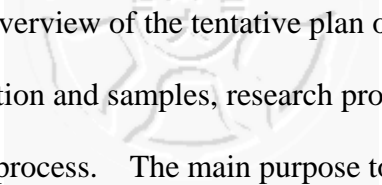


CHAPTER III RESEARCH METHODOLOGY



This chapter gives an overview of the tentative plan of the study in terms of the research framework, population and samples, research procedure, data collection and analysis, and the validation process. The main purpose to be addressed in this study is to explore the issue of HR outsourcing and the roles and competencies of human resource professionals in service user companies under the impact of outsourcing. To fulfill this inquiry, this research adopts the qualitative method of exploratory research. A multiple case study was the approach of the study as it is an exploration of a contemporary phenomenon in a real-life context. Focusing on this approach, the study basically employed the technique of interview to obtain an extensive, in-depth collection of data.

Design of the Study

In this study, the situation of HR outsourcing, roles and competencies of HR professionals as a result of HR outsourcing were explored. The qualitative research method, which explored things in a natural social setting in terms of the people in it, is used (Denzin & Lincoln, 1998). In other words, the method was applied for an inquiry within specific and unusual cases and to obtain an understanding of the process of actions. A multiple case study of qualitative method of research was applied in this study since HR outsourcing is a recent trend in response to the new challenges of the business environment, and only certain companies adopt such strategy. Multiple case study of qualitative research was particularly suitable for the study as it is an exploration of a real-life, bounded context – a specific environment of HR outsourcing in multinational and local companies that may lead to the

phenomenon of new, unfamiliar roles of HR professionals.

Research Procedure

The study was implemented through the following stages. The whole process could be divided into 10 phases.

1. Conducting literature review

Whenever new ideas appeared, the researcher discussed with the advisor first in order to understand the possibility to transform the ideas into the research topic.

2. Deciding the topic

After a series of discussion of the advisor, the research topic and direction were affirmed.

3. Drawing up the proposal

The proposal was discussed with the advisor whenever encountering the difficulties or finishing some parts.

4. Having a proposal meeting

The researcher presented the proposal to the thesis committee. Suggestions and permission to continue with the study were offered.

5. Finishing the draft of the interview questionnaire

The researcher discussed the research structure and formulated questions for the interviews.

7. Implementing the pilot test to find the feasibility of the questionnaire

An interview was selected to perform the pilot study in order to determine the feasibility of the questionnaire and necessities to adjust the study directions.

8. Perform Interviews

By taking advantage of the method of snowball and convenient sampling, the questionnaires were used on interviewed performed to the designated

interviewees.

9. Retrieving and conducting analysis

The researcher reviewed obtained data, performed coding, analyzed data aiming at coming up with a conclusion.

10. Writing down the findings

The results were shown in the thesis. Then the researcher applied for the master's oral defense afterwards to demonstrate the results.

The framework of the study is presented as follows:

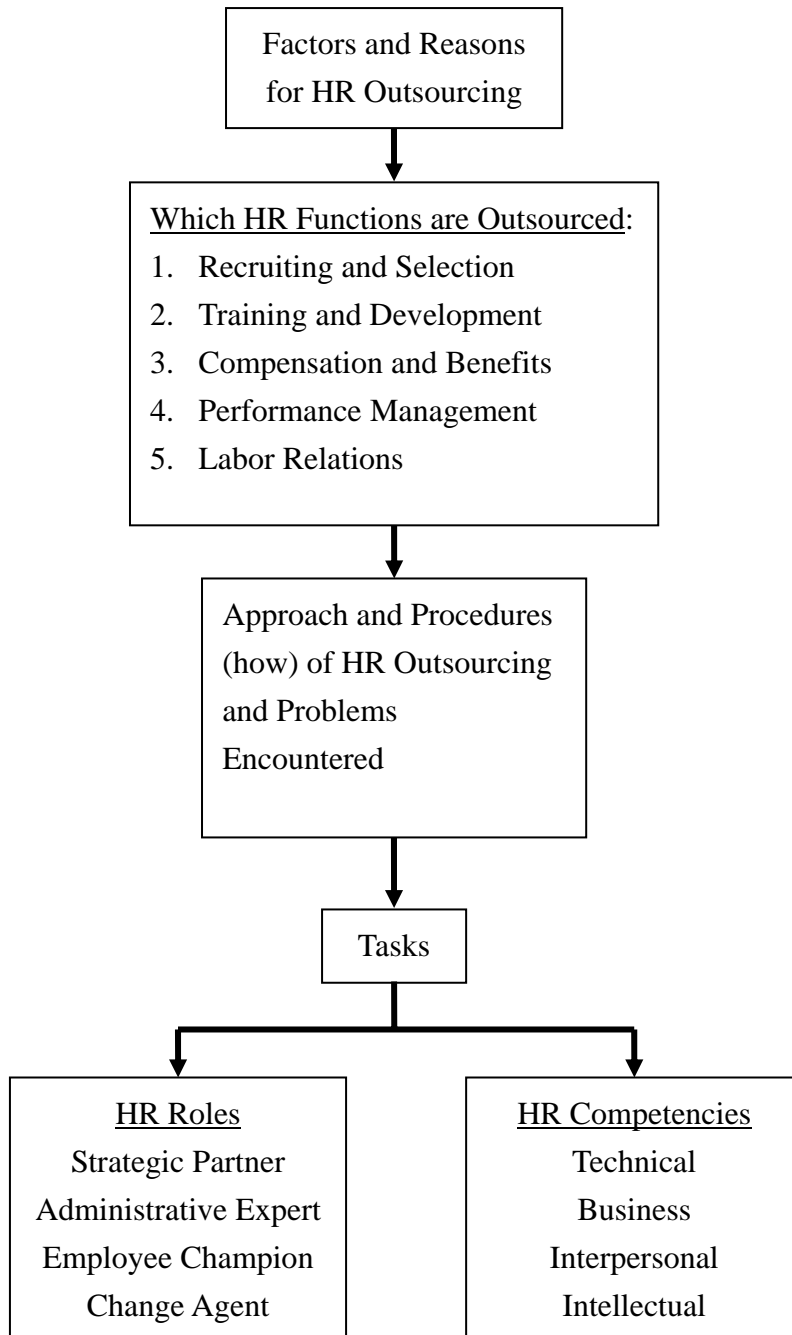


Figure 2.5: The Research Framework

Population and Sampling

Population

In order to comply with the contexts of global challenges and HR outsourcing for the study, the population will be based on the delimitations defined in Chapter I –

multinational and local corporations that engage in HR outsourcing. Multinational corporations are selected as previous related research as shown that multinational corporations, under the trend of globalization, are more willing to outsource HR activities (嚴家瑩). Local companies are selected in order to conduct a comparison with the multinational companies. The following will be considered in selecting accessible population.

1. Scope:

This study focuses on the HR outsourcing and the consequent roles and competencies of HR professionals; thus, the cases are selected from any industry as long as it is under the delimitation of having HR outsourcing.

2. Representativeness:

The more reputable and reliable a company is, the more likely it will be considered as a subject by this study. The company needs to have an adequate level of demand for, and a well-established system of HR functions.

3. Willingness:

Since data for this study are obtained from multiple cases through in-depth Interview, suitable places, duration and willingness of each interviewee are needed in order to implement the study successfully.

Data are obtained from five multinational and local companies in Taiwan that are users of HR outsourcing. The selection of the research subjects seeks to include businesses from different sectors and industries, including one multinational corporation in the financial industry, one multinational system integration company, one multinational consumer electronics, one local chip manufacturing company, and one local telecommunication company. The basic information of the case companies was shown in Table 1.

Table 3.1. Basic Information of the Case Companies

Company	Category
A	Financial / multinational
B	Telecommunication / local
C	Chip Manufacturer / local
D	Consumer Electronics/ multinational
F	System Integration / multinational

Sampling

On the bases of the considerations mentioned above, this study will adopt the purposeful sampling of selecting participants. Five or six companies will be chosen to yield robust findings at the same time prevent generalization. For each case, the suitable target research participant (sample) will be chosen from the population that qualify for the identity of a multinational company, and engage in HR outsourcing to a level of 50% or above of the budget on HR function. The level of HR outsourcing is set at 50% or above of the budget for each case because it is a good indication that the outsourcing user engages in an adequate level of HR outsourcing that can produce compelling responses for this investigation. The goal is to have all of the cases having similar conditions: multinational operation with an established HR department, that are significant users of HR outsourcing. Interviewees will be the supervisor or the head of the HR department for each case since he or she will have a good understanding of the nature of work for the HR team. He or she should be a key participant in the both daily operation and strategic planning of the company's HR

department in order to bare a good knowledge regarding the roles and competencies of the employees accordingly.

To summarize, each of the five or six cases should follow these criteria as samples for this study:

1. The company has an HR department and a demand for HR functions
2. The company engages in HR outsourcing to a level 50% or above of budget
3. The participant of the research process (interviews) should have an adequate understanding of the nature of HR in the company, including daily operations, strategies, and resource deployment.

Data Collection and Analysis

The main purpose of the study is to identify the roles and competencies of HR professionals in an outsourcing user company. Based on the research purposes, data for this study are obtained from multiple cases from multinational and local companies that engage in HR outsourcing. The data collection method in this study will be interviews, with the research herself being the tool as the interviewer. The interviewer will remain non-judgmental. She will explain the nature of the interview to interviewees and monitor the pace and direction of their answers and behavior. The issue of validity will also be dealt with here through data collection and analysis.

Data Collection Method

Interviewees will be asked to respond to the questions regarding their HR outsourcing strategies, organized based on the five important HR functions: recruitment and staffing, training and development, compensation and benefits, performance management, and labor relations, as well as the roles and competencies needed by HR professionals under the system of HR outsourcing.

The data collection procedure for the study will begin with semi-structured interviews. This semi-structured interview will be conducted mainly to obtain contextual information such as the background setting of the study field, including the company size and service, level and functions being outsourced, and functions of the HR department. After getting the more general background information, the next data collection method that will be employed is the in-depth interviews.

A detailed procedure of the data collection process for this study is outlined below:

1. Preparation before interview:

Letters: Letters, including invitations and interview outlines, are sent to interviewees by e-mail in order to provide the basic concept of this study. Also, calls will be made to ensure the information are sent out.

2. Process of interview:

With permission of the interviewees, digital devices and paper are used to record the content of interview. The content will be saved for future studies by e-files.

3. Analysis after interview:

Information gathered from interview will be transcribed (written down), and sent back to interviewees to make sure the content is correct. Other questions that may arise after interview will be solved by telephone or e-mail.

In conducting the semi-structured and in-depth interview, the interviewer will have a specific agenda to follow and will have selected beforehand the relevant topic and themes to pursue. The interviewer will be flexible to follow up the interview guide, free to probe responses, and ask for clarification or further elaboration. For the interviewees, they can pose the answers in terms of what they see as important and meanwhile, the scope is provided for them to choose what to say about the particular theme (Hilary & Peter, 1999).

Interview Components

The following components related to the study are contained within the interviews, divided into three sections:

1. Background and overview of HR outsourcing:

This section will include information on the situation of HR outsourcing, include “what” HR functions tend to be outsourced, the reasons for outsourcing, and the results of outsourcing.

2. The details of collaboration between the client and the service provider:

This section will include information on the approaches of HR outsourcing, or “how” each of the five HR functions: Recruiting and Selection, Training and Development, Compensation and Benefits, Performance Management, and Labor Relations is outsourced. Possible problems and solutions in the progress of collaboration will also be discussed.

3. The roles of HR professionals:

This section seeks to obtain the view of HR professional on the transformations of their roles as, before and after engaging in HR outsourcing. The questions developed for the section of the interview will be organized based on the model of four HR roles developed by Ulrich - the HR activities and focus are identified as being strategic, operational, people-focused, or process-focused. From these four foci, four roles of HR professionals are derived: strategic partner, administrative expert, employee champion, and change agent. Tasks of the HR department will be identified according to the response on the roles.

4. The competencies for HR professionals

This section seeks to obtain the understanding of HR professionals on the competencies that emerge from the roles as a result of HR outsourcing. The questions will be derived based on the model of competencies developed by MacLagan, and categorized into – technical, business, interpersonal, and intellectual competencies of HR professionals.

Question items are included in Appendix A in this study.

Data Analysis

Data analysis in this explored case study is based the following steps, including data reduction, data display, and verification. .

1. Data Reduction:

In this stage, data summaries, coding, finding themes, clustering, and writing stories will be applied for further data selection and condensation.

2. Data Display:

Structured summary, synopses, vignettes, and diagrams or matrices will be addressed according to the literature and information gathered from previous steps.

3. Verification:

This stage will involve the interpretation of the new roles and competencies of HR professionals, before and after outsourcing. Meanings of possible problems and solutions from the displayed data will be drawn through data coding. The issue of internal validity will be dealt with here by the process of consistency comparison.

Validity

The technique used here is pattern-matching, aiming to compare empirically based patterns with predicted ones. While the patterns coincide, the internal validity of the study will be strengthened. Since data will be collected from multiple sources, aiming at corroborating the same phenomenon, the technique of data triangulation will be used to ensure validity of the study. In addition, discussion with different sources with adequate knowledge in the HR field, such as including peers, professors and interviewees will also be conducted to obtain perspectives regarding the data set. Member-check will also be conducted, seeking to obtain a negotiated outcome. In addition, evidence from diverse channels, feedback from participants, expert-in-the-field panel, representatives and cases from different industries are used to ensure the validity of this study.

Eventually, the study will present information on the real-life phenomenon of every case. Due to ethical issues of confidentiality, any information without the permission of the subject to be disclosed, such as personal information of the interviewee and exclusive information of the company, will not be presented to ensure the rights of the subjects.