

Balancing qualitative and quantitative risk management



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THE NEED TO BALANCE THE QUALITATIVE AND QUANTITATIVE ASSESSMENTS IN RISK MANAGEMENT

RISK ASSESSMENT

In order to control the health and safety of any business, there are certain things that must be controlled and risk is the foremost thing. While doing this it must be analyzed what can create difficulties and cause harm to the business activities or the people working in the organization. Risk assessment involves a necessary step of choosing the correct actions for the risk identified. (Wisseem, 2013)

QUALITATIVE ASSESSMENT

Qualitative assessment is a great point to start assessing your business. It is a useful method to gather information and provides insight to your approach. Data is collected through several sources rather than choosing only one source to work with, the data is reviewed, respondents to the researchers are examined, their behaviors are observed and progress towards interview. It presents a complex picture into an uncomplicated way. It can help you organize all your data, learn more through the information gathered. It allows you to think deeply and explore the needs of your business. It is mostly used where definitive and closed answers are unacceptable. We analyze how to increase the productivity in the business, on what basis we must award our employees in a business to bring out more productivity in our company. The qualitative approach is usually done through several methods including:

- one-on-one interviews
- open ended questions
- focus groups
- observations

QUANTITATIVE ASSESSMENT

The answers to “ How many”, “ How often” or “ How much” are discovered through quantitative assessment. The results of quantitative assessment emphasizes on numbers and measurements. They are more dependable in most cases. Any data collected can be useless if the instruments are not well designed and clearly explained and clearly explained to the people who are involved in the research. Quantitative can only give you measures to the way things are done, but to analyze why the things are done in such manner is where qualitative becomes a help. It answers those questions that are usually valid but difficult to be answered. For example, a company hires 250 employees in a new department, to measure their performance on a scale from one to ten, to analyze how actively they are performing on their job, what level of productivity have they brought into the company ever since they have become part of this company is what we analyze in quantitative assessment.

BALANCING QUALITATIVE AND QUANTITATIVE ASSESSMENT

Generally, quantitative assessment is accurate, trustworthy and a quick measuring surface. However, with some amendments, it can be upgraded where it can add more value to our assessments. The more representative a quantitative assessment is, the more are the chances that the analysis will

reflect the picture of a scenario more precisely. It is necessary that the data collection tools used in the assessments is appropriate and well designed. Whereas qualitative assessments explores the reasons and possibilities to why things are happening in a certain way. Qualitative data like quantitative data is based on empiric investigation and evidence. However, qualitative research explores information and generates case studies and summaries rather than lists of numeric data. (acaps, May 2012) Assessments are concluded when the qualitative analysis come out, without qualitative we cannot understand the reasons behind the ups and downs in performances.

There are certain ways in which they can add value to our assessments whether it is quantitative or qualitative. The effectiveness of our objective can increase if you know how to use our tools to analyze the risk because and qualitative can offer to examine the culture, the genders, and the individual feelings that are making efforts for a greater contribution and quantitative can bring this into figures to quickly evaluate the situation.

If we rely in either of the two assessments, our research will tend to be incomplete. But a qualitative assessment tends to make one an active and responsible person, that likes to reflect and communicates with people. (Northcote) But with the absence of quantitative assessment we cannot conclude what we have learned so far. The Family Health International (Mack, Woodsong, MacQueen, Guest, & Namey) says about the ways qualitative can investigates. To do is to be

- It can seek answers to our questions

- Systematically use a predefined set of procedures to answer the question
- Collection of evidence
- Produce findings that we are not determined in advance

It also provides a great help in identification of tangible factors, factors like genders, culture, norms, ethnicity and religions. The aim is to create a balance between both assessing ways. The differences exist mainly in their analytical objectives, the answers they represent, the instruments and tools they applied in retrieving the results and how flexible the answers can be. Although, both, quantitative and qualitative, are impossible to be occurring simultaneously, they both represent different set of skills, but to achieve our aim, and make balance in the quantitative and qualitative assessments, we can find ways to apply quantitative on our qualitative research. The researchers who are assessing the qualitative work must have a clear understanding of the methods and practices of quantitative and so do the researchers of quantitative must hold proper knowledge of the other to avoid confusions and conflicts in the data. Under the quantitative assessments, all the statistical tests undertaken, all the formulas and tactics used must be clearly identified as to why these tests were used and what are the results. Since we can only get the figures in quantitative approach, for example if we are a ball pen manufacturers, we are using 5000kg and we are manufacturing 50, 000 ball pens every years, which means every ball pen manufactured requires 100gm polymer. These figures are calculated and analyzed by quantitative assessments. If we talk about the color of the pen, the quality of the polymer, which type of pen, and what style are we looking

for, is it a gel pen or an ink pen is all answered by qualitative approach. After all is understood, it is now time to combine the data we collected so far. When we combine those data we assess all the risks that are possible to occur. Combining both will identify issues and collect information on elements for which quantitative is not enough; we are able to generate assumptions which are further verified by quantitative assessment, the quantitative results are explained through qualitative approach and we can select or reject data to work on further by using both assessments. We cannot choose one way to work through, the best way to analyze the risk assessment is to involve both, because neither is better than the other, both are equally important. Quantitative analyzes the market size, demographics, and other variations while qualitative provides us with taste preferences, behavior patterns, and other needs.

STRENGTHS AND WEAKNESSES

These two assessment techniques are primary aspect for any research; no research can be completed without analyzing the case using quantitative and qualitative approach. Businesses can face all kinds of risk some are capable of depriving from profits or even bankruptcy. For any risk identification, it is necessary to analyze whether the business activities are going on right way. For that, quantitative give us an inflexible, close-ended questionnaires in which the respondents are supposed to choose between the given options, they allow the researcher to work within a controlled environment, uses more rigid styled instruments, but the outcome is more reliable, accurate and objective, reduces the complexities. They are standardized, so we can easily compare our findings and free of any bias.

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Whereas its drawbacks are some loopholes in the information which makes it hard to understand the issues as to why are scoring low on the scale, it could be in any questionnaire, a survey or any other analysis. It gives narrow, limited data. But this is ideal for those who are looking for precise and pertinent data. For example Quantitative assessment can collect data in figures like an area affecting 10, 000 people by earthquake, magnitude of 6. 7, in several districts; the information of quantitative will answer the questions like:

- How many people have been victims of this earthquake?
- In how many areas did the earthquake hit?
- What was the severity of the earthquake?

The Qualitative assessment seeks to explore the phenomenon, describe relationships, and experiences. They are open-ended and give us rich details and explanation, we can experience a depth analysis, and all can be done within limited resources. Researches are involved to his or her concern only in quantitative (Rwegoshora, 2014) whereas in qualitative researchers get close and learn more about the respondents to their investigations.

Researchers collect data themselves and examine documents, observe the behaviors of respondents and interview them (Center for Teaching). This is a constructive approach and assists a learner to understand a certain perspective. It focuses on the importance of learning process of individuals. It can help you arrange your facts, figures and all the data, learn more through the information them. It is used where definitive tasks are demanded, like social sciences, arts or any relevant areas and concerns of business studies. Apart from that qualitative are sometimes not verifiable,

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though it requires a thorough analysis and skilled workers to work out the prime data collection. But again, the data is flexible and we see more interaction between a researcher and a respondent. Without these assessments, the research may go all in vain, and will not be any useful to the researcher or the respondent because they will not be usefully examined. The purpose of the research assessment is to bring out clear and manifested outcome with fewer score on risk levels. It brings authenticity into our research and places emphasis on process rather than product. It will help define the relationships and individual experiences with variations. In quantitative assessments, researchers are free to respond and does not influence them or determine how they will react to the next questions. The differences exist in both ways of assessment, one of the major one is their flexibility, quantitative are usually more inflexible and qualitative are more. The difference is also the open ended, in which the participants are free to participate with their opinions and suggestions and close ended (or fixed). Nevertheless, it requires a thorough understanding of the questions asked to inspect all the possible responses. The major challenge is to find the right balance for all phases of assessments to identify all sorts of trends and risks that are likely to occur. It will be a great supportive step through philosophical assumptions, strategies and risk that can be controlled in the future planning of the business and ultimately present a complex situation into a simpler picture

CONCLUSION

This essay provides an insight towards the qualitative and quantitative assessment in a risk assessment and the need to balance both. For every

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research conducted, we have to analyze the risk we can go through. All data collection must have a clear understanding of differences; it may be in qualitative or quantitative. Therefore, to analyze those risks we must have a clear understanding and a support of quantitative with qualitative assessments to explain every figure we have computed.

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