

Grounded Theory in Management Research: A Literature Review

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ABSTRACT: Management is a branch of science that continues to grow. Due to its complexity, the study of management science requires a deep understanding of different domains, and therefore, a qualitative research approach is an appropriate approach for this study. Grounded theory is a qualitative research method that seeks data for conceptualizations that emerge in an integrated and categorized pattern, analyzes, through rigorous measures, grounded theory methodology makes the research process more open and allows control of the validity of theoretical conclusions derived from qualitative research. Grounded theory is a multi-purpose, organized and comprehensive method, whose application in the field of management covers various fields such as marketing, finance, human resources, strategic, operational and other fields of management. Grounded theory can be a significant approach to developing understanding of management.

KEYWORDS- Grounded Theory, Management, Research.

I. INTRODUCTION

Management is a branch of science that continues to grow. With the development of management, we need a method that can accommodate human behavior which is the basis of management science. Research approaches are plans and the procedures for research that span the steps from broad assumptions to detailed methods of data collection, analysis, and interpretation. This plan involves several decisions, and they need not be taken in the order in which they make sense to me and the order of their presentation here. The overall decision involves which approach should be used to study a topic (Creswell, 2014). The development of a scientific discipline cannot be separated from the role of research whose results are published in literature and academic journals. A scientific discipline will not develop and even die if there is no research development on that discipline (Mahmudi, 2003).

Due to its complexity, the study of management science requires a deep understanding of different domains, and therefore, a qualitative research approach is an appropriate approach for this study. To conduct qualitative research, researchers observe and collect data through interviews, recording, and interpreting phenomena in their true dimensions. The opportunity to deepen research is one of the main advantages of a qualitative research approach (Ebrahimi, 2020). Qualitative research methods are also research methods that emphasize in-depth understanding aspects of a problem rather than looking at the problem for generalization research. This research method prefers to use in-depth analysis techniques (indepth analysis), which is to study problems in a case-by-case basis because the qualitative methodology believes that the nature of one problem will be different from the nature of other problems (Siyoto & Sodik, 2015).

Theory emerging from the collection and analysis of data according to the central tenets of grounded theory can indeed be grounded in the broad field of management research. Theory emerges from the researcher grappling with not only his/her own analytical perceptions, but from empathising the ways in which respondents themselves construct their world. Emerging concepts will have been subjected to repeated coding and memoing, confirmation of observations from multiple data sources, theoretical elaboration from interpretations of these multiple sources, and continual testing for consistency across multiple perspectives. In this developmental process, concepts have been identified, developed, discounted, and merged in order to produce the component concepts of emergent management theory. The distinctive advantage of grounded theory is that it commences from specific 'grounded in reality' situations (a manager for example) with the intent of understanding the nature and rationale of observed incidents. Inductive theory generation is embedded in explanation of phenomenon, rather than generalities or broad statements. The explanatory power of grounded theory is to develop predictive ability - to explain what may happen to, for instance, a business or organizational sub-unit or a manager in a related context (David Douglas, 2003).

The right choice of a suitable research methodology is a crucial decision to perform effective scientific research and is mainly based on linking research objectives to the characteristics of the available research methodologies. Based on the notion that researchers in the fields of Economics, Business and Technology have

to choose among multiple methods and techniques the selection of an appropriate research approach that might support cross-disciplinary research is one of the most difficult decisions for a researcher. For that reason, the aim of this paper is to provide issues related to: (a) Quantitative Research, (b) Qualitative Research and (c) Strategic Management of Digital Systems in order to investigate a suitable research methodology for identifying and analyzing key strategic management factors and phases (Basias & Pollalis, 2018).

Grounded theory is a qualitative research method that seeks data for conceptualizations that emerge in an integrated and categorized pattern, analyzing, through rigorous steps, in a process of constant comparison. This method is designed to produce data-based concepts and theories. Qualitative research using grounded theory method is not easy to implement by novice researchers, because it has a model of continuous data analysis, where data is still collected during the field. Researchers go directly to the field without bringing certain conceptual designs, propositions and theories.

II. THE HISTORY OF GROUNDED THEORY

The grounded theory method was introduced in the 1960s by two American sociologists, Barney Glaser and Anselm Strauss, and has been further developed by them and others. Grounded theory was introduced to serve three purposes. First, it endeavored to close the gap between theory and empirical research by having theory emerge from the data. Second, it began to spell out the inductive logic involved in producing grounded theory. Finally, it provided a justification for the careful and rigorous use of qualitative research methods in sociology (Haig, 2017).

Furthermore, Barney and Strauss (1967) developed Grounded Theory in their book *The Discovery of Grounded Theory*. The book explains how to generalize data and theories in social research. *The Discovery of Grounded Theory*, is a familiar landmark to most organization scholars who perform and / or who read qualitative studies. Perhaps because the book is widely cited, it is through the idea of grounded theory that many quantitatively trained researchers gain their introduction to qualitative methods. In *The Discovery of Grounded Theory*, Glaser and Strauss make much of the difference between substantive and formal theory. They view formal theory as the sociologist's goal. However, to be valid, they insist that it be developed from a substantive grounding in concrete social situations (Locke, 2001). *The Discovery of Grounded Theory: Strategies for Qualitative Research* not only proposed a new method of analysis, but also led the charge of defending the quality of qualitative research (Charmaz & Robert, 2020).

Classical underlying theory is a research methodology used to analyze collected qualitative data because it allows the researcher to recognize emerging concerns as identified by the group of participants in the substantive area under study (Glaser, 1992; Glaser & Strauss, 1967). Classical basic theory also provides the necessary scaffolding to unravel a resolution (known as the core category) to this problem. Glaser (1992) informs us that while individuals in groups perceive events from their own perspective, and respond personally, latent behavior patterns are occurring, and are waiting to be identified. Grounded theory is the perfect medium for this discovery to occur. One of the greatest strengths of classical foundational theory is the ability of the method to explain what is really happening in the area of substantive interest, rather than simply describing what is happening (Glaser, 1978, 1998).

According to Espriella and Restrepo (2020), After Glaser and Strauss had developed their initial model of "classic grounded theory", the rift between them spawned two distinct processes that yielded the two best-known GT schools, Glaserian and Straussian, along with other emerging schools:

- Emerging design, described by Glaser. In this approach, the theory is based on the data and the data are not categorized into preconceived categories, and analysis focuses less on characterization based on such (deductive) categories. This design is used mainly in anthropology and sociology, it attempts to extract the greatest amount of information possible from the data and, as in anthropology methods, is free of preconceptions.
- Constructivist design, developed by Charmaz. This design is based on constructivism and social constructionism. The researcher interprets the data as a construct, in other words, as valid and contextualized interpretations or visions of reality. The constructivist design initially focused on the study of chronic diseases.
- Systematic design, developed by Strauss and Corbin. This design is considered more open and more structured and is currently the most widely-used method due to its greater structure and a process that explicitly includes coding, categorisation and a more in-depth analysis.

III. UNDERSTANDING GROUNDED THEORY

In producing a grounded theory, especially a substantive one, the researcher can increase its potential for practical application by including controllable and accessible variables if those variables do not appear alone. The basic theory, generated in the way we suggest, will be appropriate, fairly general and understandable. One of the properties of basic applied theory must be clearly understood: The theory can only be developed by a

professionally trained sociologist, but can be applied by lay people or sociologists. Furthermore, as John Dewey has explained to us, basic theories can be applied to their situations and situations. So people in situations where the basic theory has been generated can apply it to natural everyday events (Barney & Strauss, 1967).

The grounded theory approach is a qualitative research method that uses a number of systematic procedures to develop a theory from the data. This approach was first conceived by two sociologists, Barney Glaser and Anselm Strauss. The aim of the grounded theory approach is data theoritization. Theoritization is an action-oriented or interaction-oriented theory-building method. This approach departs from data to a theory (Susila, 2015). Grounded theory aims at the emergence of data-based theories, not data exploration to confirm existing theories (Haris Maupa, 2017).

Grounded theory is a research method concerned with the generation of theory, which is 'grounded' in data that has been systematically collected and analysed. It is used to uncover such things as social relationships and behaviours of groups, known as social processes. It was developed in California, USA by Glaser and Strauss during their study 'Awareness of Dying'. It is a general methodology for developing theory that is grounded in data which is systematically gathered and analysed. Grounded theory is a systematic method of conducting research that shapes collecting data and provides explicit strategies for analyzing them. The defining purpose of this method is to construct a theory that offers an abstract understanding of one or more core concerns in the studied world (Charmaz&Robert, 2020).

IV. EVOLUTION OF GROUNDED THEORY

In grounded theory studies, the researcher's analytic focus emerges during the research process, rather than being determined before empirical inquiry begins. Increasingly, grounded theorists assume that the method is a way of thinking about, constructing, and interacting with data throughout the research process (Morse et al., forthcoming). Using grounded theory now means more than openness to learning about the participants' lives. It also means making what the researchers learn transparent by showing how the research has been conducted thoroughly and systematically. The grounded theory method offers useful strategies to develop researchers' theoretical analyses. This method helps them to generate new concepts in their discipline and the larger research literature. These concepts may have direct application for professional policies and practices in psychology and beyond (Charmaz&Robert, 2020).

According Hutchison, Johnston & Breckon (2011), grounded theory characteristics was identified:

- Sampling aimed at facilitating theory generation.
- Concurrent involvement in data collection and analysis phases of the research (an iterative process).
- The development of initial concepts and categories from the data itself, which cover a wide range of empirical observations.
- The advancement of theoretical development during each step of data collection and analysis.
- Always remaining open to new possibilities emerging from the data.
- Making systematic comparisons.
- Evidence of theoretical density, resulting in the presentation of a theory from which hypotheses can be generated (i.e., clear links between individual categories and subcategories/dimensions and the larger core category).
- Evidence that theoretical saturation (when new data reveal no new theoretical insights) was achieved.
- Rich description of the entire research process, including justification for all the decisions made (transparency).

V. RESEARCH PROCESS IN GROUNDED THEORY

The process of grounded theory is divided into four stages, mostly for clarification purposes. It should be remembered that many of the steps described hereafter occur simultaneously. The iterative process in particular, mostly occurs between stages one and two. The four stages are: creating or naming categories of events and incidents observed; category comparisons to create a concept matrix; determine the saturation point, that is, the categorization is complete; and theory development based on emerging information. Grounded theory research is distinguished from only code-based data analysis methods, because the concepts of theoretical sensitivity, sampling, and saturation guide researchers (Randall & Jaya, 2006).

Factors constituting the GT mantra, this self referential, and often self-reverential, orthodoxy is clearly breaking down, as the variety and scope of the chapters in this Handbook indicate. In part, this change has come about as a result of the numerous and varied applications of the method. Thus, if we are to have more than a shattering of orthodoxies into a plethora of do-as-you-please versions of GTM, such developments must also be accompanied by an understanding of the epistemological bases of Glaser and Strauss's original method and the historical context in which it arose (Bryant & Charmaz, 2007).

The two most important properties of conceptualization for generating GT are that concepts are abstract of time, place, and people, and that concepts have enduring grab. The appeal of these two properties can literally go on forever as an applied way of seeing events. According Helen Noble and Gary Mitchell (2016), There are three stages of data analysis in Grounded Theory:

- Open coding: this involves line by line coding where concepts and key phrases are identified and highlighted and moved into subcategories, then categories. This breaks the data down into conceptual components and the researcher can start to theorise or reflect on what they are reading and understanding—making sense of the data. The data from each participant will be ‘constantly compared’ for similarities.
- Axial coding: at this stage relationships are identified between the categories, and connections identified.
- Selective coding: this involves identifying the core category and methodically relating it to other categories. The relationships must be authenticated and categories refined. Categories are then integrated together and a GT identified.

Analytical notes are encouraged. These are notes to oneself to explain thought patterns in relation to the data analysis. Final theory is usually generated from the integration of several analytical memos.

VI. FURTHER MANAGEMENT RESEARCH IN GROUNDED THEORY

The grounded theory style of research has evolved during the three decades since the publication of the original monograph. Subsequent developments of the research practices have come from the co-originating authors, from their students, and from others within and outside of sociology who have taken up the approach and have refined or reinterpreted its procedures in applying them to their own work. Overall, the direction of subsequent methodological treatises on grounded theory has been towards further elaboration and codification in order to fill the cracks in the original monograph's articulation of the process and to capture further procedural developments in its research practices. Generally, this has increased formalization of the research practices directed towards ensuring that the conceptual elements and schemes developed through the process are sufficiently general, complex and integrated to be able to account for a wide range of variation in the phenomenon studied. Thus, much attention has been focused on procedures that facilitate achieving more general levels of category development (Locke, 2001).

The grounded theory methodology makes the research process more open and allows control of the validity of theoretical conclusions derived from qualitative research. In addition, the coding procedure does not serve the purpose of assigning data to several conceptualized categories but is intended to generate categories that conceptually cover the research area. The search for Basic Social Processes reflects the dynamics of social reality which are processual and not structural. The essence of these dynamics can be learned through interaction analysis. The methodological procedure of "grounded theory discovery" is thus a direct consequence. Apart from its structural limitations, the work situation also has a process aspect. An analysis of the interactional dimensions of work provides insights into phenomena that eschew classical methods and research instruments. Undoubtedly, field research that includes the interactional dimension of work expands our knowledge of work and research subjects who are active senders and recipients of symbolic messages. The methodology described provides the possibility for reinterpretation of many traditional conceptions towards a more practical act of behavior enabling them to become a reality of defined jobs and what social constructs of reality or workers (Krzysztof Konecki, 1989).

The presentation of the basic theory, developed through qualitative data analysis, often makes enough sense to satisfy most readers. The theory can be applied and adapted to many situations with sufficient precision to guide their thinking, understanding and research. Given the particular structural conditions under which sociologists work (such as designing specific courses of action, or working in substantive areas that are reasonably well developed), more rigorous testing may be required to raise the plausibility of some hypotheses (Barney & Strauss, 1967). Grounded theory provides more than a general logic for conducting qualitative research. It also offers an operational model of the theory building research process and a language with which to articulate it. Terms such as theoretical sampling, theoretical saturation, constant comparative method, theoretical sensitivity, theoretical memos and grounded theory all provide frames of reference from which to think and carry out the work of achieving a theoretical conceptualization of a phenomenon without excessive reliance on prior received theory (Locke, 2001).

The argument put forward for the application of grounded theory methodology in management research is that micro level concerns such as complexity and context and other unique variables, gravitates towards applying research methods that explicate interpretive understanding and accounts for what is occurring and why. Grounded theory particularly orientates towards eliciting deep rather than general connotations. Management inquiry as a broad concept is dynamic and interactive by nature. Grounded theory has the inductive capacity to scrutinise data and offer subsequent theories to such inquiries (David Douglas, 2003).

In management research, initially ask in terms of general corporate management as an approach. Alternatively, following Strauss and Corbin's approach, researchers can pre-select to focus observations, interviews and archival data collection on specific issues such as human resource management policies. Coding is then oriented to this problem, and a central concept is sought to represent the interaction of the subject and the researchers' perceptions of the nature and dimensions being studied (Goulding, 2002).

VII. CONCLUSION

Grounded theory is a qualitative method that emphasizes the induction or emergence of information from data, to form a theory or model, grounded theory is a multi-purpose, organized and comprehensive method, whose application in the field of management includes various fields such as marketing, finance, resources. human, strategic, operational and other fields in management.

Grounded theory can be a significant approach to developing understanding of management. Management science is a branch of science that continues to develop, so it needs a research method that can be used with many functions to answer several hypotheses that can be solved using the grounded theory method because grounded theory is a qualitative research method that is able to generalize data and theory.

The ability of grounded theory to generalize data and theory is very beneficial for researchers in the field of management, for example researchers in the field of marketing management who are developing very rapidly, consumer and producer behavior continues to experience dynamics in the field so that by using grounded theory, these dynamics are summarized in one study.

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