

Appendix B: Research protocol

Overview

The objective of the research project is to identify the impact of national culture on the Performance Management Systems (PMS) processes. In order to achieve this objective, the impact of national culture is investigated during the Performance Management System processes of design, implementation, and use.

The data were collected through a series of interviews with case study companies. The objective of the Case Study Protocol detailed in this document is to provide guidelines to ensure that the data can be collected, presented and analysed in a repeatable and reliable manner by a number of different researchers by minimising interviewer bias.

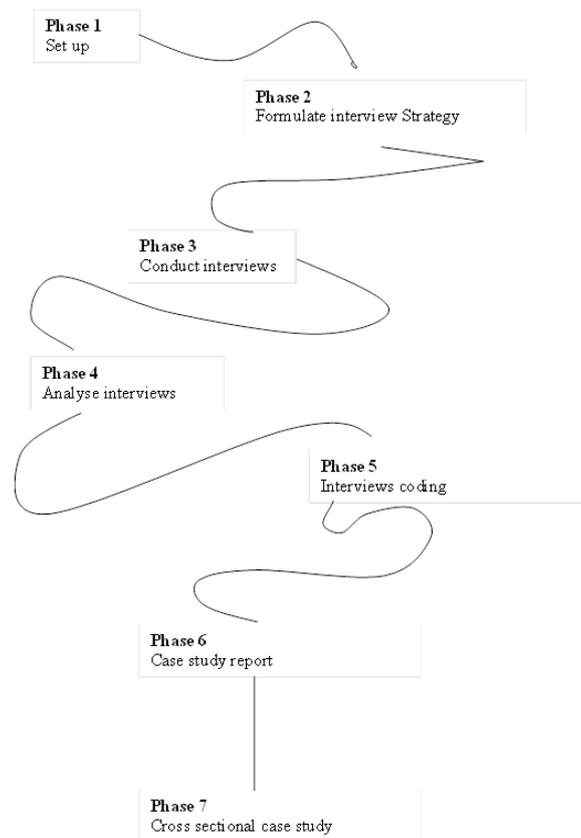


Figure 1 – Phases of Research

The data collection and reporting process comprise of seven phases as illustrated in Figure 1 below. Each phase is explained in greater detail in the main body of the report.

The Unit of Analysis

It is important for all researchers to understand the unit of analysis for this project. The research looks at smaller or medium sized **indigenous** companies who are implementing Performance Measurement and Management System (Performance

Management System). The research intent is to explore the impact of national culture dimensions of Power Distance, Individuality, masculinity index and Uncertainty Avoidance on the nature of measures of Performance Management System and human aspects of Performance Management Systems processes of design, implementation, and use.

To this end, as a guide, the research is interested in:

- Successful, privately owned, **small to medium** size with a minimum of 50 employees to a maximum of 500 employees.
- The top managers should be **indigenous**.
- The organisations should be from the **manufacturing** field.

Phase 1 – Set Up

Before doing the case study interviews, where possible try to gather as much information as possible about the company or business. This will assist in formulating the interview strategy. You also need to deal with the administration and other organisational issues to ensure the smooth running of the process.

Desk research

Unless the company is already known to the researcher some general background research will need to be conducted prior to visiting the company in order to establish:

- What is it the company actually does?
- How well or badly the company is doing?
- How are they perceived externally?
- How do they compare to their competitors?

The sources of information you can use includes:

- **Fame report or equivalent** – Summary financial and administrative information available through the library and online databases
- **Industry based market research reports** – There is limited market research available through libraries, although it is worth checking with the business school libraries to see what they have. Most companies who produce market research reports charge for them.
- **Brokers reports** – Only available for quoted companies - speak to the business school library as they may have online access.
- **Website** – A lot of information about the company is usually available here (although it can vary a lot). You can usually find out about the company's products and services, its structure, financial information (for quoted companies), press releases, etc.
- **Press** – This is often a useful source of information if the company gets press coverage and if so is it good or bad. The business school library can again help here.

Meeting with company sponsor

It is likely that you will have a key contact or company sponsor with whom you will agree on the conditions of the research. You should approach them with the standard company letter (contained in Appendix B at the end of this document). In addition to making these arrangements, it is also a good idea to meet with them to get some background on the company and the people that you will be interviewing. This can be at

the same meeting or done separately. The initial meeting with the sponsor should cover the following points:

Administration

- Timescales
- Access to:
 1. People (who and how to contact)
 2. Facilities (where interviews will be carried out)
 3. Documentation (see below, but check that at least some access to documents will be ok)
- **Confidentiality** - throughout the research confidentiality will be maintained both with the case study organisation and the individuals participating in the interview. It is, therefore, important that the sponsor and all others are ensured of this fact at the outset. A key point to emphasise is that *“data gathered from any individual person or the company will not be used in any way in any research report or publication that may incriminate or identify them as an organisation or an individual”*. If required, formal confidentiality agreements are available that can be amended and signed by the research team and the company or the individual concerned – please see Appendix D at the end of this document.

Overview of organisation – the objective here is to try to get a feel for the company around the following areas:

- A brief history of the business - i.e. when it started, change of ownerships, significant changes, etc.
- Size and ownership – number of people, turnover.
- Noting whether they are run by family members or professionally appointed management
- The average age of the top management team, and the middle management team.
- Gender distribution of the top and middle management.
- The maximum education attained by the top management team
- The governance structure of the organisations reviewed (board of shareholders, run by the owner, etc..)
- Organisational structure and management team
- Products and services offered (the past, present and future)
- Markets – including Customers, Competitors and Suppliers
- Current state of business as well as a brief history of business performance
- Future direction and plans
- Noting the nature of manufacturing activity, whether they are technologically intensive or labour intensive.
- The external contextual factors impact on the organisation, such as taxing, labour laws, external competition and economy should be noted

Note: National culture affects organisational behaviour in different ways, and this makes the research delicate.

Any contextual factor whether internal and external affecting Performance Management System processes of design, implementation, and use should be noted.

Documentation

The amount of documentation that will be available to you will vary from company to company. Try to get access to as much documentation as possible – this will help when asking questions in the key areas. Typically, the documentation you will require will include:

- Management information (e.g., KPIs, board/management papers, financial and other performance information, etc.)
- Organisational structure.
- Company communication - internal (Newsletter, Intranet, etc.) and external
- Any documentation that may relate to the Performance Management System, such as vision, mission, performance reports, management reports, strategy documents, managing and companywide briefings, and so on.
- Notice board advertisements.

Where an organisation does not allow data to be taken away, you should ask to see supporting data where possible. This should then be followed up with a brief description in your report.

Should documentation be obtained, it should be filed in a secure manner to ensure company confidentiality is maintained.

Site visits

Seeing around the site(s) gives you the opportunity to see for yourself what the company does. It can be a good idea if the person showing you around isn't one of the management team as they can often give you a different perspective. The site visits, as well as giving you a greater understanding of the company's operations will allow you to make some observations on the following points:

- How organised and smoothly do things seem to run
- What is the atmosphere like – especially if you get the chance to speak to people as you go around
- State of things (i.e. In a factory how new, clean, facilities available to staff, etc.)
- The internal decoration of the organisation, does it indicate openness, formality, hierarchy, modernity, heritage... etc..
- Photos of the main offices, waiting lobby, meeting room and other avenues when allowed by the organisation.

Arranging Interviews

It is important to interview a balanced mix of people to ensure that all important areas are covered. Although the following list provides guidelines on who to interview, it must be recognised that the size of the organisation will have an impact on how many people that needs to be interviewed.

- CEO/Managing Director/General Manager and his/her management team
- A selection of direct reports to the management team
- Union representative if relevant and possible
- Workforce - There may be limited time and opportunity to individually interview a sample of the workforce. To make efficient use of time, this difficulty may be overcome by arranging an informal group interview. Alternatively chatting to a few individuals as you walk around may give some observational information supporting or otherwise what management are saying.

In arranging the interviews try to keep the following points in mind:

- 3 to 4 interviews per day is a good guide if they are 1½ hours long – you will be able to assess what you think is best for you after you have tried it out.
- Try to allocate about 2 hours per interview to allow some time just to chat. If you feel that you need more time, arrange to see the interviewee again for a follow-up interview.
- If possible, leave a gap between interviews to allow time to compose thoughts and prepare for the next interview.
- Contact interviewees before you are due to interview them either to arrange interview times or if this has been done for you to check they are expecting you. Let them know who you are and what you are doing, however, don't go into too much detail or ask them to prepare anything

Phase 2 - Formulate Interview Strategy

It is a good idea to think about how you are going to approach each interview and assess if you are going to follow the same approach for all or if you are going to tailor what you ask depending upon the person's role or function.

Experience shows that trying to cover all the national cultural implications of the Performance Management System processes is quite difficult in an hour and a half; you may take the view that some people may have more to contribute than others in some areas. Consider whether to discuss this with the sponsor to get direction as to who might be best to talk to in which areas, but also bear in mind not to be too influenced or directed by them.

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However, in order to ensure the reliability of data, it is important that you cover each of the areas with at least two interviewers and where possible corroborate interview findings with supporting documentation or from your observations.

Where there is a conflict in opinion between the interviewees and/or observations and documentation – this should be explicitly reported under the relevant national cultural dimension.

The objectives of the interviews are to have generic conversations with the interviewees (without influencing and directing their answers) to try to understand the impact of national culture dimension on the following five headings:

1. Performance Management System Processes:
 - Design of performance measures
 - Implementation of Performance Management System
 - Use of Performance Management System
2. On the overall success or failure of the Performance Management System

It is also important to explicitly request the interviewee's opinion and reasoning on the company's national cultural impact on organisational culture, and on the way the organisations is run.

The following pages provide guidelines as to the sorts of conversations that might need to be held under each heading with the exception of the outcome of the Performance Management System, which is covered later in this document.

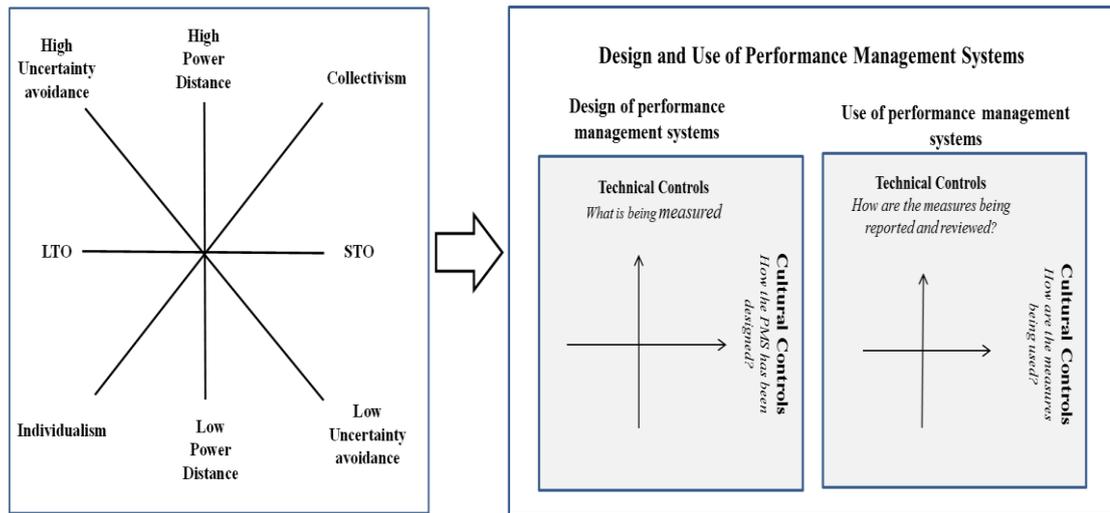


Figure 2.1 Theoretical framework of the research

***** **WARNING*******

Please note that the table below does NOT constitute an exhaustive list of questions that should be asked to each interviewee. As the researcher/interviewer, you must Facilitate the interview as a natural conversation so that the answers to these questions emerge naturally. A mechanistic question and answer session based on these questions may influence the answers provided by the interviewee thus affecting the validity of the data provided.

***** **WARNING*******

Orientation

Introduction to the project by researchers:

- Tell them who we are
- Briefly, explain the project
- Explain about Performance Management System processes of design, implementation, and use
- Ask permission to record the interview

Interviewee Orientation:

- What do you do for the organisation?
- Who do you report to and who reports to you?

- How do you appraise the performance of staff in the organisation?
- Elaborate on the dominant communication method employed in the organisation. (Formal, informal, written memos, meetings... etc.)
- Explain the management style of the interviewee between him and his own reports and on his boss's management style?

Scorecard Orientation:

- What do you think the purpose of performance measurement system? (Improve performance; assist in better running the organisation, political, cosmetic implementation?)
- What was the time- frame of the design and implementation of the Performance Management System?
- Do you think that the Performance Management System has met your expectations, and why if not?
- How do your managers or your subordinates think of the Performance Management System?
- What were the challenges involved in the Performance Management System design, implementation and use?

Monitor the External Environment

- How did your environment (i.e. Operating environment) affect or shape the Performance Management System design?

Monitor the Internal Environment

- How would you describe the organisation culture (artefacts, stories, values, assumptions)?
- How can you best describe your organisation as formal or flexible?
- How can you best describe the organisation's structure, whether it is hierarchical, flat?
- How can you best describe your organisation's attitude as uncreative or innovative?
- What was the most recent initiative applied/implemented in your organisation?
- How can you best describe the role of middle managers in the organisation in terms of the authority given to him (employment, compensation, initiates capital expenditure,)

Performance Management System

- How many measures do you like and use?
- How are the measures distributed? (Financial, customer, operations, learning OR department wise, OR.....)

- What is the aim of the Performance Management System? (Is it to measure the success of the strategy? To measure actual performance? To provide benchmarking feedback, cosmetic implementation)
- Do think the Performance Management System implementation could be used for political purposes by the top or middle management?
- How much time the Performance Management System implementation process took?

The process of Designing Performance Management System:

- **How was the Performance Management System developed?**
- Who was involved in the design of performance measures?
- Is there cooperation between departments in developing the measures?
- Describe the process of designing the performance measures?
- What is the nature of the measures? (Lagging, leading, financial, non-financial, other)?
- Who was responsible for the final approval of the performance measures?

The process of implementing Performance Management System:

- **How was the Performance Management System implemented?**
- How can you describe the involvement of top management in the implementation process?
- Do you think the top management is in agreement with the Performance Management System implementation?
- Do you think the top management are committed to the success of the Performance Management System? (In terms of providing quality time, assisting in design the Performance Management System, investing resources in training the staff?)
- What is the reaction of middle management, staff for the implementation of Performance Management System?
- How is the result of the measurement getting communicated?
- What is the role of middle management in the design of Performance Management System?
- What is the role of non-managerial staff in the Performance Management System implementation?

The use of Performance Management System?

- **How is the Performance Management System used?**
- How the results of the measures are used for decisions regarding the staff in terms of promotion or reward?
- How are the measurement results shared among different departments of the organisation?
- How the performance measures are reviewed?

- How do think measures have impacted communication in the organisation?
- Do you think that the Performance Management System has added value to the work environment in the organisation you are working and how?

Closing

- What would you change (with regards to the business and how it is managed) if you could?
- Finally, is there anything else about the management of the business you would like to talk about?

Company Name:

Interviewee (s) :

The education of the respondent?

The age of the respondents

The gender of the respondents?

The job of the respondent

Over this period, rate the maturity of Performance Management System in your company.

Phase 3 - Conducting Interviews

The interviews should be carried out as planned and detailed in the previous section.
The researcher(s):

- Should ensure that: all interviews are recorded using electronic recording equipment – e.g. MP3 player, iPod, etc.
- Could choose to take notes in their own preferred format, for example, structured English, cognitive mapping, mind-mapping or any other method preferred by the researcher(s)
- Should maintain a research diary to facilitate the recording of all relevant observations

The researchers will be required to submit the electronic recording files, their notes and research diaries to the research team in order to ensure reliability and repeatability.

Phase 4 – Analysing Data

Depending upon the interviewer and their preferred mode of operation the data collected from the interviews will be analysed, and the management practices used by the company will be captured. The results of each case study will be documented in a case study report.

Case Study Report

Once analysed, each case will be documented in the detailed Case Study Report that is structured as follows:

- ***Introduction*** – Here, provide a brief history of the case study, covering who was interviewed and the approximate start and finish times of the case study.

- ***Business Context*** – a brief introduction to the case study company which is being studied. This section should include:
 - An overview of the sector the company operates in
 - Ownership (i.e. Parent company, etc.)
 - Main products, markets
 - Brief history of the company
 - The organisation structure – including the external reporting lines if appropriate)

- ***Set Direction*** – Here, under this heading, explain in detail what the company does and how often, who does it, who it is done to and what resources are used (if applicable), how things are done and what the intended and/or actual outcome was.

- ***Monitor External Environment*** – as Set Direction

An example of such a report is provided with this document.

*******IMPORTANT*******

Ensure that you make any conflicts you identify explicitly in the case study report. Do not try to resolve the conflict and come to a conclusion in the main report. If as an interviewer you have a particular opinion on the accuracy of what you have seen or heard you can express this opinion in the section titled Researcher/Interviewer Conclusions.

*******IMPORTANT*******

Presentation and Discussion with the Research Team

The researcher/interviewer will then present his/her findings to the research team for a discussion of the findings. The research team will receive the analysis of the pilot study of the research to use it as a guide of the argument of the research question.

(3)

Summary of Deliverables

The following will be submitted to the research team on the conclusion of each case study:

- Interview Recordings
- Interview Notes
- Research Diary
- Case Study Report

The above documentation should be included in the M103 file library for reference should any member of the research team wish to access it at a future date.

– Manage Processes Introductory Letter

Dear [Individual's name],

Re: Manage Processes Research

Further to our previous conversation today I am writing to invite you to participate in the FlagShip research project we are undertaking for the UK Research Council. The project aims to identify the management practices that distinguishes successful companies from others. I have provided a short summary of the research project and its objectives at the end of this message.

In order to conduct the research, we need to examine the management practices of a variety of companies. In total, we would expect to interview about 5 individuals from the [organisation's name] management team. We expect each interview to last between 1 and 1.5 hours. In addition, we would ideally like to speak to a sample of the four to six members of the workforce in a group interview format lasting no more than an hour. All company information and individual interviews will be treated in strict confidence, and nothing will be published specific to your company or any individual interview.

In return, we will be able to provide you with a short report comparing your management practices against what is published in the literature as "best practices", which may be a useful input for your business.

I hope you can participate in this project. I look forward to hearing your response.

Best Regards,

Ihssan Jwijati
Researcher
Business Management
Heriot-Watt University

CONFIDENTIALITY AGREEMENT

This Agreement made on the..... day of200
relates to all communications (whether written, oral or otherwise) between the parties named below
on or after..... (Notwithstanding the date of signature of this
Agreement) and applies [for a period of three years from that date] to any Information relating to
the Subject Matter as hereinafter defined.

(4) The information shall mean any supply, communication or exchange of
information of any kind, including without limitation, know-how, drawings, data, software, and
other technical matter.

(5) Proper Use shall mean discussions between the Parties to further the research and
development project in the area of the Manage Processes.

(6) Subject Matter shall mean all information relating to the expertise and know-how
of the Manage Processes Research team at the University of Strathclyde, and of other University
staff involved in the analysis of information regarding the Manage Processes Research Project.

Now it is hereby agreed as follows: -

1. All Information which it receives from the other (whether directly or indirectly) will be regarded as, and kept confidentially and no part of it will be divulged by the recipient to any third party at any time and in any form whatsoever without the prior consent, in writing, to be obtained specifically on each occasion of the other party except as outlined in paragraph 4.
2. Information received by one party from the other will be used only by the recipient for the Proper Use, and the recipient undertakes to take no action to use otherwise or exploit the information without specific prior written agreement of the owning party.
3. For the avoidance of doubt, ownership of Information shall remain the property of the party providing the same. No licence is granted hereunder to the recipient, and no licence shall be deemed to have arisen.
4. Information may be revealed to employees of the recipient, but only to the extent that this is necessary for the Proper Use or to further communications between the parties or to carry out such work as it is agreed in writing between the parties that one party will undertake for the other. The recipient will bind such employees to keep such Information confidential both during and after their current employment and will take appropriate steps to enforce the obligations of such employees in relation thereto. With the consent of the party obtained in writing, whose consent shall not be unreasonably withheld, the recipient may disclose Information to the extent required by statute.
5. This Agreement shall not apply to any Information which: -
 - (1) At the date of this Agreement is in the public domain or subsequently comes into the public domain through no fault of the recipient and not in breach of this Agreement;
 - (2) Was already known to the recipient on the date of disclosure, if such prior knowledge can be substantiated and proved by documentation;

- (7) Properly and lawfully becomes available to the recipient from sources independent of the owning party;
- (8) Either party is required to disclose pursuant to a judicial or other lawful government order, but only to the extent of such order.

6. This Agreement shall in all respects be construed and interpreted in accordance with, and governed by, the Law of Scotland and the parties prorogate the jurisdiction of the Scottish Courts.

Signed Signed.....

Name Name.....

Position..... Position.....

Date Date.....

On behalf of: Heriot-Watt University.....Edinburgh
 Scotland
 EH14 4AS

WitnessWitness

Name (print) Name (print)

Home Address Home Address

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