

## Doing Qualitative Case Study Research in Business Management

**Author Details: Candauda Arachchige Saliya**

Business School, Whitireia Polytechnic 455, Queens Street, Auckland, New Zealand.

### **Abstract**

*Qualitative case-study research has experienced an upsurge in business management fields of inquiry in the recent past. A methodology is selection, justification and sequential arranging of activities, procedures and tasks in a research project. Research methodology can no longer be confined to a set of universally applicable rules, conventions and traditions. A research paradigm is a set of propositions that explains how the world is perceived. There are three basic paradigms: positivist, interpretive and critical. Qualitative ‘approaches to research’, ‘strategies of inquiry’ and ‘varieties of methodologies’ classified into five ‘types’ or ‘traditions’ namely; biography, phenomenology, grounded theory, ethnography and case study.*

*The major criticism made of qualitative methods is that they are impressionistic and non-verifiable, post-positivists who reject this charge claiming that qualitative data is auditable and therefore dependable. The less structured qualitative methodologies reject many of the positivists’ constructions over what constitutes rigour, favouring instead the flexibility, creativity and otherwise inaccessible insights afforded by alternative routes of inquiry that embrace storytelling, recollection, and dialogue. Case study research is not really a ‘methodology’ or a method, rather an approach to research. Case studies can be ethnographic or not and some scholars identified it as a strategy of social inquiry. It is argued that, case studies are more appropriate to investigate causal relationships prevailing both in the business field as well as in wider society in general.*

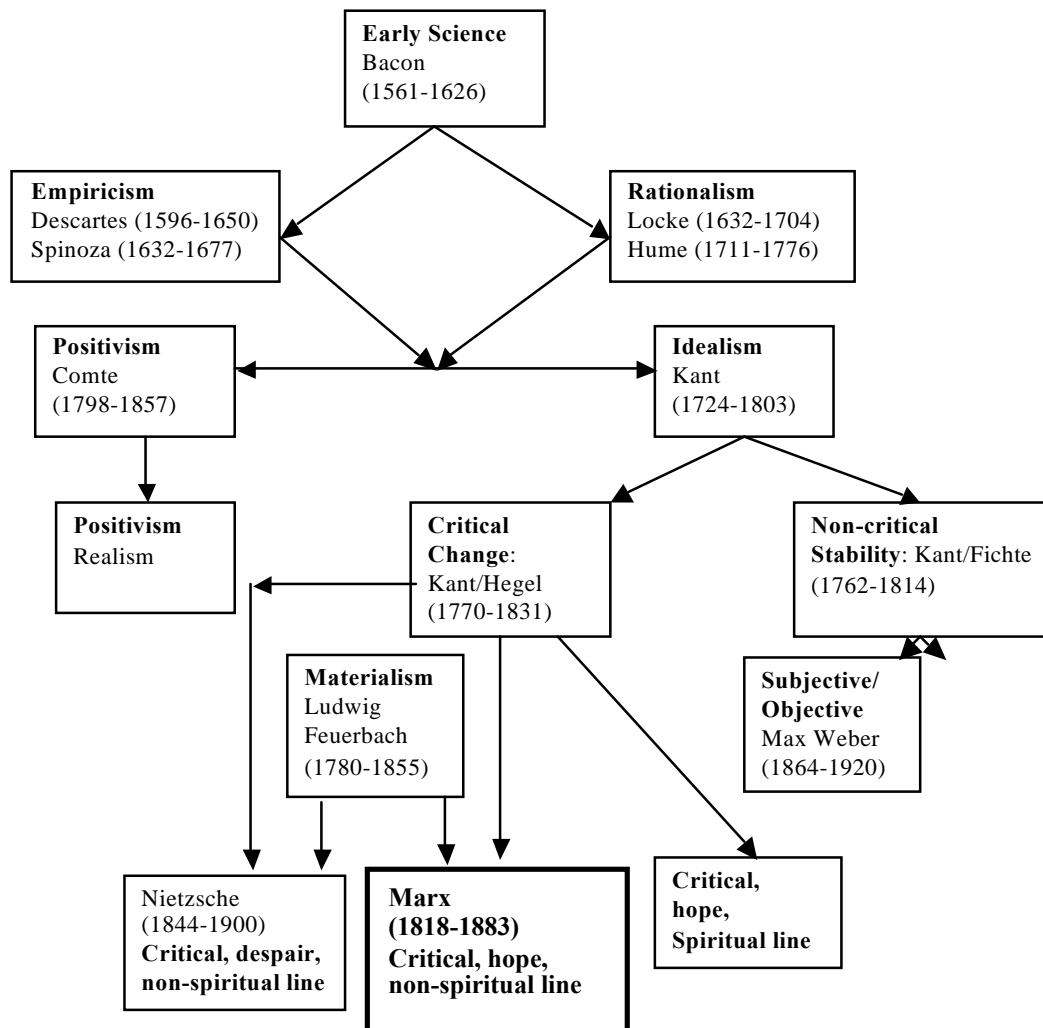
**Keywords:** *Case study research; paradigm; positivism, interpretivism; critical theory; Qualitative approaches; Methodologies; Biography, phenomenology, grounded theory, ethnography.*

### **Introduction**

Social research has been used extensively for more than 2000 years (Sarantakos 1998). Polkinghorne (1989) argues that, “true knowledge is limited to the objects and the relationships between them that exist in the realm of time and space. Human consciousness, which is subjective, is not accessible to science and thus not truly knowable” (p. 23 cited in Guba and Lincoln 2005, p 203). The roots of Western philosophy stemmed from ancient Greek philosophers such as Plato (380 BC) and Aristotle (340 BC). Research and knowledge were highly valued by these philosophers; Socrates has said that ‘there is only one good; knowledge, and one evil; ignorance’ (Socrates 2006) and Aristotle has mentioned that ‘the educated differ from the uneducated, as the living from the dead’ (Aristotle 2006). This knowledge accumulation process evolved gradually and an important land mark was established by Bacon (1561-1626) by introducing a scientific approach to research. Richard Laughlin (1995) has provided very useful analysis of the ‘evolution process’ of dominant schools of thought in social inquiry from early science era to modern time, and Figure 1 shows the consolidated version of his analysis.

In early 20<sup>th</sup> century, in the midst of failure of certain Marxist predictions in relation to capitalism, a new perspective emerged called critical school of thought. There are several internationally renowned journals widely publish research papers on critical thought. The philosophical stand-point and methodological approach of the researcher are paramount in developing cogent arguments and arriving at a convincing conclusion. They have to be chosen carefully and consciously considering several factors such as access to data, expertise, skills, capacity and personal attributes of the researcher, availability of resources and ethical issues.

Figure 1: An overview of key changes/continuities in theoretical and methodological thought.



Compiled by the author

Source; Laughlin (1995) and Tucker (1978).

## Philosophy

### Paradigms; Positivist, Interpretivist and Critical

Awareness and understanding of paradigms and perspectives are “vital because their underlying assumptions affect most aspects of research. Kuhn defined a paradigm as the entire sets of beliefs, values, techniques that are shared by members of a community (Kuhn 1970). Perspectives and paradigms are two terms used synonymously and interchangeably to describe the group or school of thought to which the researcher belongs. Objectives of paradigms vary from discovering ‘the Truth’ to constructing/building theories in proposing solutions. *Positivists* aim to explore, explain, evaluate, predict and to develop/test theories. The aim of *interpretivists* is to understand human behaviour. *Critical* theorists aim to criticize social reality, emancipate, empower and liberate people, and propose solutions to social problems (Sarantakos 1998).

#### How do I know the world?

‘Do you really know what you think you know?’ and if so, ‘How do you know what you know?’ and ‘What is the relationship between the inquirer and the known?’ (Denzin and Lincoln 2005). Answers to these questions heavily influenced by the paradigm (set of beliefs) to which the researcher belongs.

#### 1.1.1 Paradigms compared

Positivism is a social research philosophy developed and introduced by Auguste Comte in 1848. Positivists argue that the only *authentic* knowledge should be ‘scientific’. A positivist paradigm is associated with scientific methods where the process of discovery begins with theory, using deductive logic and the researcher tests hypotheses from the theory (Bailey 2007). Their ontological belief is that

an objective reality exists and can be known through research in contrast to post-positivists who concede that “we might never know reality perfectly but ... accumulated efforts will move us toward discovering what is real” (Bailey 2007, p. 52). Positivists believe that truth or facts exist independently of any theory or human observation. For them the ‘Truth’ is ascertainable and it exists outside our perceptions of things. Contrarily, interpretivists (including constructivists) argue that the truth is constructed within the minds of individuals and between people in a culture. The epistemological position of positivists is that knowledge which can be gained does not depend on the researcher. Positivists believe that research should be objective and value free which means “the researcher’s feelings or values should have no place in the research results” (Bailey 2007, p. 52-53). Objectivity, reliability, validity and generalizability are the keywords used by positivists in their vocabulary whereas non-positivists, often guide qualitative research, may employ terms such as ‘credibility’, ‘transferability’, ‘dependability’ and ‘conformability’ (Lincoln & Guba, 2003).

According to some scholars (for example: Sarantakos, 1998) there are several research paradigms could be identified within perspective; positivist, interpretive and critical. But by some other scholars, perspectives are often taken to be synonymous with a paradigm. For example Lincoln & Guba (2003) identify these broad schools of thought as paradigms and classify them into five groups: Positivism, Post-positivism, Critical school of thought, Constructivism and Participatory/Cooperative.

**1.1.2** According to, Denzin and Lincoln, “The interpretivist/constructivist paradigm assumes a relativist ontology (there are multiple realities), a subjectivist epistemology (knower and subject create understandings), and a naturalistic (in the natural world) set of methodological procedure” (2003, p. 27). The epistemological position of interpretive and critical paradigms is that what is learned in research does not exist independently of the researcher. While positivists follow deductive methods and seek certainty Inductive generalization and abductive inferencing/reasoning

#### **Developing ideas and theories**

Charles Sanders Peirce (1839-1914), in his famous methodology of “abductive inferencing” saw a way beyond inductive security of generalization and deductive certainty of derivation: deduction proves that, for logical reasons, something must be the case; induction demonstrates that there is empirical evidence that something is truly so; abduction, by contrast, merely supposes that something might be the case. It therefore abandons the solid ground of prediction and testing in order to introduce a new idea or to understand a new phenomenon (p. 322).

Hooper (2001) says, “...philosophically, it is argued, inductive and deductive methods cannot be combined” (p. 4). In this light, it is worth noting the comments of Coffey and Atkinson (1996) on these two logics:

Inductivism is based on the presumption that, laws or generalizations can be developed from the accumulation of observations and cases that the close inspection of ever more data can be made to reveal regularities. The polar opposite—a strict adherence to deductive principles—...is founded on the assertion that empirical research can be used only to test theories...Neither of the polar types is satisfactory in informing the actual generation of ideas...One needs to break free of the strait-jackets imposed by conventional logic (p. 155-156).

Therefore, abductive inference is more appropriate for qualitative inquiry where an open-minded intellectual approach is normally advocated. However, the inductive approach is more applicable to answer “*how*” questions when the conclusions can be generalized from empirical evidence.

The common understanding is that researchers who subscribe to critical paradigm theory often want to document, understand and even change the way that powerful groups oppress powerless groups (Bailey 2007). Similar to the interpretive paradigm, critical paradigms follow the ontological belief that there is no single reality and they stress that “social reality is shaped by historical, social, political, cultural, and economic factors, as well as ethnic, racial, and gendered structures among others” (Bailey 2007, p. 55). The epistemological stance within the critical perspective is that the researcher is not independent from what is researched and that the findings of research are negotiated through his or her values (Bailey 2007). Bailey says that “an important value that often accompanies this type of research [paradigm/perspective] is a desire to eradicate social injustice” (2007, p. 56).

Lincoln and Guba (2003) also stress that “These differences in paradigm assumptions cannot be dismissed as mere philosophical differences; implicitly or explicitly, these positions have important

consequences for the practical conduct of inquiry, as well as for the interpretation of findings and policy choices” (p. 112).

#### **1.1.2.1 Basic beliefs**

According to Egon and Lincoln (1994) positivists believe in ‘received view’ while post-positivists believe in a ‘blanket theory’ representing alternative paradigms and constructivism. Positivists rely on quantitative data and post-positivists primarily rely on qualitative data. Some scholars such as O’Leary (2004) use the term *post-positivist* to refer non-positivist paradigms but for others, for example Guba and Lincoln (2005), post-positivism is a paradigm with slight variances in basic assumptions such as ontology, epistemology and methodology from positivism. These minor variances are shown in the Table 1 below. Therefore, some scholars, the paradigms such as interpretivism, constructivism and critical are classified under post-positivism whereas others identify post positivism, interpretivism, constructivism and critical worldviews as four separate paradigms.

Table 1: Modified presentation of “Basic Beliefs (Metaphysics) of Alternative Inquiry Paradigms” of Guba and Lincoln (2005)

<i>Paradigm</i>	<i>Positivism</i>		<i>Interpretive</i>		<i>Critical</i>
<i>Sub paradigm</i>	<i>Early Science</i>	<i>Post-positivism</i>	<i>Constructivism</i>	<i>Participatory</i>	
<b>Assumption</b>					
<b>Axiology</b>	Value-free	Value-free	Value-laden	Value-laden	Value-laden
<b>Inquirer’s posture</b>	Disinterested scientist	Disinterested scientist	Passionate participant	Self-reflective actor	Transformative intellectual
<b>Ontology</b>	Naive Realism- “real” reality but apprehendable	Critical Realism- “real” reality but only Imperfectly and probabilistically apprehendable	Relativism- Local and Specific constructed realities	Participative reality- subjective-objective reality, co-created by mind and given cosmos	Historical realism- Virtual-reality shaped by social, political, cultural, economic, ethnic, and gender values, crystallized over time
<b>Epistemology</b>	Dualist/ Objectivist; Findings true	Modified Dualist/ Objectivist; Critical Tradition/ Community; Findings Probably true	Transactional/ Subjectivist; Created findings	Critical subjectivity in participatory transaction with cosmos; extended epistemology of experiential, propositional, and practical knowing; co-created findings	Transactional/ Subjectivist; Value-mediated Findings
<b>Methodology</b>	Experimental/Manipulative; Verification of hypotheses; Chiefly quantitative methods	Modified Experimental/Manipulative Falsification of hypotheses; May include Qualitative methods	Hermeneutical/ dialectical	Political participation in collaborative action inquiry; primacy of the practical; use of language grounded in shared experiential context	Dialogic/ Dialectical

Sources: Guba and Lincoln, 2005, pp. 193-196; Creswell, 2007; Bailey, 2007

1.1.2.2 **Classification of research perspectives (theories) under paradigms**

These perspectives, which have been developing since the 19<sup>th</sup> century, can be classified into four basic categories according to their underlying standpoint and/or time of introduction as follows:

1. Classical perspectives (18<sup>th</sup> Century)
2. Modern perspectives (1800-1950)
3. Post-modern perspectives (1900-1990)
4. Dynamic perspectives (1980 onwards)

The classical perspective comprised with research approaches based on grand theories such as idealism, materialism, rationalism, empiricism and dialectic. The modern perspective is identified as the theories evolved in the post industrialization period where theories such as classical Marxism, realism and symbolic interactionism emerged. The post-modern perspective comprised with main research strategies such as ethnomethodology, phenomenology, critical sociology and ethnography, and also the theories such as neo-positivism, logical positivism and feminism. Dynamic perspective has its place among these perspectives because it detached from most of dualist or bipolar interpretations such as idealism and materialism, quantitative research and qualitative research, and free market economic policies and centrally planned economic policies.

1.1.2.3 **Dynamic perspectives**

Dynamic perspectives could be attributed to the theories introduced in the late 20<sup>th</sup> century, such as *middle-range thinking* (Laughlin, 1995) from the interpretive paradigm, *anti-realism* (Dummett, 2001) (position involving either the denial of the objective reality or the insistence that we should be agnostic about their real existence) from the positivistic end and *mixed method research* (Johnson & Onwuegbuzie, 2004) and *emergent methods* (Hesse-Biber & Leavy, 2006) from interpretive and critical paradigms respectively. These theories could be identified as further developments of modern and post-modern schools of thought rather than from classical grand theories. Researchers in these schools seem more dynamic and enjoying the liberty of interchanging their positions between different beliefs according to the situation. Therefore, these theories are categorized under the name of dynamic perspective in this thesis. Justification of emergence of middle class within Marxian analysis (Gray, Owen & Adams, 1996) also falls into this category and named as ‘*Marxism after USSR*’. Emergent methods, according to Hesse-Biber and Leavy, are the logical conclusion to paradigm shifts, major evolutions in theory and new conceptions of knowledge and the knowledge-building process, and they see that emergent method as hybrid that “they often borrow and adopt methods from their own disciplines or can cross disciplinary boundaries to create new tools and concepts...in order to answer complex and often novel questions” (p. xii). Scholars from mixed methods school of thought position mixed methods research “as the natural complement to traditional qualitative and quantitative research, to pragmatism” (Johnson & Onwuegbuzie, 2004, p. 14). Table 2 below depicts these four perspectives and related theories, according to their historical development, under three main paradigms; positivist, interpretive and critical.

1.1.2.3.1 Table 2: Classification of theories and approaches under three main research paradigms and perspectives.

<i>Paradigm</i>	<i>Positivist</i>	<i>Interpretive</i>	<i>Critical</i>
<b>Classical Perspective</b> 17 <sup>th</sup> - 18 <sup>th</sup> Century	Empiricism Locke (1632-1704)	Rationalism Descartes (1596-1650)	Hegal (1770-1831) Feuerbach (1785-1854)
	Immanuel Kant (1724-1803)		
<b>Modern Perspective</b> (1800-1950)	Positivism Realism Ex. Comte (1848)	Symbolic interactionism, Ex. Mead (1863-1931)	Marxism Ex. Marx (1818-1883)
	<b>Post-modern</b>	Neo-positivism, Post-modernism,	Critical Sociology,

<b>Perspectival</b> (1900-1990)	Logical positivism, Post- positivism	Normativism Constructivism Participatory.	Feminism, Neo-Marxism
<b>Dynamic Perspective</b> (1980 onwards)		Auto-ethnography (Neuman, 1996) Anti-realism. Ex. Dummett (2001) Middle Range Thinking. Ex. Laughlin (1995) Marxism after USSR Ex. Gray et al.	Emergent methods Mixed methods research

Compiled by the author, Sources; O’Leary, 2004; Lincoln and Guba, 2003; Gray et.al., 1996; Laughlin, 1995

Realism is commonly defined as a concern for fact or reality and a rejection of the impractical and visionary. Opposing theses to realism, known as *nominalism*, and *conceptualism*, hold that universals are not real or do not properly exist, that only individuals and particulars exist. In a separate context of discussion, *realism* is contrasted with both idealism and materialism. Normativism, as against anti-realism, is the theory which argues that objectivity is unattainable, unnecessary and undesirable. Normativists argue that researchers’ general orientation is based on and guided by values (Sarantakos, 1998). Normativism represents one end of axiological assumption while objectivity (value neutrality) is the other end.

### 1.1.3 Example research question and design using Case study methodology within the Critical paradigm

The following research question which is extracted from author’s PhD thesis is used to explain a typical design of a qualitative case-study research.

*Do credit mechanisms and income/wealth inequality create a mutually reinforcing cycle?* (Saliya, 2010).

In other words, this particular research attempts to explore the nature of providing finances to businesses and to explain *how* certain credit decisions are made and whether such credit decisions contribute to the creation of a mutually reinforcing cycle and *what* is the impact of such credit decisions on the inequality in the society. Saliya (2010) investigates this research question in three stages to facilitate the critical analysis and theoretical explanation as follows:

- First, it seeks to explore the nature of credit decisions made by studying a few cases.
- Second, it focuses on how and what methods were used by decision-makers to make those credit decisions.
- Third, it attempts to explain the decision-making procedures applied and if applicable, to expose the motives driving such bank credit decision-makers.

The following sub-questions, in addition to the above main question, could be derived from the preliminary investigation:

- *Are credit decisions made in favour of influential businesspeople?*
- *Are certain demographic groups at a disadvantage in obtaining credit?*
- *As a result of favourable credit decisions, could influential groups of people get richer and more influential?*
- *Are “ability to obtain credit” and “becoming more influential” mutually reinforcing?*

Source: Saliya (2010)

Such multiple research questions could provide useful insights about where to look for relevant evidence, especially when the researcher’s approach is critical and, when structural changes are expected towards more a fair and just financial capital mobility system as the end goal (Lincoln and Guba 2003). Therefore, such research questions could provide a strong foundation to theorize the research findings more effectively and meaningfully.

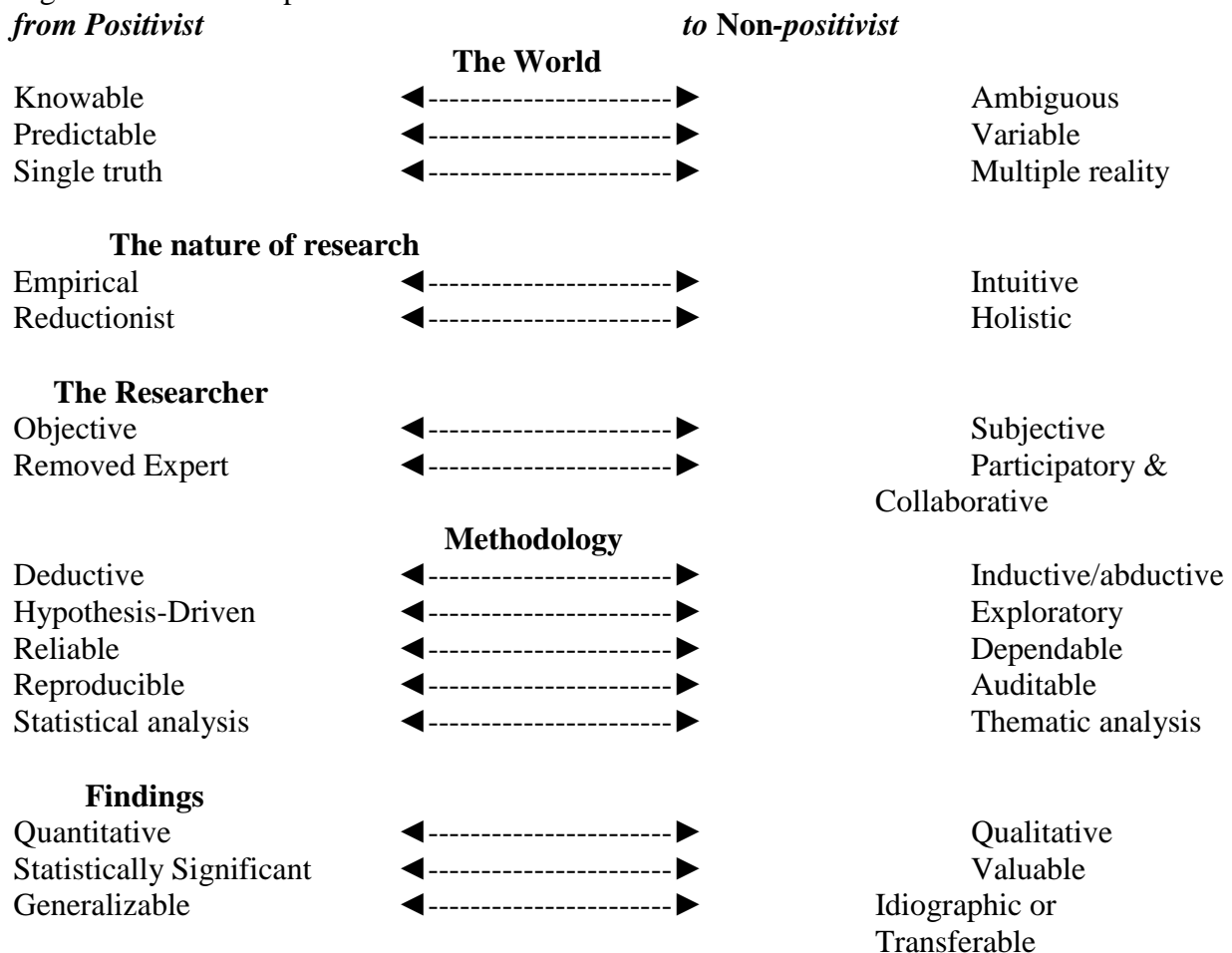
This research belongs to the critical paradigm because it focuses on critique and transformation and the issues addressed in this particular research are on social power relations and inequality (Guba and Lincoln 2005; Bailey 2007). Further, the researcher aims at documenting, understanding and even

suggesting changing the negative implications of unequal power relationships (Bailey 2007) and promoting justice.

The ontological belief of critical paradigm is that reality is shaped by social, political and economic values, crystallized over time (Guba and Lincoln 2005). The epistemological stance is that the knowledge discovered by this research depends on the researcher and is, therefore, subjective. The questions asked in this research are ‘why do certain bank lending processes appear discriminatory?’ and ‘In what way and what methods are used by the decision makers to make preferential or discriminatory credit decisions?’; therefore, the answers are inferred from the views of research participants and the researcher’s experience and values.

O’Leary (2004) provides a useful analysis of assumptions of two divergent points across the beliefs of positivists and non-positivists, but she had used the term ‘post-positivist’ in her analysis. This analysis is shown in Figure 2 and the term post-positivist was replaced with the term ‘non-positivist’ to avoid confusion. These divergent points are common to qualitative and quantitative schools as well. The qualitative school rejects objectivity because it implies distance and neutrality from the researched; that reality is objectively given; and it emerges out of subjectivity (Sarantakos 1998). O’Leary says that “‘quantitative’ and ‘qualitative’, however, have come to represent a whole set of assumptions that dichotomize the world of methods and limits the potential of researchers to build their methodological designs from their questions” (O’ Leary, 2004, p. 99).

Figure 2: The Assumptions



Source: O’ Leary, 2004, p. 7.



### **Criticism and defence of qualitative methods**

In the business-management disciplines, as in other disciplinary fields, qualitative research has been criticised, rejected or ignored for a variety of reasons (Parker 2003):

1. That it is akin to ‘soft science’ or journalism.
2. That it is simply ‘humanism’ in disguise.
3. That it is ‘unscientific’ and ‘subjective’.
4. That it breaks the ‘value free’ assumptions of scientific research.
5. That it cannot produce verifiable truth statements.
6. That it cannot produce statistically generalisable findings.
7. That it lacks rigour.

(Denzin & Lincoln, 2003; Hammersley & Gomm, 2000; Yin, 1989).

Labels such as ‘soft’ and ‘humanism’ are arbitrary and ill-informed classifications that serve no productive purpose for either researcher or critic (Parker 2003). The accusation of subjectivity presumes that the world can be entirely conceived and explained as an existential reality which exists independently of the observer instead, the qualitative researcher recognises and investigates a world of intangible relationships, meanings, understandings and interpretations that are complex, multidimensional and cannot exist independently of actors and researchers (Parker 2003). However, the major criticism made of qualitative methods is that they are impressionistic and non-verifiable (Jon and Gordon 1991), post-positivists (for example, Denzin & Lincoln, 2003; O’Leary, 2004; Quantz, 1992; Yin, 2003) who reject this charge claim that qualitative data is auditable and therefore dependable. Further quantitative research is considered hard-nosed, data-driven, outcome-oriented, and truly scientific..., even qualitative research also can be hard-nosed, data-driven, outcome-oriented, and truly scientific. Similarly, quantitative research can be soft and ‘mushy’ and deal with inadequate evidence (Yin, 1993).

The criticism on producing verifiable truths and statistically generalisable findings is addressed by theoretical generalisability of qualitative approach in the sense that the researcher seeks to identify, penetrate, understand and articulate narratives, concepts and relationships in their oftentimes unique contextualised settings and theoretical depth, richness and uniqueness are the objectives which are sought and valued (Parker 2003).

The critique of lack of rigour reflects critics’ lack of acquaintance with the fundamental methods employed within the various methodological traditions of qualitative research. The more structured qualitative methodologies have their own equivalents to positivist method concerns such as validity, reliability and triangulation. The less structured qualitative methodologies reject many of the positivists’ constructions of what constitutes rigour, favouring instead the flexibility, creativity and otherwise inaccessible insights afforded by alternative routes of inquiry that embrace storytelling, recollection, and dialogue (Parker 2003).

### **Methodology**

A methodology involves the selection, justification and sequential arranging of activities, procedures and tasks in a research project. These activities, procedures and tasks include selection of: cases to study, methods of data gathering, analytical techniques of data (Silverman 2006), a theory, range of solutions (Gobo cited in Silverman, 2006) and approaches. O’Leary (2004) asserts that, in designing the research methodology, one approach is not necessarily better than the other. What is important is that all researchers work towards reflexive awareness and informed choice.

### **Qualitative research strategies/approaches/traditions**

There are several qualitative approaches for business-management inquiry. According to Creswell, these ‘approaches to research’ (Creswell 1998), have also been identified as ‘strategies of inquiry’ (Denzin and Lincoln 2003) and ‘varieties’ (Tesch 1990), etc. Creswell (1998) classified all these ‘types’ of inquiry into five ‘traditions’ namely; biography, phenomenology, grounded theory, ethnography and case study and compares the fundamental differences as shown in Table 3 below. However Creswell (2007) updated his analysis and the major change is that he has renamed the research approach ‘biography’ as ‘narrative research’.

*Table 3: Five Qualitative Traditions/Approaches/Strategies of Inquiry/Types and Varieties*

<b>Methodology</b>	<b>Biography</b>	<b>Phenomenology</b>	<b>Grounded Theory</b>	<b>Ethnography</b>	<b>Case Study</b>
<i>Dimension</i>					
<b>Focus</b>	Exploring The life of An individual	Understanding The essence of experience about a phenomenon	Developing a theory grounded in data from the field	Describing and interpreting a cultural and social group	Developing on in-dept analysis of a single case or multiple cases
<b>Discipline Origin</b>	Anthropology Literature History Psychology Sociology	Philosophy Sociology Psychology	Sociology	Cultural anthropology Sociology	Political science, Sociology, evolution, urban studies, other social sciences
<b>Data Collection</b>	Primarily interviews and documents	Long interviews with up to 10 people	Interviews with 20-30 individuals to “saturate” categories and detail a theory	Primarily observations and interviews with additional artifacts during extended time in the field( e.g. 6 months to a year)	Multiple sources- documents, archival records, interviews, observations, physical artefacts.
<b>Data Analysis</b>	Stories Epiphanies Historical content	Statements Meaning theme General description of the experience	Open coding Axial coding Selective coding Conditional matrix	Description Analysis Interpretation	Description Themes Assertions
<b>Narrative Form</b>	Detailed picture of an individual’s life	Description of the essence of the experience	Theory of theoretical model	Description of the cultural behaviour of a group or an individual	In-dept study of a “case” or “cases”

Source: Creswell, 1998, p. 245.

O’Leary (2004) explains that research generates knowledge and the purpose of the knowledge varies from just ‘*building understanding*’ to ‘*action change within a system*’ to ‘*emancipate through action*’ or further to ‘*expose the systems*’. Therefore the research methodologies could vary from ‘*basic*’ to ‘*applied/evaluative*’ to ‘*participatory*’ or further to ‘*critical/radical ethnography*’ accordingly.

### **Case study research design and method**

According to Yin (2003), “...case study is an empirical inquiry that investigates a contemporary phenomenon within its real-life context, especially, when the boundaries between phenomenon and context are not clearly defined” (p. 13). Therefore, Woodside and Wilson suggest that, case study research should have a broader definition as “inquiry focusing on describing, understanding, predicting, and/or controlling the individual (i.e. process, animal, person, household, organization, group, industry, culture, or nationality)” (2003, p. 493).

In the case study method used in social research today, the soundness of researchers’ arguments are refined and ensured by investigating the cases in considerable depth (Hammersley & Gomm, 2000) rather than the number of cases studied and/or amount of data collected on each case. Gluckman insists that, “clearly one good case study can illuminate the working of a social system in a way that a series of morphological statements cannot achieve” (Gluckman, 1961, p. 9 cited in Mitchell, 2000, p. 1). This claim is further strengthened by Skinner (1966) who asserts that “...instead of studying a thousand rats for one hour each, or a hundred rats for ten hours each, the investigator is likely to study one rat for a thousand hours” (p. 21, cited in Woodside & Wilson, 2003, p. 493). As Woodside and Wilson (2003) point out, this view can be misunderstood as that, case study research is always limited to the sample size of  $n = 1$ .

O’Leary (2005) points out that the nature of the research question is the key determining factor in choosing the appropriate research methodology. The empirical research questions mentioned above involve investigating whether credit decisions are made in favour of influential applicants while certain groups are at a disadvantage in accessing credit and, if so, to explore how and why these decisions are made.

In the context of the research question considered in this paper, due to the restriction on access to data in banks and the need for long-term data analysis, the most appropriate and useful option left to the researcher is to carry out a retrospective study of life experiences of several relevant individuals using multiple sources: interviews, observations, documents, archival records, questionnaires (not survey questionnaires), internet chats and exchange of e-mails. This requirement is facilitated well in case study research methodology. The multiple-case method is employed to enhance validity and allows for more cogent theorization.

### **Types of case-studies**

Yin (2003) identifies four basic types of case study designs based on two variables namely the number of cases involved and the number of units of analysis covered. The number of cases could be single or multiple and the number of units of analysis can be single-holistic or multiple-embedded. “Among these designs, most multiple-case designs are likely to be stronger than single-case designs” (Yin, 2003, p. 19).

Stake (2005) identifies three different types of case studies namely intrinsic (unique cases; not representative), instrumental (to provide insights or enhance an existing theory) and collective (generalization is aimed at) based on their purpose and nature. On the other hand, Yin (1993) classifies case study research into three major categories based on their approach, issues and applicable theories. They are exploratory case studies, descriptive case studies and explanatory case studies. Each category of case study research can be carried out using a single-case type or multiple-case type. Each case study research type may employ different designs either with one holistic unit of analysis or embedded several units of analysis. These characteristics of different types of cases are summarized according to their nature and purpose (Stake, 2005), and approach, research issues, number of cases, nature of units of analysis and applicable theories (Yin, 1993, 2003) as shown below in Table 4 below.

**Table 4: Characteristics of three types of case study research**

Case type Item	Exploratory	Descriptive	Explanatory
Common approach	Field work is done prior to the definition of research problem. Aimed at defining the issues of subsequent study.	Aimed at a complete description of a phenomenon within its context.	Aimed at presenting a causal relationship; explaining which causes produced which effects.
Research Issues	Broad design determined well ahead. Emphasis on actual behavioural events rather than perceptions.	Encounter enormous problems in limiting the scope of the study.	Emphasis on <i>How</i> and <i>Why</i> do research findings get into practical use?
Theories	Search for causal theories.	Requires theory to guide data collocation.	Search for explanatory theories.
Nature	Intrinsic	Instrumental	Instrumental
No. of cases	Single	Single	Collective
Unit/s of analysis	Holistic unit of analysis	Sub-units/Holistic unit of analysis	Sub-units/Holistic unit of analysis

Compiled by the author

Sources: Yin (1993; 2003) and Stake (2005)

Case study research can share characteristics of all the exploratory, explanatory and descriptive case types. The research question considered here is about the possible relationship between certain bank lending decisions and unequal income/wealth distribution, therefore it shares the characteristics of explanatory type case studies.

However, this case study can also be identified as descriptive because a theoretical guidance was used for data collection. Although studying collective or multiple cases goes beyond optimizing understanding to near generalization because of the representative nature (Stake, 2005) of the cases under review, the researcher should maintain focus towards inferencing/reasoning methods for a better understanding of patterns in certain credit decisions.

#### 1.1.4 Choosing a research methodology

O’Leary (2004) argues that case study is not really a ‘methodology’ but rather, an approach to research. She explains, “since ‘cases’ in a case study can involve individuals, cultural groups, communities, phenomena, events and , in fact, any unit of social life organization, virtually all methodologies and/or data collection tools can be called upon dependent on the case at hand” (O’Leary, pp. 117–118). Meanwhile, Holliday (2002) suggests that “...you do not have to choose between case study, ethnography and grounded theory. Case studies can be ethnographic or not, and do not have to be quantitative at all” (p. 118).

In the example research question, *Do credit mechanisms and income/wealth inequality create a mutually reinforcing cycle?* the cultural group involved is the powerful decision-makers of bank lending in a country. In the process of understanding a ‘way of life’ of this powerful social class, it is necessary to analyze the incidents and events which have taken place leading up to decision-making as the units of analysis of these case studies. When theorizing the research findings; ‘way of life’, these incidents and events collectively construct a ‘holistic unit of analysis’; the social class who possesses the power of controlling financial capital.

#### 1.1.5 Critical ethnography and ethnomethodology in case study research

Critical ethnography, which is also referred to as ‘radical ethnography’, adds a political agenda of exposing inequitable, unjust influences. The example research question too is an attempt to expose inequitable influences/system and research participants are members of the same cultural group where the Credit Mechanism is operated. On the other hand, ethnomethodology is a study of the methods

individuals use to accomplish their everyday life and focus on uncovering ‘rules’ that direct ordinary life. Therefore, this example research has both the flavors of ethnomethodology and critical ethnography in its context within the main research approach of case study research methodology. The example research question is analysed using ‘exploring methodologies’ model (O’Leary, 2004, p. 90) as illustrated in Figure 3 to provide a holistic view of the researcher’s position. The vision of the researcher is set towards better systems by challenging existing systems and the objectives of the research are to expose and understand a current situation. However, a research does not necessarily intend to suggest remedies or solutions such as programmes and policies through which the state should interfere etc. After evaluating the various research methodologies outlined in Figure 3 it is evident that the case study research methodology might be the most appropriate for this research questions.

Figure 3: Exploring methodologies Adopted from O’Leary (2004, p. 90) to illustrate this research methodology.

## Conclusion

In early 20<sup>th</sup> century, in the midst of failure of certain Marxist predictions in relation to capitalism, a new perspective emerged called critical school of thought. There are several internationally renowned journals widely publish research papers on critical thought. Research methodology can no longer be confined to a set of universally applicable rules, conventions and traditions. A research paradigm is a set of propositions that explains how the world is perceived. There are three basic paradigms: positivist, interpretive and critical. Positivists believe that research should be objective and value-free, therefore, mainly they depend on quantitative analysis while paradigms other than positivism often guide qualitative research. Interpretivists seek understanding of the world in multiple realities and often these subjective meanings are negotiated socially and historically while critical theorists aim to criticize social reality, emancipate, empower and liberate people, and propose solutions to social problems.

The major criticism made of qualitative methods is that they are impressionistic and non-verifiable. Non-positivists reject these charges claiming that qualitative data is auditable and therefore dependable. Also they argue that flexibility and, creativity offered by qualitative methodologies are preferred over mechanical-rigor.

Case study research is not really a 'methodology' or a method, rather an approach to research. Case studies can be ethnographic or not and some scholars identified it as a strategy of social inquiry. It is argued that, case studies are more appropriate to investigate causal relationships prevailing both in the business field as well as in wider society in general. In summary, because of the complexity of the processes under study (credit decision-making processes), the nature of characters involved (rich and powerful individuals and senior bank officers), the length of the period of observation warranted (3-5 years) and the nature of the research field involved (confidentiality, integrity and regulatory issues), the case-study method is the most appropriate methodology in line with the research questions and the knowledge gap identified.

Also, in business, case-study research is considered as useful especially for practical real-world problems where the experience of the actors is important and the context of the situation is critical (O'Leary, 2005). According to Yin (1993), the case study approach is especially useful in situations where contextual conditions of the events being studied are critical and where the researcher has no control over the events as they unfold.

## References

- i. Aristotle. (2006). "Ancient Greek Philosophy." Retrieved 21-06, 2006, from [http://www.cafepress.com/philosophy\\_shop/498302](http://www.cafepress.com/philosophy_shop/498302).
- ii. Bailey, C. A. (2007). *A Guide to qualitative field research*. Thousand Oaks, CA, Sage.
- iii. Coffey, Amanda and Atkinson, P. (1996). *Making sense of qualitative data: Complementary research strategies*. Thousand Oaks; CA: Sage
- iv. Creswell, J. W. (1998). *Qualitative Inquiry and Research Design; Choosing among five traditions*. Thousand Oaks, CA, Sage.
- v. Creswell, J. W. (2007). *Qualitative inquiry and research design; Choosing among five traditions*. Thousand Oaks, CA: Sage.
- vi. Dummett, M. (2001). *Originns of Analytical Philosophy*. Cambridge, MA, Harvard University Press
- vii. Denzin, N. K. and Lincoln, Y. S. (2003). *Introduction: The discipline and practice of qualitative research. The landscape of qualitative Research: theories and issues*. N. K. Denzin and Y. S. Lincoln. Thousand Oaks, CA, Sage.
- viii. Denzin, N. K. and Lincoln Y. S. (2005). *Introduction: The discipline and practice of qualitative research. The Sage handbook of qualitative research*. N. K. Denzin and Y. S. Lincoln. Thousand Oaks, CA, Sage.
- ix. Egon, G. G., and Lincoln Y. S.. (1994). *Competing paradigms in qualitative research*. In K. D. Y. Norman, S. Lincoln (Ed.), *The landscape of qualitative research; Theories and issues*. Thousand Oaks, CA: Sage.
- x. Gray, R., Owen, D., & Adams, C., (1996). *Accounting & Accountability: Changes and challenges in corporate social and environmental reporting*. Essex: Printice Hall.

- xi. Guba, E. G. and Lincoln Y. S. (2005). *Paradigmatic controversies, contradictions, and emerging confluences. The Sage handbook of qualitative research*. N. K. Denzin and Y. S. Lincoln. Thousand Oaks, CA, Sage: 191-216.
- xii. Hammersley, M., Gomm, R., & Foster, P. (2000). *Case study and theory*. In R. Gomm, M. Hammersley & P. Foster (Eds.), *Case study method*. London: Sage.
- xiii. Hesse-Biber, S. N., & Leavy, P. (2006). *Emergent methods in social research within and across disciplines*. In S. N. Hesse-Biber & P. Leavy (Eds.), *Emergent methods in social research* (pp. ix–xxxii). Thousand Oaks, CA: Sage.
- xiv. Hooper, K. (2001). *Case study research in management studies*. Hamilton: University of Waikato.
- xv. Johnson, R. B., & Onwuegbuzie, A. J. (2004). *Mixed methods research: A research paradigm whose time has come*. *Educational Researcher*, 33(7), 14–26.
- xvi. Jon, C. and Gordon, C. (1991). *Introduction: Research Strategies and Decisions. Handbook for Research Students in the Social Sciences*. A. C. S. Graham. London, RoutledgeFalmer.
- xvii. Kuhn, T. S. (1970). *The Structure of Scientific Revolutions*. Chicago, University of Chicago Press.
- xviii. Laughlin, R. (1995). *Empirical research in accounting: Alternative approaches and a case for "middle range" thinking*. *Accounting, Auditing & Accountability Journal*, 7(2), 30–49.
- xix. Lincoln, Y. S. and Guba E. G. (2003). *Paradigmatic controversies, contradictions, and emerging confluences. The Landscape of Qualitative Research: Theories and Issues*. N. K. Denzin and Y. S. Lincoln. Thousand Oaks, CA, Sage.
- xx. Mitchell, J. C. (2000). *Case and situation analysis*. In R. Gomm, M. Hammersley & P. Foster (Eds.), *Case study methods*. London, UK: Sage.
- xxi. O'Leary, Z. (2004). *The essential guide to doing research*. London: Sage.
- xxii. O'Leary, Z. (2005). *Researching Real-World Problems*. London: Sage.
- xxiii. Parker, L. D. (2003). "Qualitative Research in Accounting and Management: the Emerging Agenda." *Journal of Accounting and Finance* 2: 15-30.
- xxiv. Quantz, R. A. (1992). *On critical ethnography*. In W. L. Milroy, J. Preissie & M. D. Le Compte (Eds.), *The handbook of qualitative research in education* (pp. 470–505). New York, NY: Academic Press.
- xxv. Rockmore, T. (2002). *Marx After Marxism: The philosophy of Karl Marx*. Oxford, UK: Blackwell Publishers.
- xxvi. Saliya, C. A. (2010). *Role of bank lending in sustaining income/wealth inequality in Sri Lanka*. Unpublished PhD, Auckland University of Technology, Auckland.
- xxvii. Sarantakos, S. (1998). *Working with Social Research*. South Yarra, AUS, Macmillan.
- xxviii. Silverman, D. (2006). *Interpreting qualitative data*. London, Sage.
- xxix. Socrates. (2006). "Ancient Greek Philosophy." Retrieved 21-06, 2006, from [http://www.cafepress.com/philosophy\\_shop/498302](http://www.cafepress.com/philosophy_shop/498302).
- xxx. Stake, R. E. (2005). *Qualitative case studies*. In N. K. Denzin & Y. S. Lincoln (Eds.), *The Sage handbook of qualitative research* (pp. 443–466). Thousand Oaks, CA: Sage.
- xxxi. Tesch, R. (1990). *Qualitative research: Analysis types and software tools*. Bristol, PA, Falmer.
- xxxii. Tucker, R. C., Ed. (1978). *The Marx-Engels Reader*. New York, NY, W. W. Norton & Company.
- xxxiii. Woodside, A. G., & Wilson, E. J. (2003). *Case study research methods for theory building*. *The Journal of Business & Industrial Marketing*, 18(6/7), 493-509.
- xxxiv. Yin, R. K. (1993). *Applications of case study research* (Vol. 34). London: Sage.
- xxxv. Yin, R. K. (2003). *Case Study Research: Design and Methods* (3 ed. Vol. 5). London: Sage.