

Preparing to conduct business

[Business](#)



Business In recent news, Bank of America publically announced its plan to make changes to debit card customer accounts in 2012 (Chang, 2011, NBC San Diego). To date, Bank of America has a “ fee-free” policy on these types of accounts however; new regulations on debit card accounts are a hindrance to the Bank’s ability to maximize return on investments. As a result the bank is considering implementing a surcharge on checking accounts. However, the bank must determine if this will affect the attitudes and behaviors of customers. To achieve this, Bank of America must conduct business research.

The Research Question

When managers use business research a systematic inquiry to aid in the decision-making process. Because Bank of America has discovered the defined the management dilemma, a refinement of the research question is necessary. The information or data collected through exploratory research helps formulate the research question.

In essence, the “ research question is the hypothesis that best states the objective of the researcher or the questions that focuses the researcher’s attention” (Cooper & Schindler, 2011, p 83, paragraph 1). Hypotheses and Variables “ A hypothesis is a relational statement describing a relationship between two or more variables” (Cooper & Schindler, 2011, p 83, paragraph 1). These variables are designed to show a correlation to each other. The hypotheses are: Bank of America is facing angry loyal customers with the new five dollar charge whenever they use a debit card.

Customers may find a new financial institution if the fee is added to their account. Based on the defined hypotheses, variables, and research question, the bank can prepare a research design strategy.

Attitudinal research uses multiple measurements of attitude across time and environments to improve predictions. The attitudes of consumers must consider as “ hypothetical constructs because of their complexity and the fact that they are inferred from the measurement data, not actually observed” (Cooper & Schindler, 2011, p 292, paragraph 6). These attitudes will be assessed on a ranking scale that captures indicators of different dimension of awareness, feelings, or behavioral intentions toward Bank of America.

This ranking scale is ideal because it “ constrains the study participant to making comparisons and determining order among two or more indicants or objects” (Cooper & Schindler, 2011, p 295, paragraph 2). In the end, Bank managers will need to gauge whether existing customers have a positive attitude toward the bank; whether or not they will develop negative attitudes toward the bank if they implement fee changes, and if the creation of negative attitudes will change customer behavior.

Instrument Development Bank of America can resolve management dilemmas by listening to customers. Therefore, customer feedback can be gathered through surveys. By taking surveys, Bank of America will be able to determine the next course of action. Any other type of research tool is not necessary in this particular situation as the survey will provide the information necessary to make a decision.

Surveying Bank of America customers to discover a linkage between attitude and behavior. | Ethics and Sampling To ensure the results of the research are ethical and valid a proper sample design is necessary. A sample design consists of methods, sample frame, and sample size. The convenience sampling method will be most appropriate for Bank of America's research as it will save time and money. The goal of the sample is to find what is most important to customers and if they would be willing to pay increased fees.

Bank of America will have access to every one of their customers by way of banking or ATMs. Surveys can be assigned to ATMs, or handed out at Bank of America locations as customers arrive for their day-to-day banking needs. These samplings will be random. Probability sampling, based on random selection, ensures each population element is a known nonzero chance of selection. This provides estimations of precision and offers an opportunity for generalized findings to the population of interest from the sample population. Thus Bank of America can both conveniently and randomly survey customers.

In addition to improving the validity of the sample, convenient randomized sampling promotes good ethical research practices. Finally, the convenience sample method eliminates the need to hire out the survey work or develop research teams. What sampling frame will be used Bank of America's customer listing will act as the sample frame. This list shows the customers who have been banking with them both past and present. This will give the sampling method a larger pool to gather information to complete the research needed. What is the appropriate sampling size? The appropriate sampling size is achieved by many factors.

These factors are the size of the study, population size, the purpose of the study, and the risk of selecting a wrong sample design. The size of the sample must be in a certain criteria such as precision level, confidence level, and the variability degree. In the case of sampling the attitudes of Bank of America customers and their decision to withdraw their accounts from the bank or not can be accomplished by sampling several states across the country. Determining the sample size is very important, it may vary from one to another. In workenvironment knowing about the sample size before start taking random samples help a lot.

To determine the sample size these are the five steps that used in research. Data analysis approach After the data is gathered from the survey, the fourth stage of the research process is put together. The data analysis approach for Bank of America will use a Pareto diagram that is a chart whose percentages sum to 100%. “ The data are derived from a multiple choice, single-response scale...the respondents answers are sorted in decreasing importance, with bar height in descending order from left to right” (Cooper & Schindler, 2011, p 440, paragraph 2).

Result Reporting

The result reporting part of the research should be where all the information that everyone is reading in the reports that will better understand the issues and be able to fix all the wrong issues. Reports should be in certain format and shows every bit of research done on the bank. The information should be sent to the head person who takes care of all the paperwork to be analyzed. This report should contain an introduction, about the research, the hypothesis, surveys, and the kind of issues or improvements to improve the

bank, and the conclusion on all the information that was gathered from the report.

The report can be written in thousands ways. The report could be displayed through a PowerPoint presentation or a well presented paper, hand wrote on note cards. Many varied objects can make this easy for them to review the results to the report. Conclusion Even with the charge that Bank of America will be charging people to use their debit card there will be a large disagreement on whether or not customers will be happy with the business they will receiving from Bank of America.

With surveys and interviews to see what the customers think will give the bank something to look at before going through with the entire process. To ensure that the bank will not lose money or customers, they must conduct extensive research to assess the consequences.

References

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