**Business Research Proposals**

A research proposal can serve a number of useful purposes during the research process. However, its basic function is to describe what will be done during the research process (and why it will be done). Research proposals are assessed to determine the likelihood that the research will be useable in the specific business decision making context.

An effective research proposal will report on the following phases of the research process:

1) Introduction: The impetus for conducting the research.

2) Background: A discussion of the theories involved and the hypotheses developed

3) A detailed methodology: Exactly what will be done, by whom to generate the data used for analysis.

4) A specific analysis plan: How, quantitatively, will you know the answer to your research question?

5) Qualifications, timetable, and the budget.

The following sections provide a more detailed (but not exhaustive) explanation of these areas.

**1. Introduction**

This is a statement as to the underlying reasons that prompted the research. The researcher needs to provide the reader (client, professor) with some level of confidence that they understand the surrounding issues (e.g., the external and internal environmental contexts) that raise the question that is to be answered. That involves an explanation of what is expected to be learned, and why it is of importance (to the organization).

This section communicates why the research is being undertaken. It will focus around a *problem statement* and the resultant *research objectives* and *research questions* that are derived. It should answer the questions: “What is to be learned?” and “Why is it relevant?” It would also be important at this stage to identify the research to be conducted as *exploratory*, *descriptive*, or *causal*.

**2) Background (Literature review)**

A discussion of what is already known about the subject and any hypotheses that may have been developed. Depending upon the nature of the research questions asked, the researcher will need to describe their understanding of the theoretical (and practical) factors that contribute to the situation (above) that raises the research question. This will involve a general description of the variables that are believed to contribute to the issue. (Literature reviews are particularly helpful at this point.)

A thorough discussion of the *concepts*, *indicators*, and *variables* developed should be presented here, along with any *operational definitions*.

The theory described should lead to the specific hypotheses that are to be tested by the research. A hypothesis is an, as of yet, untested belief about the nature of the world. Business research hypotheses typically fall into two basic categories:

a) Statements about a specific characteristic of a population (or the differences between the same characteristic in more than one population) and

b) Statements about the relationships between two or more variables within a population.

Any hypotheses must be testable (through an analysis of quantifiable information).

To be useful in research and analysis, there must be a good (e.g., logical or theoretical) reason to believe that the hypothesis is true. Otherwise, the research tends to be more prone to errors (typically Type I errors). Hypotheses must also be quantifiable and testable if they are to be used for drawing conclusions (i.e., if they are to be tested statistically). Each *research question* should suggest at least one hypothesis.

Here are some examples of business hypotheses (in plain language):

More than 75% of our customers comparison shop online before making a purchase through our website.

The average 401(K) contribution for programmers in our industry is less than $2,000 per year.

There is a statistically detectable relationship between the age of our customers and the amount of RAM they expect in the computers they purchase.

Fine dining restaurant customers (at our restaurant) would prefer a table with chairs but proximity to a fireplace over a booth with no view of a fireplace.

**3) A detailed methodology**

The most important section of any research proposal is the methodology section. It is here where the researcher identifies the specific steps that will be taken to collect the information needed to answer the research questions.

Identify the type of research to be conducted: exploratory, descriptive and/or causal/experimental (and your logic for your decision).

The research design will:

a) Identify the type of research to be undertaken: exploratory, descriptive, and/or causal.

b) Define the nature of the information to be collected,

c) Identify the population of interest, the sampling frame, and the sample from which the data will be collected,

d) Describe the instrument (e.g., questionnaire) to be used to collect the information (i.e., measure the *variables*) – including the scales to be used,

e) Outline the fielding technique (the data collection method for administering the questionnaire), and

f) Explicitly state any known shortcomings of the research design.

When causal/experimental studies are proposed, this section should also define the *experimental design* to be used to control threats to internal and external validity. For complex hypotheses, this section will also include a description of the method by which subjects will be assigned to the various experimental and control groups.

An effective research design will ensure that the methodology can account for (identify and measure) the presence of any extraneous variables (e.g., threats to validity).

**4) A specific analysis plan**

Since the hypothesis is an explicit, quantifiable statement and the nature (i.e. levels of measurement) of the data to be collected are known in advance, the statistical analysis may be determined in advance. As a result, the null hypothesis should be described along with the specific statistical test to be performed. This process should include the level of significance (i.e., alpha).

The proposal should include a description of the procedures to be run and, where appropriate, the nature of the output (e.g., crosstabs) to be produced and delivered (e.g., crosstabs).

**5) Qualifications, timetable & budget**

The researcher should also a statement of the ability of the researcher to conduct the proposed research in a professional, objective manner. Clients would like some assurance that the researcher is aware of the potential pitfalls that are inherent in research situations.

The research proposal should also include a timeline indicating the times at which the various steps will be completed (questionnaire development, fielding, data analysis, and report writing).

Finally, the proposal should include the budget (fee) for the services to be performed.

**The document you submit should be capable of being implemented based upon the information you have provided. That is, any reasonably competent researcher should be able to conduct the research you describe without (much) further reference.**