far, each accompanied by the researcher’s retrospective view of the study as well as their supervisor’s comments, to provide insights on the research process and how the studies contribute to management theory and practice.

The book’s focus is on the process of the research project as opposed to the content of good research by management practitioners and as such covers various fields and methodologies. A completed thesis tells only part of the doctoral story. Here the authors describe what went on behind the scenes. For those interested in exploring a particular author’s work further, the theses themselves are available in hard copy format through the Southern Cross University Library and electronically through the Australian Digital Theses Program (http://adt.caul.edu.au/).

The studies included are not offered as the ‘best’ from the university’s DBA program. Rather, they are 10 very good studies that can serve as models for other good research. Most practitioner researchers, especially
if they are returning to academia after a long absence, are unsure about how to go about it. All they know is that they have a complex, organisational problem which they think needs academic research to resolve. At the same time, they are a bit apprehensive of the research methodologies and scholarly writing required for the task. We hope this book will help novice ‘pracademics’ to overcome these inhibitions and seize the opportunity to engage with the academic community. For the exemplars included have used a wide range of research methodologies—from quantitative studies to grounded theory and action research—and writing styles that vary from the traditional third-person to first- and second-person storytelling techniques. At the same time, the authors frankly discuss the many setbacks they encountered along the way which will help others considering a similar journey to avoid naïve optimism and be realistically prepared for the challenges ahead.

In keeping with the spirit of the DBA, the studies have been selected on the basis of their contribution to practice as well as theory—they would have helped to solve actual organisational and/or management problems.

To select the exemplars, a letter was sent out to all the graduates of the SCU DBA program as well as their supervisors inviting them to participate. We had an overwhelming response and would like to thank those who expressed an interest in being part of the project. Our thanks also to the authors of this book. In making our final selection, we tried to pick as wide a range of methodologies as possible to showcase the number of ways in which it is possible to carry out management research. This is not to say that those who did not make the shortlist were lacking in any way. In fact, it is hoped that this book will inspire others in its wake so that in the end all of our graduates will be able to reach a wider audience for their research findings.

Of the 10 studies included in this book, the first is a response to the Indonesian government’s ‘New Paradigm’ in education to make
it more autonomous, competitive, democratic and accountable to stakeholders. Rahmi Fahmy explored the use of the staff performance appraisal system at her university to achieve these objectives. Rahmi credits a large part of her success to the enthusiasm with which her project was embraced by her colleagues since it was a qualitative study involving the staff and students of her organisation. Her supervisor, Alex Kouzmin, on the other hand, talks about the problems faced by international students like Rahmi, for whom the research has the added difficulty of having to be away from their family for extended periods.

Madhu Ranjan Kumar describes how action research helped in the implementation of total quality management in his organisation. The democratic approach helped in achieving enduring organisational change in the huge bureaucracy that is the Indian Railways, with its 150-year-old history and 1.5 million employees. A further problem his study had to deal with was the Indian culture, which made both managers and the staff reporting to them hypersensitive of their status. His supervisor, Shankar Sankaran, attributes Madhu’s success to his proactive approach to his research. This is also an example of a supervisor and candidate who were ‘made for each other’ in the sense that they had a similar professional background and shared research interests.

Dianne Lawrence used grounded theory to come up with emerging themes of goal categorisation. While this was a logical extension of the work she did in her Master’s degree, both Dianne and her supervisor, Phil Neck, agree that her biggest hurdle was when she was forced to move back to Canada, her home country, when her employment in Malaysia, the country of the study, came to an end. Despite this the strong supervisor-candidate relationship that had been developed over the course of the program helped Dianne to successfully develop a model of goal alignment for globalised higher education provisions.

Warwick Lyon combined quantitative and qualitative research methodologies to determine the relationship between team and individual sales incentives and how they affect performance in the
Australian IT industry. Warwick had a supportive employer who allowed him to try out his theories at his workplace. His supervisor, Don McMurray, credits Warwick’s success to the fact that he had adequately conceptualised the research problem and possessed a passion that would sustain him throughout the period of his candidature.

Vivienne McCabe gathered quantitative empirical data from a range of individuals employed in the convention and exhibition industry in Australia in order to study career profiles and labour mobility in the industry. Her life and work history analysis revealed a ‘butterfly model’ of career progression that had not been previously reported. Both Vivienne and Lawson Savery, her supervisor, stress the importance of regular candidate-supervisor meetings to ensure success. So much so the two would even schedule meetings in airport waiting lounges between flights in order to keep the project on track.

Matthew Nisbet aimed to discover a suitable leadership model for volunteers, considering that volunteering is valued at $42 billion a year in Australia and the time volunteered comprises 2,200 million hours of work per annum. Matt’s study shows how rigorous research can help correct the researcher’s own initial assumptions and ultimately lead to a sound end product. Michelle Wallace, his supervisor, helped by acting as a critical friend constantly pushing him to extend himself.

Paramsothy Vijayan explored the determinants of customer satisfaction in his organisation, a local Malaysian bank, at a time when the country was liberalising the banking sector to permit the entry of foreign banks. He used a self-administered questionnaire and statistical analysis. Some of the hurdles he faced included dealing with cultural issues of not embarrassing customers who did not wish to participate and how to convince an examiner who questioned his research methodology. Michael Evans, his supervisor, observes that while Vijay, an accomplished researcher, did not need much guidance as far as the statistical tool was concerned, he did face some other issues. For given the sensitive nature of surveying customers of banks and the use
of bank mailing lists, his research was put under the microscope by the university’s Human Research Ethics Committee and he had to go through several iterations to satisfy their concerns.

Devi Ranasinghe also used action research for monitoring and measuring the impact of continuous quality improvement in the aged care sector in Australia. After the Aged Care Act 1997 introduced compulsory continuous quality improvement and audits became a major part of the industry, there was a lot of angst since aged care is a service industry and has many intangible products that are difficult to improve, or the improvements may be so subtle that they cannot be measured. Devi found it difficult to get aged care institutions to agree to participate in the research. Even with those that did participate, staff workloads made data collection difficult. However, even though the study took much longer than expected, in the end, Devi managed to develop an indicator system to monitor and measure the impact of continuous quality improvement in aged care in Australia. And, as her supervisor, Peter Miller, points out, her efforts have been recognised by a Minister’s Award for Excellence in the Aged Care Industry and have a commercial value.

Tng Cheong Sing carried out an empirical study on factors influencing unit trust performance. In Cheong Sing’s case the very abundance of data also proved to be a hurdle since he was faced with the enormous task of analysing them. However, assistance from his employer in the form of funding for two research assistants helped. Throughout, Cheong Sing was impressed by the collegiality and generosity of his peers who gave of their time generously in critiquing his draft papers to make for a stronger outcome. He was also faced with the task of convincing one examiner why his methodology was appropriate for his problem. His supervisor, Geoff Meredith, notes that it is to be expected that research examining fund performance at the national level will be reviewed carefully by examiners with expertise in fund management and analysis. Cheong Sing provided a sound and expert response to the examiners’ questions and his response was accepted.
Peter Wong used critical incidents to examine business ethical practices in Australian organisations. The methodology helped in uncovering people’s real feelings by giving them scenarios to discuss. This also encouraged research participants to come up with their own examples or critical incidents. While ethics is a contentious topic, the convergent interviewing used helped reveal some common themes and areas for future research. Peter also had to expend considerable effort in convincing the Ethics Committee of the ‘ethics’ of his research methodology in spite of the fact that he was himself investigating the subject of ethics. Peter’s supervisor, Shankar Sankaran, was this time presented with a research problem that he had no expertise in. However, he was confident that Peter could manage the content and Shankar focused on guiding him through the research methodology and in providing moral support.

As all 10 cases show, some of the factors that determine the success of doctoral studies include a genuine interest in the problem being researched, a strong candidate-supervisor relationship, support from the researcher’s employer, colleagues and peers, a research proposal that is acceptable to the Ethics Committee, resilience in overcoming unexpected obstacles and confidence in one’s own abilities to defend the thesis competently in the face of occasional examiners’ scepticism.

References


*Gita Sankaran & Peter Miller*
Title of the study
‘Academic staff performance appraisal from stakeholders’ perspective: a case study of multiple attitudes and perceptions

Purpose
Previous research has indicated criticisms of performance appraisal in higher education because the philosophy of performance appraisal has come from business practices while there are significant differences in the nature of business organisations and educational institutions.
However, changes in higher education—which were basically an impact of limited financial support from the government and the need for public accountability of universities—have made the implementation of academic staff performance appraisal a form of accountability to stakeholders, which has become stronger ever since.

In relation to these issues, to explore closely, clearly and representatively the effectiveness of academic staff performance appraisal implementation in higher education, the researcher conducted a qualitative study exploring the perceptions and attitudes of stakeholders who were directly involved in academic staff performance appraisal.

The results of this research are expected to be able to clarify four main areas: the effectiveness of performance appraisal in higher education; important components in the appraisal that can be used in evaluation; how the appraisal should be conducted; and how to communicate the feedback of the evaluation to motivate academic staff to perform at the level of best pedagogical practices, and to improve the quality of teaching and learning processes in higher education, particularly in one faculty in a university in Indonesia.

**Keywords**

Performance appraisal, academic staff, business organisation, educational organisation, change
Introduction

At the time of the research the researcher was an academic at an Indonesian university that was going through a period of massive change. Higher education is considered to be one of the most effective instruments for development, especially in human resources and social development (Tadjudin 2003). Therefore, the Indonesian government put in place a number of measures to address these issues, by proposing ‘The New Paradigm’ in education in Indonesia (Brodjonegoro 1997).

The new paradigm advocates autonomy, accountability, accreditation, self-evaluation and continuous quality improvement. It replaces a strictly centralist practice that had precluded creativity, innovativeness and risk-taking (Idrus 1999).

The implementation of the new paradigm relied on merit-based, tiered competition, user participation in planning, transparency, democracy and higher accountability (Brodjonegoro 2003). For these purposes, several programs have been conducted in Indonesia, including the Technological and Professional Skills Development Project, in which I was one of the staff members involved on behalf of my faculty.

The role of academic staff in higher education is a critical ingredient to achieving the purposes of the new paradigm in higher education. Universities cannot respond to external changes and pressures without the involvement of capable, committed and knowledgeable faculty members and academic staff (Austin 2002). The challenge for many academic staff, however, is that they are being asked to fulfil tasks and assume roles for which they may not be adequately prepared (Austin 2002). Therefore, effective performance appraisal could be used as a tool to motivate academic staff to perform at the level of best pedagogy and to improve the quality of the learning process in higher education.
Thus, my research problem was: To explore the effectiveness of academic staff performance appraisal from a stakeholders’ perspective: a case study of multiple attitudes and perceptions in one faculty of one university in Indonesia.

And my research questions were:

1. Why is performance appraisal needed for academic staff in higher education?
2. What are the stakeholders’ perceptions of academic staff performance appraisal?
3. What are the attitudes of teaching staff to their performance appraisal?
4. What are the major obstacles that may impede the implementation of academic staff performance appraisal?
5. How should academic staff performance be evaluated?
6. How effective is performance appraisal in achieving both lecturer and faculty goals?
7. How does the culture influence the academic staff performance appraisal implementation?

Methodology

The research was a qualitative study that used the case research method based on the constructivism paradigm. The basic assumptions guiding the constructivist paradigm are that knowledge is socially and actively constructed by the people involved in the research process, and that the researcher should attempt to understand the complex world of lived experience from the point of view of those who lived it (Schwandt 2000). The goal of constructivist research, then, is to rely as much as possible on the participants’ views of the situation being studied (Creswell 2003). As the research problem was still under debate
and there was limited information on it, especially in the Indonesian context, exploratory research, conducted qualitatively by applying the case research method based on the constructivism paradigm, was the appropriate method for this study.

Data collection

Secondary data were collected by a literature review, while primary data were collected through participant observation, in-depth interviews and focus group discussions. Participant observation was used to discover the meanings that people attach to their actions (Saunders et al 2003) in academic staff performance appraisal. Participant observation was employed to complement the other two primary data sources—in-depth and focus group interviews—and to justify the role of the researcher.

The focus group interview was an unstructured, free-flowing interview with a small group of people. It was not a rigidly constructed question-and-answer session, but a flexible format that allowed people to discuss their true feelings, anxieties and frustrations, and to express the depth of their convictions in their own words (Zikmund 2000). Four focus group discussions were conducted, three with academic staff and one with students. Each focus group discussion had five to 10 participants and lasted from one-and-a-half to two hours. The participants for the in-depth interviews included 18 academics, seven structural staff and eight students (Figure 1.1). The in-depth interviews were terminated when the information became ‘saturated or redundant’ (Lincoln & Guba 1985), as determined from the respondents’ transcripts.
Data analysis

Thematic analysis was used for data analysis. There are three alternative methods for developing a thematic code: theory driven; prior data or prior research driven; and inductive or raw data driven (Boyatzis 1998). This research used the third alternative, in which the thematic code was inductive and was developed from raw data, or data driven. There are four steps involved in inductively developing a code: reducing the
raw information; identifying themes within sub-samples; comparing themes across sub-samples; and creating a code (Boyatzis 1998).

Evaluating research quality

Two sets of criteria were applied for judging the quality of this research: the trustworthiness criteria of credibility and the authenticity criteria of fairness and ontological authenticity (which enlarges personal constructions) (Guba & Lincoln 1994).

Trustworthiness criteria of credibility are required to see the correspondence between the way the respondents actually perceive social constructs and the way the researcher portrays their viewpoints (Mertens 2005). This study met the following criteria:

Prolonged and substantial engagement. The researcher spent almost five months on data collection, and one year on data analysis.

Persistent observation. The researcher observed the problem long enough to identify the salient issues, as the researcher had been one of the members of the academic staff at the subject faculty for almost 13 years.

Peer debriefing. The researcher engaged in an extended discussion with objective peers of the findings, conclusions and analysis. This peer debriefing was done primarily through colloquia, workshops, and discussions with experts.

Member checks. At the completion of each interview, the researcher summarised what had been said and showed the transcript of the interview to the respondent to confirm whether the notes accurately reflected their position.
Triangulation. Multiple methods, such as interviews and participant observation, were used, and information was sought from multiple sources using the same method, ie interviewing faculty leaders, academic staff and students.

Authenticity criteria for fairness and ontological authenticity. To ensure fairness, the researcher used open negotiations of the recommendations and the agenda for future actions. Ontological authenticity was achieved through member checks with respondents.

Findings

Based on the seven research questions that had been developed from the research problem, the research findings showed that although faculty leaders, academic staff and students—as the key stakeholders—were not satisfied with, and were apathetic to, current academic staff performance appraisal practices in the faculty, they had a positive attitude to, and perception of, better implementation of academic staff performance appraisal in the future. Moreover, although the stakeholders had different foci of attention, their different perceptions provided a more complete picture of the effectiveness of academic staff performance appraisal implementation in the faculty.

The focus of faculty leaders regarding academic staff performance appraisal was from the managerial perspective, while the focus of students was mostly related to the improvement of teaching and learning processes. Compared to the faculty leaders’ and students’ perceptions, the academic staff’s perceptions were broader, deeper and multidimensional in their understanding of academic staff performance appraisal.

Moreover, this research found that there was evidence that effective implementation of academic staff performance appraisal required that an educational organisation be managed and led in the same way as a
business organisation. It required a broad, deep and complex change in faculty management, leadership, faculty role, academic staff roles, financial support, rules and system, commitment from faculty stakeholders, the communication systems, and the culture. These indications were primarily driven by the radical changes that were occurring in higher education as an impact of limited financial support from the government and the need for accountability of universities to the public. Therefore, to implement academic staff performance appraisal effectively in the faculty, the stakeholders targeted in this research mentioned that the issues of quality assurance, autonomy, entrepreneurialism, managerialism and leadership should be addressed thoroughly.

**Limitations**

**Scope**

This study was conducted in the service sector (higher education) and focused on academic staff performance appraisal. The units of analysis were three departments in a faculty of a public university in Indonesia. The samples were faculty leaders, academic staff and students.

The research was conducted qualitatively and narrowed to the faculty of a public university in Indonesia as a case study. Therefore, the responses from the selected university may not be representative for generalisation purposes. Moreover, the confidential nature of the operation of the institution could present a constraint to the collection of sensitive information, especially information related to personal or institutional reputation.

**Implications for future research**

It could be useful to conduct similar research by using broader case studies and similar methodology, since the level and focus of academic staff performance appraisal implementation could be different in each
faculty or university in Indonesia or in similar universities in other countries. Moreover, the qualitative case study method was used in this research in order to build theory. It would be valuable to use a quantitative method to confirm the findings and build on this research by investigating the effectiveness of academic staff performance appraisal implementation in other faculties or universities in Indonesia or similar faculties or universities in other countries.

Researcher’s retrospective

Genesis of the research

There were two primary reasons why this research was undertaken. First, there was an intrinsic motive. The research was undertaken because of my personal desire, as an academic, to understand the phenomenon of academic staff performance appraisal in higher education, particularly in universities, and my urge to interpret academic staff performance appraisal from the stakeholders’ perspectives. I believed that the depth and detail of qualitative data could be attained only by the researcher being physically and psychologically closer to the phenomenon through participant observation and interviews. And that the closer the researcher became to the phenomenon, the more clearly it was understood (Carson & Coviello 1996; Merriam 1988).

Second, the fact that previous research has indicated criticisms of performance appraisal in higher education, because the philosophy of performance appraisal has come from business practices while there are significant differences in the nature of organisational businesses and educational institutions.

Identifying the research gap was a long and exhausting journey jointly undertaken by my supervisor, Professor Alex Kouzmin, and me. An extensive literature review was needed to do this, and it would have been easy for me to lose focus of the research problem at this stage.
For an extensive literature review meant that I was in the problematic situation of being open to new possibilities while at the same time trying to focus on the research problem. Alex’s role was crucial here in both motivating me and helping me stay on track.

**Process**

The process of doing this research could be divided into six stages:

1. **Building the research idea.** This came primarily from me. The research idea had been internalised long before I joined the DBA program. It was based on my personal experience as one of the staff in charge of the Technological and Professional Skills Development Project in my faculty. This project was a result of the new paradigm in Indonesian higher education, which relies on merit-based, tiered competition, user participation in planning, transparency, democracy, and higher accountability. Through this project, I realised that the academic staff had an important role in improving the quality of learning and teaching in the faculty. In order to improve academic staff performance, the faculty needed a proper performance appraisal system. Therefore, I wanted to learn more about the academic staff performance appraisal process. I discussed this with my boss, seniors and colleagues in the faculty, all of whom were enthusiastic about my proposal. This convinced me to undertake this research.

2. **Formulating the research problem.** Formulating the research problem required a broader and deeper analysis of the topic. Self-confidence about the research problem was crucial. An intensive discussion with Alex was required in order to build confidence in conducting further research. All of the limitations or barriers to the research were considered, such as time frame, finance, targeted participants, and legal and ethical issues. Insight from colleagues is also beneficial for a researcher in gaining self-confidence, so Alex suggested participation in DBA workshops or colloquia to get useful critiques and insights.
3. Conducting an extensive literature review. This was an exhausting and sometimes tedious job. As mentioned earlier, the role of my supervisor was crucial in this stage of the research to keep me motivated and focused.

4. Collecting data. This research was conducted at a faculty where I was one of the academic staff. The full support and enthusiasm for the project from my superiors, colleagues and research participants was the key to successful data collection.

5. Analysing the data. This research was qualitative; therefore, this stage was time consuming and took lots of energy and attention. I was often frustrated at my lack of progress. Lack of attention to detail and focus could risk a shallow analysis of the data. My understanding of the theoretical concepts of the research topic helped overcome this danger. Regular discussions with Alex were necessary to confirm and justify my analysis and findings. The findings were not arrived at by a single effort of analysis; sometimes it took several attempts to get a detailed interpretation of the data. The involvement of the respondents in confirming the data, peer debriefing through colloquia, workshops, discussions with experts and publications to gain critiques and insight also helped considerably in the data analysis.

6. Conclusions and contributions of the research. Alex helped to ensure that the research problem and questions had been answered and explained clearly. Meanwhile, I worked at producing clear final statements to answer the research problem and questions that had been raised in this study.

**Time taken**

I received a scholarship to undertake this research; therefore, I had to complete it within the time allocated. It took me two years and four months to complete the study. In all, the time spent on the preliminary literature review and research proposal was approximately four months,
the literature review proper took seven months, data collection five months, and data analysis 12 months.

During the data collection process, three important events happened in my faculty. First, the data collection was conducted at the time of a faculty leadership transition, and I had the opportunity to observe the dean election process. The dean was democratically elected by all academic staff from three departments. The second was the mid-term examinations, during which faculty members and students focused on exam preparations. The third was the departments’ preparations for accreditation. During this time, I could see the enthusiasm of the departments for obtaining a higher accreditation rate, particularly the Departments of Management and Development Economics.

All these events could have influenced the respondents’ perceptions about the crucial issues in the academic staff performance appraisal, as it became a primary concern for everybody at the faculty. Therefore, most of the respondents were willing to participate in the research whether they were faculty leaders, academic staff or students. All of them seemed to want to express their views openly and freely.

**Strengths and limitations of methodology**

The qualitative method can provide an in-depth description of a specific research problem. Key words associated with qualitative methods include complexity, contextual, exploration, discovery and inductive logic. It is particularly useful when the researcher wishes to clarify her understanding of a problem rather than providing precise measurement or quantification.

This method could be used to diagnose a situation, screen alternatives and discuss new ideas in academic staff performance appraisal. Therefore, in this research the appropriate approach for gathering data was the inductive approach. By using an inductive approach, I could attempt to make sense of the situation without imposing pre-existing
expectations on the phenomenon under study. Thus, there were no research hypotheses or propositions in this research; instead, I had research questions that were to be the subject of further exploration.

A single case study could be applied in this research because the primary priority was my interest in the case itself. This was the desire to contribute to the faculty by offering a solution to the problem of effective implementation of academic staff performance appraisal. The secondary priority was my expectation of increased understanding of the nature of academic staff performance appraisal in higher education. As a result, the case study addressed theory construction and theory building of performance appraisal especially for academic staff in higher education by making comparisons, looking for similarities and differences within the collected data from the perspective of faculty leaders, academic staff and students, and for future questions to be examined, rather than theory testing and theory verification. For that reason, in this research the elements of the theory were being confirmed or disconfirmed with the prior theory, rather than being tested for generalisability to a population. Finally, I believe that a simple, well-constructed case study can enable us to challenge an existing theory and also provide a source of new hypotheses (Saunders et al 2003).

However, this research was limited to qualitative case study research and focused primarily on one faculty in one university in Indonesia that was currently in the introduction stage of academic staff performance appraisal implementation. Although the findings are considered relevant and useful to improve the effectiveness of current academic staff performance appraisal implementation in the faculty in which the research was conducted, they may not necessarily be directly applicable to other faculties and universities in Indonesia or in other countries.
Strategies for gaining resources

Giving current information to stakeholders (the scholarship agent, my boss and my thesis supervisor) through step-by-step progress reports of the research process was the key for gaining resources. The supervisor is the first person who should be informed by the researcher. If there is any revision or change in the research process, the supervisor can give immediate suggestions for improvement, especially in gaining insight and access to reading materials. The scholarship agent would also be inclined to continue with the research funding if I could meet my responsibility by submitting regular reports according to the agreed standard and timetable. This is fairly simple to do, but can become an obstacle if one does not allocate time for it. Last, but not the least, my boss was one of the important persons who had to get up-to-date information about the study, because his recommendation and support (morally and materially) was needed for sustaining the research, especially since the data collection was conducted in my institution.

Hurdles

Hurdles are a natural part of the research process and, in fact, should be seen as a challenge for the researcher. In this research, the challenge came from the common perception that a single case is perceived by many people as being too simple for doctorate level research. This issue troubled me for a while, but after having lots of discussions with Alex and other experts, and after reading other studies at the doctorate level, I came to the conclusion that good research is not determined by how many cases are analysed but by the justification given for the research and the logical formulation of the research problem and objectives. Therefore, a single case was used for this research. Strong arguments were necessary to identify the research gap and formulate the research problem, and to find the proper research methodology to justify the findings.
During the data analysis stage, there were times when I was confused by the huge amount of data. I was constantly amazed by the earlier stages of analysis, because there were lots of data that could be elaborated further beyond the research questions. Therefore, in interpreting the data, there was a moment when I was tempted to generalise the research findings since the data looked so rich and real. At this stage, I found that the coding process from open coding to axial coding and selective coding (Strauss & Corbin 1990) was very useful to get to the core of the research findings.

Outcomes

The most difficult task was deciding which of the findings should be included and which excluded. Intense consultation with Alex was needed at this stage to discuss the key issues in the research. This was the time to sharpen the research analysis. In this phase, it was easy to get stuck in making a decision. Based on my experience, I find that taking a break at this stage, by leaving the work for couple of days, is sometimes helpful. When you return to your work you feel refreshed and approach your work with a clearer focus. Moreover, I had to stay focused on the research problem and the research questions and the objectives of the research.

Relationships

I had a very good relationship with my supervisor, research participants and others who impacted on the research. In this, I was very lucky. For this helped deliver all the research objectives with limited barriers. I was also fortunate to get the full support of my family.
Reflection

This research has given me a broader perspective of the area of research. I feel that the research methodology used was very suitable to solve real problems in my institution because the research findings were focused, detailed and well justified.

In the future, I would like to use the same qualitative research methodology in other areas of research but still within my main interest of human resource management. I am also interested in combining qualitative and quantitative methodologies, in order to get the whole picture as well as measurable items that could be applied to other institutions for comparison.

This research has given me lots of ideas and insights on how to conduct qualitative research properly. The research findings contributed to my work because they provided a clear map and alternative solutions for current problems being faced by my institution.

Supervisor’s comments

My views on doctoral supervision have been published earlier (Kouzmin 2005) but bear repeating here, especially with respect to this particular supervisory experience.

Genesis of the research

The research problem was formulated by an extensive process of negotiation and discussion. ‘Birthing’ (Kouzmin 2005) is a useful metaphor for describing the process of arriving at the research problem. It is indispensable and the sooner it is undertaken in the doctoral process, the better, for it ensures commitment to the arduous journey ahead. This initial discussion identifies a roadmap for thesis progression and publication, and acts as a continual reminder of what
needs to be accomplished. It is the germ that shapes and guides all subsequent research. As a minimum, the birthing process requires a sympathetic ear and an intellectual curiosity on the part the supervisor, for the supervisor represents the intellectual past of the research area, while the candidate represents its intellectual future.

Birthing is followed by ‘drowning’ (Kouzmin 2005), where the candidate is expected to drown in the literature. This drowning is necessary for fine-tuning the research scope and research questions. There is an inherent inclination in some to cut the cloth of the literature review to suit the purpose. However, this approach shortchanges the candidate and compromises the quality of the thesis.

**Process**

Supervision is the ‘invisible hand’ (Kouzmin 2005) guiding the research process and can involve volubility, patience, guile, coaxing and/or brinkmanship, depending on the circumstances.

Women academics are always doing it hard, since they are vulnerable to competing professional pressures and family obligations. Faced with these competing demands, Rahmi was very appreciative of, and responsive to, advice and made incremental but systematic progress. Exposing her, early in the doctoral process, to peer and expert review brought about the expected result of empowerment, self-confidence and intellectual output. This required considerable patience and coaxing on my part.

Non-negotiable in my contract with doctoral candidates is publication en route. Early and ongoing publication is both exposure to, and validation by, international peers. And a list of publications arising from the research, serves to act as a gentle reminder to examiners that much of the research has already been peer-reviewed. Sadly, what counts for peer review in journals is, in reality, policing at disciplinary and methodological levels. Which is why the supervisory obligation in
making his/her scholarly networks accessible to doctoral candidates cannot be overstated. Thus a certain degree of guile and empathy came into play as Rahmi moved towards her first international paper presentation and first journal article based on thesis progression.

I hold that there is no such thing as a ‘delete’ option for my doctoral candidates—everything written is, in principle, publishable. The challenge is to get them to believe this. A successful conference trip, early in the doctoral process, is an immeasurable confidence booster. A subsequent publication is even better. To this end, I tend to veto PowerPoint presentations in any work-in-progress forum. The research devil is in the detail and written work-in-progress papers reveal such detail for peer review. Written drafts of work-in-progress papers are drafts towards future conference papers and journal articles, as well as the final thesis.

Another crucial function of supervision is to help the candidate to develop a ‘third eye’. This is the ability anticipate and address the examiner’s and/or the editor’s objections.

Also early in the supervision process is the task of recommending potential examiners.

**Hurdles**

Within a commitment to doing qualitative research, a great deal of discussion involved precisely which methodology was to be pursued and, consequently, the nature of subsequent triangulation strategies. Rahmi consulted with many other supervisors, apart from me, before clarifying her own methodological/triangulation positions.

Much discussion and heartache was involved in whether or not a comparative case should be undertaken versus the in-depth/longitudinal, single Indonesian university site being investigated. Once this issue had been clarified, Rahmi was as single-minded about her research as anyone could be.
Outcomes

These were discussed at length, especially in the context of the ‘Contribution to Knowledge’ discussion that needed to be entered into within the body of the thesis itself.

The discussion of outcomes was also driven by the fact that international examiners were to be used—a choice rendered more important, perhaps, for international graduates of the SCU DBA. Reference to international examiners in one’s CV is a definite plus.

Relationships

Through the use of work-in-progress opportunities, academic seminars and one-on-one discussions with all faculty members, Rahmi maximised her research exposure and, thereby, maximised her feedback. She interacted with fellow DBA candidates to great effect.

Reflection

In conclusion, each doctoral partnership is a binding contract—both a privilege and an obligation. In her own way, Rahmi too, extended the boundaries of my supervisory comfort zone. As always, the thesis journey provided a synergistic growth for both candidate and supervisor.
References


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**Researcher’s profile**

After completing her first degree at Andalas University, Indonesia, in 1992, Rahmi Fahmy obtained her Master of Business Administration degree from the University of the Philippines in 1999. She completed her Doctor of Business Administration at Southern Cross University in 2006. She has been a lecturer at the Economics Faculty of Andalas University since 1992. Apart from teaching, Rahmi is also a trainer at the Management Institute of her university. She is currently Secretary for the Magister Management Program at Andalas University.

**Supervisor’s profile**

Alexander Kouzmin is an Adjunct Professor in the School of Management at the University of South Australia and Visiting Professor of Management at the University of Plymouth. He has also held Chairs in Management at Southern Cross University, Cranfield School of Management and the University of Western Sydney. His research interests include organisational design, IS/IT development/vulnerabilities, comparative and cross-cultural management, administrative reform/globalisation and crisis management. Alex has published eight books, contributed some 60 chapters to national and international monographs/books, presented research papers and keynote addresses at 200 international conferences and has published, to date, some 230 research papers and review articles.
Title of the study

Total quality management as the basis for organisational transformation of Indian Railways—a study in action research

Purpose

India opened its economy to global forces in 1990. By 2000, only the more efficient companies, both in the public sector and in the private sector, remained viable. However, the huge Indian Railways with its
1.5 million employees remained largely untouched by the winds of liberalisation. The only organisation-wide change attempted in its 150-year-old history was the ISO 9000 and ISO 14000 certification that many units of the Indian Railways underwent from the late nineties.

Accordingly, one of the objectives of this research was to assess the suitability of total quality management (TQM), via the International Standards Organization (ISO) 9000/2000 quality accreditation, for bringing about organisational transformation in the Indian Railways.

The literature review had shown that although there was a general understanding about the critical success factors (CSFs) of TQM, no model had been developed from these CSFs that an organisation could use to take it up the TQM path. Thus, another objective of this research was to develop a generic model for taking an ISO certified organisation towards TQM and then to particularise it to the Indian context.

TQM and culture and TQM in bureaucracy—especially in the Asian context—have been under-researched areas. Thus, while contextualising the model for India, the TQM-culture fit and TQM-bureaucracy fit, in particular, were kept in mind.

**Keywords**

Action research, organisational learning, Indian culture, mixed methods research, total quality management (TQM), spiral vortex model

**Methodology**

**The objectives of this study** required developing an understanding of a broad range of issues about which no prior research had been done. It has been suggested that to get broader insights into the issues being investigated the researcher should mix research methods (Ticehurst &
Veal 2000). Hence, both qualitative and quantitative approaches were used as dictated by the needs of the situation.

The research was divided into three stages.

**Stage 1**

Survey A. To begin with, it was necessary to see whether there was any researcher bias in the selection of TQM as a possible philosophy for the transformation of the Indian Railways towards an excellent organisation. Thus the research began by asking senior members of the organisation a series of open-ended and pre-coded questions to assess the ‘as is’ and ‘should be’ status of organisational values and practices. For this, a questionnaire (Khandwalla 2002) that had been used in the Indian context to judge the policies and practices that yield performance excellence in a competitive and liberalised environment was used. The simultaneous use of open-ended and pre-coded questions to the same set of respondents enabled the researcher to validate the conclusions. An open-ended question provides the respondents freedom to give their opinions. This can provide dimensions of information that Likert Scale-based questions may not be able to elicit. For the answers to the question were expected to throw light on the organisational policies and practices of the Indian Railways which, in turn, could explain much of what this study was to subsequently uncover. Thus, the more ways by which answers to the first question were tapped, the more reliable the conclusions would be.

The questionnaire was given only to managers with more than 30 years work experience in the Indian Railways as they were the ones who could be said to have enough exposure to the strategic part of the organisation to do justice to the full questionnaire.

Survey B. To assess the impact of Indian culture on the organisational values of the Indian Railways personnel, a Likert Scale-based quantitative survey was done using an established instrument. The
respondents were selected from three age groups: less than 30 years old; between 30 and 50 years old; and more than 50 years old. This enabled the researcher to assess the impact, if any, of liberalisation on the organisational values of the Indian Railways personnel. The rationale was that those who were less than 30 years old in 2005 were about 15 years old in the early days of the liberalisation of the Indian economy while those who were more than 50 years old were about 15 years old in the late 1960s and early 1970s, when socialism was at its peak in India. Thus they represented two contrasting generations that had spent their formative years in two different time frames.

Stage 2

Survey C. To assess the impact of ISO 9000 and ISO 14000 certification on different units of the Indian Railways, a survey of selected units of the organisation was carried out. The questionnaire used consisted of open-ended and close-ended questions and had earlier been used for similar purposes in the Indian private sector.

Survey D. A quantitative instrument, the ‘TQM transition questionnaire’, was developed, tested for its reliability and validity and then administered to the heads of the quality wing/heads of the units selected for survey C. They were asked to evaluate the unit on the basis of ‘one year before ISO certification’ and ‘today’ so as to get a measure of the transition the unit had made towards becoming a TQM organisation after becoming ISO certified.

Stage 3

A unit of Indian Railways was picked for ISO certification and an in-depth study of this unit was done so as to triangulate the findings, develop additional hypotheses and merge these in order to develop a model that could be used to take an ISO certified unit towards becoming a TQM organisation. Since the focus here was the progressive assimilation of
core values of TQM, it was necessary to select a research methodology that would facilitate both organisational learning by a group as well as academic learning for the purposes of this research. Given the now understood importance of contingency factors such as the change process and its manner of facilitation, as well the behavioural factors in TQM implementation (Melan 1998), action research (AR) seemed to be the natural choice to take care of the ‘full range of variables which may not otherwise emerge’ (Westbrook 1994, p18). AR develops context-specific knowledge that is evolved by the participants. Their collective insight promotes transformational or paradigm changes (Suderman, et al 2000, p571). For context-sensitive Indians (Kumar & Sankaran 2006a), it was felt that the research process should aim at getting multiple representations and presentation of evidence in forms that were open to multiple interpretations.

Further, the literature review had shown similarities between Indian and Japanese cultures. Thus, there was enough theoretical underpinning to believe that a bottom-up approach of ISO implementation might be better for developing learning capacities so as to internalise the TQM values of customer satisfaction and continuous improvement. The relationship between change and AR has been considered as a ‘bottom-up approach specially designed as a response to the theory-practice gap’ (Suderman, et al 2000, p571).

Accordingly, the AR methodology was used here. A model was also developed to test the rigour of the AR. To further validate the conclusions drawn from the AR cycles, AR was done in another unit of the Indian Railways.

A final way of validating the model was the use of convergent interviewing with the same respondents who had participated in survey A.
Findings

Survey A showed that the ‘should be’ organisational values and practices for the Indian Railways were in line with those espoused by TQM. Survey B showed that both the managers and the staff of the Indian Railways were conscious of their organisational status. The staff members were dependent on their superiors; however, they were not interested in having a personal relationship with them. Survey C showed that, in contrast to Western countries, there was no resistance to change in the different units of the Indian Railways. Survey D showed that a multi-tier corrective and preventive action (CPA), reinforced with a reward and recognition system, intervenes positively in the transition of an ISO certified organisation towards TQM.

The learning that occurred in different parts of the research was integrated into a model for transforming an ISO certified unit towards TQM. The model shows that there is a sequential relationship among the CSFs of TQM. The way to initiate an ISO organisation towards TQM is by framing process-based quality procedures and objectives. Process-based quality procedures and objectives lead to the development of a team orientation in the context of TQM implementation. More specifically, the compulsion of implementing a CPA makes people leave their traditional moorings and begin their socialisation outside their ‘professional caste’. The model hypothesises that, in the context of leadership, the guru-shishya (teacher-student) relationship with the leader is conceptually similar to the ‘intellectual stimulation’ factor of transformational leadership. This ‘personalised relationship’, with a more equitable slant, can be elevated to the status of the ‘individualised consideration’ factor of transformational leadership. The ‘nurturant task’ leadership model of India is conceptually similar to the contingent reward factor of transformational leadership. Using these adaptations of leadership, the reinforcing effect of successive improvement inculcates a feeling of team spirit among members of different functional groups. Successive CPAs supported by a suitable reward system and an Indianised version of leadership (Kumar & Sankaran 2007) create
a spiral vortex (Figure 2.1) that continually pulls the organisation towards achieving TQM. Further, propagation of customer satisfaction as a value, and not just as a measurement (as in a customer satisfaction index), is key to replacing some of the dysfunctional traditional Indian values that do not fit in a liberalised economy.
Limitations

The spiral model developed in the research did not incorporate two CSFs of TQM—values and ethics, and strategy. To that extent, the model is limited. Also, all the data collection was done within the Indian Railways. Although care was taken to define values as specific to the Indian Railways, the extrapolation of the conclusions to other organisations needs to be qualified. Study of more ISO certified units would further strengthen the model’s validity. Another area for future research could be to do a factor analysis of the ‘TQM transition questionnaire’.

Researcher’s retrospective

Genesis of the research

The research was undertaken primarily for pleasure—the pleasure of satisfying my curiosity about the way in which India is changing and how this change could be leveraged to the advantage of the Indian bureaucracy. I used the rich tapestry of the Indian Railways as an experimentum crucis, where I could experience, measure, modify, and finally sit back and enjoy watching people ‘go beyond their design limits and in some cases reach beyond the boundaries of realism and realise their full human potential’ (Weisbord 1987, p374).

Process

The gaps were identified by me through the literature review. Stages one and two of the research were done wholly by me. Stage three, which involved AR, was divided into three phases. The first phase was when I was physically present at the railway unit. The second phase was when my co-action researchers continued on their own based on their learning from the first phase. During this period, I was, however,
available as a guide when required. The third phase was when the co-action researchers were able to bring about a level of improvement that brought them many accolades. During the third stage, guidance from me was not available to them. The basic idea behind this progressive withdrawal of the researcher was to inculcate in them a sense of autonomy, to cease their dependence on a mentor/guide/leader so that they could work on their own and become self-propelled ‘transformational teams’.

All 16 research units of the DBA were completed within 20 months of the program. The remaining five months were used to repeat the AR in another railway unit which served to further validate the model developed.

**Strengths and limitations of the methodology**

This research shows it is possible to do theory building from mixed methods research. Although it was divided into different stages, the research remained focused on the overall objective primarily because it was not bounded by a particular research methodology. Further, a deliberate intra-methodological and inter-methodological confirmation was used to validate the findings of the research. In this regard, it may be useful to share with the reader the model that was used for the purpose of theory building (Figure 2.2).
Figure 2.2: Model for validation of learning that occurred in each cycle by using different methods, different sources of data and different types of data.
The progressive weaning of the action researcher is a useful method within the AR methodological umbrella that other action researchers can try in order to create enduring change. Another unique feature of this research was the use of the concept of design of experiments in a qualitative manner. That is, the selection of different railway units in stage 2 was based on the presence/absence of different intervening factors that could explain the substantial differences in the ‘TQM transition score’ without getting into the statistical analysis. The factors thus identified were useful in developing the model during stage 3 of the research and later in validating the model.

**Strategies for gaining resources**

The research began by first securing clearance from the top management. Then an unsuccessful attempt was made to pick up representative units to research within the countrywide organisation. However, the research proposal was perceived as my private agenda camouflaged as being beneficial to the organisation. And the general response was, ‘Even without you, this organisation can take up TQM implementation’; and ‘Even though you have been allowed to take up this study by the Indian government, there have to be reasons justifiable to me so that my unit can spare time for you’.

Hence, I asked myself, ‘Why should these bureaucrats waste their time for me?’ So, instead of soliciting units for research, I decided to advertise my intent and allow the unit heads to assess its value purely from their own perspectives. This way, units that had a latent need to improve their quality-related practices were picked up. I used the relatively neutral and learning-oriented ambience of the central training institute of the organisation to advertise my proposal during different training courses and waited for the responses to pour in. But even after this, access had to be reworked for each unit, each hierarchical level of a unit and, as subsequent developments showed, for each different ‘purpose’ at each hierarchical level of a unit.
The research design weaved different components of the research together. This pretty much determined what to include and what to exclude. In the AR phase, the AR cycles were not framed as general problem-solving sessions. Rather, the emphasis was to seek only questions that were related to the objective of ISO certification for the units.

**Reflection**

As a manager, I learnt two major things from this research. The first was how to deal with Indian employees in a Western organisational set up. Today, Indians have made their mark as software experts and knowledge workers in business process outsourcing centres, and India is a preferred destination for setting up manufacturing outposts. Almost all these are knowledge-based activities. Today, knowledge is a raw material just as land, labour and capital were in the industrial era. The Indian ethos of the **guru-shishya** relationship that has been discussed in this research is perhaps the basic reason why Indians are able to grasp knowledge so easily. I can now say that an understanding of this Indian ethos and how it can be seamlessly blended with Western models of team working and transformational leadership has great practical significance for Western organisations based in India. The second thing I learnt was that I could now identify which characteristics of Indian bureaucracy needed adaptation for initiating a TQM-based reform (Kumar & Sankaran 2006b).

The study enabled me to broaden the contours of soft systems methodology by linking it to an Indian-specific cultural dimension called ‘context sensitivity’. I could now argue that it was because of context sensitivity that there was no resistance to change during ISO implementation in the Indian Railways. This also explained why, post-liberalisation, Indians have been able to make a mark in the world. It also enabled me to develop tools to reinterpret the actions of people in organisational settings (Kumar & Sankaran 2006c), debunk the myth
of hierarchy being dysfunctional for TQM and appreciate the fine
dynamics of hierarchy and collectivism in TQM implementation (Kumar
& Sankaran 2007). I could now draw similarities between action science
and an Indian theory of action propounded in the ancient Indian epic,
the Gita (Kumar & Sankaran 2006d).

It made me realise that perhaps AR is a richer way of undergoing the
PDCA (plan, do, check, act) loop (Kumar & Sankaran 2006e). For if a
‘learning bias’ is added to the PDCA loop, and one begins looking for
data (with a view to analysing, understanding and benefiting from
them in subsequent PDCA loops), the basic skeleton of action learning
is already there. The thematic similarity among different data and
frequency of occurrence of different sets of data need to be ‘reflected
upon’, instead of ‘regressed upon’ (as in regression analysis), and then
one arrives at learning. Here, mind, in contradistinction to mathematics,
is the processor that processes perceptual or cognitive data as against
classificatory, ordinal, interval and ratio data. As against mathematical
modelling, mental models (Checkland 1999) are used to make sense
of the perceptual or cognitive data. From there, a progressive loop of
learning through subsequent intra-organisational or inter-organisational
validation and, at a larger scale, through intra-methodological and inter-
methodological validation gives rise to a theory whose theory building
will be perhaps more eclectic in approach than conventional theory
building and where the experiment of scientific research is replaced by
the intervention of the AR.

At a practical level, I feel that if one wants to go for large-scale
organisational transformation, it is better to opt for insider action
research (IAR) provided some basic conditions are satisfied, namely,
that the insider action researcher has good organisational credibility; the
change direction is the latent need of the members of the organisation
and the IAR is merely articulating this need; there is a critical mass of
organisational members who are familiar with the proposed path; and
there is a benign leadership that is not averse to the proposed direction of
change. Hands-on involvement by the leaders is not necessary, however,
because the chemistry of AR creates its own momentum for change. The insider action researcher can understand the bias, subtle shifts, nuances of different gestures and statements and, to that extent, the data analysis can be richer and the intervention more economical in terms of the time taken. Because of his/her prior exposure to the organisation and its undercurrents, it is also possible for the researcher to do the analysis post hoc, which can lend further richness to the data analysis. The insider’s ability to empathise with the researched world can aid the change process, making it more authentic, acceptable and enduring.

It is true that the aspects of access, politics and conflict are critical but an external consultant will initially get no easier and, more importantly, no deeper access than an insider action researcher. After the initial buy-in, the insider action researcher and the consultant are both on their own. In fact, in the Indian context, one can use one’s organisational status as a resource for getting the initial access. However, one needs to be conscious of the ethical dimensions of this.

I now realise that my role in the AR project was to manage the boundary and help others gain the skills. The research mixed training, problem solving and purposeful focus so that people learnt just what they needed and when they needed it (Weisbord 1987, p373). The ‘reflection after action’ was perhaps the richest part of the intellectual journey for me in this research. I came to appreciate why theory building requires a qualitative grasp of the different shades of data that a quantitative approach would have missed.

Although the initial motive for doing this research was pleasure, what I had not bargained for was that it would become a hobby. The feeling of managing fruitful change was so intoxicating that, even after the DBA had been successfully completed, I lapped up another opportunity for AR in another railway unit and used it to further validate some of the findings and to perfect the particular approach of AR wherein the researcher makes his presence progressively unnecessary. When I started this research, I was looking for a research methodology that could make use of every significant cue around me. The richness of
data around me and the intellectual fascination of putting theory on it’ (Coghlan 2001, p219) made me adopt the AR methodology. I wanted to grasp the data lying around and wring it until it gave insight. AR methodology was, indeed, the most economical way of doing this. I am fairly convinced that had I used any other research methodology, I would not have been able to come up with a number of research hypotheses, develop a model for change and also validate it.

**Supervisor’s comments**

I met Madhu in 2004 when he came to Tweed Heads to attend a DBA workshop and start his DBA. At that time I was requested by Southern Cross University to be his principal supervisor supported by a local supervisor in India, but it did not turn out that way. Because of administrative issues and lack of time on the part of the local supervisor I became Madhu’s sole supervisor.

Madhu and I had a lot in common in terms of background and interests. We were both professional engineers from India. He was planning to do research in a public sector organisation and I had also worked in a public sector organisation in India and was aware of the issues in such organisations. We were both attracted to AR and I, too, had been an insider action researcher in an organisation during a time of major change when I did my doctorate. Moreover, I had been involved in implementing total quality management (TQM) in an organisation in Singapore that involved accreditation to ISO 9000. Madhu and I also shared an interest in systems thinking. Thus it was a perfect match, but the main issue was the distance. On top of this, Madhu could not make another visit to Australia as his funding was not sufficient for this.

When Madhu came to Tweed Heads he attended a presentation by Adjunct Professor Bob Dick about using AR as a research methodology and made up his mind to use it to implement TQM in his organisation. Madhu and I had a brief discussion about it at the time and I described
how I had used AR in my own doctoral research. The thematic concern Madhu had for his research fitted an AR approach well.

When Madhu went back to India he sent me his plan for his AR cycles. I became apprehensive at this stage as the research methodology seemed to lean towards positivist research. I realised that Madhu was facing the same problem that I had during my doctoral research. We both came from scientific and engineering backgrounds and our natural tendency was to lean towards methods used in the natural sciences. Even the language used sounded ‘positivistic’. I recall discussing the survey parts of the research with my colleague Dr Mark Manning, and later cautioning Madhu about using mixed methods as I felt the research effort would be huge and I was unsure how we could support him from a distance for data analysis. But Madhu convinced me of the logic of his approach and we went ahead with some minor adjustments.

At first I was surprised at the speed at which Madhu carried out his data collection and analysis but then learnt that he had been granted study leave by his organisation. So although he was doing research in his own organisation he was able to take time off to do his study. We were expecting to meet up again in Tweed Heads after he had collected most of the data for the first two stages of his research. But, then, Madhu ran out of funds to travel to Australia.

Fortunately, I had to visit India at this time to do some work for SCU’s Enterprise Development and Research Institute. I asked Madhu if he could travel to Bangalore in South India from Varanasi up North where he was based, a distance of 1,500 km. He agreed. So we caught up at the Indian Institute of Science, Bangalore. We covered a lot of ground and I felt confident that Madhu would be able to write his thesis comfortably, which he did.

I was in a bit of a quandary when I had to recommend examiners for Madhu. Although I had lived out of India for more than 25 years, it was difficult for me to pick out the finer points of the English language as I had also been brought up using ‘Indian English’. I suggested that
Madhu get the help of a professional editor but I don’t think this helped much as the editor was also from India. So I decided to recommend two examiners who had visited or lived in India and who would be tolerant of the writing style as well as understand the organisational issues that Madhu had to deal with in his research. For the Indian bureaucracy is one of the more dubious legacies of the British Raj. The examiners were happy with his thesis and it was completed in just over two years which is a remarkable achievement for a thesis completed overseas with the internet as the main medium of communication. This shows how efficiently Madhu carried out this research. He kept me on my toes as well regularly sending me chapters of his thesis for review.

While we were waiting for the examination results, Madhu started writing papers from his thesis, encouraged by the support promised by the Graduate College of Management’s publications project. He managed to write several papers that have been presented in national and international conferences and prominent AR journals, such as Systemic Practice and Action Research (SPAR). It was a bold move on Madhu’s part to send a paper to SPAR, where the review process is very tough. However, the reviewers appreciated his application of action science to investigate the events of the Mahabharat, an Indian epic (Kumar & Sankaran 2006c). We are still writing and publishing papers together. I think among my DBA candidates Madhu has been one of the most prolific publishers.

In the end, Madhu’s use of mixed methods has resulted in a thesis that blends theory and practice very well and stands as a very good example of AR. I can empathise with Madhu when he says that he enjoyed doing the research (his job did not require him to undertake the project). It was similar to my situation when I did my doctoral research while I was working in industry—a sort of mid-life crisis when we get this itch to contribute something significant to our disciplines.

What Madhu’s research shows is that an effective supervisor-candidate relationship can be maintained if both parties are willing to put in the
right effort. His example also shows how a candidate can be supported to publish from their research. Madhu has so far published eleven papers, mostly from his thesis. The thesis is also an excellent example of insider action research (Coghlan & Brannick 2001). It also shows the successful adaptation of AR to an Eastern culture.

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Researcher’s profile

Madhu Ranjan Kumar is the Chief Materials Manager at the Indian Railways. Since 2006, he has presented five papers in international refereed journals, three papers in international conferences and three papers in national conferences. In 2005, Madhu was a Consultant to the World Bank (International Finance Corporation) in quality management and vendor development. Before that he was a Consultant to Indian small and medium enterprises in organisational transformation, organisational learning and quality management.

Supervisor’s profile

Shankar Sankaran comes to academia with more than 30 years of experience in management positions in Asia, the Middle East and Australia, and has managed large engineering and IT-based industrial projects. He was a director of a Japanese multinational company in Singapore before he joined the Graduate College of Management at Southern Cross University in 1999. In 2006, Shankar moved to the Faculty of Design, Architecture and Building at the University of Technology Sydney, where he is an Associate Professor of project management. However, he continues to be a supervisor in SCU’s DBA program. Shankar’s research interests include project management, knowledge management and action research. He is the founding editor of the International Journal of Health and Ageing Management and is on the editorial advisory board of Action Research.
Title of the study
A proposed model of goal alignment in globalised higher education

Purpose
The purpose of this research was to develop a model of goal alignment for use in higher education. Here ‘goal’ is defined as ‘the aim or objective; the end toward which effort or ambition is directed, a desired future outcome’ (Merriam-Webster Dictionary 2003) and ‘goal alignment’ as ‘the linking of a goal at one level of the organisational hierarchy to
a goal at the next higher level, including the linking of the individual’s goals with the organisation’s goals’ (Lawrence 2001).

The main focus was on aligning student goals with the goals of the teacher, the program, the institution and what this might look like as a model. Of interest to this study were also the goals of employers. Goal alignment measures quality and displays stakeholder goals on a grid with the central focus being an educational program. The closer the pattern displays around the centre, the closer the stakeholder goals are aligned towards a specific program.

The reason this research is important and timely is because globalisation has opened the doors to a world of options for students seeking higher education, including private and public institutions, for-profit and non-profit providers, and local, international and even virtual learning experiences through the use of computer technology. With the signing of the General Agreement on Trade in Services (GATS) in the World Trade Organization (WTO) the commodification of education began. Education providers became aware of the business potential yet the general public is not as informed, leaving the impression that educational quality is lacking. The consumer, or student, needs to know exactly what is being purchased—the opportunity for an education, a certification for qualifications, or the learning of specific skills for an employment situation. Little emphasis has been placed on the mutual needs or goals of the stakeholders in higher education. Through this research the goal alignment model with its categorisation of mutual goals is offered as a means of improving and ensuring quality education options for key stakeholders in higher education.

**Keywords**

Goal, goal alignment, higher education, quality assurance, globalisation, Master of Business Administration (MBA)
Methodology

The study was guided by the theoretical framework of exploratory research, following the realism paradigm for theory building. The parent discipline of this research was continuous quality improvement and the immediate discipline was its application to higher education.

The unit of analysis for this research was organisational using an embedded case study design. The research was carried out at Southern Cross University’s (SCU’s) Malaysia-based Master of Business Administration (MBA) program in Kuala Lumpur with an international student body at the Southern Cross Management Centre (SCMC). The choice of case study methodology allowed the research to address a current situation from multiple perspectives (Yin 1994), gain information in a new area of research (Eisenhardt 1989) and conduct research with a small number of respondents (Yin 1989). Using an embedded case study design with multiple units of analysis, the research showed different dimensions within a single context that enhanced the validity and reliability of the findings.

As a case study, the research used a non-probability convenience sample and analysed many interconnecting facets identified as program and stakeholder goals. This research also identified the stakeholder groups and required six modes of data collection methods from the four participant groups using both quantitative surveys and qualitative interviews. The identification of the four key stakeholder groups was developed through data collected for the review of literature and informal focus groups. The four stakeholder groups consisted of the MBA graduates, the academics from the MBA program, current and future employers, as well as the administrative and support staff of the SCMC.

In theory building methodologies the pieces of the puzzle are often not available, predetermined or testable in an objective way (Pandit 1995). The process of induction through the application of grounded
theory (Glaser 1992) was used to identify emergent goal themes and allowed a testable analysis of the connected areas of the goal alignment model. The collection of statistical data was conducted with overseas academics, employers and MBA graduates via emailed survey questionnaires, and Likert Scales were used to quantify the responses. Each stakeholder group had a customised survey or interview format developed by the researcher to elicit responses in the same or similar areas for comparable data. Although many of the questions in the three stakeholder questionnaires were the same, there were some questions that were specific to each stakeholder group.

Qualitative data were collected during one-to-one interviews with Malaysian academics and MBA program administration personnel.

The key questions guiding this research focused on measuring the alignment between student goals, teachers’ goals, MBA program goals and the institution’s goals, as well the goals of business or employers that encourage an MBA education. The research questions listed below identify the focus of this study.

**Research questions**

1. What do students want from their higher education experience?
2. What do employers want students to have after completion of a higher education provision?
3. Within the constraints of a market-driven economy, are higher education institutions meeting the goals of students and employers?
4. What does a goal-aligned structure that meets the needs of students, employers and higher education providers look like?

Goal alignment here maintains the principle that different programs offer different emphases for learning, with quality ensured through alignment towards the program focus. Focus group discussions aided the development of test instruments followed by pilot testing of the
questionnaires and interview questions. Research protocols were important steps in the study. The statistical data collected were charted on goal alignment scoring grids in comparable areas of inquiry. Figure 3.1 shows an example of a scoring grid used in the research to show the goal alignment for the MBA program focus of corporate strategy—formulation and planning.

The centre line of the grid is the program focus holding a maximum value of six, as determined by forced choice answers on the Likert Scale selections from the questionnaire surveys. The left side horizontal axis shows the academic survey group representing the process of teaching. The top vertical axis of each grid represents the institutional program.
resources and policies. The premise of the proposed goal alignment model is that all programs have resources and policies in place, yet all stakeholders may not be aligned to the program. Using a score of six for the institution’s axis would have implied a strong favourable bias, providing no room for improvement. Instead, a mean score of 5.0 was used on the top vertical axis, giving benefit to the supposition that the program is internally aligned. The diamond-shaped area displayed within the scoring grid is representational of alignment; the tighter the focus is to the centre, the closer the alignment of the stakeholder groups. Conversely, the further away the focus is from the centre, the greater the lack of alignment from the program focus with one or more stakeholder groups. The program goal or focus for corporate strategy—formulation and planning—is shown as fairly well aligned.

Findings

The goal alignment model was originally proposed for use in business (Labovitz & Rosansky 1997). Master’s work by this researcher adapted the business model to education and focused solely on teacher goal alignment. Expanding the model to include the larger scope of key stakeholders in higher education was a focus of the research. The four goal themes encompassing the model of goal alignment are: cost, commitment, career and credential. The model of goal alignment developed in the research could provide a means by which institutions could inform the public, improve the success of their programs and, most importantly, improve student success by directing the right student to the right program for the student’s goals. Figure 3.2 displays the model of goal alignment developed in the research.
The implications of this development on international, regional, national and local levels could affect policy and practice by providing a standard for quality assurance that, to date, is not coordinated internationally by accreditation. Where the acknowledgements of quality and student success remain unrecognised, or perhaps unknown, is with public
awareness of program provisions and the preponderance of choices. The distinction made through the implementation of goal alignment would be with the institutions that have elected to identify their programs into goal categories and those that have not.

An example of the benefits of goal alignment was discovered in the research. Some of the MBA graduate participants believed that the nine-month timeframe for the MBA program was too short and the learning too general for what they thought should have been conducted over a two-year period. The MBA graduates who were dissatisfied with the SCU/SCMC MBA program did not share the credential goal category governing the program. Had these students taken an inventory to determine their goal category it would have identified them as belonging to the commitment category. The commitment goal category more closely follows the traditional model of education provision and allows the student to commit to a field of study that is of specific interest. The MBA program in this case study follows the business or market model of education provision, identifying credential as the goal category. Credentialisation is often offered in a condensed timeframe yet recognises work experience as a basis for student success in the program. Specific fields of study are not offered in this MBA program as the student is expected to have a level of expertise in the business world and, with some study, the program or institution can provide the degree to document it.

**Limitations and future directions**

A limitation of this research is that it did not attempt to include all forms or modes of education within its context. Higher education and the specific provision of MBA programs became a limiting factor. Other business models were also not addressed as their documented relationship to education was weak. This research was conducted at one location to help formulate the themes encompassing the goal alignment model. Existing research on teacher-student goals remains
limited as does research on student-institution goals. The information on goal alignment was limited and supporting research on educational goal alignment as investigated by simultaneous perspectives of key stakeholders was non-existent. An unintended limitation to this research was the number of research participants. Future researchers may be able to provide stronger answers with larger participant groups. Also, future research using a similar case study, including the use of grounded theory, could help determine whether the emergent themes are the same or similar.

Researcher’s retrospective

Genesis of the research

The background to this study was the continued interest in goal alignment as developed in my master’s research. The earlier study was limited to one stakeholder group, teachers, thus leaving the door of investigation open to explore the larger realm—the organisational level of goal alignment. Focusing on the existing state of program offerings, identifying the stakeholder groups and analysing stakeholder goals were key to the research. I believe that the most important stakeholder in any higher education provision is the student.

From the perspective of aiming for student success and quality in every educational environment, from programs at career colleges to degree programs at universities, a standard means of identifying which program best meets the stakeholders’ goals remained the thrust of the investigation.

At the beginning of this study, four questions spurred the inquiry towards developing a model of goal alignment, namely:

1. What are the student’s goals?
2. Are student goals in alignment with their actions?
3. Are teacher goals aligned with their teachings and with the students’ goals? and
4. Do institutional goals support the learning goals held by both students and teachers?

These questions now have the possibility of being answered and, within the context of the case study research, they have been.

Process

The research process started in 2003 after four foundational courses from the MBA program. I was living in Malacca, Malaysia, and working full-time. My social life was slow so my studies progressed at a steady pace for the first two years. Chapter One essentially wrote itself as it established the problem statement and identified the research methodology.

I then attempted to embark on Chapter Two, the literature review. Knowing I wanted to develop a model, I first looked at business models as introduced by the foundational MBA courses I took. Further research had me exploring other models suggested by my supervisor, Professor Phil Neck. A new area of inquiry developed as I explored the literature on the WTO and GATS. An article by Jane Knight (2002) spurred my interest even more. The myriad pieces of information on the GATS began my understanding of the commodification of education, the viewpoints for and against commodification, and the identification of education stakeholders and current modes of supply for education provisions. Chapter Two was shaping up so I set it aside to make plans for moving forward.

Phil and I met monthly in Kuala Lumpur to discuss progress and ideas for continuing the inquiry as well as planning for the data collection component of Chapter Three, the methodology. This included writing a report for SCU’s Human Research Ethics Committee (HREC) as part of the ethics approval process. The report became the foundation of
Chapter Three. Once approval was granted, and in accordance with HREC regulations, SCMC staff made initial contact with all potential participants. One-to-one interviews were arranged with Malaysian academics and SCMC personnel, while Australian academics, employers and MBA graduates were sent surveys via email over a three-week data collection period. Without the assistance, cooperation and coordination of SCMC administration and support staff this research would not have been possible. I feel very grateful for their assistance and support.

With data in hand, I returned to Canada in 2004 and slowly worked on developing Chapter Four, the research findings. I had not completed writing Chapters Two and Three but was most interested in the results of goal alignment as per the data. Moving through the statistics and designing graphs and charts, Chapter Four was almost done. The goal alignment scoring grids worked and displayed information as expected. Emails and the odd long distance phone call to Phil kept me on a reporting structure slowly showing progress. Since I was finding it difficult to feel involved while being so far away, Phil suggested that a feeling of accomplishment would be achieved if another chapter was completed soon.

Returning to the review of literature I began to re-read the articles I had shelved almost a year earlier. I started grouping them into common themes using sticky notes and began writing again. Developing a funnel of focusing topics assisted the process greatly and to my surprise displayed no gaps. The chapter was completed a month later and remains one of the most interesting for me.

Phil continued to support me and my unorthodox approach to thesis writing. In hopes of still developing the model of goal alignment I started working on Chapter Five, the conclusions. Returning to the Four Cs of goal categorisation—credential, cost, career and commitment, I found that the central focus of educational goal alignment should be on the program as investigated in the case study research. The model of goal alignment in higher education was built.
Writing commenced on Chapter Three but, having been away from the methodology for so long, I soon became stuck. The sequential justification of choosing a case study, the process for data collection and the development of test instruments was written; however, the missing link was the theory building aspect that led me to the development of the Four Cs of goal categorisation. The goal themes evolved with a change of attitude that accepted every educational provision as valid. The influences behind my attitude change included information from focus groups prior to data collection, interview data and literature. Another communiqué from Phil reminded me of grounded theory (Glaser 1992) where theories are not proven but emergent. Although latent in definition for this methodology, grounded theory assisted with weaving together the threads of information that developed into the thesis.

**Strengths and limitations**

The embedded case study methodology offers the multiple perspectives desired for this research. The largest hurdle to overcome with examiners was the number of participants per stakeholder group during data collection—four employers, three academics for surveys and three for interviews, 25 MBA graduates, and the institution’s participant numbers included one boss and three staff. Although small in participant numbers, there were a total of six research participant groups. Further limitations were also discovered in the lack of existing research on student goals, the conflict between student and teacher goals and goal alignment in general.

**Strategies for gaining resources**

As education is a relatively new commodity for global trade, how quality education is being offered, measured and assured was of importance to this study. Published research on student goals and educational goal alignment was so limited that I took a circuitous route to gaining the
Grounded Theory—Emerging Themes of Goal Categorisation

information needed. I researched stakeholders and goals, business models and globalisation on three levels—global, regional and national. As the case study was to focus on an MBA program, I then read about modes of supply for business education including the traditional or academic mode, the market-driven mode, corporate education mode and distance education or IT-assisted programs. As the DBA program is an international program, I was careful to include literature research from Australia as well as Canada, Malaysia and the United States of America.

**Hurdles**

I had hoped to conduct the data collection at my place of employment; however, that did not work out. While searching for options for a location for the case study, Phil and other academics from the DBA program suggested Southern Cross University and the Southern Cross Management Centre. Although I had a strong demonstration of support from the staff of both institutions, it was an intimidating proposition. This was the same university through which I was studying. What if my research found something undesirable?

On 15 February 2006, the thesis was submitted for examination. I was pleased and felt very proprietary towards its contents. When asked by examiners for more information on the results of the SCU/SCMC MBA program I directed their interest to the main focus of the research, the model of goal alignment. I remember being offended having to defend my thesis and justify the methodology and account for the low participant number when it seemed to me the answers were evident within the content of the thesis. It seems silly now to be so attached to the research and almost every word that I had written. By June of the same year I was awarded the degree.

If one is organised and motivated, the DBA program can be completed in two years, but I chose a three-year plan for completion to accommodate my budget. I applied to the Canada Student Loans programs for funding assistance and received a welcome surprise of
a doctoral grant as well. I was also impressed to learn that the DBA program is recognised in both Canada and Australia. Money issues abated and I was able to move forward again.

**Outcomes**

The beauty of case study methodology is that everything should be included as developed in the research. And it was. I started to explore the reasons why students chose different programs at different institutions. The discovery was that each location held something the student wanted or needed, in essence, a goal—a credential, career enhancement, affordability or cost or learning for learning’s sake (later termed commitment). SCU/SCMC’s MBA program is conducted in a condensed timeframe allowing students to continue working without the traditional immersion in an educational setting while attaining the degree. Looking at the four categories as they emerged I began to see the distinctions and definitions between them. They became the four goal themes encompassing the model of goal alignment. I started to see that no educational experience was bad, wrong or a waste. I started to accept that each program filled an unacknowledged student goal. Most students were unable to identify why they chose the program they entered, it just seemed right. Examples of programs that appear aligned within the goal themes as developed in the research are provided below.

**The four goal themes**

**Career goal theme**

MBA programs aligned for the career goal category are offered by Ivy League schools. It is generally believed that the reputation and prestige of an institution offers improved options for careers. Office administration programs and bookkeeping programs may also fit into this category if the program is designed to get the student into the workforce as soon as
Grounded Theory—Emerging Themes of Goal Categorisation

Many types of healthcare assistant programs offer initial career training with transferable credits to a medical specialty program such as nursing. The career goal theme is a versatile and large category.

Credential goal theme
The SCU/SCMC MBA program is an example of a program within the credential goal category. As an executive MBA degree the acknowledgment of work experience is essential to the program; essential to the student’s career or advancement is the degree. Getting the piece of paper becomes the focus of the student’s efforts.

Commitment goal category
The commitment category is usually meant for the student who has always known what he/she wants to study. The student will attempt to do whatever is necessary to accomplish the goal. Students who study music or train to become pilots are examples of commitment goal orientation. Another is the student in a Master of Arts program, which requires two years of fulltime studies with double majors, plus two internships and a thesis for completion. The commitment to learning is important to the goal.

Cost goal category
Job cuts have recently seen many middle-aged employees looking at educational options to further employability. A focus on the cost of returning to school as well as the income potential following an education program would place a student in the cost goal category. A two- to three-month custodial training program is a low investment for job possibilities with reasonable pay expectations.

Source: Developed for this research

The goal alignment model could help institutions identify their programs into goal themes for a better match with potential students. Program administrators and teachers would then have students who know what to expect, what is expected of them, and who would have a higher degree of success in the program. Governments could assist the effort by introducing the goal alignment model to high school
students for post-secondary decision making. Teachers could use goal alignment for job and career directions, choosing a program that best suits professional goals, teaching styles, influences in the classroom and a host of other options within the theme categories. Employers could also use goal alignment as a vehicle to access potential employees who are closely aligned with the company’s goals and needs.

Relationships

I consider myself very fortunate to have had Phil as my thesis supervisor. I was able to investigate the research problems that interested me and had his support for an area of inquiry relatively new to the business realm. Phil was always available and ready with answers for moving the research forward. When slogging through copious articles and deciding what to write in the review of literature, Phil’s advice was along the lines of ‘the chapter will be done when everything is discussed—keep at it’. And he was right! It remains a very interesting chapter for me. He was always professional and held the expectation of me being a self-motivated professional too.

The encouragement from research participants, especially graduates from the MBA program, was a welcome stimulus. At times I was completely engaged in the writing process and data collection, while at other times I lacked motivation and was susceptible to procrastination and distractions. Other relationships key to the successful completion of my research were with family and friends, near and far. A recent PhD graduate friend of mine assisted me greatly by encouraging weekly reports on my progress and acting as a sounding board for new ideas. So did a cohort member from my master’s program. A series of unexpected communications was also held with professionals at The Observatory for Borderless Higher Education. Even though I am not a member of this organisation, nor is the SCU library, an important article by Jane Knight (2003) was forwarded to me free of charge.
Reflection

I loved what I studied and learned even though I was often lost in the complexities of information overload. Had I waited until I had the financial resources to support this learning, I would still not be in the program. I wish I could have followed a more linear path to completion; it would have been easier had I committed earlier to a more productive attitude. Doctoral studies are a relatively solitary endeavour but keeping in touch with my supervisor and having a strong support circle helped me through the process. I am satisfied that I have produced a readable document, developed the model as hoped for and answered the outstanding questions from my master’s research. The biggest influence on my perception of education as a tradable commodity was arriving at the conclusion that no form of education is poor, or less than another; just a different focus.

Supervisor’s comments

Genesis of the research

This research followed as a natural sequel to the candidate’s prior studies for her Masters degree dealing with goal alignment. The research was founded on a perceived need to focus on success in the higher education domain requiring an alignment of the stakeholder (student, teacher and employer) goals.

Process

Having established that the research identified an area lacking in previous studies, Dianne and I decided to consider building a model of goal alignment to provide a structure on which stakeholders would be able to make informed choices towards achieving students’ educational
careers. In this respect, a decision was made to adopt a grounded theory approach as the basis for building a model since, at the time; no alternative seemed to be available.

The dissertation commenced in 2003, with Dianne undertaking four units of coursework followed by the preparation of a research design, preliminary literature review and obtaining clearance from the Human Research Ethics Committee to commence fieldwork.

Most of the actual thesis writing was completed in 2004, while Dianne resided in Malaysia, the location of the study. She returned to Canada in 2005, where the final thesis was written up and presented for examination, was completed in 2006.

The resources to complete the study were supplied in large part by the Southern Cross Management Centre in Kuala Lumpur, which provided access to academics, employers and students in the appropriate programs examined during the course of the investigation.

**Hurdles**

The major drawback during the currency of the study was the shortfall in numbers required to provide a workable sample of the various groups involved. However, this was largely overcome by employing an embedded case study approach that relied on triangulation of the groups using in-depth interviews and cross-referencing the data obtained.

A further problem emerged when Dianne was forced to move back to her home country as her employment in the country of the study came to an end. This caused some disruptions to the continuity of the investigation.
Outcomes
The commentary included in the dissertation was based, in the main, on the literature review component of the study. However, in the final analysis, this required a severe pruning of the information that had been collected and originally submitted in the draft proposals.

Relationships
Dianne’s mature attitude to the study and to those involved in the project ensured that there were no complications in this respect. Dianne and I still enjoy close communication on the topic of the dissertation that she is continuing to pursue in terms of finding applications in a variety of situations in other countries.

Reflection
In hindsight it appears that the methodology and approach agreed and adopted for this study was most appropriate. Apart from expanding the data collection aspect, there is little else that could be gainfully changed to improve this study.

References

Researcher’s profile

Dianne Lawrence has a background in Special Education and taught American Sign Language for many years until she discovered travelling. After working abroad and travelling to more than 60 countries, Dianne returned to Canada to earn a BA in Adult Education concurrently with an MA in Education Leadership from the United States. She continued to seek employment overseas and, while working in Malaysia, she began the doctoral program from Australia and completed it in Canada. She now lives in Belize, Central America, and is developing student and institutional inventories for use with the categorisation of educational goal alignment.

Supervisor’s profile

Philip Neck is presently an Adjunct Professor International Management and Development with the Graduate College of Management at Southern Cross University. He was previously Head of the Entrepreneurship and Management Development Branch of the United Nations International Labour Office and served with that office and several Development Banks as a Productivity Expert specialising in economic and employment development. Prior to these
appointments Phil was Director of Applied Research projects at the University of Western Australia and was Foundation Director of the Centre for Applied Business Research. He was also Director of Western Research Services following his work as Company Psychologist in the Operations Research and Market Research Departments of the Shell Group of Companies, Australia.
Questionnaires & Interviews—Measuring the Value of Teamwork

Warwick John Lyon & Donald Wilson McMurray

Title of the study

What is the relationship between team and individual sales incentives and how do they affect performance in the Australian IT industry?

Purpose

I had worked in the information technology (IT) industry for over thirty years, 25 of those in sales and sales management. The sale of IT solutions needed a more technical approach to selling as potential clients became more IT savvy and solutions became more complex.
Salespeople were becoming more and more dependent on technical support personnel to achieve their sales targets. I came to believe that the salesperson alone should not be regarded in awe and rewarded when sales were made. I could see a situation similar to that of fighter aces and ground crews in wartime. Surely salespeople would get more cooperation from their technical support people if they could all share, in some way, the glory and the rewards.

I also had a theory that salespeople, indeed all people, may be more motivated by non-financial rewards—and more so if they could individually nominate the reward they would prefer should a set goal be achieved.

At my place of work I was the only salesperson and highly dependent on my technical support people. At the time of entering the Doctor of Business Administration program at Southern Cross University I convinced my employer to allow my theories to be put into practice. The results were encouraging—cooperation was improved and sales increased.

As a result of this experience I chose these theories as the topic for my research. The key research questions addressed with reference to the relevant literature were:

1. That motivation improves performance;
2. Incentives increase motivation;
3. Intrinsic motivation is preferable to extrinsic motivation;
4. Non-financial incentives are preferable to financial incentives;
5. Teams will function better than the sum of the individuals; and
6. Incentives paid to teams will increase their motivation and performance.

Keywords
Motivation, incentives, rewards, teamwork, empowerment, IT sales
Methodology

The Australian IT industry consists of over one thousand organisations. A large majority of these are one-person businesses, while many others are too small to justify a team-based operation. Nevertheless, it was decided to survey one hundred organisations operating in the Australian IT industry. They were selected using the researcher’s knowledge of the industry, directories, lists of conference exhibitors and job advertisements. Larger organisations, those believed to have more than one salesperson, were selected as they were more likely to have enough salespeople to justify the formation of teams.

The aims for this research were both exploratory and explanatory, employing a combination of qualitative and quantitative research methodologies. Basic research advances knowledge about the social world and explains why and how things occur. Within this category there are a number of types of research. Exploratory research is undertaken when there is not enough information available about a research subject (Sarantakos 1993). Explanatory studies are used when the researcher wants to do more than explore or describe a topic. They have been used by researchers to look for how something occurs (Creswell 1998; Neuman 2000). Creswell (1998) supports the use of a quantitative study prior to conducting a qualitative study. Quantitative studies tend to have fewer variables and more cases than qualitative studies. In this way the broad versus the more focused view is evident. Creswell (1998) also recommends a pilot qualitative study to reduce ambiguity and to put the interviewer at ease. In summary, House (1994) believes that the worthiness of the subject matter is the most important issue and debates about methodology should be secondary.

The researcher, with his supervisor’s advice, was of the view that the best results could be obtained by combining the features of both quantitative and qualitative research methodologies (King et al. 1994; Neuman 2000). The strengths and weaknesses of each methodology complements those of the other (Leedy 1997; Neuman 2000). This
combination is thought to enhance the validity of the research by combining the best features of both (King et al 1994). The use of both methods enables triangulation, which is a process of using more than one data collection method to allow for the viewing of results from several perspectives. Thus, triangulation can increase the credibility of findings (Leedy 1997).

Initially, a mail-out survey was used, followed by in-depth interviews with selected organisations. Two research instruments were used. First, a survey questionnaire was developed, pre-tested and mailed to the one hundred organisations, selected at random, for the collection of quantitative data. After the responses were received, in-depth face-to-face interviews were conducted with organisations that were prepared to cooperate further in the study. The survey questionnaire was used as a framework for gathering qualitative evidence during the interviews.

The survey questionnaire consisted of 38 questions that required to be answered with either a ‘Yes’ or ‘No’ answer, or a rating of 1 to 10, or a response to be chosen from options such as ‘very satisfactory’, ‘satisfactory’ or ‘not satisfactory’.

The data were then carefully tabulated on a spreadsheet and analysed for recurring patterns and themes prior to conclusions being drawn.

Findings

The research problem set out to determine the relationship between team and individual sales incentives and how they affect the performance of organisations operating in the Australian IT industry. Contrary to the view supported by the extant literature, this research revealed that organisations in the Australian IT industry do not widely embrace the concepts of team operation and team-based incentives. They have also not widely adopted the concepts of intrinsic motivation and non-financial rewards. Management culture in the Australian business environment may be a factor in this discrepancy. The Australian culture
is one of competitiveness and individualism. Hofstede (1993) suggests that local cultures have an important impact on successful management outcomes, particularly on the ways people are managed and the managers’ behaviour in relation to their subordinates. In addition, Adler (1991) argues that participatory management techniques that are widely encouraged by managers in some cultures are not seen as appropriate in other cultures.

The quantitative and qualitative research in this study highlighted the lack of management planning and communication in the implementation of team-based schemes by organisations in the Australian IT industry. It also highlighted a justification for more management training in these areas. Once again, any discrepancies between what the literature supports and what occurs in practice in the Australian context may be explained by differences in management and work culture.

The implications for theory derive from the fact that the advantages of team formation and the offering of non-financial incentives to sales teams have been strongly supported by overseas research. However, there is little evidence that these concepts have been widely adopted in the sales environment by Australian organisations, particularly in the IT industry.

This research has made a contribution to theory in the field of organisational behaviour in that it identified that the Australian IT industry has not widely accepted the concepts of team-based incentive programs by way of intrinsic motivation and non-financial rewards. In addition, this research has found that, where such schemes have been introduced, there is a lack of management planning and support and a lack of communication between management and employees. Furthermore, it has been found that Australian IT organisations do not generally seek employee input on the composition of teams, the setting of team objectives, or on the form that incentives will take.

The research identified the need for Australian IT organisations to consider these concepts to increase employee empowerment to achieve more sales and corporate success. This may mean a change in corporate
culture, acknowledging that, to remain competitive, an organisation and its employees must work cooperatively to achieve their business objectives. Additionally, the research identified the need for better planning of a team-based operation.

It was found that organisations must better communicate their objectives for a team-based operation with their employees. They should consider the employees’ point of view in regard to team composition, targets to be achieved and incentives to be offered. These arrangements will empower the team members and lead to greater cooperation and performance.

Although the concept of team operation is something the surveyed organisations recognise as having potential benefits, they have been somewhat tentative in embracing it. Those that have put a system in place have generally failed in the effective implementation of their system. They have not generally sought prior agreement on the scheme from the participants, have poorly communicated its purpose and benefits, and have limited measurement and feedback procedures in place.

Management in Australian IT organisations could benefit from some assistance in the planning and implementation of team-based incentive schemes. Organisations that are contemplating the introduction of a team-based incentive scheme could do well to consider the following checklist.

Checklist for introducing a team-based incentive scheme

1. Does the scheme have the full support of senior management?
2. Does the scheme have the approval of relevant trade unions?
3. Have employees been involved in the planning process?
4. Are there adequate systems in place to administer the scheme?
5. Are there effective communication channels in place?
Finally, based on overseas research, there are significant benefits to be gained by Australian IT organisations from implementing team-based operations supported by effective incentive programs. The team operations should be adequately planned and team members should be involved in the planning process. In this way, the employees, through their teams, will be empowered to work cooperatively to achieve their employers’ business objectives.

**Limitations**

The Australian IT industry does not consist of a large number of organisations that employ significant numbers of people to justify a team-based operation. This limitation was acknowledged and did not detract from the strength of the study or the findings.

The 30 per cent response to the one hundred mailed questionnaires was slightly disappointing. A follow-up mailing did generate some more responses and several other responses were received too late to be included in the study.

There is always a difficulty in establishing causality when assessing personal values, attitudes and expectations.

Finally, this study of the IT industry in Australia has provided a platform for future research in other industries and in IT organisations in other countries.
Researchers’ retrospective

**Genesis of the research**

For tens of thousands of years people have been involved in trading their wares and services. Also, since the time of the industrial revolution, researchers have been studying the concepts of motivation and teamwork and their effects on the output of workers.

The business climate in which organisations operate is more competitive today. With globalisation, there is more skilled competition not only from Australian organisations but also from subsidiaries of overseas organisations. In the IT industry the ‘sell’ has become more technical and requires the support of specialist technicians to get the sales message across effectively. Purchasers negotiating with a potential supplier need to be convinced that a supplier’s organisation works as a team. No longer can a salesperson sell effectively without support from administrators and technical specialists. Organisations now need to consider the use of teams to work together to achieve a successful sales outcome. It is now, more than ever, a case of the organisation making a sale rather than an individual. There is a strong argument for rewarding all participants for a successful outcome, rather than just one individual.

Salespeople, working as individuals or in teams, have been employed to perform the sales function for IT organisations. It is common for these salespeople to be managed by a sales manager and to be remunerated with a base salary and commission or, in some cases, to be employed on a commission-only basis. Often, they are rewarded for achieving their annual sales targets with an end of year ‘convention’ trip to a domestic or overseas destination. In some cases their achievements may be rewarded with a share of the profits, shares or merchandise prizes.

Apart from offering commissions, incentive trips and other rewards, sales managers may attempt to further motivate their salespeople in a variety of ways on a day-to-day basis. The most recent attempts have
involved the use of teams. It must be noted here that for an organisation to consider a team-based operation it must employ sufficient salespeople to justify the approach.

Studies in the United States of America have shown that the formation of work teams, supported by incentive programs, can improve organisational performance as well as the performance of individual team members. Studies by Fisher (2000), Gross (1995), Noonan (1998), Russo (2001), Wageman (1995) and Zobal (1998) have found that, to remain competitive in a fast-moving business environment, organisations are forming work teams to improve customer service and efficiency.

Wageman’s (1995) study of work teams at Xerox Corporation was typical of these studies and showed that when purely team incentives were offered, employees eventually accepted and preferred a team structure. Conversely, teams without team incentives did not adapt well to a team structure. An ancillary benefit of these initiatives has seen individual employees become more motivated. This added motivation has led to increased output, less absenteeism and a lower turnover of staff (Wageman 1995).

This study questioned whether the above trends were being adopted by organisations in the Australian IT industry. It is reasonable to ask, for example:

1. Are IT organisations in Australia forming work teams to sell and support their products and services?
2. Are these teams effective?
3. Have team operations been implemented effectively?
4. And, if they have formed teams, do they offer team incentives?
5. And, finally, are these incentives financial or non-financial?

The Australian IT industry has been in operation for less than fifty years. For all of that time IT organisations have been selling their hardware,
software, services and support to other businesses and government institutions. The Australian IT industry consists of many organisations that vary in size from one-person shops to large multinational corporations.

The aim of this study was to explore the relationship between team-based and individual incentives and determine how they affect performance in the Australian IT industry.

My experiences gained working in the Australian IT industry led me to believe that, with evolving trends in the industry, there may be advantages to be gained from a team approach supported by an effective incentive program.

The literature reviewed for this study strongly recommends well-planned and managed team-based operations, the use of intrinsic motivation and non-financial rewards. This study sought to establish how well these concepts have been adopted by the Australian IT industry.

Whereas many Australian IT organisations appear to have accepted the benefits of team-based programs in theory, they have not effectively planned, implemented and managed them. Also, these organisations have not widely accepted the concepts of team incentives, intrinsic motivation and non-financial rewards that are largely supported by the extant literature. This may be due to the individualistic culture inherent in the Australian commercial environment.

This study has highlighted a need for further research into possible mechanisms for increasing the level of acceptance and adoption of these concepts by non-IT organisations in Australia and in IT-based organisations overseas.

The research adds to the existing body of knowledge by identifying some of the explanatory variables underpinning the Australian IT industry’s reticence to use teams and non-financial incentives to promote motivation. In this way, implications for theory in organisational behaviour have been discussed. Further, implications for practice
suggest a need for management to better plan and communicate team-based incentive program details to their employees.

**Process**

Once a research topic had been chosen and title agreed upon between me and my supervisor, Dr Don McMurray, the literature search began.

I used a DOS-based database software package to catalogue all identified resources. Libraries and the internet were accessed, as well as relevant sources in my own home library. This process took the best part of 12 months to complete during 2001 and 2002.

Don and I agreed that a mixture of quantitative and qualitative research methodologies should be adopted, with triangulation to allow for the viewing of results from several perspectives.

I was based in Melbourne, the relevant university campuses are in Tweed Heads and Lismore, and Don works at both campuses and lives in Ballina, NSW. Logistically, this did not pose any problems. The DBA program caters well for distance-education students with telephone tutorials, workshops and by means of email and telephone communication.

My routine was to diagrammatically represent the elements of the complete project, then do the same for each of the required five chapters. I set myself a timetable and worked to it as closely as possible. My aim was to complete the project before my 60th birthday. I achieved that, although the examiners, unaware of my timetable, overshot my birthday celebrations by about a week.

**Hurdles**

One difficulty that I encountered was getting my head around the immense amount of research data and being able to see the big picture. Designing the chapters in such a way that each could be written...
separately solved this problem and made the process more manageable. Then, by linking each chapter the final result came together in a logical way.

Responses to the mailed questionnaire were adequate in number, if not spectacular. From these, organisations were contacted to participate in more detailed case studies and a satisfactory representation of organisations in the industry cooperated in face-to-face meetings.

There were no changes of direction or involvement once the study got under way.

Of course, over a period of three years, one can expect some disruptions and frustrating delays. During that time Don had university and personal commitments, including a visit to Canada to deliver a paper at a conference.

**Outcomes**

Deciding on what to include and exclude was an issue as the literature on motivation extends back at least to the beginning of the 20th century. Choosing what to include became a consideration so as to maintain some balance between ‘motivation’ and the other issues key to the study.

**Relationships**

I had an excellent relationship with my supervisor, receiving prompt feedback and useful suggestions. The university also provided good assistance with workshops, mailing facilities and access to the library and its resources.

My employer at the time, AH Technology, allowed me to implement a team-based incentive scheme that proved to be worthwhile and was well accepted by all team members.
Organisations that cooperated in the case studies were helpful. My knowledge of, and involvement in, their industry provided me with additional credibility.

**Reflection**

As I no longer work in the IT industry I have less of an interest in some of the issues involved. However, in the education field that I am now involved in, issues of teamwork and motivation do exist even if financial incentives are seldom relevant.

I thoroughly enjoyed the process and the final satisfaction of completing the study and having it accepted by the examiners. The personal discipline one needs to complete such a project is character building.

There was never any chance that I would not do all that I had to do to achieve a satisfactory result. However, in the early stages after the literature search, I had problems getting my head around the whole project. Once I decided to sectionalise the issues, the task became more manageable and the final goal became a real possibility.

Would I do it again? Not the same thing, of course, but another topic would be considered. I would not do it any differently; the research methods, planning and working routines served me well and would no doubt do so again.

I had an unsuccessful attempt at tertiary study after leaving school. Twenty-eight years slipped by before I tried again. After being awarded a BA and an MBA without failing a subject, to attempt the DBA was seen as a worthwhile challenge and failure was never a consideration.
Supervisor’s comments

*Genesis of the research*

The formulation of the research problem took place over a period of time that extended across a number of research symposia that the Graduate College of Management stages twice a year at the Tweed campus for the benefit of its doctoral candidates.

*Process*

It is at these symposia that opportunities are provided for candidates to canvass prospective supervisors to assist them with their research endeavour. It is not uncommon for this process to take up to six months or more as both candidate and potential supervisor explore the efficacy of establishing and committing to beginning the research process in the context of a supervisor-candidate relationship.

In this instance, it was clear to me at least that Warwick had adequately conceptualised the research problem and possessed a passion that would sustain him throughout the period of his candidature. I feel this is a critical element that needs to be in place from the outset if the venture is to retain sufficient momentum.

It was also apparent from the beginning that Warwick had positioned himself clearly with respect to the ontological and epistemological underpinnings to his research. Consequently, his research methodology was clearly articulated in terms of its capacity to respond to the research questions posed. Warwick took the initiative in developing strategies necessary for gaining the resources needed to conduct his research.
**Hurdles**

In any area where there has not been a great deal of research undertaken there are often a number of hurdles to contend with. To begin with, there was a paucity of literature concerning the use of team-based incentives in sales. This was particularly the case in the Australian context. Second, there was a problem associated with identifying a suitable sampling frame since the majority of IT organisations in Australia were too small to warrant the use of a team-based approach to selling. While this did not lead to a change in direction of the research effort, it did act as a constraint in terms of the outcomes being able to be generalised beyond the organisation that constituted the research sample. Finally, financial and time constraints preclude IT organisations from all parts of Australia being proportionally included in the sample.

**Outcomes**

Most of the decisions surrounding what to include and exclude in the research design were made by Warwick. He had a clearly formulated and defensible research plan from the beginning. Minor inputs came from me with respect to generating options for data collection and analysis but, in the end, it was Warwick’s call.

**Relationships**

Perhaps the most important relationship associated with the doctoral program is that between the candidate and their supervisor. The quality of the working, and indeed personal, relationship I formed with Warwick was such that the research journey we embarked upon together was both a fruitful and a satisfying one. I found Warwick to be professional, committed and persistent in meeting the challenges thrown up during his candidacy. He strove to achieve excellence in all aspects of his research endeavour and he is to be congratulated for that.
Reflection

Supervising this thesis confirmed a number of personal beliefs I have come to develop in my tenure as a postgraduate supervisor. First, it was a collaborative and highly interactive venture right from the outset. Communication on a regular and frequent basis; for the most part, ongoing communication was initiated by Warwick on a needs basis. I am firmly of the view that the establishing of timelines leading to the achievement of particular milestones should rest primarily with the candidate. They are, after all, adult learners keenly aware of the pressure points in their working and personal lives that sometimes act to inhibit the flow of their output. Lest my supervision style be perceived to be somewhat laissez-faire, it should be said that there should be mutually agreed upon expectations set down in the earliest stages of the project and these should be continuously monitored.

I am comfortable with supervising students from a distance and with minimal face-to-face contact. This study was no different in this regard. What is important is establishing the kind of relationship that Warwick and I had, wherein I saw my prime role as providing Warwick with appropriate resources, advice and feedback at those times when it was most needed.

Given my record of successful completions as a supervisor I see no need to make major changes to my supervising style. Over the years I have become noticeably less directive in my approach and have gravitated to a point where I see myself more in the role of coach and mentor.

As an officially retired academic I should probably step aside but find it difficult to do so while I feel that I have something to contribute and my students continue to succeed.
References


Researcher’s profile

Warwick Lyon was born in Sydney and educated at Sydney Grammar School. He lived and worked in Sydney until he moved to London to work there for two years. Since 1977 he has resided in Melbourne. He returned to study later in life and was awarded the Bachelor of Arts, Master of Business Administration (CQU), Doctor of Business Administration (SCU), Graduate Diploma of Education (Monash), Diploma of Freelance Cartooning and Illustration and Certificate IV in Assessment and Workplace Training qualifications. He was employed
in the IT industry from 1960 until 2002 in various roles from computer operator, programmer, systems analyst and salesman to sales and branch manager. At the age of 60 he decided that his knowledge and experience would be more suited to teaching and currently works as a teacher at an international school in Melbourne teaching business management, accounting and information technology. Warwick’s personal interests include playing rugby union for the Boroondara Wizards, oil painting, reading, cartooning and writing. He has recently published two novels and his autobiography.

**Supervisor’s profile**

Donald McMurray began teaching at one of Southern Cross’s predecessor institutions in 1975 and, since that time, he has supervised students at all levels of postgraduate study from Honours, Masters through to Doctoral programs. His academic background is in the area of Experimental Psychology with direct applications to all forms of organisational learning, including strategies for empowering and motivating employees, coping with change, developing leadership skills, knowledge management and conducting quantitative and qualitative research. As an educator Don has invested energy in creating online learning materials that promote collaborative outcomes and the establishment of communities of practice. Since officially retiring in mid-2005 he has continued to supervise postgraduate students as well as undertake consultancy work for organisations, such as the RAAF and the Richmond-Tweed and Clarence Councils. Don’s one enduring teaching passion is to retain carriage of the Qualitative Research Methods unit in the Doctor of Business Administration program at Southern Cross University’s Tweed campus.
Life & Work History
Analysis Reveals ‘Butterfly Behaviour’

Vivienne S McCabe & Lawson K Savery

Title of the study
Career profiles and labour mobility in the convention and exhibition industry in Australia

Purpose
Over the past decade the convention and exhibition industry has sustained rapid growth worldwide. This new industry sector is also currently the fastest-growing, high-yield sector in the Australian tourism industry and is an extremely important and lucrative source of
tourism revenue generation for the country (Tourism Events Australia 2004). The convention and exhibition industry is often perceived to provide excellent career prospects, yet there is a lack of information on career opportunities and their development. Given these facts, it is important to develop an understanding of the labour markets and career opportunities within this sector.

**Key words**

Career models, career development, career paths, convention and exhibition management

**Methodology**

The research gathered quantitative empirical data from a range of individuals employed within the convention and exhibition industry in Australia in four main areas: the structure and form of an individual’s career; information on an individual’s career mobility; the use of career planning and development strategies; and evidence of career commitment using information on the individual’s job attitudes and motivations.

The research design included an exploratory pilot study, pre-test of the research instrument (a structured, self-completed survey questionnaire) and major data collection process. Through the use of the techniques of life and work history analysis and attitude measurement, career information was gathered from a sample of managers employed within the various sectors of the convention and exhibition industry in Australia. Given that the focus of the research was to gather industry-wide behaviour, the survey questionnaire gathered a range of quantitative data on the work histories of individuals and primarily used closed questions although some open questions were introduced for clarification purposes.
Sample and procedure

The target population for the research was managers within the convention and exhibition industry (or business events industry, or meetings, incentives, convention and exhibition (MICE) industry) in Australia. These managers and professionals were employed within hotels and other venues, professional conference organisers (within associations, corporate, government and independent conference organisations), convention and visitor bureaus, exhibition organisers and purpose-built convention and exhibition centres, and other business events industry suppliers within Australia.

The sample frame came from two sources. The first source was the Meetings and Events Association of Australia (MEA, formerly the Meetings Industry Association of Australia—MIAA). The MEA is the primary industry association and is a national, independent, not-for-profit organisation for the meetings industry. It has a membership of approximately 1,000 individual, corporate, and government members (MIAA 2000). The MEA national conference was selected as the first sample unit as it had the potential to provide a sampling ratio of 45% of the total membership.

In order to access convention service and banqueting managers, a second sample unit of four- to five-star hotels and venues within Australia that specialised in conventions and exhibitions was selected. The sample unit was determined from the Facilities Guides/Meeting Planners produced by Convention and Visitor Bureaus in each Australian state capital city. The sample frame of respondents was determined through the use of probability sampling, with the sample size for the first survey being 450 potential respondents and 132 for the second, postal survey.

Data collection for the first sample unit—the national conference—was through a hybrid, onsite, captive group survey. This was seen to provide a number of advantages, such as ease of access to sample
population, cost benefits and potential speed of data collection. A total of 352 questionnaires were distributed with a 22% response rate. The procedure for data collection from the second sample unit was through a postal survey of the total population with a response rate of 37%. In both cases, the questionnaire was accompanied by an introductory letter. In all, 484 questionnaires were distributed with a statistically valid response rate of 26% (n=126).

**Questionnaire design and development**

Previous research by Ladkin and Juwaheer (2000), Ladkin and Laws (2000), Ladkin and Riley (1996) and Montgomery and Rutherford (1994), together with the exploratory study and pre-test of this research, formed the basis for the design of the survey instrument, a structured questionnaire for respondents to self-complete. A questionnaire format was selected as the data to be collected was relatively structured. It would enable comparability, allow the capture of complex information and was considered to be cost effective and time efficient (Ticehurst & Veal 1999, p139). The questionnaire used four types of measurement scales (nominal, ordinal, interval and ratio) and a range of techniques, such as life and work history analysis to investigate occupational mobility and career histories (Ladkin 1999, p40).

The information sought from individuals related to:

a. demographic information, such as age, gender, nationality, education to date, salary, and current employment details; and

b. information that related to their current and previous employment, for example, their career progression by job sector and area of responsibility over their past eight jobs. A range of eight jobs had been established in previous studies (Ladkin & Laws 2000; Ladkin & Riley 1996) as a potential norm.
An individual’s job mobility was explored through the length of time in each job, information concerning relocation nationally and internationally and the use of the labour market for each job move. The strategies individuals used in planning and developing their career were also identified through the use of a checklist of 23 variables, while the level of commitment to their career was established through a Likert-type scale and 15 statements. The questionnaire primarily used closed questions presented in a range of styles. The limited use of open questions was mainly to clarify and elicit further information. The use of life and work history analysis enabled quantitative information on each individual and his/her career history to be gathered and displayed in individual and aggregate forms. This enabled the patterns and processes of career to be viewed over time and provided information on labour market conditions (Ladkin 1999, p42).

**Data analysis strategy**

Data from the completed questionnaires were coded, analysed and evaluated through the use of a statistical package. The data analysis strategy used a range of descriptive and multivariate statistics to identify trends in the data and establish if any relationships existed between variables.

**Findings**

The research findings indicated that the convention and exhibition sector is dominated by well-educated, career-mobile Australian females who followed strategy of ‘butterflying’ between jobs and sub-sectors of the industry (McCabe & Savery 2007). A career in the industry is primarily self-directed and ‘boundaryless’, where the individual is clearly in charge of his/her career and where he/she ‘butterflies’ between sectors in order to build up human capital and progress.
his/her career. In the development of a career the need to be mobile is evident, with that mobility being self-directed.

In progressing his/her career an individual uses a range of career planning and development strategies to ensure his/her continued marketability. Key strategies identified relate to both the internal and external environment, such as networking and the use of other such support systems, keeping informed of internal opportunities, regular scanning of job advertisements and recognition of chance opportunities. These strategies can be influenced by an individual’s age but not by his/her gender. It is also apparent that the convention and exhibition industry is capable of attracting and retaining individuals who are motivated by an exciting, challenging, creative and people-orientated job. Finally, while there is evidence of a general level of commitment and satisfaction with a career in the industry, an individual’s gender or age together with some underlying tensions can impact on that commitment.

The findings from this research have implications for theory as well as for policy and practice. For theory, although the research was undertaken in a specific industry sector, the concept of ‘butterfly’ progress may be part of developments in contemporary career patterns or, perhaps, a gender issue.

In relation to policy and practice, the research findings make a unique contribution to the emerging field of convention and exhibition management, both in terms of career structure in the sector and in training and development. It also provides information that will enable the industry to develop human resource strategies to help ensure its long-term sustainability.
Limitations and recommendations for future research

There are several limitations to the research. The first limitation is that the research does not represent all convention and exhibition organisations, hotels and venues that provide convention and exhibition facilities within Australia. Responses to the survey instrument were limited to those individuals who attended the MEA national conference in the particular year of the study or were employed in the sample of hotels identified for the postal survey.

The second limitation is that the study was undertaken in Australia with the focus being on the convention and exhibition sector of the business events or MICE industry in Australia. It, therefore, reflects the culture of this sector in Australia.

The research findings offer an initial insight into the career profiles of individuals in the convention and exhibition industry in Australia. Given that the quality of individuals attracted to, and retained by, the sector directly impacts on the industry’s human resources and quality of service, it is suggested that there is a need to further explore ways in which human capital can be developed. Research into training, labour market behaviour and mobility together with factors that promote an individual’s career success could be undertaken.

It would also be beneficial to conduct similar studies in other countries in Europe, North America and Asia so that comparisons may be made. Such studies may confirm whether the ‘butterfly behaviour’ of career progression and training exists outside Australia. They may also identify differences in relation to working practices and career opportunities and their development. It would also be useful to test the ‘butterfly model’ in other industry sectors where there is a predominance of females.

The research provides further developments in the understanding of the convention and exhibition industry, an emerging industry sector, and of careers and career progression in the contemporary work environment.
Researcher’s retrospective

Genesis of the research

The genesis for this research was founded on the awareness that, over the past 15 years, the MICE industry, which includes the convention and exhibition sector, had undergone substantial economic growth worldwide. During the 1990s, this newly emergent Australian industry sector attained significant growth and expansion and contributed in excess of A$7 billion a year in direct and indirect expenditure from both domestic and international markets (Johnson et al 1999, pxvii). By 2004, this figure had increased to over A$17 billion a year, with the sector employing in excess of 85,000 people (Tourism Events Australia 2004). As a result, the MICE industry was becoming the fastest-growing, high-yield sector in Australia (Tourism Events Australia 2004).

Australia is also recognised as a major player in the global convention and exhibition market, both for the quality of its facilities and infrastructure and for the professionalism of its service and operation (McCabe et al. 2000). This new and fast-developing sector of the tourism industries is seen as an excellent provider of new employment opportunities, with government and industry stakeholders clearly identifying the need ‘to develop a workforce by training and development’ and ‘be more professional’ (Commonwealth Department of Tourism 1995, p37). Prior to this study, there was minimal research available on career opportunities and their development within this newly emergent industry sector. Information was provided on an ad hoc basis through an individual’s contact with industry personnel, industry snapshots and profiles of an individual’s career in trade books and journals.

Further impetus for the research was provided by changing patterns of working life (Arthur et al. 1999; Ladkin & Riley 1996), extensive labour mobility within associated industries, such as tourism and hospitality (Ladkin & Laws 2000; Ladkin & Riley 1996), industry fragmentation, a predominance of small businesses with few major players and a
potential ‘generational issue’. This was supported by an awareness of an ever-increasing, competitive, global marketplace, the need to continue to develop the high levels of professionalism and quality of service and ensure retention of key staff and work teams in order to benefit from their expertise. In addition, as further confirmation of the need for the research, the National Meetings, Incentives, Conventions and Exhibitions Strategy for Australia (Commonwealth Department of Tourism 1995, p37) identified the requirement to develop ‘career paths and opportunities designed to develop the expertise and retention of personnel and encourage their retention in the industry’ as a priority area.

Process

The research was undertaken part-time over a four-year period while I was in full-time employment.

In order to address the research question and subsequent objectives a decision was taken to undertake an empirical study through the use of a questionnaire and multivariate statistics. The decision to use this method followed a review of previous studies into the careers of individuals. The review indicated that both qualitative and quantitative methods had been undertaken in areas akin to this investigation.

The research undertaken by Arthur et al. (1999) took a qualitative inductive approach while Brownell (1994), Ladkin and Riley (1996), Montgomery and Rutherford (1994) and Nebel et al (1995) used a quantitative descriptive approach. Ladkin (1999) also used the concept of life and work history analysis, a methodological approach for obtaining an individual’s detailed career history. As one aim of the project was to gain an industry-wide perspective and a more extensive sample of respondents, a decision was made to undertake a quantitative study through the use of life and work history analysis and a structured questionnaire. It was recognised that a qualitative approach may have provided potentially more in-depth, specific information about an
individual’s career but the time and expense required to gather such data, together with the potentially smaller sample of respondents, would not have provided sufficient information of industry-wide behaviour—the focus of this research.

The design and development of the survey instrument was seen to be crucial to the success of the research in order to gather as extensive information as possible in the key areas of the research. A literature review was undertaken not only in the areas of tourism and hospitality and the emerging convention and exhibition literature but also in the generic literature in the fields of organisational behaviour and career theory. This review identified a number of studies undertaken in related industries or in other areas (Arthur et al. 1999; Ladkin & Juwaheer 2000; Ladkin & Laws 2000; Ladkin & Riley 1996; McCabe & Weeks 1999; Montgomery & Rutherford 1994; Nebel et al. 1995).

In the design of the questionnaire it was also recognised that it was important to ensure that the questions were relevant, reflected the information sought and that the terminology was correct, appropriate and familiar to individuals within the industry sector. This was particularly the case in the identification of job type and function. The questionnaire also needed to be of a suitable length, be easy to complete, make minimal use of open questions and, wherever possible, use tick-box responses.

A pre-test and pilot study of a representative, convenient sample of 20 respondents from the convention and exhibition sector was undertaken as an essential part of the research process in order to refine the survey instrument and check for any inaccuracies. The selection of this group of respondents was similar to that which would be ultimately sampled (Zikmund 2000, p402). An in-depth interview, together with completion of the questionnaire, enabled the researcher to observe the questionnaire completion, identify areas for clarification, record requests for additional information together with any potential omissions (Ticehurst & Veal
1999, p137; Zikmund 2000, p404). The results from the pilot test were then processed and reviewed (McCabe 2001).

As identified previously, the target population for the research was managers in the convention and exhibition industry in Australia. To access this group of individuals the assistance of the key industry association, MEA, was sought. The MEA is the primary industry association and is the national, independent, not-for-profit organisation for the meetings industry in Australia. It has over 1,000 members. One of its mandates is that it is ‘dedicated to fostering professionalism and excellence in all aspects of meetings management (MIAA 2000, p4). The membership of the MEA formed the basis for the sample frame for both the pilot study and the main survey. The MEA was extremely supportive of the research, providing the facility for the questionnaire to be distributed to all attendees of its national conference and allowing the researcher the opportunity to present a keynote address at the conference on the research topic and to highlight the questionnaire. In order to increase the delegate response rate further, encouragement was provided through reminder announcements, a small incentive in the form of a draw prize and the strategic location of ‘drop boxes’ for questionnaire return.

A second, postal survey of convention service managers in venues specialising in conventions and exhibitions was also undertaken. In this instance a reply-paid envelope accompanied the questionnaire, which was printed on a ‘warm coloured’ (yellow) paper to encourage a higher response rate (Ticehurst & Veal 1999, p149). A short and concise letter that outlined the purpose of the study and invited potential respondents to participate in the research program was devised to accompany both questionnaires.

Raw data obtained from the questionnaires were then entered into SPSS 12.0 and coded, analysed and evaluated using a range of multivariate statistics and discriminant function.
Hurdles

Two hurdles were encountered during the research process. The first hurdle related to an error in the sampling frame from the MEA national conference. A preliminary review of completed questionnaires indicated that a key group of convention and exhibition specialists employed within venues and hotels (convention service managers and banqueting managers) were not represented in the sample of completed questionnaires. This sector of the industry was important in terms of the facilities it provides and the events managed, and also in relation to the number of people employed within the convention and exhibition area and the potential career opportunities (McCabe & Weeks 1999). In order to address this shortfall, a postal survey of 132 four- to five-star hotels in Australia was undertaken. The response rate from the second survey was extremely positive (37%). The total number of usable questionnaires from both surveys represented a 26% response rate. These responses were checked to ensure they represented a broad spectrum of jobs and were in alignment with the potential sample frame identified through the MEA membership.

The second hurdle related to changes in my workload and my relocation to Sydney. This occurred midway through the research and led to delays and disruption as I addressed the requirements of a new role and workload and the implications of the ‘settling in’ process that accompanies relocation. The relocation also meant limited face-to-face meetings with my supervisor and limitations on my ability to directly access other support networks, such as the statistical support and guidance required for data analysis.

Outcomes

The research objectives were achieved with all hypotheses being addressed. This was the first time a research study of this kind had been undertaken in the convention and exhibition industry in Australia and, as such, all research findings were reported.
The research outcomes in relation to an individual’s career progression, planning and development were particularly revealing and led to the ‘butterfly experience’ concept. The ‘butterfly experience’ indicated that there was no clear career progression within the industry and its sectors. Individuals ‘butterfly’ between sectors gaining career experience; it impacted on their job movement, intra and inter industry, and their length of time and experience within the sector. It was apparent that individuals used this method to build up human capital and develop their skills and competencies. It also impacted on their personal career planning and development strategies. The concept of the ‘butterfly experience’ was particularly pertinent to this new industry sector and had not previously been reported in the literature. It was determined that this was a major outcome of the research.

**Relationships**

A number of relationships were important to the success of the research. The key relationship was with my supervisor, Professor Lawson Savery, with the frequency of supervisory meetings and the method of supervision being considered extremely important.

Prior to my relocation to Sydney midway during the candidature, a regular fortnightly meeting of approximately one hour was scheduled with Lawson. This was found to be extremely beneficial, ensured purpose and focus and kept the research on track. Particularly useful at this stage was his guidance on gaining a wider perspective to the research problem and the development of the research framework and model. The need to provide research updates on a continual basis also ensured that I maintained my motivation levels and focus. This was particularly important when combining the demands of a fulltime job with doctoral studies. Following my relocation to Sydney supervisory meetings occurred less frequently, usually every three months, taking place in the domestic airport before Lawson’s flights and usually lasting between two and three hours. At this stage of the research, this
extended meeting time was excellent, focused and distraction-free, thereby enabling full discussion of the material to hand.

Another key relationship was with the networks of the convention and exhibition industry, in particular, the MEA. This facilitated the commitment and support of the industry association, locally and nationally, enabled access to potential respondents and generated much interest in the research. I presented my summary research findings to the delegates of the following year’s MEA national conference.

**Reflection**

In undertaking research it is important to look outside the immediate areas of the research topic and not become myopic within a particular industry sector and its issues. The wider literature review and, in particular, the generic fields of career theory, career planning and development and organisational behaviour provided research outcomes from other industries and industry sectors that were extremely pertinent and beneficial to the project outcomes and provided a different perspective to certain industry issues.

The ability to access key stakeholder networks within the convention and exhibition industry and, in particular, the industry association was one of the keys to the success of the research. Support from the industry association enabled access to key participants at local, regional and national levels. As identified earlier, a presentation of the summary research findings was made to delegates at the subsequent year’s MEA national conference. This has been followed by presentations at other convention and exhibition industry-based seminars and professional development programs. Specific aspects of the findings have been included for publication in industry trade journals.

Regular meetings with the research supervisor, particularly during the early stages of the research, are important to ensure the research maintains focus and stays on track. Fortnightly meetings with the
supervisor encourage the researcher to continually focus on the research and address potential challenges. This is particularly important if the research is being undertaken alongside the demands of fulltime employment. A good relationship between the supervisor and the researcher is crucial to the success of the research. The chemistry and mutual understanding between supervisor and researcher is important in fostering new ideas and themes and in developing the researcher’s self-confidence.

**Supervisor’s comments**

**Genesis of the research**

One of the major problems facing firms in the first decade of the 21st century is a lack of qualified staff. Unfortunately, most employers in established industries believe that their industry is unique and that experience and qualifications obtained in other industries do not necessarily transfer easily into their business. For newer areas of business, such as the conventions and events industry, what really was important was how and where their employees got their training since there were very few recognised training programs and the industry had not been in existence long enough for experience and training areas to become semi-structured. Furthermore, did the staff organise their own training or was it designed and organised by firms within the industry?

**Process**

Vivienne and I decided that the research format would be empirical using a questionnaire and a large sample, and the analysis would be by multivariate statistics. This was because Vivienne was more interested in the industry-wide behaviour of training rather than individual firm
activities, and as Schwarz (1997, p29) points out, ‘... research is conducted to answer theoretical or applied questions that investigators—or their clients or funding agencies—consider of interest’.

Two of the major problems with survey research are obtaining a sample that represents the population being surveyed and designing a questionnaire that measures the constructs the researcher believes he/she is measuring. Thus, Vivienne spent a long time designing and testing the questionnaire.

**Hurdles**

There was no change in direction of the research but there were issues concerning the level of involvement of the conference organisers where the questionnaire was distributed to the participants. Unfortunately, the level of involvement was less than initially promised, which meant that Vivienne had to spend many hours contacting and chasing the respondents.

**Factors that impacted on the research**

The impact of Vivienne’s workload and her move to Sydney, and the subsequent limited face-to-face contact with me, led to delays in the research process. Many of the meetings occurred in Sydney’s Domestic Airport while I was waiting for connecting flights. This point is stated to show that meetings between supervisor and candidate can occur in many different places and not just at the university. It is important that supervisor-candidate meetings occur every three months and the supervisor is given the draft to be discussed at least two weeks prior so that the meetings are constructive.
Reflection

From the experience of supervising this thesis I am firmly of the opinion that face-to-face meetings between supervisor and candidate must happen at least every three months. In the initial period of the research the candidate must seek guidance from his/her supervisor every two weeks so that the research stays on track and the candidate does not begin investigating tangential areas of interest and lose sight of the main focus.

The study added new knowledge to the way people obtained training in the events and conference arena of the economy. A new term, as far as we could ascertain, was added to the literature on training, namely, the ‘butterfly experience’.

... there is no clear progression and individuals 'butterfly' among the sectors of the industry in the pursuit of their career. This movement is similar to a butterfly flitting from one flower to another tasting the nectar. ‘Tasting the nectar’ may be seen as the individual building up human capital, gathering expert knowledge through the development of core competencies and professional expertise.

(McCabe & Savery 2007, p112)

Vivienne used a number of non-parametric statistical tests and some of these processes not only added significantly to the value of the study but also added a number of new tools to her arsenal of research techniques for her role as a researcher.

I would repeat the study in another sector of the economy to determine whether the findings were sector-specific or of a more general application. The present study was also worthwhile since it added a significant amount of knowledge to the industry. However, this knowledge must be fed back to the industry by way of talks and articles in the industry’s publications because without their help the data would not have been collected. It should be emphasised that this
was a study of a sector of the tourism and hospitality industry and not one organisation. Therefore, it would also be interesting to study a specific organisation to understand how it would facilitate the training requirements of its employees.

References


**Researcher’s profile**

Vivienne McCabe is Associate Professor of Hospitality Management in the School of Management at the University of South Australia. She has a background gained within the hospitality industry. Prior to her current position she was employed in the School of Tourism and Hospitality Management at Southern Cross University, where she led the development and delivery of the School’s range of programs in the emerging convention and event sector. She has extensive experience, high levels of involvement and a passion for this industry sector. Vivienne has designed and developed tertiary educational courses and programs, an industry-specific academic textbook and conducts research that focuses specifically on the needs of this newly emergent field. She was the recipient of Southern Cross University’s Meredith Prize for the most outstanding DBA thesis in 2004.
Supervisor’s profile

Lawson Savery was Professor of Management and Executive Dean of Business at Southern Cross University before his retirement in 2006. He is currently Honorary Vice-President and Dean of Business at the Hong Kong Institute of Technology and Adjunct Professor of the Graduate College of Management, Southern Cross University. Prior to his academic career, Lawson was an engineer and worked in the engineering industry in the United Kingdom. He has had extensive experience in a managerial capacity and is a recognised expert in management development and organisational behaviour. He has also been a consultant to a number of international organisations and Australian government agencies as well as a number of police services in Australia. His areas of research interest are in organisational behaviour, human resources management, small and medium enterprises and management. Lawson has authored over one hundred publications in international journals and a number of books.
Leadership Models—Which One for Volunteers?

Matthew Nisbet & Michelle Wallace

Title of study
Leadership of volunteers in the not-for-profit sector

Purpose
It has been estimated that volunteering is valued at $42 billion a year in Australia and the time volunteered comprises 2,200 million hours of work per annum (Ironmonger 2000, p56). Achieving work objectives with a staff that is not paid, and who offer their time as a ‘gift’ (Noble 2000; Paull 2002) is a complex task. Whitehead claims that leaders of volunteers are not able to order volunteers around, since volunteers are present because of a sense of mission and dedication to the cause and must be handled a little bit more ‘delicately’ (Saidel 1999). In addition,
Whitehead states that it is expected that the views of volunteer workers be respected, perhaps more than is necessary in a commercial organisation (Saidel 1999). It is this lack of hierarchical authority that leaves leaders of volunteers in a weakened position when attempting to organise work tasks for them, without having the perceived power to enforce their performance.

Whitehead points out that leaders dealing with paid employees can issue orders and their paid employees will respond, regardless of their enjoyment of the task, for it is expected that they will do as they are told if they wish to retain their jobs (Saidel 1999). In contrast, leaders of volunteers attempt to find ways to satisfy and motivate them to work for nothing (Young 1997). This is difficult when the tasks are not pleasurable. Therefore, leadership theories that are more directive, or rely on extrinsic economic factors to motivate paid employees, may not have the same effect on volunteer employees. Financial reinforcement is a plausible way for a leader in the private or public sectors to motivate staff to achieve organisational goals. This is obviously not a viable option in the volunteer sector.

That differences in leadership exist between volunteer and commercial organisations, has been confirmed by a number of researchers (Mirabella & Wish 1999; Saidel 1999; Young 1997). It is also claimed that unique constraints and opportunities face the volunteer sector (Mirabella & Wish 1999). However, while the literature offers a clear picture of the elements that volunteers value in their volunteering experience, and describes how they would like to be led, it is relatively sparse on the applicability of the hundreds of commercial sector theories and models of leadership to the leadership of volunteers. Furthermore, there is a scarcity of literature on the actual daily workplace practices of leaders of volunteers.

Hence, research exploring models that could assist in the development of the leadership skills of leaders of volunteers would be helpful at both theoretical and practical levels. A further contribution could also be made to the body of knowledge on the actual practices of leaders in the volunteer sector. The aims of this research were thus to:
1. Engage in a deductive process to select commercial leadership models that might be appropriate to the leadership of volunteers, based on the literature about leadership and the literature on the third sector (not-for-profit or volunteer sector).

2. Explore the applicability of the chosen leadership models with leaders of volunteers and examine the model they considered most appropriate.

3. Explore with leaders the issues they considered important concerning the leadership of volunteers.

**Keywords**

Leadership models, not-for-profit organisations, volunteer sector, leading volunteers

**Methodology**

The research methodology had three parts. Part 1 involved a deductive process whereby a typology of the Key Factors for the Leadership of Volunteers was developed from the literature:

- **Key Factor A** maintains that leaders of volunteers believe that leadership is a consensual arrangement, with the volunteers’ views being necessary (Noble 2000; Paull 2002).

- **Key Factor B** specifies that leadership models should be capable of being individualised in accordance with the volunteers’ experiences, education and knowledge. This will allow flexibility and autonomy for managers and volunteers (Butler & Wilson 1990; Lyons & Hocking 2000).

- **Key Factor C** specifies that leaders should identify the volunteers’ motivation before adopting a particular leadership strategy or style (Butler & Wilson 1990; Cox 2000).
Ten behavioural, personality trait and contingency leadership models were analysed in the light of the three key factors. Of these, three models were seen as ‘best fitting’ the volunteer sector:

- Hersey-Blanchard Situational Leadership Theory (Hersey & Blanchard 1982)
- House Path-Goal Theory (Robbins et al 1997)

Participants were interviewed using a semi-structured interview process (Lofland 1971; Yin 1994).

A case study methodological approach was then taken using eight leaders from eight different organisations within an Australian metropolitan area. The leaders and their volunteers were interviewed in regard to leadership practices, issues of leadership and other topics of relevance. The interviews used open-ended questions, with triangulation occurring with the volunteers validating or disconfirming their leaders’ leadership approach. Thematic and content analysis of the data followed.

The leaders were then shown three contingency leadership models currently used in the commercial sector. The same leaders were reinterviewed within two weeks and their opinions were sought on the relevance of these leadership models to the leadership of volunteers in their organisation. Each leader’s responses were then compared with those of the others, in order to establish similarities or differences in leadership approaches and beliefs relating to the leadership models.

For the research objective of exploring the leadership of volunteers, the methodological option implemented was the theory-free, inductive process. Given little prior knowledge concerning the leadership of volunteers, this was exploratory research (Young 1997).

Eisenhardt (1989, p536) claims that ‘the benefits of theory building with case studies can occur through the process of not having a research
hypothesis and using an inductive process’. Part of the rationale for this argument is the decrease in the bias that can occur through following the iterative processes of analytical induction (Wollin 1996).

The multiple case/holistic design method (Yin 1994) was found to be the most appropriate for this research since the units being investigated were the leaders’ perception of the three contingency leadership theories in the volunteer sector, while also investigating the leaders’ beliefs relating to leadership issues of volunteers.

The multiple case design was selected in order to increase the amount of data from different volunteers and leaders. This process strives towards achieving the replication logic that can be achieved by multiple case studies (Yin 1994). This approach is considered to increase the efficacy of the study (Herriot & Firestone 1983).

**Empirical effectiveness of case study research**

The purpose of a multiple case study methodology is to achieve replication logic (Yin 1994). This involves selecting cases that are more likely to:

- Have the same outcomes (literal replication); and
- Have different outcomes for expected reasons (theoretical replication).

It is for this reason that the eight cases selected for this study were as similar as possible. This has to be understood in the context that no observations or responses in case study methodology are perfectly repeatable (Stake 1994).
Findings

The first research objective was to select suitable commercial leadership models that might be appropriate to the leadership of volunteers. This was achieved after the literature review, which resulted in the selection of the Situational Leadership Theory (Hersey & Blanchard 1982), House Path-Goal Theory (Robbins et al 1997) and Leader-Participation Model (Vroom & Jago 1988) as possible models that could be used.

The second research objective, which was to explore the applicability of the three chosen leadership models for the not-for-profit sector, was also met. After exposing the leaders selected in the study to the three models, it was found that the Leader-Participation Model (Vroom & Jago 1988) was the most preferred one.

Further research may highlight practical implications for the model’s implementation in its entirety. Alternatively, future studies could investigate what refinements need to be made to make the model more useful to leaders in the not-for-profit sector.

The third research objective was to explore with the leaders issues they considered to be important to the leadership of volunteers. The study highlighted different areas that both volunteers and leaders claimed to be significant to the leadership of volunteers. These include: education, flexibility and the individualisation of tasks, increasing the social element of the organisation and placing volunteers in a mentoring role.

All eight leaders believed that they had a democratic, consultative style of leadership with their volunteers, with some autocratic behaviours in regard to occupational health and safety (OH&S) issues. The volunteers agreed that their leaders were of the consultative, democratic bent. However, two of the leaders were seen as being more directive and autocratic when implementing senior management instructions, or in relation to legal or OH&S issues.
An unexpected outcome was the revelation of some perceived negative attitudes on the part of paid employees towards volunteers in their organisations.

**Limitations**

Limitations to the study arose from the need to compare similar organisations. In commercial business there is a far greater predictability in the organisational structure, staff roles, remuneration packages, line of command and so forth. Within not-for-profit organisations some people are in paid employment, different percentages of people are remunerated and the line of command can be more irregular. Difficulties arise when comparing, for example, an organisation whose objective may be ‘green’ issues with a branch of a church that is concerned with welfare issues. Finding eight organisations that were as similar as possible while ensuring that they were relevant to the majority of not-for-profit organisations was the greatest difficulty.

This research was exploratory in nature and its primary goal was to establish general information on the leadership of volunteers. This decreased its ability to be implemented in practice. However, the study has achieved its objective by identifying a leadership model that has potential for further application in the leadership of volunteers.

A further limitation was using organisations from the same geographical area. A single city was selected for purely practical reasons.

The fact that this study did not observe the leaders interacting with their volunteers for any extensive period of time is another limitation. This did not occur due the reluctance of some of the leaders to have their interactions observed. For this reason, a methodology was chosen that was less imposing and intrusive for the leaders, volunteers and organisations.

Although the semi-structured question format provided the advantage of being able to follow new themes elicited from the leaders, and
complied with the exploratory research approach, it did not allow for the comparison of views and information between leaders. This was particularly evident when information identifying new areas of interest or issues was elicited from the leaders in later interviews.

Benefits would have accrued from the exploration of more than just the three leadership models used in this research. This was not possible due to the time constraints on the leaders and the effort required from them to understand the additional models well enough to be able to review them with confidence. This research is, therefore, limited to the exploration of three models only.

A further possible limitation of the study was having the leaders learn and review three models instead of learning one model really well. Regardless of this, it was felt that the eight leaders achieved a basic understanding of the uses of the three models and could make informed responses to the questions relating to both the models and their own experience.

Researcher’s retrospective

Genesis of the research

This research was undertaken following my study towards my MBA. It arose from the interest I had developed in different leadership models and in theorising on how such models could be applied to the not-for-profit sector. I saw a definite need for research in the area of leadership, following my own volunteering experience in different organisations and witnessing good people trying really hard to achieve the objectives of the organisation, with limited success. On further investigation of the processes these leaders were using, it appeared that their methods were based on intuition rather than any hard evidence or theory.
A review of the literature underscored the fact that some scholars had already documented the lack of research of leadership in the not-for-profit sector.

**Process**

My supervisor, Associate Professor Michelle Wallace, and I constructed various research objectives in the beginning. Initially these centred on verifying whether a more autocratic leadership approach in the not-for-profit sector would be more effective. Although intuitively this seems quite absurd, there were times in my own volunteering experience during which I felt this might be the case. Nevertheless, this research objective completely changed on a deeper understanding of the literature and new objectives were identified. These would allow a two-stage process of finding out—through an interview—exactly what were the characteristics of leaders who were successful in the not-for-profit sector, from the perspective of both the leaders and the volunteers. This focused on looking for commonalities in the answers, while also allowing for the triangulation of responses from leaders and volunteers.

A typology was designed that was used in the assessment of leadership models for inclusion in the research process. This typology was created using the available literature on volunteers and their characteristics. Although a review of leadership models did not uncover leadership models specifically designed for leadership of volunteers, it did identify three leadership models that were more closely aligned with the volunteer typology.

Following the creation of this typology, which took a year to complete, the questions were constructed in collaboration with Michelle. Designing the questions took about one month. Many of the questions were later deleted in order to make the interview process more user-friendly. Following the construction of the questions and specific rationale for
the interviews, a submission was prepared for the ethics committee. The ethics process, from questionnaire design and application to approval, took between 6–8 weeks.

After receiving the approval of the ethics committee, I went to Volunteering Queensland to access their database. This was crucial as it was a quick way of accessing all the not-for-profit organisations that had volunteers listed. From this list I selected those organisations that seemed suitable for my research and discussed my selection criteria with Michelle. After we agreed on the shortlist, I contacted the chief executive officer or leaders of the selected organisations by phone to find out whether they would be interested in participating in the research. This was achieved very quickly. It took approximately two weeks for all eight organisations to confirm their interest.

The interview process then took nine weeks fulltime. This meant that I had to drive all around Brisbane to interview volunteers, either where they volunteered or at their homes.

All the data were then collated over a period of four months. This involved many discussions with Michelle and returning to the literature to investigate anything that would reinforce or oppose my findings, while seeking to find the unique aspects of the findings. Approximately three more months were spent reviewing the literature again and looking at different material from the commercial sector.

The writing process eventually followed this detailed literature review. Satisfaction grew from demonstrating that the findings would be pertinent to the not-for-profit sector. Writing up the results and preparing the thesis for submission took six months.

The exploratory case study methodology used allowed us to review the perspectives of both the volunteers and the leaders. This process also allowed for the triangulation of some of the responses of the leaders with the responses of volunteers, thereby strengthening and clarifying the leaders’ perspectives. The exploratory nature allowed for the inclusion
of questions that arose during the interviews. One such event occurred in the very first interview. The leaders highlighted a phenomenon that occurred in which paid staff disapproved of volunteers. This was not something I had expected when I was considering exploring leadership processes with volunteers. From this first interview, the use of a semi-flexible questioning technique allowed the introduction of such questions to other leaders of volunteers and to some volunteers. This observation, while falling outside the range of the research objectives, was included in a section called ‘unintended findings’. The findings were felt to be too crucial to be left out of this research.

**Hurdles**

There were a few changes in direction, the first being that I wanted to establish whether a democratic, autocratic or laissez-faire leadership approach would be more effective in achieving objectives when leading volunteers. At the time I was of the opinion that an autocratic process might prove more effective in leading volunteers. This assumption, however, quickly faded after a thorough review of the literature that clearly demonstrated that an autocratic process would be ineffective when dealing with volunteers.

It was also felt that it would be difficult to gauge the level of subjectivity in different people when creating questions that tried to establish whether a leader used autocratic or laissez-faire methods. I abandoned any thought of having questions pertaining to subjectivity as a criterion as I didn’t feel that it would necessarily add anything to establishing a workable model for the leadership of volunteers.

Originally, I summarised all the major leadership models and theories that were developed from 1900 to the present day. This created a massive amount of literature that was unwieldy. To get around this, the models were categorised into those most applicable. This allowed for an inclusive review of the models that was not too cumbersome.
My original goal was to differentiate the results between religious and non-religious organisations. This did not occur because it was felt that the main objective would be confused by throwing this variable into the equation. Research into leadership differentiation between organisations with a religious or non-religious affiliation should occur at some time, however, as I believe that there may need to be different leadership in organisations in which the members may have volunteered from religious motivations.

**Outcomes**

Of the three leadership models selected, seven out of the eight leaders preferred the Leader-Participation Model (Vroom & Jago 1988) and gave reasons for their choice. As indicated earlier, an unforeseen issue did occur. During the initial research process, one response from the leader of the first organisation I visited shocked me. The leader stated that when the volunteers walked past the paid employees it was like a ‘walk of shame’. This discovery was not what I had been looking for; however, both Michelle and I considered it to be too critical to the leadership of volunteers to be omitted from the research report and from further investigation in subsequent interviews.

The other research objective, of exploring with leaders and volunteers the different issues of leadership that they considered to be significant, provided a large quantity of data for analysis. After searching for commonalities, each response was classified. Inclusion of all the different responses to all the questions would have resulted in unwieldy research. Instead, results were documented only if they appeared several times. Results relating to areas with sparse coverage in the literature were included, while undocumented leadership techniques in the not-for-profit sector were highlighted.
Relationships

My relationship with Michelle was always positive and helpful, with her being there at every step of the journey. Like all students, I occasionally felt an initial ‘Oh no!’ when Michelle made some suggestions and recommended some changes to the research process, which always sounded bigger than Ben Hur at the time although in reality they were probably quite small and led to an improved and more logical thesis.

My relationships with the leaders of the organisations were very encouraging and I had the general impression that the leaders themselves felt reinforced in their roles. The leaders were cooperative, frank and very open in relating their experiences.

The only negativity I felt in a relationship occurred with a government-funded organisation that exists to assist volunteers and volunteering. Interestingly, the person from this organisation, who would have been expected to be the most helpful, was not even interested enough return my calls when it became apparent that this research would be occurring independently of this organisation.

Reflection

On reflection, I would most certainly do it all again. I can honestly say I enjoyed the whole research process. However, having said that, I would like to pass on a few pointers to those undertaking doctoral research.

Point one—Schedule meetings with your supervisor whenever there is a change in the research process. I am a very independent person and often started writing vast quantities on areas that were later excluded, due to decreased relevance. This can be avoided by allowing your supervisor to do his/her job in guiding a logical research process.

Point two—Be organised and use a referencing system such as EndNote. Categorise sources into different areas and note down when you first
read them. This would have been a great time saver for me when it came to including direct quotes.

Point three—This is probably the most important point. Publish as soon as you have completed your research. I have found it very difficult to try and publish after some time has passed. Regardless, I have submitted a paper for publication to the *Australian Journal of Volunteering* and am presently working on another paper.

One aspect of the research process with which I have experienced some annoyance, especially when using an explorative method, is that at the end of the process, there is further research that would be interesting and even necessary. Despite this tantalising reality, unfortunately the same zeal for research is not exhibited in the not-for-profit sector as it is in some other areas. While my desire to create a workable model for the leadership of volunteers continues, my work and life commitments pull in other directions.

**Supervisor's comments**

**Genesis of the research**

I am a firm believer in researching something you feel drawn to through work/life experience and/or through a strong attraction to the content, rather than being handed a topic in your supervisor’s area of interest. While this may make the journey more onerous for the supervisor as they need to absorb a wider literature and methodology, the approach has more immediacy and relevance for the student, being mindful that they will live and breathe the topic for years. I also suggest that researching ‘in your own backyard’ offers ease of access for busy working people. This was very much the case for Matt as he was working fulltime in the medical industry as well as running his own medical related business and undertaking volunteer work.
Matt thus undertook to study an area that he felt drawn to, namely, volunteering. His MBA studies had also engendered an interest in leadership styles so Matt married these two interests to examine the leadership styles of leaders of volunteers. He couched his research as an explorative study as the literature on the leadership of volunteers was not robust.

**Process**

Matt undertook his DBA from a distance. I had undertaken my own PhD as a distance student some years before at another university and so had experience of the challenges and rewards involved. Electronic communication has been refined since then. Matt and I met at the DBA Symposium at the Tweed Gold Coast campus and, when work pressures prevented Matt from travelling, we met several times in Brisbane. Extensive phone calls and emails, including using the ‘Track Changes’ feature of Microsoft Word to comment on drafts helped us keep the flow of ideas and material going.

Denzin (1994) and Richardson (1994) suggest that in the physical act of writing a process of synthesis and analysis occurs that is very much part of the research process, and not simply a reportage of it. As a supervisor, I strongly encourage students to get writing very early on, even if it is just a few pages initially. Once ideas appear in concrete form rather than simply being talked about, they can be more easily deconstructed, analysed and reworked.

Matt did not need any encouragement in this area as he started writing very early on. He wrote a great deal about leadership models as this is a huge field. It became apparent that he could not test all the models in his research but writing about them enabled him to logically discriminate between models and aided in his final choice of models.

I respectfully disagree with Matt that some of this was wasted work because I witnessed the growth in him as he grappled with the
models and used the volunteer literature to interrogate them for their applicability to the volunteer sector. This disabused Matt of some of his preconceptions, especially about autocratic models, and gave his final analysis a great deal of depth that would not have existed had not the initial spadework been done.

It became clear from the literature on the leadership of volunteers that there has been little research on actual leadership practices with volunteers. This led to an expansion of direction into the experience of being a leader of volunteers and the leadership strategies used in managing a workforce that did not have the extrinsic motivator of an employment relationship. This was my suggestion and I know it was not met with joy and could be interpreted as a hurdle; however, in the final analysis it added richness to the thesis and highlighted areas for further research.

The leaders formed eight ‘cases’ and Matt followed case study methodology in a creative way. Of course, it was not possible to hold all variables constant for cross-case comparisons but the organisations were sufficiently alike to enable some generalisations. Matt made extensive use of comparative tables to explicate his findings and these made the themes clearer, given the large volume of material he was dealing with.

Matt developed his methodology and ethics application quite early on and his ethics application received approval on its first submission. The ethics application helps concentrate the mind on methodological issues. A refinement of method ensued, balancing discussion of appropriate models with people’s lived experiences of the leadership of volunteers.

The strengths of the methodology were that it was relatively straightforward and achievable in the time frame and geographical area, used a pilot study for refinements in content and method and asked semi-structured questions regarding the actual practices of the leaders. This left scope for the leaders to bring up issues that may not have been foreshadowed in the literature and thus in the questions.
The limitations were that the leadership models had to be pre-chosen by Matt because there were so many and the questions about practices were selected from the literature based on a number of themes, which may have biased the responses in certain ways and not left the space for divergent responses. However, these factors were somewhat controlled for as the models were chosen through a deductive and transparent process and there was scope for interviewees to add tangential information—hence the unintended outcome.

Self-reports have a tendency towards bias but these were somewhat controlled for by triangulation with the volunteers’ reports.

Access to organisations was not problematic for Matt. Perhaps volunteer organisations are more empathetic than commercial organisations to people asking them to volunteer their time for the sake of research as they are on the asking end of many requests themselves. That Matt had worked in the volunteer sector himself, and thus understood the culture, was an advantage in gaining access.

Outcomes

The actual fieldwork took about three months. The writing up of the findings took longer. While a thesis reads in a linear way, the writing up of the findings often involves backtracking to refine the literature review or to further emphasise certain elements in the first few chapters so that there is a more logical flow of the argument. Thus some material on leadership models was edited down while more material on the leadership practices was included. Matt kept the drafts coming and I responded via Track Changes, faxes and long phone conversations. Towards the very end of the final draft Matt enlisted the support of a professional editor as both of us were too close to the material to see errors. His final crafting and the editorial support resulted in a superior document.

Matt’s examiners’ reports were very positive and encouraging, even naming the journals he should publish in. We have submitted a paper
on leaders’ perspectives on the issues in leading volunteers and a paper on leadership models is in progress.

**Relationships**

Matt maintained commitment throughout the process and this was very encouraging to me as a supervisor. At the same time as I was supervising Matt, one of my PhD students was also researching an aspect of emergency volunteering. I was able to find literature and thematic resonances across their studies that supported analysis in both. This also enabled me to grow as a supervisor.

**Reflection**

No two doctoral candidates are alike so supervision style needs to be somewhat flexible and situational. However, I believe that I have become even more of an advocate of early writing, getting the methodology very clear before submitting an ethics application and not undertaking fieldwork too early. Understandably, students seem to want to ‘get out there’; however, further reading and methodological discussion can lead to a more refined and comprehensive research plan and prevent regret later on that certain issues were not canvassed in the field. A pilot study, such as the one undertaken by Matt, offers a very good reality check not only in regard to the research content and method but also in relation to understanding the organisational cultures and politics.

It seems that many DBA students usually focus on organisations with waged workers or elements of commercialisation. I was very glad to have the opportunity to supervise a thesis on the non-profit sector and to help examine the differences in leadership style and practices. Supervising this thesis has given me a far greater appreciation of the third sector. It is clearly an area ripe for further research as Matt has identified in his groundbreaking thesis, and contributes to the social capital and value base of our nation.
Leadership Models—Which One for Volunteers?

References


Researcher’s profile
Matthew Nisbet graduated with a Bachelor of Health Science and worked as a registered nurse for 12 years. He then did his MBA. Matt set up and managed a medical supply company while undertaking his DBA, which he completed in 2004. He is currently studying towards a Master of Professional Accounting degree at SCU. He is married with three children and lives in Brisbane. Matt still holds a keen interest in returning to the research arena and designing and testing a research model created specifically for volunteers.

Supervisor’s profile
Michelle Wallace is Associate Professor in Human Resources at Southern Cross University’s Graduate College of Management. Her research interests involve the development and leadership of people at work, power relations in organisations, paid and unpaid work, and transnational teaching and learning. Her preference is for constructivist methodologies and thus qualitative data gathering. Her teaching focuses on the broad area of human resources with a special interest in critical management studies. She has supervised honours, masters and doctoral students.
Drop-off/Pick-up Method for Measuring Customer Satisfaction

Paramsothy Vijayan & Michael Evans

Title of study
Determinants of customer satisfaction in the Malaysian banking sector

Purpose
The primary objective of the research was to develop a theoretical model to determine and measure the factors influencing customer satisfaction and loyalty in banking. The justification for the research was the pronouncement by Bank Negara Malaysia (the Central Bank)
of the liberalisation of the Malaysian Banking industry by 2007 to permit the entry of foreign banks. The Central Bank had previously released the Financial Master Plan outlining strategic priorities and the restructuring of domestic banks. Among the various recommendations set out is the benchmarking of customer service and the ranking of each financial institution in all areas of performance (Bank Negara Malaysia 2003). Subsequently, the Governor of the Central Bank commented that the local banks appeared to be dragging their feet and not taking serious heed to improve customer satisfaction. She added that the overseas banks were more competitive and had the necessary benchmarks for customer service, productivity, skills, return on assets and governance. She warned that unless the domestic banks shaped up, they would disappear. These comments clearly indicated that there was an urgent need to determine the factors that affected customer satisfaction and loyalty and to investigate the steps domestic banks needed to take to improve service quality, customer retention and improve profit.

**Keywords**

Customer satisfaction, loyalty, structural equation modelling (SEM), banking, AMOS, Malaysia

**Methodology**

The most suitable research paradigm for this study was the realism paradigm as it permits theory building for in-depth surveys using multi-item probe and structural equation modelling (SEM) (Perry et al 1999). Furthermore, ‘structural equation modelling is within the realism paradigm. In those research situations when complex phenomena have already been sufficiently understood to warrant an attempt at generalisation to population, SEM may be the only appropriate survey analysis technique for a realism researcher to use’ (Healy & Perry 2000).
Survey methodology

A literature review of customer satisfaction research indicated that the survey approach was the most preferred data collection methodology due to the following reasons (Allen & Rao 2000): the ability to accommodate large sample sizes; the ability to improve the generalisability of the results; ease of administering and recording questions and answers; and the capabilities of using SEM for tapping into factors and relationships not directly measurable (Hair et al 2000). Five survey methods frequently used in customer satisfaction surveys were considered: face-to-face, mail survey, telephone interview, internet survey and drop-off and pick-up self administrated (DOPSA) (Aaker et al 2000). The DOPSA was the preferred survey methodology based on the score computed in Table 1. The approach was applied in the following manner:

1. Permission was obtained from the bank to use the Customer Relationship Executives (CRE) located at the bank’s branch network as research assistants in distributing the questionnaires.

2. Customers were selected based on systematic random sampling from the bank’s customer database.

3. The CREs contacted the pre-selected customers to invite them to participate in the research. If the customer accepted the invitation, the questionnaire was hand-delivered to the customer for completion. If the customer declined, the next customer in the list of pre-selected customers was selected (Burns & Bush 2000).

4. A high response rate was achieved as the CRE collected the finished questionnaire immediately after the customer had completed it (Rexha et al 2003).

5. However, if the customer was busy, they could complete the questionnaire later and either post it via prepaid envelopes provided or make arrangements with the CRE for collection (Steele et al 2001).
6. Anonymity of respondents was maintained because there was no requirement for respondent identification on the questionnaire.

Table 7.1: Basis of selection of survey method and related scores

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>Face-to-Face</th>
<th>Mail Survey</th>
<th>Tele-Survey</th>
<th>Internet Survey</th>
<th>Drop-off &amp; Pick-up Self Administered</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Sample frame</td>
<td>1</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>2. Population type</td>
<td>4</td>
<td>1</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>3. Diversity of questions</td>
<td>4</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>4. Control of data collection</td>
<td>4</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>5. Enthusiasm</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>6. Response rate</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>7. Respondent anonymity</td>
<td>1</td>
<td>4</td>
<td>2</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>8. Quality control</td>
<td>4</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>9. Expenditure</td>
<td>1</td>
<td>4</td>
<td>3</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>10. Duration of data collection</td>
<td>2</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>11. Potential for interviewer bias</td>
<td>2</td>
<td>4</td>
<td>3</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>RATING</td>
<td>27</td>
<td>27</td>
<td>30</td>
<td>30</td>
<td>36</td>
</tr>
</tbody>
</table>

Point system: 1=Poor, 2=Fair, 3=Good, 4=Excellent

Survey instrument design

The purpose of conducting the customer satisfaction survey was to ascribe order to issues and magnitude to the level of satisfaction. Hence, the number of scale-point descriptors is an important criterion. The final decision on which scale-points to use was based on the outcome of a pre-test carried out at six branches of the bank.
Pre-test results indicated that the seven-point Likert Scale produced a less skewed distribution. Furthermore, the CREs reported that respondents preferred the seven-point scale as the five-point scale limited their response choice. The next issue was whether to use even- or odd-numbered scales. Odd-numbered scales are generally regarded as allowing for a ‘neutral’ (mid-point) option in a seven-point scale. While the ‘neutral’ option ensures that respondents do not manufacture opinions instantaneously, some researchers advocate an even-numbered scale because, in reality, people are never neutral and have an opinion (Danaher & Haddrell 1996). However, a ‘forced choice’ situation produces positive response bias as respondents prefer to ‘be nice’, rating items positively rather than negatively. Another problem with the even-numbered scale is the ethical concern ‘forced choice’ responses raise. Others, such as Rugg and Cantril (1944) and Lin and Jones (1997), contend that surveys with a neutral midpoint option have been found to help ensure a higher response rate as respondents feel more comfortable using them.

For these reasons, the research adopted an odd-numbered, seven-point Likert Scale. The study also took note of some of the inherent problems in customer satisfaction surveys, such as the tendency of respondents to show a high level of satisfaction, to complete a questionnaire half-heartedly and the increasing number of customers who were tired of being surveyed.

**Findings**

The research identified a set of dimensions that affects customer satisfaction and retention in domestic banks in Malaysia. These are: *branch facilities, electronic banking services, branch convenience, product quality, service delivery, perceived value, bank image and cognitive loyalty* (Figure 7.1).
Complaint Handling did not perform well in the research model and this may be due to the poor complaint management systems in domestic banks. The model demonstrated an absence of a direct relationship between Customer Satisfaction and Retention.

Bank Image and Cognitive Loyalty, rather than customer satisfaction had a direct impact on customer retention. Affective loyalty had no impact on customer retention. This may be because affective loyalty captures more of the positive relationship and trust that is built up between the bank and customer over time. Cognitive loyalty, on the other hand, captures more of the economic consequences or cost associated with switching to a competitor. Although customer satisfaction should be a major contributor to the retention of customers through affective loyalty, customers may not be truly loyal but display cognitive loyalty and remain as customers because of switching cost
and location convenience (Jones & Sasser 1995). The implication is that current loyal customers may not necessarily be satisfied customers or committed future customers. The research suggests that management cannot rely on past and current behavioural loyalty to ensure future loyalty. There is likely to be substantial customer mobility between banks due to customer perceptions of value, financial return and risk assessment and the product range offered (Kaplan & Norton 2004). The research determined that customer retention only exists to the extent the relationship provides positive economic value to the customer. The research recommended that domestic banks adopt strategies that build customer relationship with valued customers and focus on niche banking by building value chains and corporate brands for specific customer segments.

**Limitations**

1. The hypothesised model had only a selected number of variables and does not claim that all variables that affect customer satisfaction and retention have been incorporated in the research model; at most, it represents a parsimonious theoretical model for the determinants of customer satisfaction and retention in the banking industry. However, this is a limiting factor in much quantitative research.

2. The research is limited to the domestic banking industry in Malaysia and cultural differences between Malaysia and Western countries could hinder the generalisability of the findings. However, the findings could apply to other Asian countries that share a similar cultural heritage and work ethic, such as Hong Kong, Singapore and Thailand. Further research could use the same instrument in a multi-country research project and explicitly test for cultural differences in the determinants of customer satisfaction.

3. The study only registered behavioural intentions, which are just an approximation of actual behaviour and thus the postulated causalities should be evaluated with great care before the results are
used normatively. Once again, this is a common problem in survey-based research.

4. SEM has limitations as the decomposition of effects through path analysis does not constitute proof of causality (Avkiran 1999). Causality can be inferred only to the extent that the research design leads to the data collected. SEM also assumes that the nature of the data is multivariate normal (Byrne 2001).

Further work could expand the analysis by including demographic variables, such as income level, gender, age, marital status and education level in the computation by using multivariate analysis of covariance (MANCOVA) as Amos cannot accommodate categorical demographic data (Kaynak & Whitley 1999). An examination of the differences in the profitability of the various customer segments may offer concrete guidelines for organisations in their quest for acquiring and retaining the right customers. Although this research did not find any direct correlations between satisfaction and retention, further examination should be performed because of the relative importance of its impact on profitability and customer relationship over time (Reichheld & Sasser 1990).

Researcher’s retrospective

Genesis of the research

The primary drivers and grounds for justification of the research were:

a. In line with the liberalisation of the banking industry, the Central Bank announced the introduction of The Service Quality Index to rank financial institutions according to their service quality and customer satisfaction (‘Banking on a better deal for the people’, The Star, 5 January 2003).

b. The banking industry is critical for a rapidly growing economy, such as Malaysia, especially as it shifts from a production-based to
a service-cum-knowledge-based economy. In a knowledge-based economy, with increasingly rational buyers, only organisations that can produce high customer equity, ie value equity, brand equity and relational equity, will be able to retain customers (Rust et al 2000).

c. Gaps identified in the review of the literature indicated that none of the previous Malaysian studies on customer satisfaction had established a cumulative satisfaction measurement model for the Malaysian banking sector. Furthermore, the data analysis performed in previous research was limited to factor analysis, which is considered purely exploratory with the intention of only seeking relationships among the variables and measures that have been collected. In addition, previous research had not attempted to build a parsimonious model for cumulative satisfaction and to validate the results using information-theory analysis, which is considered to be more robust than the data analysis methods previously used in model selection (Arbuckle 2003).

**Process**

Two points needed attention:

1. Due to confidentiality issues, banks do not disclose information about their customers. For this reason, the research adopted the method suggested by Krepapa et al (2003) in the selection of the sample and distribution of questionnaires to customers of the bank. First, permission was obtained from the management of the local sponsoring bank to extract the required customer sample from the customer database. Since I was a senior staff member of the bank and a signatory to the **Employee non-disclosure and confidentiality document**, I was granted permission to access the customer database on condition that I complied with all the bank’s policies and practices on information confidentiality. In addition, management indicated that I could use the branch network and other resources required for the research, on the condition that the name of the sponsoring bank
was not mentioned in any publication, verbally or in writing, to maintain anonymity and protect the bank’s competitive advantage.

2. Ethics required that I took into consideration the fact that some customers may be reluctant to participate and also to return the uncompleted questionnaires directly to the CREs. In Malaysia, especially in the rural areas, it is considered a deep insult to be made ‘malu’, ie to lose face, in front of others—more damaging than material loss! This Malaysian cultural peculiarity required that the researcher provide a way for customers who decided not to participate to be able to do so without losing face. Hence, to prevent any emotional stress to reluctant customers, the cover page of the questionnaire provided a box where they could tick ‘No’ to indicate politely that they were unable to participate and return the uncompleted questionnaire to the CREs (Schuttle et al 1998).

Hurdles

The major hurdle I faced was when one of the external examiners raised concerns about the complexity of the research model and the sample size used. The examiner recommended that I should reassess the research model and compute the Goodness of Fit test using standardised root mean square residual (SRMR). For the SRMR test statistic the smaller the value the better the model fit. The examiner did not say how I should reassess the model nor why the SRMR test was superior to other recent test statistics based on information theory that compute fit index that differed from model selection based on classical statistical hypothesis testing (Burnham & Anderson 2002).

Nevertheless, the examiner’s concerns had to be addressed. I did so by providing credible justification that it was unnecessary to reassess the model by citing various references on the robustness of information theory in model selection available in the latest version of SPSS AMOS 5. As this may be of interest to research candidates using SEM techniques, an expanded discussion is included below.
1. Schumacker and Lomax (2004) acknowledge that sample size and model selection issues are a problem in statistical decisions and unavoidable in SEM. Based on the examination of published research, they found that many articles used sample sizes ranging from 250 to 500 subjects. They argue that, based on empirical research, there is no single procedure sufficient for finding a properly specified model. Furthermore, no ideal fit index exists, since an ideal fit index is one that is independent of sample size and supports a 'true' model when it is known. In addition, there is ongoing debate on the use of null hypothesis testing and alpha criterion of significance, especially with the availability of new statistical software and faster processing computers. Dancey and Reidy (2002) maintain that, for research in the behavioural or social sciences, even if the research model obtained a 'good fit', statistical significance does not equal psychological (behavioural) significance and God loves the 0.06 nearly as much as the 0.05!

2. There has been a flurry of research in recent years to determine the combination of procedures most likely to yield a properly specified model consistently (Burnham & Anderson 2001). Current model-fitting practice to address sample size issues involves the use of specification search using optional paths in AMOS 5.0, modification indices in LISREL-SIMPLIS and the use of Lagrange multiplier and Wald tests in EQS to identify the best model given the sample data (Schumarker 2004). These search procedures build on the recommendation to use 'all possible subset selection of parameters' and to continue specification searches even after a model with a non-significant fit function has been obtained (Bentler & Chou 1987).

3. Burnham and Anderson (2004) argue for model selection based on information theory, which differs from model selection based on classical statistical hypothesis testing. Information theory is based on the premise that models are only approximations. The (unachievable) goal of model selection is to attain a perfect 1-to-1 translation such that no information is lost in going from the data to
a model of the information in the data. This thinking leads directly
to Kullback-Leibler information \( I(f, g) \): the information lost when model \( g \) is used to approximate full reality \( f \). The aim is not really to model the
data, but to try and model the information in the data (Kullback &
Leibler 1951). The model of the data that is best is the model that loses
as little information as possible, and this is achieved by using one
of the information-theoretic criteria and Goodness of Fit statistics.
They argue that inference from multiple models or the selection
of a single ‘best’ model by methods based on Kullback-Leibler
distance are almost certainly better than other methods commonly
in use now such as null hypothesis testing or the use of \( R^2 \) alone.
Model selection under the information-theoretic approach attempts
to identify the various possible models available given the sample
size and data, orders the models from best to worst and produces a
weight of evidence to select the optimum model (Zucchini 2000).

4. Classical model modification of the implied model to obtain
better model fit has been guided by using modification indices,
Lagrange multiplier, Wald or expected change statistics. However,
AMOS 5.0 embraces the ‘all possible subset’ approach wherein all
models are generated and examined against a set of fit function
criteria. AMOS 5.0 computes ‘K-L best’ (Kullback-Leibler) based
on information-theory approach in model selection. Information-
theoretic approaches allow formal inference to be based on more
than one model (multimodal inference) and such procedures lead
to more robust inferences in many cases. Schumacker (2004) has
determined that the AMOS 5.0 specification search appears to work
as well as the Tabu search procedure, and possibly similar to the
annealing and other genetic algorithms used extensively in business
applications for solving large-scale optimisation problems. Selecting
the optimum solution may also yield different results than when
determining the best statistical model. There is value, however, in
any automated procedure that can narrow the number of plausible
theoretical models to make the model modification process more
manageable. Furthermore, he argued that specification searches would quickly provide the basis for identifying models that are not fundamentally mis-specified but are incorrect only to the extent that they have missing paths or parameters that are involved in unnecessarily restrictive constraints. The primary concern when conducting specification search is model comparison rather than model evaluation of a single model.

Here are some suggestions for DBA candidates when defending their theses:

1. Discuss with your supervisor and be courteous in your defence. In my case, I was initially annoyed because I had strong reason to believe that the examiner was not aware of new developments in statistical software in model testing selection that probably necessitated the defence. Nevertheless, to address the examiner’s concerns, I computed the SRMR which was satisfactory and reported it in the DBA thesis as further support for the research model.

2. The examiners’ background and experience and methodological bias should be known before seeking approval for them to act as examiners. It is important to discuss this with your supervisor well prior to submission.

3. Be aware that examiners are human and may not be fully cognisant of recent developments (although they are supposed to be!). For example, if using SEM, report both conventional fit index as well as the most recent development fit statistics—AMOS 5 has both.

4. Cite published papers and, if possible, include peer-reviewed articles from the university the examiner works in. As my defence, I cited articles published in reputable journals by authors from Australian universities that had complex models, sample size not sufficient for reliable SEM application, did not report SRMR and did not apply ‘partial aggregation’ to improve the ‘assessment’ of the model. The DBA research I presented for examination had sample size above the
recommended sample size and Goodness of Fit statistics that complied with both conventional hypothesis testing and information theory.

**Relationships**

Asians students must undergo a paradigm shift in learning. Most Asians have gone through an education process where the teacher spoon-fed them with notes and they are, therefore, not used to thinking for themselves and to accepting challenges from their peers and supervisors. Welcome such challenges because they are avenues to lateral thinking and self-improvement and will provide you with clues to what the examiner may expect to be discussed in the thesis.

I was fortunate to have had a supervisor, Professor Mike Evans, who did not always look over my shoulder, but was there when needed. The DBA candidate is not supposed to be instructed on what to do every step of the way. The supervisor’s role is mainly to lay down the boundaries within which the research is to be conducted. The candidate is expected to exercise independent thought—it is a process of self-discovery, adventure and sometimes agony! This helps to build character and emotional intelligence. While the candidate is expected to manage his or her supervisor, the relationship between supervisor and candidate is of utmost importance. The student is not expected to agree to every suggestion made by the supervisor; however, it is vital that you carefully consider your supervisor’s suggestions, and if there are disagreements to discuss them with candour and justify your stance. For example, I proposed using SEM for my research. Mike suggested factor analysis because it is easier to master, cheaper and readily available. However, after I explained to him that I had used SEM in my master’s research and had a personal copy of the software, Mike readily agreed to my suggestion.

I have heard of the horror story of a part-time DBA candidate, a senior manager, who was more used to giving orders to his subordinates than receiving honest criticism. He submitted his research for examination
against the advice of his supervisor and received adverse comments from the examiners. Eventually, he had to humble himself and seek advice from his supervisor, who was kind enough to provide suggestions for improvement. He resubmitted and passed. This delay could have been avoided if only he had listened to his supervisor in the first place.

**Outcomes**

A suggestion to the university thesis examination committee is that when selecting examiners, it may be necessary to determine whether the examiner has a working experience with the latest statistical tool the candidate has used in the research. Progress in the power of the PC and new thinking in statistical testing necessitates that examiners keep themselves informed of the latest version of the software students are using in their research.

**Reflection**

The DBA was a rewarding experience because it confirmed my hunch and I was able to demonstrate empirically that banks have to do more than satisfy customers if they wish to retain them. The DBA was not an easy journey and I needed to make sacrifices in family time and set aside funds for tuition fees. However, I will do it again. The DBA has brought me recognition and invitations to present the research at conferences—one worth mentioning is the *Third International Islamic Banking and Finance Conference 2005*. Recently, I accepted an offer for a second doctorate—a PhD in banking—and the research proposal has been accepted by the university senate. You may ask, ‘Why another doctorate? Is one not enough?’ I suppose research is in my blood. I compare research to riding a Harley—‘it is not the destination, but the journey’. In conclusion, when doing research it is not the destination alone that provides the thrill, but rather the real adventure is the landscape, the people and the trials and tribulations one encounters during the journey. Bon Voyage!
Supervisor’s comments

Genesis of the research

Vijay was working for a major bank in Malaysia at a time when the Central Bank was moving towards publishing an index of customer satisfaction for bank customers. This was further exacerbated by the looming liberalisation of the banking system to allow for greater foreign competition in the Malaysian market. As such, the topic was one that was of immediate concern to the banking industry and, most importantly, to Vijay’s employer and colleagues. Customer satisfaction is a topic that is at the heart of many businesses yet it is one that had been somewhat neglected in the banking industry, apart from some studies in well-developed economies. This created an academic driver to the study, filling a major gap in terms of research in emerging economies and facilitating comparisons with the fundamentals of markets in developed economies.

Process

Vijay was fired up by the research topic and its immediacy. He was also fully engaged in the thrill of exploration that comes from well-designed research activity. This had a wonderful effect on the process of the research. Rather than the periods of inactivity that many researchers experience, Vijay was always proactive in furthering his research. As his supervisor it was at times hard for me to keep up with the pace. This is a terrific situation and a good lesson for other candidates. Keep your supervisors on their toes.

The research instrument was a survey and the data generated were analysed using structural equation modelling. Vijay had already completed a Masters degree by research and was familiar with the research methodology. This was also a factor in facilitating the research process. As an observation, candidates without a strong research
background would be well advised to undertake some pilot research before investing huge amounts of time in the major research for their thesis. This will enable the testing of instruments and, more importantly, in the assessment of how the instrument will eventually be analysed.

**Hurdles**

Like many other candidates, the major hurdle in Vijay’s case was finding the time to devote to the task. Another hurdle was the Ethics Committee approval process. Given the sensitive nature of surveying customers of banks and the use of bank mailing lists, the research was always likely to be scrutinised by the Ethics Committee. Thus, Vijay underwent several iterations to satisfy the committee before approval was forthcoming. Some of the questions that needed resolution required him to have carefully thought about his research design and methodology. This initially came as a surprise to Vijay but having to answer these questions early on facilitated the implementation of the research process. The clear lesson is that the ethics approval process might seem like a difficult hurdle; however, it can help accelerate the research process since it requires careful consideration of design and methodology early in the process. It also acts as an independent review of the research, which can be most valuable to the investigator.

**Outcomes**

This research has had a significant impact on practitioners who have been exposed to its findings. Vijay was invited to present his results at a major public seminar organised by The Asia Business Forum in Kuala Lumpur. The findings have also been used by banks in framing strategies for the liberalised banking sector in Malaysia following presentations by Vijay to senior staff of the banks.
Relationships

Vijay and I mostly communicated with each other by email and phone calls, as well as some face-to-face meetings when I was in Malaysia for business and teaching purposes. The most useful discussions were during these visits to Malaysia; however, the use of email for sending draft chapters for review and for returning feedback on these chapters was a useful tool. I must admit that working with such an accomplished researcher made the relationship more of a colleague-to-colleague than a candidate-supervisor one. On reflection, having supervised a number of candidates from Asia, I have found that a strong relationship is developed that has a two-way transfer of cultural understanding, valuable to both supervisor and candidate. This is a terrific feature of a global program like the DBA and one hard to emulate in most doctoral programs.

Reflection

The supervisory process with this thesis was smooth and on the more pleasurable end of the scale in terms of demands on the supervisor, success of the research process and development of both supervisor and candidate. I have successfully supervised a growing number of doctoral graduates, and it is worth reflecting on the personal development that comes from being a supervisor.

Each candidate brings different problems, issues and challenges. Some challenge the supervisor’s methodology skills and this leads to growth for the supervisor to develop skills to meet the challenge. All candidates challenge the supervisor’s supervision style. All candidates require a slightly different style; in some cases markedly different. In this case, it was a field that I would not normally take on and a methodology that I would not tend to use myself. As such, the experience was rewarding as well as developmental to me as a supervisor and has enabled me to consider a wide range of topics to supervise in the future.
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Researcher’s profile
Paramsothy Vijayan is a banker by profession and has worked in local and international banks in various capacities, namely, corporate strategy, electronic banking, enterprise risk management, internal audit and information technology. He started his career in the international management consultancy firm of Coopers and Lybrand (now PriceWaterhouseCoopers) after obtaining his BA (Hons) in Accountancy & Finance from Napier University, Edinburgh. He is a Certified Fraud Examiner (USA) and also holds a Master of Science in Banking Technology. In 2003, he commenced his DBA program at Southern Cross University, Australia, which he successfully completed in 2005. In 2007, he accepted an offer to complete a second doctorate, a PhD in Banking. In addition to research in the secular world, Vijay is an active member of the National Evangelical Christian Fellowship Research Forum.

Supervisor’s profile
Michael Evans is a Professor of Management and the Head of the Graduate College of Management at Southern Cross University in Australia. He teaches accounting, finance, management and strategic control, and strategic management. Michael has a wealth of experience in Asia, having been involved in business development for universities since 1987, focused on Singapore and Malaysia. He has consulting, research and teaching experience across Australia and Asia, and in Europe through the Helsinki School of Economics. Mike has undertaken a wide range of applied research and consulting assignments for clients, including reviews of strategic planning and implementation, performance measurement and evaluation, valuation and financial analysis. His current research focuses on valuation, innovation, commercialisation and value creation within organisations. Mike also oversees an active research program on South East Asian capital markets and has successfully supervised ten doctoral students in this area.
Action Research—For Continuous Quality Improvement in Aged Care

Devi Ranasinghe & Peter Miller

Title of the study

Monitoring and measuring the impact of continuous quality improvement in the aged care sector in Australia

Purpose

There was much confusion and frustration among staff in the aged care industry when the Aged Care Act 1997 introduced compulsory continuous quality improvement, and audits became a major part of the aged care industry. At this time, there were many quality consultants
advising the industry, some of whom had never worked in aged care. This posed considerable difficulty in their ability to understand what, when, how and where improvements could be made, let alone the difficulties inherent in the application methods of what they were proposing to implement. Many people did not understand that aged care was a service industry and had many intangible products that were difficult to improve, or that the improvements may be so subtle that they could not be measured. The audit tools used in the industry were neither clinically nor scientifically significant. Some of them were not user-friendly; nor did they gather data to improve. The audit processes were creating an enormous amount of unnecessary paperwork and statistical analysis could not be conducted with the data collected.

Having studied continuous quality improvement as a core subject for a Master of Business Administration degree and continuous improvement processes in healthcare at the certificate level, the researcher knew the weakness of the system. The researcher had been implementing the continuous improvement concept at her workplace to improve resident care and work practices long before it was introduced through legislation.

In 2001, a report of a two-year review of aged care reforms was published and it confirmed the inherent weakness of the accreditation system. The report made seven recommendations, the last of which was to introduce objective measures of continuous improvement to enable assessment of improvement over time.

Thus it was both personal and professional interest that inspired the researcher to undertake this study, in order to make a contribution to the aged care industry regarding continuous improvement.

**Keywords**

Aged care, service industry, continuous quality improvement, action research
Methodology

Many research methodologies along with personal and professional life factors were considered before choosing action research methodology for this study. The case study or survey method was not suitable as there was no evidence that aged care services were monitoring and measuring the impact of continuous improvement changes. The report of a two-year review of aged care reforms recommended introducing objective measures of continuous improvement to enable assessment of improvement over time. This was due to the infancy of the continuous improvement system. At the time the research started, the industry was just coming to terms with implementing the continuous improvement concept. There was no particular or uniform data collection tool used to collect data for the Aged Care Outcomes despite the enormous amount of paperwork that was created in the search for continuous improvement.

It was clear the researcher needed a data collection tool to monitor and measure the impact of continuous improvement changes in aged care. During the literature review process, it became apparent that there was no specific tool that could be used to measure and monitor the Australian Aged Care Outcomes in Australia or overseas.

The internationally recognised Minimum Data Set (MDS) quality indicators were not suitable to monitor and measure the aged care outcomes because they could not monitor and measure the impact of continuous improvement. For example, one of the MDS quality indicators was prevalence of problem behaviour towards others. This could have been useful in relation to the Australian Aged Care Outcome 2.13 ‘Behaviour Management’. The expected outcome of behaviour management is that ‘the needs of residents with challenging behaviour are managed effectively’. However, the Aged Care Outcomes of continuous improvement, regulatory compliance and staff education must be integrated into behaviour management. The researcher wanted to find out more than just whether there was
a prevalence of problem behaviour towards others; she wanted to know what the process of behaviour management was, namely, what strategies could be implemented for improvement and what system or method staff used to broaden their knowledge and skills in behaviour management. In this context, collecting retrospective data alone cannot measure improvement; one also needs to know the process of care. The researcher needed to know what types of data were required to assess improvement of the process of care. Therefore, the MDS tools were not suitable and the researcher decided to develop new data collection tools that could measure and monitor the continuous improvement changes in aged care.

Developing and validating the data collection tools needed a proven research method. The data collection process must be robust, valid and reliable. It was also understood that the research method must have rigour to protect against bias and enhance the reliability of findings, and be accepted by the research community. After taking all these considerations into account, it became clear that action research was better suited for the purpose of the study. One of Lewin’s (1946) action research principles is ‘helping to solve complex, practical problems about which little is known’. In this situation little was known about monitoring and measuring the aged care outcomes. There was no documented evidence to indicate that any studies had been conducted on the subject. Action research methodology is a flexible, spiral process that allows action (change, improvement) and research (understanding, knowledge) to be achieved at the same time (Dick 2000). Action research is not new to healthcare; it has been used for many years, and many writers (Bowling 1997; Hart & Bond 1995) have stated that action research in healthcare:

- is educative;
- deals with individuals as members of social groups;
- is problem focused, context-specific and future-oriented;
- involves change interventions;
Action Research—For Continuous Quality Improvement in Aged Care

‣ aims at improvement and involvement;
‣ involves a cyclical process in which research, action and evolution are interlinked; and
‣ is founded on a research relationship in which those involved are participants in the change process.

Given that the researcher was working full-time at the outset, it was obvious that action research methodology was suitable based on Morton-Cooper’s (2000) key principles, since it could:
‣ be practitioner-generated;
‣ be workplace-oriented;
‣ seek to improve practice;
‣ start with a problem shared and experienced by colleagues and/or patients;
‣ examine key assumptions held by researchers and challenge their validity/adopt a flexible trial-and-error approach;
‣ accept that there are no final answers; and
‣ aim to validate any claims it makes by a rigorous justification process.

The researcher believed that this methodology could be implemented in her workplace without facing great difficulties, and staff would be motivated and would enhance their knowledge in continuous improvement.

Findings

There were two aspects to the study findings. Firstly, there was substantial evidence to support the fact that education changed staff’s understanding of continuous improvement. Secondly, the findings
confirmed that the indicator data collection system is better suited for monitoring and measuring the impact of changes in continuous improvement in aged care.

Action research is qualitative research and the scientific community has often criticised qualitative research for lacking in rigour. The most common criticisms made about qualitative research are that it is (Mays & Pope 1995):

- merely an assembly of anecdote and personal impressions;
- strongly subject to researcher bias;
- lacks reproducibility—the research is so personal to the researcher that there is no guarantee that a different researcher would not come to radically different conclusions;
- lacks generalisability; and
- generates large amounts of detailed information about a small number of settings.

To ensure rigour in action research, the researchers spent considerable time on research design, data collection, interpretation and communication. The study used qualitative analysis through the action research cyclic process as well as quantitative methods to refine the indicator data collection tool and analysis. This combined approach minimised the researcher’s bias in the presentation of the findings. The method used for this action research stands independently and other researchers can collect and analyse data in the same way and fundamentally reach the same conclusions. This confirms two things: firstly, both quantitative and qualitative data can be used in the action research approach; and, secondly, action research is a way to investigate professional experience that links theory and practice.
Limitations

There were many limitations to the study. Getting aged care organisations to participate in the study was the biggest limitation. Operations and day-to-day management differ between public and private aged care facilities. Public aged care facilities have better human and physical resources than some private, profit-based aged care organisations. However, the decision-making process is much faster in a small, privately run, for-profit aged care facility. The large, public aged care organisations took a very long time to decide whether to participate in this research, and in the end declined. Aged care organisations tend not to embrace research. They are more sceptical about it as they believe it will create more work and are unwilling to allocate staff to collect data or to pay for education sessions.

Staff knowledge of aged care outcomes and continuous improvement was minimal, and some staff did not understand the concept of improvement.

Due to staff workload it was decided to collect data from the details of 10 residents per facility although it would have been ideal if the sample size had included all residents. For then staff could have identified issues related to all residents as soon as data were collected whereas by collecting data on only 10 residents staff needed to check all the residents’ files before taking remedial actions for the issues identified.

Management and staff of participating aged care facilities were not receptive to statistical data analysis. They could not comprehend the t-test relationship or probability levels etc. Nor could they see the benefit of learning about it. They only wanted data to be presented in a graphical format (bar charts or pie charts).
Exemplary Practitioner Research in Management

Researcher’s retrospective

**Genesis of the research**

The majority of people working in aged care have great compassion and empathy for the elderly and look for improvements in care and service delivery. However, even though quality improvement has a long history in organisational change, the Australian aged care industry only embraced it after the introduction of the Aged Care Act in 1997. The Act has changed two important factors in the industry. The first is that it has provided the opportunity for grassroots level staff, who were previously not in a position to make decisions, to be involved in care and service delivery improvement (empowerment). The second is that it has forced the management of aged care organisations to make an organisational commitment to quality management. This involves: a customer focus; getting employees involved in the processes of improving quality; finding ways to measure quality; setting goals and creating incentives for what has been measured; and constantly identifying ways to improve the care and service delivery to continue receiving Commonwealth government funding.

One of the requirements introduced by the legislation was that aged care organisations must receive the seal of approval from the Aged Care Standards and Accreditation Agency that the organisation is actively pursuing continuous improvement.

The industry became lost in the maze of continuous improvement and many people still do not comprehend what needs to be improved and how to do it. The subjective assessment of the accreditation system confused the industry and continues to confuse it today.

I was working in the industry and was frustrated at the way the continuous improvement process was being conducted at the workplace and became determined to convince the industry regarding better quality improvement processes. Having studied continuous quality improvement as one of the core subjects for an MBA degree and
continuous improvement processes in healthcare at a certificate level, I knew the weaknesses of the system. However, convincing management (at my workplace) about what needed to be done with the continuous improvement process was difficult. And this, despite the fact that I had been implementing the continuous improvement concept at my workplace to improve resident care and work practices long before it had been introduced through legislation.

In 2001, the report of a two-year review of aged care reforms was published and it confirmed the weakness of the accreditation system. There were seven recommendations, and the seventh recommendation was to introduce objective measures of continuous improvement to enable assessment of improvement over time. After reading the report, I decided that the only way to prove the value of continuous improvement in aged care was via a higher degree by research.

Process

At the beginning of the doctoral study in 2000, I had a different research problem. It was: ‘The relationship between the use and non-use of the statistical tools (process control and quality control) in identifying variance of the processes and systems in order to receive maximum benefits of continuous quality improvement projects in aged care’. After studying the core subjects of the DBA and doing the literature review in 2001, the research question was modified to integrate the reform review report’s recommendation.

I had many discussions with my supervisor, Associate Professor Peter Miller, and other academic staff before I chose action research as my research methodology. The next step was planning for the action research, which involved developing the data collection tool, selecting research sites (aged care organisations/facilities), and getting approval from selected organisations and the university’s Human Research Ethics Committee (HREC). These tasks were attended to concurrently to progress the research within the agreed timeframe.
Initially, I decided to approach a variety of organisations such as regional, outer metropolitan, culturally diverse, public and not-for-profit and smaller aged care facilities, totalling 6-8 different organisations. Selecting and getting approval from the aged care organisations and developing the data collection tools were my responsibility, but Peter helped me with the ethics approval application process.

I decided to draft the data collection tools for the aged care outcomes before approaching the aged care organisations. This took more than three months as there were 44 aged care outcomes and each one needed to be monitored and measured separately. During this process, I had many discussions with my colleagues regarding the research question. Some gave very positive feedback while others thought that the aged care continuous improvement process was not mature enough for this type of research.

The next step was to approach the aged care organisations, which had to meet two research criteria:

1. They had to be regulated by the Commonwealth Department of Health and Ageing; and
2. They had to be receiving government funding for care and service delivery and, therefore, accredited by the Aged Care Standards and Accreditation agency.

I selected a variety of aged care organisations in the Melbourne metropolitan and rural area—some public, some not for profit; some with different sites and some as small as 30 to 60 beds.

Larger organisations took significant time to make a decision, only to let me know that they did not want to be involved in the research. I approached more than 30 aged care organisations before five agreed to participate in this study.

It took five years to complete the research. After studying the core subjects for a year and half it took more than two years to arrive at the
final product—the improvement indicators. It took approximately six months for the development of improvement indicators for the 44 aged care outcomes, and a further seven months to refine these. In August 2003, the final version of the indicators was accepted and data collection commenced to validate the improvement indicators. Data analysis and writing took another year and a half.

Conducting action research requires a great deal of patience. The outcomes I wanted to achieve were personal and professional goals; the desire to change or improve the situation. However, the research participants did not have the same understanding of the subject as I did, nor did they share the same motivation or commitment to the project. Nonetheless, I needed to rely on employees of the participating organisations to collect reliable and valid data. They were practically second-hand data, and their validity and reliability could be questioned. Therefore, I needed a system to check their validity and reliability.

Qualitative research has been criticised by some academics with respect to research rigour. The basic strategy to ensure rigour in qualitative research is systematic and self-conscious research design, data collection, interpretation and communication. It has been suggested that qualitative researchers should keep an accurate record of method and data that can stand independently, so that other trained researchers could analyse the same data in the same way and come to essentially the same conclusions. This approach will also help to produce a probable and logical explanation of the idea under investigation (Dick 2000; Mays & Pope 1995). At the same time, it can be argued that action research is better for developing data collection tools such as surveys, audit tools and indicators, and in changing work practices, because it can involve as many people as possible to refine the issue being investigated.

In this study, I included a quantitative component to validate the data. However, the management of aged care organisations did not understand the value of statistical reporting when staff knowledge in pre- and post-education of statistical reporting was presented (the
t-test was conducted to identify the differences between groups). They could not comprehend inferential statistics. Hence, I used descriptive statistics to simply describe what was going on with the data.

**Hurdles**

There were many hurdles in this research process. It started with getting aged care organisations to agree to participate in the research. When I approached the management of aged care organisations to participate in the action research, they were extremely reluctant to introduce any data collection system because they had already received accreditation for their quality system that included data collection tools. It didn’t really matter whether these tools gathered relevant data or not. At this stage, the accreditation agency was only assessing whether the aged care organisations had an audit schedule and a data collection system.

Every organisation had some form of data collection tool, whether they were collecting appropriate or adequate data or not. Some organisations had developed their own data collection system and others had bought off-the-shelf systems. Larger facilities, such as the public and not-for-profit organisations, had invested a significant amount of time and money on developing or purchasing quality systems. They did not want to be involved in a research project. Bear in mind that research in aged care was almost nonexistent when this study was conducted (to date, this has not changed a great deal). To them, it was simply more paperwork. And the last thing they wanted was change. There was no pressure to change the current system. The accreditation agency accredited aged care organisations if they collected data and it did not matter whether the data collected were useful or not.

Further, it was extremely difficult to get staff involved in education and training sessions. The education sessions were aimed at enhancing staff understanding of the data collection system as well as the aged care outcomes. At this stage, staff in aged care did not place much
emphasis on education and training sessions even though they did not know about the aged care outcomes. Staff were not paid to attend education and training and some staff were working in the morning in one place and going to afternoon duty at another so there was never a good time to conduct these sessions.

English literacy was another obstacle. Some staff, especially grassroots level staff, were lacking in reading and writing skills in the English language even though they were good at performing physical tasks. This was another reason they were reluctant to attend education sessions.

Yet another hurdle was the lack of understanding and interest on the part of the management of the aged care organisations. They believed that continuous improvement was the grassroots level staff’s responsibility. They were not allocating adequate resources, such as time for staff to attend education sessions or to conduct data collection.

In addition to the site issues, the study had procedural issues to deal with, such as the fact that action research is a qualitative research methodology. It is a well-known fact that qualitative research is often criticised for lacking in scientific rigour. The sample size and method was a hurdle to overcome. I knew that the whole population of the aged care organisations needed to be used as a sample to be theoretically comprehensive because the populations were very small (30 beds). However, this was not practical given the difficulties of organisational issues.

**Outcomes**

While I needed to make an explicit account of the theoretical framework and methods used at every stage of the research, it was difficult to decide what to include and what to exclude in the body of the thesis. For example, during the early stage of the study, I discussed many issues with colleagues, authorities and people in the industry to get an idea about what individuals believed continuous improvement
in aged care to be, as it was new to the industry. Some of these conversations were informal and unstructured while others were formal and structured. Should these conversations be included in the thesis? What benefit would be gained? In the end, it was decided to leave them out.

Out of personal interest, I used the simplest inferential test, such as the t-test, to compare the average performance of the two cycles on a single measure to see if there was a difference. However, for action research it is not necessary to conduct an inferential statistics report and so, with some regret, I decided not to include inferential statistics on data collected to validate the improvement indicators for this research.

Relationships

At the beginning of the research, my relationship with Peter was somewhat distant as I did not keep in touch with him on a regular basis. This was due to a lack of understanding on my part of the role of the supervisor. Learning through distance education has its ups and downs. Face-to-face contact with Peter would have been more beneficial to iron out many hurdles. It was not clear to me how often, or at what stages, I should contact my supervisor. Family, friends and colleagues provided the necessary moral support but feedback on the quality of my academic progress could only come from my supervisor.

At the beginning of the research, my ideas were merely personal impressions about a collection of anecdotes. As the research progressed, Peter gave me different opinions that were at times hard to accept but that were necessary because I was emotionally too close to the issues.

It was difficult to establish close relationships with the research participants at the start. It took some time to get to know them well, build trust and convince them that their involvement in the research was worthwhile and that they would get something of value out of it. As the research progressed, I managed to build close relationships with them.
My relationships with fellow doctoral students were very important in the research process even though our areas of research interest were different. Fellow students give significant moral strength via discussion groups or just by having a cup of tea and discussing issues related to one’s supervisor or workplace or the mechanics of writing the thesis.

**Reflection**

My overall research experience was sensational and I feel that I achieved my goals. What I liked about this study was that it opened up a whole new world of learning, namely, action research. As McNiff et al (2004) state, research is about creating new knowledge, finding ways of testing its validity and sharing the knowledge for specific purposes. Finding a solution to a problem is a very satisfying feeling. It increased my self-esteem. Through this study I became even more aware of the importance of improvement in the process of care and service delivery.

The research gave me an insight into the dynamics of project planning, design, implementation and evaluation. It broadened my knowledge and understanding of the subject, analytical skills and confidence in speaking about my ideas.

If given the opportunity, I would be more than happy to conduct another research project. The study kept my intellectual curiosity alive. It kept me looking for unanswered questions that I could be the first to answer. It motivated people I worked with and enhanced their ability to think a little more laterally.

There are a few things I would do differently the next time round. I will definitely use a combination of qualitative and quantitative research methods to collect data and will have a better understanding of selecting research sites and sampling size. I will also pay more attention to data triangulation to achieve internal validity.

The satisfaction achieved through finding a new way of doing things far outweighs the frustrations along the way. My only regret is that
I could not complete the research within the three years that I had originally planned to do it in.

**Supervisor’s comments**

**Genesis of the research**

As is the experience of many doctoral candidates, the research problem was initially very clumsy and unfocused and was formulated by an extensive process of examining the literature, negotiation and discussion. Problems and questions often do not become clear until the research is well underway. As a practitioner in the industry, Devi was very close to the problem she was investigating and it took some time to remove the ‘emotion’ and objectively examine the issues to be investigated. As with most professional doctorate programs, having practitioners as candidates brings both positives and negatives to the research project. Most candidates, as in this project, are immersed in workplace issues and problems and hope that their research project will assist in some way to overcome some of the issues they face on a day-to-day basis. The initial training in methodologies provides the candidates with the language to better articulate what it is they intend to research.

**Process**

Over time in the program and after many meetings with me, Devi focused the research questions. I think the most productive times were when we were able to meet face-to-face rather than the endless emails and phone calls, which often do not provide the dynamics necessary for a smooth intellectual discussion at this level.

Devi had produced a very rough quality process control tool that was the genesis of the final validated tool. The early versions of the tool were both clumsy and simplistic but all research must start somewhere
and, as her confidence rose as the research progressed and with the aid of her workplace knowledge, the action research cycles did their job to inform the direction and development of the instrument. The action research methodology is very suited to longitudinal projects that are aimed to bring about change and are emancipatory. Most professional doctorate candidates are in a hurry to bring the research to a conclusion and often the action research process works against strict timetables and each new cycle raises new issues and informs the next.

**Hurdles**

The aged care industry raises particular issues for researchers that are not part of the usual business research project. Staff in aged care are often not very literate, and there are extreme cost pressures and staffing issues as the profits for aged care institutions are usually quite low. My own experience is that business concepts and tools that have been around for years in other industries are often not known or adopted in the aged care industry.

This research also had a large education and training component. Staff were not aware of, or trained in, quality control processes. This meant that a large effort needed to be made by Devi to educate and train the staff to a level where they were able to use quality control tools and understand basic statistical techniques in order to improve processes. Once again, the action research methodology is useful when these issues are encountered.

Devi’s use of pre- and post-testing of staff knowledge in the quality control areas when effecting the training intervention was a clever way to capture this data, and it added to the research project in terms of quantitative data and analysis. My view is that examiners mostly like to see a mixed methods approach to research projects and the use of both quantitative and qualitative methods develops the triangulation that a rigorous research design should have.
Outcomes

Research of this type usually produces endless amounts of data. This often means decisions on what should be developed and what should be left out. These issues were discussed at length, with the deciding factor usually being what would constitute a ‘Contribution to Knowledge’ and, therefore, meet this criterion in the examination process.

The main game in any doctoral project is the thesis, otherwise there will be no doctorate awarded. Research papers published along the way, or at the end, are useful, but the focus should be kept on the thesis at all times. The data collection instrument that was eventually produced was quite sophisticated and showed good validity and reliability. Interest in the instrument has been shown by commercial parties. This sort of interest is another measure of the impact and potential impact of practitioner research.

Relationships

Devi and I mostly communicated by email and phone calls. However, as I indicated earlier, the most useful discussions were when we met in person, when Devi was required to present work-in-progress reports at our twice-yearly doctoral symposia. The opportunity for candidates to see what other candidates are doing, especially in terms of methodological issues, is a big factor in candidate confidence. With all my doctoral candidates, the relationship often ends up more like friends than just professional colleagues, and I trust Devi regards me as her friend for life!

Reflection

I regard the supervision of doctoral candidates as a privilege. My own supervisory style is somewhat dependent on the strengths of each candidate. However, I try to remember that the research is the
candidate’s project and not mine. While I endeavour to influence the project’s direction when I consider it is necessary, I like to let candidates have room for intellectual discovery, even if it takes them off the right track occasionally, which is part of the journey.

This research has cemented my view of the aged care industry as a hot spot for research possibilities and of the usefulness of both quality control and continuous improvement for positive organisational outcomes, as well as the action research methodology for making positive change in organisations.

I am very satisfied with the outcomes of the research, the awards that Devi has received as a result of it and the fact that the outcomes have a commercial value.

References

Researcher’s profile
Devi Ranasinghe works as a Quality Consultant to the aged care sector and is a Principal Advisor to DRs Total Quality Management Training Service Pty Ltd. She has held numerous managerial positions in private,
public and not-for-profit health and aged care organisations for more than 20 years. Devi has served on various professional committees and is a panel member to the Department of Health and Ageing Administrator and Advisor Panel. She has developed many quality tools to monitor quality improvement processes and manage risks, including an incident reporting system for aged care organisations. She completed her DBA with Southern Cross University in 2005, for which she developed an indicator system to monitor and measure the impact of continuous quality improvement in aged care in Australia. Devi’s professional efforts were recognised by the Minister for Health and Ageing, when she received the Minister’s Award for Excellence in the Aged Care Industry 2003 for Professional Development (Individuals).

**Supervisor’s profile**

Peter Miller is presently an Associate Professor in management at the Graduate College of Management, Southern Cross University. He is the Director of the College’s Doctor of Business Administration program. Peter has had over 25 years management experience in public sector, private sector, VET, aged care and tertiary educational organisations. His research interests include managerial competencies, organisational learning and competency assessment, management development, leadership, organisational change and development, managerial and organisational performance and human resource development.

Peter has also published a number of books and international refereed journal articles.
Title of the study
Empirical study on factors influencing unit trust performance

Purpose
Unit trusts, like mutual funds, pool clients’ capital to invest in security portfolios, with the buying and selling of the securities decided by the fund managers. The purpose of this study was to examine the relationships between unit trust performance and investment risk, transaction costs, fund size and type of fund management company.
(FMC) in Singapore’s asset management industry, after controlling for differing fiduciary responsibilities.

It was an empirical study of how factors influencing fund performance differ with type of fund management institution—banks as well as insurance and investment companies. Studying the historical performance of unit trusts invested using Singapore’s Central Provident Fund (CPF) revealed the effects of such factors on funds managed by banks and non-banks.

**Keywords**

Assets under-management, bank-managed fund, expense ratio, financial institution, fund performance evaluation, mutual fund management

**Methodology**

This research is based on a quantitative study using five years of quarterly secondary data from 1999 to 2004 for 20 retail funds approved for Singapore’s CPF Investment Scheme downloaded from the CPF Board website (http://www.cpf.gov.sg). CPF is a public defined-contribution pension plan for employees in Singapore, who decide how their CPF accounts are invested in approved securities. These funds invest in shares from the Singapore Stock Exchange.

The quarterly data collected included fund returns, risk classifications, expense ratios, size and type of FMC as well as the local stock market Straits Times Index (STI) returns and guaranteed interest rates.

The information providers Mercer Investment Consulting and Standard & Poor’s (S&P) Fund Services Asia computed returns and sizes as percentages and market value of net assets under management respectively. Mercer developed the risk classification incorporating equity risk and market diversification dimensions, while expense
ratio data followed Investment Management Association of Singapore (IMAS) guidelines on computation of operating costs.

As no primary data were used, interviews, questionnaires and ethics clearance application were not required. To control for differing fiduciary standards, only CPF-approved funds investing primarily in the local stock market were considered as they followed the same fiduciary standard for managing social security savings. Failure to control for such standards may lead to biased test results.

As each benchmark has a unique market cycle, funds based on benchmarks other than the STI were excluded. The CPF-approved domestic equity funds were classified according to investment risk and type of FMC as follows:

- funds managed by insurance companies;
- unit trusts managed by investment firms; and
- bank-managed funds.

Each type of organisation differs in terms of operational structure, priorities and incentives for fund managers, which may influence portfolio returns.

For each fund, linear regression was carried out using quarterly risk premium (excess of return beyond risk-free interest rate) of the fund and STI—as dependent and independent variables respectively—based on the capital asset pricing model (Sharpe 1964).

Common risk-adjusted performance measures—information ratio (Goodwin 1998), Jensen ratio (Jensen 1968), Sharpe ratio (Sharpe 1966) and Treynor ratio (Treynor 1965)—were computed before hypothesis testing of fund characteristics was carried out using two-tail pooled variance t-test for differences in two means. Four performance ratios were applied to minimise errors from relying on just one measure, as the ratios rank performance differently and can yield different rankings.
To compare the characteristics of the two groups of funds, the usual two-tail pooled variance t-test was conducted at five per cent significance level during each of the time periods 1999-2002 and 2003-2004, corresponding to data provided by Mercer and S&P respectively.

The hypothesis of ‘no difference between an average characteristic for bank funds and non-bank funds’ was tested by comparing the computed t-statistic with a critical value to determine whether the difference between means was significantly not equal to zero, with a t-statistic greater than the critical value leading to rejection of the hypothesis.

Comparison was also performed for large and small funds, as well as for funds with high or low expense ratios. For such comparisons, the funds were sorted according to size or expense ratio in descending order, with the top and bottom halves being large and small, or high and low expense ratio fund groups.

Using secondary data is appropriate for this study, as financial data in printed publications and online databases are readily available from various institutions. In fact, the amount of quantitative content in the finance discipline encourages positivist research using secondary data. Following most research in finance, this study focused on measurable financial data, which were independent from the researcher.

The independent relationship between the researcher and financial data disallowed learning about the phenomenon by being involved in changing it, rendering action research unsuitable for this study. To manipulate variables affecting fund performance, and thus changing investors’ profitability outcomes, would be seen as unethical. However, this positivist ideal is not always appropriate for research in finance. Non-positivist approaches do exist for financial research. For example, after interpreting economic indicators and company performance, investor psychology can also affect security prices. Therefore, the nature of the research question determines the methodology used.

With regards to alternative approaches, a peer group comparison survey can be problematic as the results from such a study will not consider
each fund manager’s portfolio risk level, effectively assuming that the portfolios all have the same volatility. Besides, it is difficult to form a peer group large enough to make rankings valid. Conducting a census for all fund managers can be costly, while letting FMCs select survey participants may reveal results only from fund managers with good performance. Most importantly, a quantitative returns comparison does not consider differing investment objectives and constraints of funds, even though such qualitative information can be recorded in a survey. However, secondary data research can be enlightened by theories built from case research. For a more complete understanding of the research problem from various perspectives, future projects extending this study could use alternative approaches. The use of case study and survey approaches for extending this research were discussed in the thesis.

Findings

This research is an area of interest to investment analysts and fund managers as it identifies factors influencing unit trust performance differences based on the type of financial institution managing the fund.

Analysis of the data revealed unimpressive domestic equity fund performance relative to the STI benchmark even though fund returns were better than guaranteed interest rates, while bank funds did not underperform non-bank funds. Among the fund characteristics examined, expense ratio and size were weak determinants of performance while the bank funds’ risk, expense ratio and size characteristics were not inferior to their non-bank counterparts. In fact, relationships between expenses, size and fund performance were not significant.

Identifying the factors differentiating the performance of funds managed by various institution groups has important implications for finance theory and practice. As the majority of published fund research studies were conducted using data from the United States of America
(US) and other large developed markets, this research contributed to the literature as there has been little research published on Singapore’s fund industry.

The findings of this study mostly agreed with prior research using US data. In terms of practice, financial deregulation increases competition between local banks and foreign financial institutions. As the functional distinction between banks and non-banks becomes indistinguishable, mutual funds become strategically important for improving profitability (Gallo et al 1996). Banks can improve profitability if they deliver top-performing funds. Even though technological and human resources are relatively uniform across the fund industry, portfolio management costs can be reduced by offering bigger funds with economies of scale. Growth in bank funds can be sustained when banks develop quality reputation for their fund products.

The findings can also help individual investors in using mutual funds with different characteristics as components of diversified investment portfolios. Investors can take advantage of government policies for CPF investments to earn higher returns than guaranteed interest rates. In terms of government policies, index funds can be approved for investment of CPF savings as these funds are passively managed, incur less research and trading costs while generally attaining comparable or better performance than actively managed funds.

Even though examining Singapore’s CPF-approved domestic equity funds offered an opportunity to control for differing fiduciary responsibilities, the research was constrained by the country’s small fund industry, which started with a handful of funds in the 1970s that grew to just a few hundred by 2004, compared to the thousands of funds in many developed markets.

Out of more than three hundred funds after liberalisation of the CPF Investment Scheme from 1999 to 2004, only 20 fulfilled the criteria of CPF-approved domestic equity funds for this research.
Histograms of the data showed that they did not follow the normal distribution closely, but departed slightly from the necessary statistical assumptions for regression analysis and hypothesis testing. However, it is unlikely that these assumptions will be exactly satisfied in empirical research. With only slight departures from these assumptions, the statistical models used should still be valid.

Multivariate analysis was not carried out as it can be limited by insufficient quarterly data from eligible funds in a relatively small and new market, with characteristics not normally distributed. Analysis of monthly or quarterly data collected for other periods and markets in future research can be carried out to generalise results from this study. The emerging Asian fund markets contemplated for future research include China, Malaysia and Thailand.

**Researcher’s reflection**

**By establishing a conceptual model** that related the characteristics of funds to their performance, this research aimed to clarify the conflicting results from other studies that had compared the performance of funds managed by different types of financial institutions. It sought to determine whether the factors that influenced the performance of bank-managed funds were different from those that affected the performance of non-bank funds.

Until the 1990s, finance literature reported bank-managed funds as being inferior to non-bank funds (Bauman & Miller 1995; Bogle & Twardowski 1980), but a later study (Frye 2001) showed bank-managed bond funds were not inferior to funds from other institutions after controlling for their differing fiduciary responsibilities. However, there was no research comparing the performance of equity funds managed by these institution groups under similar fiduciary standards. While browsing through current issues of academic journals displayed at the National University of Singapore Business School, when I was looking
for a research topic in 2002, I discovered this gap in the mutual fund literature. I also realised that there was an opportunity to control for differing fiduciary responsibilities among equity funds managed by banks and non-banks by examining Singapore’s domestic equity funds approved for investment of social security savings.

I then wrote a preliminary paper, titled ‘Performance of unit trusts managed by local banks in Singapore’, as my first assignment for the DBA’s Business Research Methods coursework unit, describing the proposed research problem, background issues and research approach.

I followed this up with my second assignment paper, in which I explored the research design, data collection methods and ethical issues for the proposed study. After these papers were reviewed by Adjunct Professor Teo Cheng Swee, I refined my research focus as: ‘An empirical study of factors influencing unit trust performance’.

For this empirical study, I discussed three possible approaches—case study, survey and secondary data—in my Advanced Business Research Methods assignment paper, before Emeritus Professor Geoffrey Meredith became my supervisor in 2003. In 2003, I wrote up my preliminary literature review and research proposal and sent my proposal to several academics in Singapore for comment, as this study was based in Singapore. Assistant Professor Julia Sawicki at Nanyang Technological University had a similar research interest and we discussed the possibility of a joint publication. Associate Professor Benedict Koh of the Singapore Management University, whose journal article on Singapore’s unit trusts (Koh 1999) was referenced in my thesis, provided comments on the literature review. This feedback was helpful in the subsequent writing of my thesis chapters.

In 2004, I wrote the drafts of my literature review and methodology chapters, based on the comments received as well as the revised drafts of previous chapters and assignment papers. In mid-2004, the offer of an Associate Lecturer position at the University of Tasmania (UTAS)
School of Accounting and Finance made it possible for me to continue my research in Australia.

In 2005, the school supported my research by funding three part-time data entry assistants, as well as two of the four paper presentations (Tng 2005a, 2005b, 2005c, 2005d) based on the thesis at international conferences in Australia, New Zealand and the Philippines.

The trip to New Zealand resulted in the discussion of a possible joint publication with Dr Madhu Veeraraghavan at the University of Auckland Business School, who had done research on India’s fund industry.

I presented drafts of the conference papers at SCU’s doctoral seminars and the UTAS Accounting and Finance Research Seminar. Conference and seminar participants (including Professor Gary O’Donovan, Dean of UTAS Business Faculty) provided helpful feedback, which facilitated thesis completion in early 2006 in Singapore. Two of the revised conference papers were accepted for publication (Tng 2007a, 2007b) in the same refereed journal in which I had first read Professor Koh’s paper on unit trusts (Koh 1999) at the start of my research journey.

After preparing a 10-page thesis defence and making minor revisions to the thesis in response to comments from the external and internal examiners, I presented my journal article titled ‘Effects of expenditures and size on mutual fund performance’ (Tng 2007b) at Monash University’s Sunway Campus, which led to a lecturer’s position at their School of Business.

While waiting for completion of the thesis examination, I presented a paper on entrepreneurial experiences among private schools in Singapore at SMU’s EDGE Conference (Tng 2006), which received partial conference attendance funding from SCU’s Graduate Research College.

This process of thesis completion followed the structure of the DBA program, which is helpful for clearly dividing and finishing the thesis
chapters in a linear fashion. The linear process progressed smoothly for the first half of the thesis, from research overview to literature review. However, it became problematic later as the data collection, analysis and conclusion demanded concurrent and repetitive refinements, due to uncertainty in the choice of data sample. The characteristics of available data influence the selection of the statistical models. Such uncertainty led to the initiation of changes in the research process, which were supported by Geoff.

Significant changes were made during and after data collection, which was started in Singapore by personally downloading online fund data sheets. Before moving to Australia, adjunct teaching at Singapore Polytechnic and commitment towards setting up Paramount Consultants with two fellow DBA course mates left little time to collect data. An offer by a National University of Singapore postgraduate student to collect fund data using the Business School library’s Reuters workstation was rejected due to lack of funding. Later, UTAS provided funding for hiring a couple of research assistants, which shifted personal involvement from entering data to checking entry errors. The services of the data entry assistants proved invaluable in collecting a larger than required data set from internet sources to ensure that there were sufficient data for analysis. In retrospect, working at UTAS facilitated a much more structured process for research than Paramount Consultants. UTAS also provided opportunities to discuss my research with colleagues.

After completion of the data entry, consideration of the existing literature and missing data for specific fund types led to the choice of domestic equity funds approved for social security investments that constituted a small subset of the database created by the student assistants. Other funds in the database (bond funds and foreign equity funds) were excluded from the study. After finalising the data sample, instead of drafting the data collection, analysis and conclusion chapters in sequence, conference papers corresponding to the four sets of hypotheses were written. The findings from these papers, as well
as suggestions from conference participants, were then incorporated in the analysis and conclusion chapters. Changes were also made to the statistical models included in the thesis. After discussions with my colleague, Dr Nagaratnam Jeyasreedharan at UTAS, I decided that bivariate analysis was sufficient for my purposes. The simpler bivariate approach is better understood and accepted by practising professionals compared to the more sophisticated multivariate model, which offers slightly better accuracy but requires more data. This decision was supported by empirical research that reported that the accuracy of simple statistical models was as good as complex ones (Makridakis & Hibon 2000).

Finishing the 250-page thesis plus four pre-thesis coursework units part-time within five years in Singapore and Australia was made possible by the relationships developed with my supervisor, various academics, colleagues, conference and seminar participants as well as representatives from several institutions. Andrew Kwek, executive director of IMAS, and Teo Jing Ling, administrative officer at the CPF Board, answered queries on unit trust data. Without the fund data from Mercer and S&P, posted on the CPF Board website, this research would not have been possible. Assistant Professor Sawicki provided copies of some relevant journal articles by herself and other academics, which were referenced in the literature review. Dr Aloysious Pereira (fellow DBA graduate and co-founder of Paramount Consultants) recommended Professor Koh’s article (Koh 1999) during an exchange of research ideas. In terms of supervision, Geoff provided clear direction for each phase of this research by regular email and face-to-face meetings in Singapore and Australia, as well as advice on pursuing an academic career after DBA completion.

Completion of the DBA has led to changes in my perception of finance. These changes were mostly shaped by discussion with academics. The field has proponents and opponents of controversial theories. An example of such a controversy is the ‘efficient market theory’ (Fama 1970), which holds that current market prices fully reflect available
information on securities, leading to expected returns consistent with their risks based on current market prices. This has been tested by previous research reporting efficiency in Singapore’s equity market and was assumed to be the case in this study. This was questioned by one of the examiners, who requested that the thesis be revised with a strong-form efficiency test. In response, the thesis defence quoted an authoritative financial econometrics textbook (Campbell et al 1997) which deemphasised the usefulness of testing market efficiency as such efficiency cannot be rejected, and stressed the relevance of ‘relative efficiency’ as the Singapore stock market is comparable to that of New York, London and Australia in adjusting prices efficiently to reflect new information (Ariff 1986).

Research papers in many finance journals are dominated by advanced econometric analysis, which sometimes compromise their readability and acceptance by practitioners. Instead of verifying theories with empirical data, the quantitative nature of finance and overemphasis on econometrics of mathematical models may encourage data mining to unearth theories. Although strict adherence to the DBA’s linear process may be problematic in handling data uncertainties during later stages of the research, writing the literature review and methodology chapters before analysis discourages data mining by advocating the generally correct sequence of theory before data.

The DBA also emphases the practicality and readability of the research output, which is essential for theory to gain acceptance with a managerial audience. Even though emphasis on econometric analysis is probably the right direction for rigorous financial research, the readability of theory and empirical results with practical importance should be kept in mind by academic authors in order to gain acceptance of research output among professionals. Researchers are responsible for circulating their work as much as possible to interested readers (Willinsky 2006). While making the thesis available on the Australian Digital Theses database (http://adt.caul.edu.au/) to allow access at no
cost supports this principle, limiting financial research to an academic audience goes against it.

The key finding of this thesis has practical significance. In contrast to newspaper articles reporting the relatively superior performance of non-bank funds because of their specialisation (Moullakis & Patten 2005), this study found bank funds did not under-perform non-bank funds possibly due to a relatively homogeneous distribution of human, technological and data resources among the various institution groups in the asset management industry.

Other than contribution to theory and practice, getting a doctorate is a passport to an academic career. Completing a DBA requires investment of tremendous mental and financial resources as well as time. However, the skills gained from the DBA will be useful in doing collaborative research and supervising research projects. Research under Geoff’s supervision was a challenging but satisfactory process. If given a choice to do the DBA differently, my advice for candidates in the finance discipline is to come equipped with some knowledge of the relevant statistical analysis tools for particular research areas before candidature. Part-time candidature with a full-time job requires attention to each research phase, which may leave little time for studying advanced statistics. University teaching coupled with doctoral research can be demanding when meeting deadlines for thesis chapters and student assessments. Reporting progress before each DBA meeting and flexible time management with a daily routine of an hour or two recording research output are keys to meeting deadlines and maintaining a working relationship with your supervisor.

Supervisor’s comments

The SCU DBA was designed to assist business and related discipline graduates to prepare for advanced research within a study program with four components. Initially, candidates without adequate advanced
study in management are required to complete some management units. All candidates then completed two research methods units in both qualitative and quantitative methods, followed by units for a preliminary literature review and a research proposal. The final component is a research thesis of some 50,000 words representing a contribution to knowledge.

Cheong Sing’s research proposal was ideal for DBA research. He was specific and clear in his objectives, had a sound background in finance research at the graduate level, presented a topic that was focused with outcomes that were measurable, and was an academic with an understanding of the need for a strict timetable and acceptable outcomes from the research.

Cheong Sing was advised to adopt a six-chapter structure for his thesis, with chapter 1 serving as an introduction providing the reader with an overview of the research program; chapters 2 and 3 presenting the literature review; chapter 4 outlining the research methodology; chapter 5 setting out the data analysis; and chapter 6 presenting the conclusions.

His research was not without its share of hurdles to overcome. The literature in the field was not significant, particularly literature related to emerging nations such as Singapore. The secondary data were massive but, fortunately, some assistance from his teaching institution overcame what might have become a major problem. All part-time graduate candidates have to face the problem of combining fulltime work with their research commitments. Not only were these hurdles overcome, but Cheong Sing was able to convert his research outcomes into publishable articles and conference papers at the international level. This is to be highly commended, and opportunities exist for publications to continue as he pursues an academic career in Asia and elsewhere.

Research examining fund performance at the national level will be reviewed carefully by examiners with expertise in fund management
and analysis. This was the case with both the internal and the external examiners appointed by the GCM Research Committee. Issues of efficient markets, capital asset pricing, arbitrage pricing and fund returns have had a long history of academic research and differences of opinion on key issues remain. It was to be expected, therefore, that the examiners would raise these issues and question the approach taken in this project. Cheong Sing provided a sound and expert response to the examiners’ questions and his response was accepted by the Research Committee. As Cheong Sing continues with an advanced program on similar topics in his position in Malaysia, no doubt the issues will raise discussion in the academic world. This is to be expected and encouraged. We can conclude that the research has made a significant contribution to knowledge and debate in the field of finance.

References


Researcher’s profile

After receiving his Doctor of Business Administration degree from Southern Cross University in 2006, Tng Cheong Sing was appointed a lecturer in accounting and finance at Monash University’s Sunway Campus in Malaysia. Before that, he was on the faculty of the Singapore Polytechnic School of Info-communication Technology and University of Tasmania School of Accounting and Finance. Prior to completing his DBA, he received a Master of Financial Management and an undergraduate degree in Computing and Information Systems from Central Queensland University and the University of London respectively. With research interests in entrepreneurship, financial institutions and globalisation, Cheong Sing was a member of the Academy of International Business and has published refereed journal articles and presented papers at international conferences. Before starting his academic career, he was a co-founder of Paramount Consultants, a partnership specialising in Singapore’s education sector, and has had several years experience supporting the data analysis requirements of government bodies and multinational companies.

Supervisor’s profile

Emeritus Professor Geoffrey Meredith AM completed undergraduate and postgraduate research at the University of Queensland, leading to the award of degrees in Economics, Master of Commerce (by research) and PhD. He has published numerous scholarly papers and books. In 1967, Geoff joined the University of New England (UNE) as Associate Professor and was later given a Personal Chair as Head of the new Department of Financial Management. This provided an opportunity to establish the Financial Management Research Centre to collect and analyse enterprise performance data by industry sector and use the outcomes to deliver management workshops by industry. This attracted the attention of the United Nations (International Labour Organisation) which adopted the system for Asia and Africa. Towards the end of the
1980s, UNE merged with the Northern Rivers College of Advanced Education (which became Southern Cross University in 1993), and Geoff was transferred to the Faculty of Business at the new campus to develop research programs and graduate studies. This was successful with the attraction of significant research funds and the design and launch of an MBA and, eventually, the first research DBA in Australia.
Critical Incidents—Drilling Down to Core Ethical Issues

Peter Wong & Shankar Sankaran

Title of the study
A study of business ethical practices in Australian organisations:
A multiple case study

Purpose
The purpose of this study was, initially, to answer the question:

... when we make ethical judgements, or engage in ethical argument. Are we trying to get the facts rights, as a scientist might do? Or simply expressing our feelings, or perhaps the feelings of our society as a whole? In what sense, if any, can moral judgements be true of false?

(Singer 2001, pxiv)
Based on my understanding of the current business environment—which coincided with the latest corporate collapses such as Enron, HIH, WorldCom and Ansett—I wondered if there was such a thing as business ethics. I then ventured to form my own theory, namely, that ‘because one’s understanding of the business ethics of a company depends upon one’s position and perceptions at the time, it is unlikely that everyone is going to agree as to whether or not a company is acting ethically’. After discussions with colleagues and friends, this theory further developed into: ‘How one views business ethics evolves around the self-interest of the parties’. This can be better explained by the Dunlop model (Dunlop 1958, Figure 10.1). The Dunlop model was developed in the industrial arena during the 1950s in an attempt to explain the interaction between three groups: employers, employees (unions) and the government. The model suggests that each party acts to satisfy its own self-interest and that industrial conflicts revolve around the differing interests of these parties.
Through the literature review, the above proposition was changed to answer more immediate questions, which became the research questions for my thesis:

- What is business ethics?
- Can business and ethics be reconciled?
- When facing an ethical dilemma, how is the ethical decision made?
- How does self-interest serve each individual party?
- How does one’s perception of the situation determine one’s view of ethical behaviour?

**Key words**

Business ethics, ethical dilemma, ethical decision making process, meta-ethics, normative ethics, critical incident

**Methodology**

The choice of the right research methodology is dependent on satisfying three situations, namely, the type of research question posed; whether the study requires the researcher to have direct control of the participants’ behaviour; and the degree of the research focus (Yin 1994).

The case study approach was selected for this research. A case study has been defined as:

... an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident and in which multiple sources of evidence are used; and should not only be looked upon as a data collection tactic or solely as a design feature, but also as part of a comprehensive research strategy.  

(Yin 1994, p13)
Case study research usually involves a relatively complex, social science issue about which little is known (Carson et al 2001). Therefore, the data obtained could be used to develop a frame of reference and definition of the phenomenon under study and to engage in detailed examination of its implications. Case study methodology is most suitable when the researcher attempts to understand complex contemporary events, but has no control over the dynamic behaviour and variable under investigation (Bonoma 1985; Yin 1994).

**Convergent interviewing**

‘Convergent interviews’ were used for data collection. Convergent interviewing combines a structured process and unstructured content (Dick 1998). According to Dick (2002), ‘The content of a convergent interview therefore comes almost entirely from the informant’. He also suggests that ‘convergent interviewing achieves its result by leaving much of the content unstructured. You don’t ask only a series of pre-determined questions. The information is therefore determined by the person being interviewed’ (Dick 1998).

Therefore, this study used a semi-structured interview format. An interview guide (Figure 10.2) was developed, i.e. the questions were determined but not phrased ahead of time. This allowed the flexibility for the interviewer and the participant to provide his/her view in an open forum. ‘Semi-structured interviews are conducted with a fairly open framework which allow for focused, conversational, two-way communication. They can be used to give and receive information’ (FAO 1990).
Introduction and background

Explain reasons for us being here and remind them about informed consent.
About your organisation
Your history (briefly)
About your position—‘A Day in the Life of…’

What is business ethics?
What does ‘business ethics’ mean to you? (Standard definition from each person prior to discussion)
Do you consider yourself to be an ethical person? What constitutes your ethical position? What makes you so (or not)?
What is your modus operandi when it comes to making (potentially controversial) business decisions?

Business ethics in practice
Have you in the past encountered any ethical dilemma? If so, would you like to discuss it?
What was the nature of the issues you faced?
What parties were involved (or potentially involved)?
What was at stake?
What were the implications of any given course of action?

Ethical dilemma—decision-making process
How did you resolve the dilemma?
What was the decision-making process?
What factors did you weigh up?
What was the role of personal needs vs business needs vs social needs?
When making an ethical decision, do you consider positive outcome opportunity vs negative consequence avoidance?

Reconciling business and ethics
Let’s discuss this statement: ‘Business is charged with making a profit. Ethics governs behaviour’. Do you see any contradictions?
Can business and ethics be reconciled?
Are business decisions always made in a rational sense, over and above ethical considerations? Or can ethical/moral issues be important enough to influence an otherwise purely rational decision?

... / cont.
**Review: What is business ethics?**
Having had this discussion, once again, what does business ethics mean to you? Would you care to revise your earlier definition/perspective in any way?

**Additional questions for CEOs**
'Few CEOs lose their jobs because they mishandle ethical issues.' Do you agree? If so, why?
'What is considered ethical in business is a never-ending process of clarifying, resolving and stimulating a nobler vision of common good.' Do you agree? If so, why?

*Source: developed for this research*

Figure 10.2: Interview guide

In addition, the interview was conducted in an informal manner. This allowed the participant and the interviewer to freely exchange information. When there was a need to ask a question, the interviewer always adopted an open questioning approach, using words such as 'what' and 'how'.

**Use of critical incidents as a qualitative research tool**

A ‘critical incident’ is defined as ‘an event that has a significant effect, either positive or negative, on task performance or user satisfaction, thus affecting usability’ (NSF 1993). Qualitative research within the realism paradigm is an in-depth study of human behaviour (Perry et al 1999). Therefore, by using critical incidents, the researcher can measure the participant’s responses to these incidents. This enables the researcher to ‘drill down’ to the participant’s real feelings, which would not otherwise be known or uncovered in the interview. This approach is different from normal interview probing, where the researcher asks open-ended questions of the participants, for example, ‘What is your understanding of business ethics?’ Rather, the researcher poses a critical
incident, which is familiar to most of the participants, to uncover his/her response.

Further, critical incidents yield good results when the research is of a sensitive nature. Most people tend to avoid sensitive topics and are not prepared to disclose their true feelings of the issue at hand. In probing for ethical decision making, it is most likely that people will hide their real behaviour/feelings and provide answers that they believe the interviewer would like to hear. For example, if I were to ask a participant whether he/she feels it is right to steal, their answer is most likely to be in the negative. Instead, by introducing critical incidents and varying the scenario as the interview progresses, I can discover how the individual is likely to behave in different situations.

**Selection of critical incidents**

The selection of critical incidents is very important because the researcher needs to have a thorough understanding of the incident in question. Thorough knowledge of the incident will enable the researcher to modify his/her probing to gain in-depth knowledge of the research subject as the interview progresses. For example:

‘What is your opinion about the Australian Wheat Board practice? If you were the CEO of AWB, what would you do?’

Depending on the participant’s response, the researcher can now modify the question by introducing other criteria in order to probe deeper into the participant’s intention or behaviour. For example, if the researcher wishes to discover whether the participant would behave differently under different circumstances, he/she can pose the question:

‘What if the country was not Iraq, would you do something differently?’

As mentioned previously, the researcher needs to have a thorough understanding of the critical incident that he/she is introducing. Above
all, he/she must possess strong listening skills. This will enable the researcher to introduce appropriate criteria (or questions) relating to the research questions. Further, notwithstanding that note-taking is a must, it is important that the researcher observes the participant’s body language. It is through this that the researcher can tell if the information provided by the participant is genuine. The researcher also needs to understand that his/her role is to obtain information, not to debate an issue. Therefore, he/she should remain neutral and not offer any personal opinion—good or bad.

When using critical incidents as a research tool, the researcher must be prepared to let the participant to ‘drift off’ occasionally. In my experience, once the researcher gains the participants’ trust, they are more than happy to provide some of their own critical incidents. Sometimes, this ‘drifting off’ can yield extremely good results. For instance, when I interviewed one of the participants for my research, he went off the ‘predetermined’ critical incidents and volunteered information based on his own experience. This was totally unexpected. In this particular case, the one-hour interview planned for became a two-hour interview with lots of vital information gleaned.

Qualitative research is a study of human behaviour and this could result in personal bias. Therefore, it is recommended that, if possible, the interview should be conducted by two interviewers. This will not only minimise data interpretation bias, but also enhance the coordination between observing body language and note-taking. At one of my interviews, I noticed a ‘sour’ note from the participant about a situation while this was missed by my co-interviewer. The use of a second interviewer not only assists in the initial interview, but he/she can also assist in future data coding and coding validation to minimise data coding errors.

I believe the use of critical incidents is a powerful tool for qualitative research within the realism paradigm. This tool provides the researcher the necessary flexibility and also enables him/her to drill deep into
the participant’s intention/behaviour by introducing criteria that are important to the research questions.

**Limitations**

As the study of ethics is a very broad issue, it was necessary to focus on one branch of ethics—business ethics. The aim of this research was to answer the immediate question: How do managers make ethical decisions when they face an ethical dilemma? This research is limited to the Australian context.

Further, it is recognised that ethical behaviour, whether it is that of the individual, corporation or government, is heavily influenced by culture. However, because the subject of ethics is so broad, it was necessary to exclude the influence of culture on ethical behaviours for the purposes of this research.

**Data analysis and findings**

The interview transcripts were first coded using open coding. This involved close scrutiny of the data by reviewing the transcripts ‘word for word, line-by-line and phrase-by phrase’ (Douglas 2003, pp40-50) and also comparing it with notes taken at the interviews. Some of the data were coded for a number of categories to ‘emphasise various facets of an event or comment’ (Douglas 2003, p50). After coding the data for analysis, I requested my research assistant to review the results to minimise coding bias.

In addition, a focus group, comprising five of my managerial colleagues and an external managing director, was conducted to triangulate the findings.

This study found that the ethical decision-making process in Australia is based on rationality, cost-effectiveness and self-interest. This is a typical example of individualism (Hofstede 1994). Hence, a comparative
study of the ethical decision-making process in the East and the West would be of significant interest.

Additionally, this study also raises the question: Should ethics/business ethics be taught? If so, then should it be taught at home, in primary school, in secondary school, in university or at the workplace? Should ethics be taught in such a way that business ethics and personal ethics are reconciled? There appears to be little debate or research in this area. Further, there is little evidence to suggest that corporations have considered business ethics as part of their strategic planning process. There also seems to be some confusion between the concepts of corporate social responsibility and business ethics. Perhaps more research is warranted to clarify these two terms.

This research confirms that ethical behaviour is very complex in that an individual’s ethical behaviour is mainly based on circumstances and egoism. However, this does not mean that upbringing, or culture, does not play a part in an individual’s moral development.

Researcher’s reflection

On reflection, this learning journey of mine was a rewarding one. I made mistakes along the way and encountered frustrations but, I must say, I have learned from them all.

My journey started when I began to ponder investigating this simple query: ‘Is there such a thing as ethics?’ I talked to a lot of my friends and colleagues about this and when they confirmed that it was a good topic for further research, I did a pilot study to clarify my thoughts.

Lesson One: talk to someone who has an interest in your subject matter and conduct a pilot study to clarify your thoughts. This could be with academics, friends, colleagues or relatives.

Once you are comfortable with your subject matter, you need to start thinking (thinking only at this stage) about what research methodology
you are going to use. This is important, so that you obtain an appropriate research supervisor—quantitative or qualitative—as required.

I chose SCU because of its use of the five-chapter format (Perry 2002) for its DBA theses and, thanks to the high quality of its administration, I found an excellent supervisor in Associate Professor Shankar Sankaran.

Lesson Two: spend time holding discussions with possible supervisors to ascertain whether the chemistry between both parties works. SCU has internal and external supervisors with whom you can talk prior to enrolling in the DBA program. The best location at which to find them are the DBA symposia held twice a year at SCU. I chose not to accept an offer from another university because I felt that the chemistry between that university’s supervisor and me would not work. Shankar and I worked well together, and the chemistry between us was good. Whenever I needed help, I knew he would respond. Even if he couldn’t do it right away, he would reply to my email. That’s what I really liked because when you’re out there on your own and you need help, your supervisor must be there for you. So not only was it an ethical relationship, but the fact was that Shankar really cared. In the other universities I contacted initially they said, ‘Oh so-and-so will contact you’. But they never did. And when you ring up, so-and-so is never there. Then you start thinking, ‘If even at this stage they are not interested in me, what will happen after I formally enrol?’

When your supervisor has been chosen, the next step is to conduct your literature review. I suggest that you keep a record (in EndNote bibliographic software, if you wish) of all the literature that you encounter. You need to develop the good habit of categorising your materials. I learnt this the hard way! As time passed, I sometimes could not remember from where I had originally obtained certain information from. Fortunately, I had access to hard copies of all the journals, books, etc. that I had consulted and could cross-check. However, this was a waste of valuable time, not to mention a source of a lot of frustration and stress.
Therefore, Lesson Three: get organised.

More importantly, do not forget to get approval from the university’s Human Research Ethics Committee (HREC). Ensure that your research proposal answers all the questions raised in the application form and discuss them with your supervisor before submitting your application. Remember that the committee meets only once a month so if your application is rejected or if they ask for more information, then you will have to resubmit and this means that you may have to wait at least another month before approval is granted. Do not start on your research without receiving approval from the ethics committee, because to do so is a breach of university regulations. My application was delayed by three months because each time the committee asked for more information and, by the time I resubmitted, I had missed the following month’s deadline.

Lesson Four, then, is to make sure that you cover all angles before submitting your application—get it right the first time!

For me, the interviewing and the data collecting were both uneventful (I hope to write a bit more on the interviewing techniques and the research methodology using critical incidents in the future). I must admit that I got help. A friend, who had specialised in qualitative marketing research, was able to guide me through the interview process. You might want to enlist any of your colleagues, friends or relatives who have expertise in conducting research to advise and assist you.

With qualitative research, the basic requirement is that all the interviews must be taped and transcribed.

Lesson Five is to choose your plan for the data transcribing. This turned out to be the most painful aspect of my research for me. When I listened to the first taped interview, I thought that the tape quality was quite good and all that was needed was to find someone to transcribe it. The audibility of that first tape led me to continue with the rest of my interviews assuming that any typist would be able to transcribe
them when I had finished. How wrong I was! Firstly, most professional transcribers want digital tapes, not the conventional audiotape. Secondly, even with conventional tape, they prefer micro dicta tape. Thirdly, dicta tapes also come in two different formats. As it turned out, not all of my tapes were of transcribable quality and it would cost me more than $12,000 to get the 14 tapes transcribed. The project had come to a halt! I did nothing but sit on my hands, cry and pray for a miracle. After wandering in the wilderness for nearly three months, my prayers were answered. A good friend of mine came to the rescue. He knew someone in India who could enhance and transcribe the tape for one-third of the estimated cost. (If this option would assist anyone needing to have tapes transcribed, please contact me and I will provide the transcriber’s contact details.) In short, do not become overly confident—ensure that you have this task under control.

And then we come to Lesson Six, which is to commence writing as early as possible and then refine your work as you progress.

I know that some people prefer to gather all their data prior to commencing writing but I find this very difficult and that is why I chose SCU for its five-chapter approach (Perry 2002). Your supervisor and the university will have a lot to say about this; therefore, I shall not dwell on this further.

In short, if you are interested in undertaking a DBA, you need to have a plan; you need to be prepared and organised. Make sure you that have the support of your family and friends before you embark on your learning journey.

Finally, while I am not an ethicist, I have gained substantial knowledge in this area. It is hoped that, armed with this knowledge and coupled with further research in this area, I can contribute to a better business environment and ultimately benefit the community as a whole.
Supervisor’s comments

I first met Peter Wong six years ago to discuss his doing a DBA at SCU. Initially, I thought he was one of the MBA students at SCU, but I later came to know that he had approached me to be his supervisor because I had responded to him quickly compared to the other universities that he had contacted.

Peter was looking for a supervisor he could count on to take him through his research journey. I managed to give him the necessary confidence. The fact that I would be in Sydney regularly, as my family was living there while I was working in Lismore, was a bonus. I was also convinced that Peter would put in the effort needed to complete his DBA within a reasonable time. He was a senior sales manager in a large public sector organisation and seemed like a resourceful, worldly-wise go-getter. This was confirmed when he told me his life story of migrating from Hong Kong to Canada on his own, when he was just 17 years old, without a specific job in mind.

At our first meeting, no content or methodological aspects of the research were discussed since Peter had not even enrolled at SCU at that stage. But we agreed that I would reserve some of my time to be his supervisor when he had completed the research units to qualify for the program. Peter and I kept in touch while he was doing his research units and we would occasionally meet in Sydney when I was in town and this kept the relationship going.

When the time came for supervision he suggested business ethics as his topic. I was concerned as it was not my area of expertise. So we discussed how we could work together to accomplish his goal. I found that Peter had many contacts so it would not be difficult for him to collect data, which was a big relief. Since his initial question was: ‘Is there was something called business ethics?’ it seemed like exploratory research. From my evaluation of Peter’s strengths and weaknesses I felt that he needed a systematic methodology. We discussed the various
methodologies used by DBA students and decided that we would use a case study approach based on the process promoted at SCU by Perry and Cavaye (2004). I was supervising a few candidates using case research (including Dennis Mui from Hong Kong, where Peter was also originally from) and felt confident that I would be able to guide Peter despite my lack of knowledge in the content area. We also agreed that he would use the five-chapter structured approach to thesis writing (Perry 2002).

Peter and I had a favourite haunt in Sydney—Marigold Restaurant in George Street, where we had many conversations over *dim sum* in a characteristically lively Chinese restaurant environment. Having lived in Singapore for many years I felt at home in Marigold despite the noise. Even now, as I walk past Marigold every day to get to my office in Sydney, I am reminded of our meetings there.

There were a few hurdles in Peter’s research that were solved mainly by his own ingenuity and networking capability. The first was how to get people to talk about ethics. It was a sensitive topic and a trigger was needed to get informants to talk comfortably about it. During one of the DBA workshops at SCU, Professor Jerry Glover from Hawaii Pacific University explained the use of ‘dilemmas’ in cultural analysis, using questions such as the following example from Trompenaars (2003) work:

> What would you do if you were a passenger in a close friend’s car when he hits a pedestrian? You know that he was way above the speed limit. There are no witnesses. If you are prepared to lie under oath, it may save your friend from serious consequences.

(Trompenaars 2003)

We thought that using ethical dilemmas would be a good way to get conversations going during Peter’s interviews. Peter came up with the idea of using trigger questions such as, ‘What would you do if you found a $50 note on the road?’ He also came up with some examples
of incidents in Australia and the United States that involved ethical decision making and included them in his interviewing process.

The ethics approval process was also held up as the university’s Human Research Ethics Committee (HREC) was worried about interviewees providing information about ethical issues in their organisations and the risk of these becoming public and affecting them or their organisations. But after some assurance with regards to the respondents’ informed consent and confidentiality, we were given approval to do the research. Although we understood the HREC’s concerns it seemed ironic that while the research proposed to investigate business ethics, the ethics committee seemed more interested in protecting the university from any legal claims arising out of the research.

Another hurdle arose when some of the tapes used by Peter in his interviews were found to be inaudible. He found a way to get these tapes to India where they could extract the voice recordings, and digitise and amplify them so that they could be transcribed—a good example of ‘outsourcing’ and ingenuity on Peter’s part.

There were two other instances I recall when Peter was somewhat discouraged. One was when he wrote a paper about ethical issues in business and one of the referees reviewed it from a different paradigm. This left him disinclined to resurrect the paper for publishing. I decided not to pursue this as it was more important that he carried on with his thesis. Publishing during the candidature works for some candidates; for others, the time to publish comes later, as it did in Peter’s case. Similarly, when one of the senior academics at a DBA symposium critiqued the validity of Peter’s research from a positivist point of view Peter was a little upset. But we managed to talk this over and found a way to explain the credibility of his process using the techniques of case study research. Copies of previously completed DBA theses using case study research were very helpful in this regard, especially those of Ian Benton (2002) and Paul James (2005).
One aspect of ethical issues we decided not to consider in Peter’s research was the Eastern view of ethics, in spite of our ethnic backgrounds (Chinese and Indian respectively). We decided to confine the research to Western ethical concepts since we felt that the study could become unmanageable if we extended it across cultures, even though we were both interested in Eastern views of ethics and often talked about it. When he was completing his thesis Peter wanted to say something about Confucianism and ethics and we decided to do this in an epilogue.

With Peter, I adopted a more ‘directive’ approach to supervision as we both came from a large ‘power distance’ culture (Hofstede 1994). However, whenever he wanted to experiment on his own I decided to let him be, and this resulted in the innovative use of critical incidents which is a contribution to the case research methodology.

Overall, it was a very satisfactory supervisor-candidate relationship that evolved into a family friendship by the end of the research. Naturally, we celebrated the completion of his research at Marigold.

This was a thesis in which I did not have much knowledge about the content but Peter’s enthusiasm gave me the confidence that he would find the necessary resources for this aspect of his research. Therefore, I focused on guiding him through his methodology and fostering a close relationship with him. I think it is the relationship that strengthened the supervision. I also think sharing the ideas used by other DBA candidates, such as Dennis Mui (2003), Ian Benton (2002) and Paul James (2005), helped Peter with his writing. Peter did not hesitate to write regularly, even though he was not used to academic writing. He now enthusiastically writes to newspapers about ethical issues and is ready to take on the supervision of DBA students himself. He has already examined a DBA thesis and has offered to critically review some of my current students’ theses.
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**Researcher’s profile**

Peter Wong graduated with a bachelor’s degree in business studies from Charles Sturt University in 1994 and an MBA from the University of Technology Sydney (UTS) in 1997. He completed his DBA at Southern Cross University in 2006.

Peter joined Australia Post 26 years ago and moved through the ranks from sales representative to his current position of Manager of Business Sales Consultancy within the Commercial Sales Group. He has in-depth knowledge in change management, process improvement and ISO 9001 accreditation, and consults widely in sales skills development, management and strategies. He has lectured in strategic management at UTS. Peter is a committee member of the UTS Business Network and has been active in the Network’s mentoring program since its inception in 2004. He has also registered interest in being a supervisor in SCU’s DBA program.

**Supervisor’s profile**

Shankar Sankaran comes to academia with more than 30 years of experience in management positions in Asia, the Middle East and Australia, and has managed large engineering and IT-based industrial projects. He was a director of a Japanese multinational company in Singapore before he joined the Graduate College of Management at Southern Cross University in 1999. In 2006, Shankar moved to the Faculty of Design, Architecture and Building at the University of Technology Sydney, where he is an Associate Professor of project management. However, he continues to be a supervisor in SCU’s DBA
program. Shankar’s research interests include project management, knowledge management and action research. He is the founding editor of the *International Journal of Health and Ageing Management* and is on the editorial advisory board of *Action Research.*
Conclusion

The introduction to this book provides a brief summary of each of the 10 selected research projects examined so it will not be necessary to repeat that here. What remains to be done is to sum up the main themes arising from the selected cases and to tie together the reflections of the researchers and their supervisors.

There are a number of significant themes arising from the chapters that will be food for thought for those aspiring to undertake doctoral level research and perhaps even for those who supervise these projects. The themes are, in our view, significant determinants of the likely successful completion of the project and a successful examination process. The themes include the following:

- The researcher must have a genuine interest in the problem being researched and a passion for the investigation of the problem. The passion and interest usually germinates long before enrolment in a doctoral program.
- There is a distinct need to focus the research project and limit the research to something ‘doable’, especially when the researchers are usually in challenging employment during the research and often change employment during the course of the project.
A ‘structured’ approach to the development of the thesis assists the researcher to know the way forward, keep on track and to maintain an overview of the research.

There is a need early in the research to map out the relevant literature and to know what other researchers have investigated and found out before, even in what might be regarded as fields or disciplines seemingly unrelated to the project but relevant to the research.

There is a need at this level of research to identify a ‘gap’ in the current knowledge, so that the requirement to make a contribution to knowledge might be fulfilled. The research gap also assists in the development of rigorous research questions or hypotheses.

There is a necessity for professional doctorate candidates to be properly methodologically prepared to undertake their study. Candidates need training in research design and research methods and to understand the ontological and epistemological positions from which the research is being undertaken. Rigorous preparation of candidates (including diverse research training, literature reviews, research proposals and ethics examinations of project proposals) develop designs that produce usable data that can be analysed and interpreted, and gives the researcher the confidence and maturity to overcome emerging hurdles.

Business research at the doctoral level is often undertaken by the use of mixed methods designs and/or mixed model designs which predominate in the exemplary cases in the book. The use of mixed methods in a research design is regarded as the ‘third’ methodological movement (Tashakkori & Teddlie, 2003) and aids researchers in achieving the desired levels of triangulation in their projects.

During the course of the research, there is a necessity for the researchers to have their progress exposed to peer review. In the DBA program, this is achieved by Ethics Committee examination of research proposals, publication during the research and regular doctoral symposia.
The selection of the supervisor is one of the most significant factors in the likely completion of the project. The candidate-supervisor relationship is therefore considered to be a very significant issue in the successful completion of a doctorate and a good ‘chemistry’ between the supervisor and the candidate can mitigate other factors that might normally work against a successful completion of the project. The cases also highlight the changing nature of this relationship as the research progresses and the variety of supervisory styles adopted by supervisors.

Finally, the cases demonstrate how rigorous research can make a contribution to theory and to policy and professional practice, whether the research is being undertaken in the context of profit-driven enterprises, not-for-profits or government organisations.

We trust that this book might be inspirational to those who have a passion to investigate business and organisational issues and problems and who may wish to channel their passion into a doctoral level research project. We also hope that the book might provide those who aspire to supervise these projects with some insights into effective supervisory practice and to the importance of the supervisor-candidate relationship.

Finally, we wish to thank the researchers and their supervisors who contributed to this book for their willingness to share their experiences with a wider audience.

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