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Examination of grounded theory analysis with an application to hospitality research

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Abstract

The focus on qualitative research has unfortunately been mainly confined to methods of data collection, neglecting a more significant aspect, namely data analysis. Hospitality and tourism research is no exception to this observation. This is considered to be one of the main reasons why there has been a lower output of qualitative research in hospitality and tourism. In order to elevate the status of and, consequently, use of qualitative research more attention should be shown towards the issue of data analysis. Consequently, the current work aims to make a modest contribution in this direction by thoroughly examining one specific analytic strategy—that of grounded theory—with an application of it to a hospitality study.
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1. Introduction

Globalisation is a major trend for today's organisations. Accelerated by the organisation's desire for growth and profit, incentives provided by the host governments and a freer flow of capital throughout the world, industries have become more global. As a result of the saturation of domestic markets, international

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organisations have discovered that their future survival and growth depend upon offering a unique product and/or extending their services around the world. However, when organisations expand overseas into the international context, their environments become more complex and uncertain (Preble et al., 1989). With particular focus on the hospitality industry, Olsen et al. (1998) commented that the environment is increasingly becoming turbulent and complex because a number of dynamic and changing factors shape the future of the lodging industry, including capacity control issues, increasing security and safety issues which drive customer behaviour and new expectations for asset performance in an era of capital shortage. These changes in the environment create new opportunities and threats/risks and, in order to seize these, an organisation must analyse the environmental conditions.

Zhao and Olsen (1997) state that literature about the 'globalisation' of hospitality organisations is still in embryonic stage, and according to these scholars, there is still a need to explore what events in the business environment are factored into expansion decisions by multinationals to enter existing and/or new markets and, more specifically, what influences the choices of entry mode once the decision has been made to expand. Olsen and Roper (1998) also state that limited theoretical and empirical research has been undertaken into the internationalisation of hospitality businesses. According to them, the extant literature on the internationalisation of hospitality organisations mainly focuses on hotel groups. These analyses, however, are mostly based on numerical frameworks and the importance of growth in internationalisation of travel, and they have added little theoretical knowledge about the internationalisation of hospitality organisations. There is thus a need for theory-generating approaches, namely qualitative research, to hospitality and tourism research as well. Cohen (1988, p. 30) strengthens this assumption as follows:

> The most significant and lasting contributions have been made by researchers who employed an often loose, qualitative methodology. Not only were their research methods often ill-defined and their data unsystematically collected, but even their definition of theoretical concepts, and the operationalization of the latter, leaves much to be desired. Nevertheless, their often acute insights and the theoretical frameworks in which these have been embodied, provided the point of departure for several "traditions" in the sociological study of tourism, which endowed the field with its distinctive intellectual tension, even as the much more rigorous and quantitative "touristological" studies often yielded results of rather limited interest.

The interest in and focus on qualitative research has, as Fielding and Lee (1998) state, unfortunately been mainly confined to methods of data collection (interviewing, observation and so on), neglecting a more significant aspect, namely data analysis. Hospitality and tourism research is no exception to this generalisation, since Anderson and Shaw (1999) in their study of data analytic techniques for identifying motivation in tourism, observe that there is scant literature that deals with and/or elucidates methods of qualitative data analysis. This, according to Riley and Love (1999), constitutes one of the main reasons why there has been a lower output of qualitative research in hospitality and tourism. In order to elevate the

status of and, consequently, use of qualitative research in the social sciences, as Miles and Huberman (1994) adequately emphasise, more focus should be directed towards the issue of data analysis. A significant contribution in this direction can be made by examining and sharing our methods of analysis—ground for drawing a study's findings and conclusions. Such a contribution will also help to overcome the main criticism that qualitative research has faced.

This paper aims to make a modest contribution by thoroughly examining one specific qualitative analytic strategy—that of grounded theory—with an illustration of how the systematic analytic procedures of grounded methodology helped to develop new insights into the internationalisation of hospitality organisations. It particularly seeks to address both the benefits and the downsides of implementing grounded theory methodology in analysing a hospitality research problem, which, it is hoped will both illuminate the challenges hospitality researchers face and highlight the options that hospitality researchers may consider as part of their data analysis strategies.

2. Data analysis in qualitative research

There is no single method of analysis in qualitative research (Dey, 1998; Denzin and Lincoln, 1994; Coffey and Atkinson, 1996). That is to say, qualitative research encompasses many ways of going about large corpuses of unstructured data, depending on the researcher's background, study purpose, research strategy and so on. As might be expected, it is an unrealistic task to endeavour to provide an overview of all of these approaches within the scope of the current paper. Nonetheless, in accordance with the purposes of this study, some of the major methods of data analysis are reviewed. For this purpose, a twofold classification is used: individual and research strategy. The former represents those analytical approaches that are developed by individual researchers (e.g., Miles and Huberman, 1994) whereas the latter shows the analytical approach that is developed in a specific research strategy (e.g., grounded theory). It should, however, be emphasised that this classification is rather an artificial one created for ease of presentation, as individual methods of analysis may easily be used in any research strategy.

One of the most well-known individual approaches is that of Miles and Huberman (1994) which is referred to as *transcendental realism*. *Transcendental realism* consists of three main concurrent parts: data reduction, data display and drawing and verifying conclusions. *Data reduction* is to reduce the data without significant loss of information. It takes place through coding (e.g., segmenting the data) and memoing (e.g., ideas of the analysts). *Data display* is a way of organising and presenting information. It can assume different forms such as networks and diagrams. The third part is *drawing and verifying conclusions*, which involves developing hypotheses based on the other two parts.

Coffey and Atkinson (1996) offer instead a less mechanical approach, consisting of three separate analytic strategies: concepts and coding, narratives and stories, and finally meanings and metaphors. The analysis starts with concepts and coding, a

stage akin to the foregoing approaches. The narrative approach is about the story-like qualities of qualitative textual data. It denotes the ways in which social actors produce, represent, and contextualise experience and personal knowledge through narratives and other allied genres. Finally, metaphors are used to explore not only what is said in the data but also how it is said.

As the above individual attempts are merely concerned with the analytic strategies, there are also methods of analysis that are incorporated in and recommended by research strategies such as grounded theory. As also, Yin (1989) suggests, carrying out the data analysis in accordance with an overarching research strategy or methodology ensures a more consistent and systematic qualitative study. This suggests that researchers need to familiarise themselves with these strategies and their proposed methods of analysis already in the beginning of their studies.

Creswell (1998) notes that several classifications of qualitative strategies have been developed, particularly in the past decade, in a number of disciplines: e.g., there is Education (Creswell, 1998; Jacob, 1987; Lancy, 1993); Nursing (Munhall and Oiler, 1986; Morse, 1994); Sociology/Nursing (Strauss and Corbin, 1990); Psychology (Moustakas, 1994; Slife and Williams, 1995); and finally, the Social Sciences in general (Denzin and Lincoln, 1994; Miles and Huberman, 1994).

As a result of the examination of each of these classifications, the comparative model of qualitative strategies developed by Morse (1994, p. 224) is considered the most relevant and adequate for the field of hospitality and tourism since most of its strategies have also been utilised in both fields—though not to their full potential (see Dann and Cohen, 1991): Phenomenology (Cohen, 1979), Ethnography (Bruner, 1995), Grounded Theory (Decrop, 2000), Ethnomethodology (McCabe, 2000). That is to say, qualitative researchers, prior to collecting and analysing their data, are recommended to choose one of these strategies or methodologies that suits their study best. This will contribute to a more consistent data collection and analysis. All of the above strategies are useful and legitimate that may serve different research purposes. Since the aim of this paper is to examine the analytic process of only one specific strategy, the focus will be on grounded theory.

Grounded Theory as a research strategy aims to generate or discover a theory, an abstract analytical scheme of a phenomenon, which relates to a particular situation (Creswell, 1998). That is to say, Grounded Theory consists of a series of hypotheses linked together in such a way as to help explain the phenomenon (Stern, 1980). Grounded Theory was first outlined by two sociologists, Glaser and Strauss (1967), who elaborated a number of ways in which the linkages between data and theory might be maintained (Seale, 1999b). More specifically, their approach involved the rejection of a positivist, verificationist paradigm in favour of one that placed an emphasis on the inductive generation of theory from data (Seale, 1999a). Interestingly, and perhaps as a reaction, Glaser had previously worked in Columbia University, an institution associated with Lazarsfeld—an influential figure in the development of causal analyses of quantitative data.

Although Glaser and Strauss had founded Grounded Theory, Glaser (1992) later accused Strauss and Corbin (1990) of distorting the principles of the original Grounded Theory. Since then, Grounded Theory has been split into two sides, each

developing its distinct guidelines for data analysis. It is, thus, suggested that scholars using Grounded Theory should reveal whether they use Glaserian or Straussian version of Grounded Theory. In the current study, the authors have mainly confined to the *Smorgasbord* principle of Strauss and Corbin (1990, p. 8). That is to say, analytical procedures, from Straussian version of Grounded Theory, that best served the purposes of the current research were used.

3. Application of grounded theory analysis to hospitality research

Having briefly introduced grounded theory, the purpose of the following section is to thoroughly explain the analytic procedures of this research strategy, based on the empirical experience and theoretical knowledge of a hospitality and a tourism researcher who have both employed these analytic procedures in the same manner in their respective studies. The discussion as to the application of the methods of analysis of grounded theory presented here is, however, confined to the study, carried out within the context of hospitality, a brief background of which is provided below.

3.1. The study

The study's research process is drawn from a wider doctoral research project of the second author, whose aim was to answer two broad research questions:

- How does an international hotel group expand internationally?
- Which factors influence the international expansion of the organisation?

Such a definition of the research question within a broad topic permitted the specification, the kind of decisions to be investigated, and the types of data to be gathered, whilst leaving room for a theory building study.

The investigation focused on the European division of an international hotel organisation, as it had ambitious plans to grow in a region where only 24% of the hotel stock was branded, this was compared to a figure of 60% in the United States (Knabe et al., 2000). The data collection methods chosen for the study were semi-structured in-depth interviews, observation and complementary documentary analysis, all of which were considered to be appropriate strategies to obtain in-depth context specific information about particular subject areas (Yin, 1989). It was also thought that using multiple data collection methods would not only provide rich and valuable information about the investigated phenomena, but also test one source of information against another and scrutinize alternative explanations by bringing different forms of evidence from different management levels. Over 45 semi-structured in-depth interviews were conducted with relevant organisational members both at host country and corporate levels (see Table 1 for a summary of the research sample).

The decision-making process with regard to international expansion was identified as an 'issue' in order to elicit the factors that influenced the international expansion

Table 1
The research sample

- Development Directors-Germany, France, Benelux, Turkey, UK and Ireland, Spain, Italy, Central Europe and Middle East and Africa
- Business Support Managers
- Legal Counsels
- Franchise Managers
- Operations Managers
- Technical Services Managers
- VP Sales and Marketing
- VP Development and Investment
- VP Mergers and Acquisitions
- Other senior people who are involved in the international expansion process

decisions. Focusing the research on the international expansion process enabled an understanding of organisational phenomena by capturing the issues both at host country and corporate levels. It also provided both an identifiable and attainable focus for the research investigation, while still affording the opportunity to observe and consider the factors that influenced the way of doing business in international organisations. It was, however, essential to check if these data accurately reflected the real time experience of the participants involved in the process. Therefore, observation and participant observation were particularly important methods to support the interview data (Schein, 1996). Twelve meetings were attended in the capacity of an ordinary participant and a participant observer both at host country and corporate levels in a number of countries such as UK, Belgium, Germany and Turkey. During the meetings, notes were taken to provide a condensed version of what actually occurred. Shadowing a number of key informants (Yin, 1989) was a particularly appropriate strategy to get close to the phenomenal world of the key actors. Documentary analysis was also used as a complementary data collection method (see Table 2 for the various data sources and types analysed). These data were compared and analysed in conjunction with interviews and observations. This kind of approach was thought to be particularly useful in terms of increasing the richness of the case study data and constructing the 'full picture' of the organisation's international expansion practice.

A case study database was created for the data collected through the employment of multiple data collection techniques. This was particularly important because as Yin (1989) states, preparation of a case study database enhances reliability. Other researchers should be able to review the evidence directly and not be limited to the written reports. In this way, the database can increase the reliability of an entire case study.

3.2. Preparation of data for analysis

In the course of the data collection, every effort was made to transcribe interview and observation notes and tapes verbatim as soon as possible. The rationale behind the data preparation was, firstly, it was thought to be difficult and time consuming to

Table 2
Various data sources and types

Fieldwork data
Company documents collected
- Job descriptions of the organisational members, international expansion proposals, annual reports, letters, memoranda, agendas, minutes of meetings and formal reports

Publications about the participant organisation
Reports and other press releases
- Brokers' reports about the participant organisation from different investment and research organisations
- Publications of trade journals and newspaper articles
- A wide range of publications about the hotel industry in general, and the hotel organisation in particular, through a number of databases such as Infotrac, Emerald, CD-ROM Databases such as ABI/INFORM, Business Source Premier and Articles in Hospitality and Tourism Database

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work from abbreviated and poorly written notes. Secondly, the lack of clarity of such untidy notes could mean that important data were ignored or misinterpreted. This was important in terms of capturing and reflecting all verbal and non-verbal aspects of the interviews and observations.

The details of all documentation held and supplementary information on this data were kept. The record of data summarised not just the name of the documents, but also the researcher's own commentary on these, such as type and size of manual, the contents and supplementary information given by the document provider, thus developing a good format at the outset. Additionally, as recommended by Bogdan (1972), notes were taken about the relationships established between the researcher and the people interviewed, the general attitude of the interviewee and the level of confidence felt about the data offered.

3.3. The data analysis process in practice

Although the analysis process is presented in a linear fashion here, it took place simultaneously in accordance with the main principles of grounded theory (Strauss and Corbin, 1998; Glaser, 1992; Charmaz, 1994; Stern, 1994). The analytic strategy then consisted of three concurrent stages or activities: familiarisation, coding, conceptualising and coding, and enfolding the literature.

3.3.1. Stage 1: familiarisation

This stage aimed to begin to familiarise the researcher with the data. Doing this enabled some first thoughts to emerge; becoming aware of and noticing interesting things. The researcher reviewed all the data at this point. The following activities took place within the review process. The researcher:

- Listened to each audiocassette several times and noted the impressions and intuitions with regard to both the interviewee and the content of the interview. Notes of possible interpretations were taken and emerging themes were identified.

- Re-read the data transcripts and documentation. Re-reading data transcripts accelerated the process of locating concepts and the links between them. Reviewed the organisation's documents and brokers' reports prepared about the organisation which set the context of the organisation and aspects of the business perceived as important.

3.3.2. Stage 2: coding, conceptualisation and ordering

The researcher included field notes, interview transcripts, documents and diaries in the coded data in order to isolate significant incidents, such as events, issues, processes or relationships. Three types of coding were employed: open coding, axial coding and selective coding. These are analytic types and it does not necessarily follow that the researcher moves from open through axial to selective coding in a strict uninterrupted manner (Goulding, 2002; Stern, 1994). The following section will provide the information about what actually took place in this project in terms of the coding process.

3.3.2.1. Open coding. Strauss and Corbin (1990, p. 61) define 'open coding' as ''the process of breaking down, examining, comparing, conceptualising and categorising data''. Consequently, data were initially broken down by asking simple questions such as what, where, how, when, how much, etc. (see Table 3). Open coding filled approximately 250–300 pages.

The table is a brief sample illustrating how the initial coding process was actually used and how it worked in practice. The researcher re-read the transcripts several times in order to make sense of the data and break them down into manageable forms.

The first column of the table includes the raw data (substance of the fieldwork data) collected from the interviews, documents and publications (in this particular example from the interviews). As the researcher broke down the data and moved from the first column to the others, he made an initial attempt to introduce his own interpretation and understand what was actually happening within the international expansion decision-making process. In the case of interviews and observations, this was particularly important because this process helped the researcher to discover the organisation specific meanings informants attached to different events, objects and people. For example, in the last row of the table it can be seen that the rationale behind the demand of the Business Support Manager for the information was to be able to justify the project at the Committee Level. This close look at the data helped the researcher to identify the importance attached by the organisational members to the information and information sharing, where and how information was used, and so on.

Data that were initially broken down were then compared and similar incidents were grouped together and given the same conceptual label. This process of grouping concepts at a higher, more abstract level is termed 'categorising' (Dey, 1998; Punch, 1998). For example, it was obvious that a fair amount of the data was the thick description of the company itself, particularly its major specifications in terms of doing business in different markets. 'Company-Related-Factors' were therefore

Table 3
Open coding process: a sample

Included terms	Semantic relationship	Cover term
What is email doing in this company? It is destroying the relation between the people	Is a kind of	Importance given to face-to-face communication
I did just after, I asked my VP to come and I make him sleep in this hotel after the refusal	Is a kind of	Informal lobbying attempt
He said yes, so it means that a misunderstanding between the real value of the property and the decision was in the committee	Is a kind of	Misperception, misjudgement or the expectations of the people do not match.
This project was good. It was right to enter at that time, in our brand, but was refused because people who read the papers said, 'oh rooms are small'. But the guy who slept there he said, 'no this is right'. The reality of the hotel, it was different	Is a way	To make a good decision through interacting with environment
I will have regular phone calls from the development directors, finding out what is happening, where they have new projects, price for the building and land, revenue numbers, occupancy, staffing costs	Are the kinds of	Information and knowledge needed to find out whether or not it will be a value-creative project
A desire that, once they have agreed a deal or price for a deal, that they have done the job and that the organisation should just approve that deal and believe everything they say rather than actually go through an approval process for that deal	Is a kind of	Frustration business support managers have with development directors
There will be a lot of dialogue about the proposal before we even get to the stage where an official proposal is put together. So many weeks before hand, I would know that they would want to put a proposal. I know that will be happening	Is a way of	Sharing information
I am asking for the information, I would say we need this information in order to convince the capital committee that this is a good project	Is a reason	Why business support manager uses information and knowledge

given as a conceptual label to this category. Moreover, there was a category of information related to the decision-making criteria concerning different sorts of decision-making criteria used by decision-makers under different circumstances within the decision-making process. This category was therefore named 'Decision-Making Criteria'. Initially, different broad and sometimes vague categories emerged. All these categories, however, were not the major focus of the investigation. Those which were not supported by the newly collected data (repeated in the data) and/or

the further analysis of the data did not indicate that they were important and emerging were dropped out of the list. Moreover, closely related ones overlapping with each other were combined together. For example, organisational climate, which was mainly about the working atmosphere in the organisation including the personal problems people had with each other, the way people dressed in the organisation and the stress and ambiguity felt by the organisational members after the takeover of another hotel organisation, did not repeat themselves in the data and were therefore dropped. On the other hand, categories such as Stages in the International Expansion Process, Decision-Making Criteria, People Getting Involved in the Process were brought together in order to form a more substantial category leading to a better in-depth understanding of what was actually happening in the organisation.

In addition, the information obtained from each informant was analysed separately to identify the emerging themes that were named by each individual. Each interview transcript was read several times in order to be able to evaluate how this individual perceived and interpreted things, and why he/she perceived and interpreted the way she/he did. This was particularly important in terms of identifying the equivalent meanings organisational members attributed to situations, events, processes or relationships. During the analysis of each informant specific information emphasis, special concerns and general attitudes were recorded on a separate page. Verbal expressions, tone of voice and frequency of mentioning a certain aspect were taken as indicators of emphasis.

In a second step, the themes that emerged in each individual interview were compared across individuals to identify common beliefs that were held simultaneously by different people in the organisation. This involved multiple levels of analysis. For example, one common belief that emerged from the analysis was that the organisation was 'risk averse'. Another was that the ultimate goal of the organisation was to protect shareholders' interests. Perspectives of the informants at different levels of the organisation with regard to international expansion of the organisation were compared and contrasted (Strauss and Corbin, 1998). Multiple levels of analysis were particularly important because:

- These led to a more sophisticated understanding of the international expansion scene of the organisation.
- These comparisons validated the information obtained from each individual at different organisational levels.
- They facilitated the generalisation of patterns across individuals. New categories and concepts emerged that could not be anticipated during individual analysis. For example, organisational members' perceptions of each other's roles and how well they perform their roles emerged during this analysis process.
- They helped to recognise the differences that were important in breaking simplistic frameworks. For example, identification of differences between the mindsets of the informants at host and corporate levels with regard to the way the organisation should operate, led to the recognition of subcultures within a homogeneous culture.

The themes that were identified simultaneously by different people were then validated and objectified in the same way as described for the individual analysis. Follow-up interviews and observations were carried out at this stage in order to investigate further the discrepancies that had emerged in the data. This was particularly important in terms of differentiating individual opinions from commonly shared beliefs.

3.3.2.2. Axial coding. Whereas open coding divides the data into concepts and categories, axial coding puts them back together in new ways by making connections between a category and its subcategories (Dey, 1999). Thus, axial coding refers to the process of developing main categories and their subcategories. For example, 'Communication', which emerged as a category, incorporated subcategories of different forms of communication such as lobbying and writing. Axial coding not only helped to identify under which conditions these types of communication took place but also helped to develop an understanding about its impacts on the international expansion process. 'Education' (see Fig. 1) was another major category which emerged from the axial coding process. Through the axial coding process, the components of the construct 'Education' were brought together by making connections. As can be seen in Fig. 1, reasons why education took place both in the organisation and outside in the market, forms and types of education, and factors which influenced education both in the company and in the market, were combined in order to develop a more substantial understanding of this category. Axial coding again not only helped to identify under which conditions education took place and its forms and types but also helped to develop an understanding of its overall influence on the international expansion process.

During axial coding, the emerging categories, themes or patterns were validated by (1) comparing the information with the other informants, (2) comparing the emerging themes with the information obtained through observation and secondary analysis of documents from and about the organisation, (3) checking the validity of the choice of themes with selected informants, particularly with the insider (gatekeeper). This was particularly important because what the newcomer learnt at entry revealed the surface layers of the organisation's actions. Collaborating with an insider helped to develop an understanding of what really went on in the organisation and how to think about it. The gatekeeper was an objectivist standpoint. Therefore, collaboration with him built confidence in the findings and increased the likelihood of serendipity. Two additional procedures ensured that the data analysis was not entirely subjective: (1) The researcher had hours of discussion of themes with the supervisors who met with him, usually every 2 weeks. (2) The researcher made different presentations both at the school and at the conferences and shared his views with a wide audience. Overall, due to the different backgrounds of these people, the researcher had the chance to have the analysis questioned dialectically.

The analytic procedure was not the same as simple indexing since the researcher created memos (e.g., insights) throughout the analytical process as they struck him. Comments or thoughts on incidents and linkages were recorded initially as one
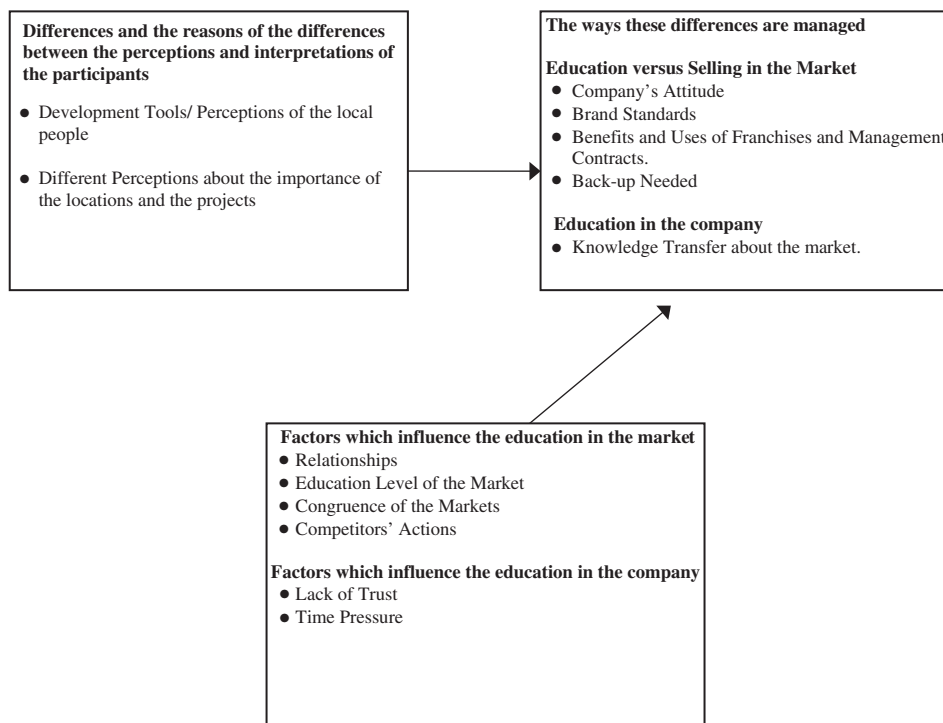
Fig. 1. The components of the construct 'Education'.

sentence, and as the analysis moved on they were updated and developed. The following is an example of a sample theoretical memo. This memo explains the importance of communication in the decision-making process and the problems faced with regard to the communication (see Table 4).

Taking this theoretical memo as an example, it can be seen that writing up and developing this particular memo was useful because:

- It helped to identify where the communication dimension fitted within the overall international expansion picture of the organisation, particularly its relation to international expansion both internally and externally. For example, the sentences: "… it facilitates the decision-making in the organisation. It particularly closes the knowledge gap between the host country and corporate decision-makers" and "In the market, Development Directors and Development Partners have different expectations. Therefore, they attempt to bridge the gap between what development partners want and what development directors can give, or what development directors want and what development partners can give" clearly illustrate that communication had two dimensions: both internal and external. Moreover, the same sentences illustrate the importance and influence of

Table 4
Theoretical memo—the importance of communication in the process and the problems faced with regard to communication

There is evidence that people tend to exchange information continuously throughout the international expansion process. Information goes between people. The authorisers—people on the committee-generally lack the in-depth knowledge that the development directors have. Information comes to the divisional level largely in the form of arguments supporting a course of action. It is likely to be presented by someone who is, for personal or subgroup reasons, trying to persuade the organisation to do something. Decision-makers at the divisional level tend to give feedback to the development directors regarding their projects in order to bring the project to a stronger position or ask them to bring a better alternative. There is evidence that investigation and the sharing of information in the international expansion process rely both formal and informal channels of communication, but largely on informal. Development directors channel information through Business support coordinators; however, informal interactions take place between as well. Development Directors, the Senior Development Director and VP are involved in discussions on the phone, over lunch or elsewhere. Communication can take place in different forms such as lobbying, writing letters and face-to-face communication, and it facilitates the decision-making in the organisation. It particularly closes the knowledge gap between the host country and corporate decision-makers. The process is like a cycle in which decision-makers try to find the optimal solution rather than perfect one because the information they receive is most likely incomplete, decisions are taken under time pressure and different people have different expectations. In spite of the fact that parties communicate and interact through both formal and informal methods, people at divisional level seemed to be prudent about the activities of the development directors. This is because most of the information presented by the development directors to those at divisional level is subject to misinterpretation. Although development directors are given incentives in order to motivate them, there is an impression in the company that they are salesmen and they are thinking of their bonus. This impression in the company creates a bad working environment for them and contributes to a deterioration of the situation. There is, however, evidence that these sorts of attitudes towards development directors influence their motivation adversely and isolate them from the rest of the company. Development Directors take the role of gathering, interpreting and synthesising information about the local cultures; however, the information does not seem to be considered by those people at company level. However, communication between the development directors and the company seems to be limited, for instance development directors are not granted the right to challenge the committee's views and decisions; therefore, the committee over dominates the decision process and fails to overshadow the strategic views of development directors. Although people in the company do not know enough about the local market, because of their lack of trust of the development directors, they cannot learn enough about the local markets, cannot make effective decisions, and sometimes miss opportunities in the market. The Organisation seems not to benefit enough from the development directors to learn about the local market, rather they use development directors as salesmen, promoters to transfer their ideas and views to the local culture, to teach local people the company's way of doing business. Effective communication would lead to a better balancing of global efficiency and local responsiveness. They cannot judge the strategic importance of cities or sites, they cannot assess whether it is the right tool the use for that site

In the market, Development Directors and Development Partners have different expectations. Therefore, they attempt to bridge the gap between what development partners want and what development directors can give or what development directors' want and what development partners can give. In order to bridge that gap negotiations take place between the development directors and development partners about the financial viability of the project and the time issue. The way development directors negotiate or communicate is influenced by their own culture; however, the guidelines of the negotiation have been strictly determined by the company. To exploit the differences between local and divisional levels, the strategic mission assigned to the local representatives should be locally responsive. In addition to this, it is essential to show the local investors and cultures that they are sincere in this. It is essential to make them feel that enough importance is assigned to local cultures

communication on the international expansion process. It was an important aspect of the process and it facilitated the decision-making process both internally and externally.

- It helped to identify the relationship between the other categories and construct the overall international expansion picture of the organisation. The sentence "In order to bridge that gap, negotiations take place between the development directors and the development partners about the financial viability of the project and the time issue. The way development directors negotiate or communicate is influenced by their own culture, however the guidelines of the negotiation have been strictly determined by the company" shows that communication in the market with development partners involved negotiation and this helped to form a common ground for the partnership. Deal Negotiation was an important stage of the international expansion process that had been investigated and evaluated as a separate category. However, as the theoretical memo indicates categories were closely interrelated. Moreover, "Although people in the company do not know enough about the local market, because of their lack of trust in the development directors, they cannot learn enough about the local markets, make effective decisions and sometimes miss opportunities in the market" illustrated how members' orientations towards each other (this was another important category which had come out of the analysis process) influenced communication between them and ultimately the international expansion process.

The process of open coding, axial coding and writing and developing memos led to a number of finalised and saturated categories (see Fig. 2):

- International expansion Decision-Making Process (incorporated the Stages of the Process and the Parties involved into the process).
- Communication (explored the importance of communication in the decision-making process).
- Top management (explored the consequences of recruiting one or two country nationals to key positions).
- Members' orientations (reflected on the organisation's members' perceptions about the role and status of each other in the organisation).
- International expansion Philosophy (reflected on the dominant, widespread philosophy or organisation's assumption underpinning its international expansion activities).
- Education (explored the importance of the transfer of organisation and market specific knowledge between parties involved in the decision-making process).

3.3.2.3. Selective coding. The next type of coding involved the integration of the above-mentioned categories (axial) to form an initial theoretical framework. The codes and categories were explored further by re-visiting the coded statements, with attention being given to understanding the inter-relationships. All the data were
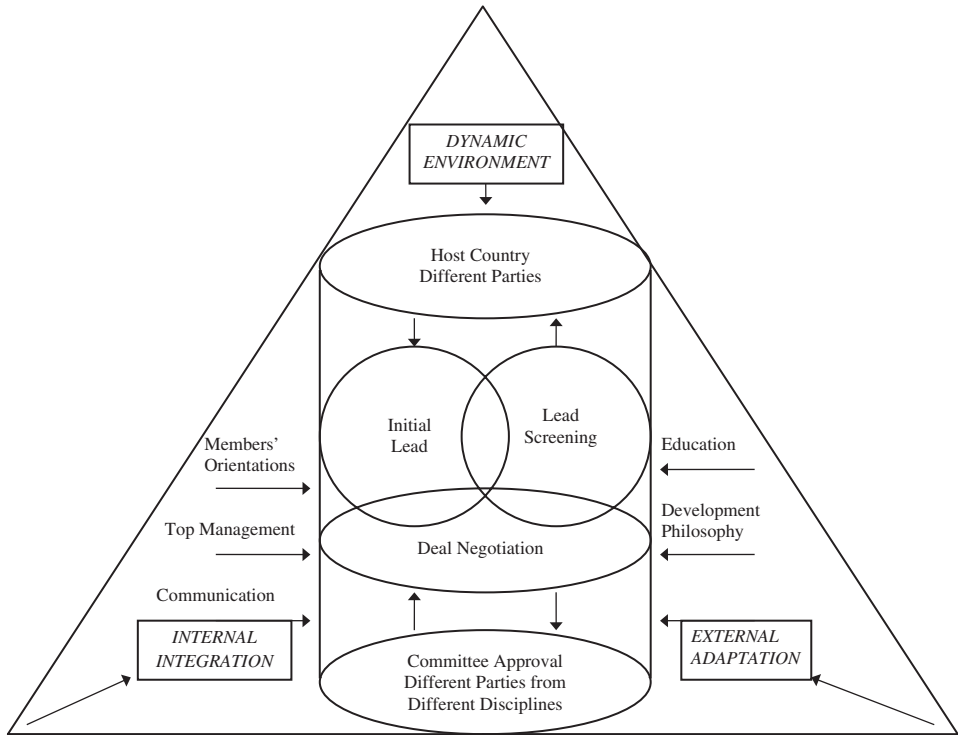
Fig. 2. International expansion process.

sifted and charted. The researcher drew diagrams to represent the overlapping issues, or the relationships between individuals or groups of people, or even conflicting information. Interview transcribing and field notes were re-visited several times and interview tapes were listened to in order to pull together key characteristics of the data, and to map and interpret the data set as a whole. Further to this, key concepts were redefined, the range and nature of phenomena were mapped, international expansion webs were created and associations and explanations were sought. At this stage, the researcher stayed in touch with the insider, in order to clarify any vague issues throughout the analysis process and to achieve objectivity with regard to the interpretations included in the analysis. Memos also played an important role and assisted in the process of creating order and making sense of the data. Whilst integrating categories, creating order and making sense of the data, the 'International Expansion Decision-Making Process' emerged as a core category. This category had a pervasive presence in the data and it was the broadest category which could be related to as many lower level categories as possible. For example, categories such as decision-making criteria, stages of the process and parties who were involved the process, which were broad in themselves, could be brought together and accommodated within this broadest category. This was because they

were closely and strongly interrelated. In addition, as a core category it could easily be related to subcategories. For example, categories such as communication, education, members' orientations towards each other influenced the core category the 'International Decision-Making Process' and at the same time they were influenced by the process itself (Glaser, 1992).

Moreover, during the ordering stage, it was realised that there was a clear distinction between two groups of categories. One group of categories related to the internal functioning of the organisation and the other to the external. The researcher therefore decided to structure the concepts under two broad headings: internal integration and external adaptation (see Fig. 2).

3.3.3. Stage 3: enfolding literature

As the data analysis process undertaken above began to yield a number of themes, concepts and relationships, the researcher started to compare these with the extant literature (Chenitz, 1986; Creswell, 1998). Enfolding the literature involved asking what it was similar to, what did it contradict and why. A broad range of literature was reviewed and sometimes the researcher read the areas drawn from contexts a long way from the substantive field of current study. As a result of this inductive logic, data analysis led the researcher into less familiar or even unfamiliar fields. This increased the level of ambiguity in the research process and the researcher felt 'lost' many times. However, it facilitated an understanding of how to conceptualise and integrate the data. During the research process, a broad predetermined theoretical basis which allowed for an exploratory research journey was used in order to be able to search for, and recognise meanings in the data. This helped to link the research with the existing body of knowledge in the subject area and supply an analytical framework. Different themes that incorporated different grounded theory explanations were compared with the already developed models or frameworks published particularly in the international expansion literature. The emergent theory of international expansion process (see Fig. 3) (newly identified themes which had not been previously discussed in the international expansion literature, e.g. decision-making process, key players so on), however, was compared with the extant theories in the broader field of strategic management on the subjects of entrepreneurship, strategy implementation and control, franchising and management contracting, and an organisation's environment. The similarities and the contradictions identified were recorded as memos and the researcher sorted the memos into batches and linked them up so as to create a theoretical outline of the connections across the categories. It is worthwhile to note that developed propositions played a key role during this stage. For example, research propositions helped to explain the relationship between the organisation's environment, the entry mode choices and the organisation's international expansion decision-making. This process aimed to improve construct definitions, and therefore build internal validity. It also improved external validity by establishing the domain to which the study's findings could be generalized (Table 5).
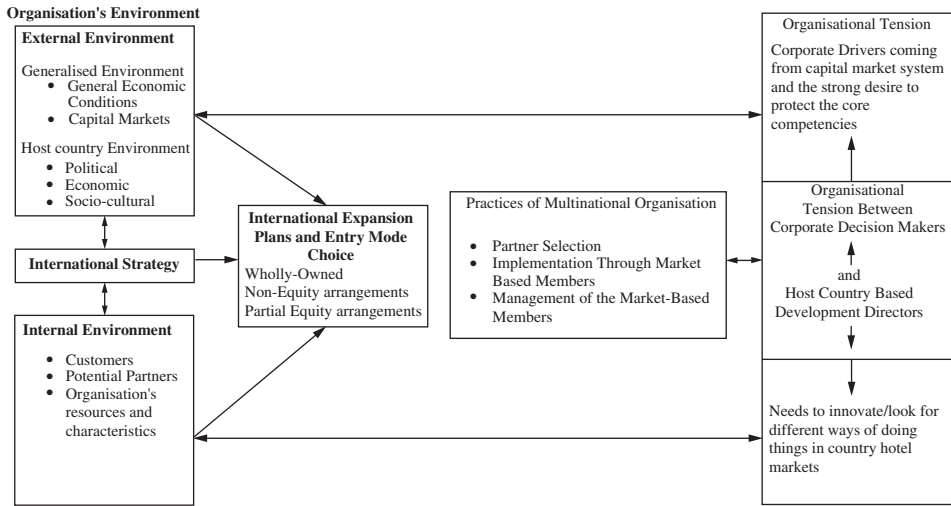
Fig. 3. International expansion framework.

4. Critique of grounded theory approach

The analytic strategy of grounded theory, as in several other studies conducted in various related fields such as management (Pandit, 1995), marketing (Goulding, 1997) and tourism (Decrop, 2000), has also proven to be useful in the current, hospitality-based investigation. A significant advantage of this approach is its focus on and distinct guidelines for generating theory.

As in the current study, the existing literature did not give much detailed company information about the international expansion of hospitality organisations. Utilising Grounded Theory methodology provided an opportunity to develop new insights into the internationalisation of hospitality organisations with particular focus to the role of intrapreneurship and the influence of different stakeholder groups in the internationalisation process.

A second major advantage is that its method of analysis forms part of an overarching research strategy—grounded theory. As Yin (1989) suggests, conducting data analysis in line with such an overall research strategy contributes to a more consistent and systematic qualitative study.

Further, Grounded Theory, as used in the current study, possesses a number of unique characteristics compared to the other traditional qualitative methodological approaches. Firstly, for the grounded theory the research question is identified within a broad topic. No attempt is made to specify potentially important variables, with some reference to extant literature and thinking about specific relationships between variables and theories is avoided as much as possible, in order to leave room for discoveries. Secondly, a natural overlap of research idea formulation, crafting instruments, entering the field, analysing the data and reviewing the literature occurs in the grounded theory methodology. Theoretical categories are not created on a

Table 5
The process of building grounded theory

Activity	Rationale
'Getting Started, Crafting Instruments and Selecting Cases'	• Definition of research question (focused efforts, constraints irrelevant variation and sharpens external validity) • Focused efforts on theoretically useful cases, those that test and/or extend theory
'Entering the Field, Analysing Data and Developing Propositions'	• Employed multiple data collection methods (Strengthened grounding of theory by triangulation of evidence. Enhanced internal validity) • Created a databank (increased reliability and increased construct validity) • Overlap of data collection and analysis (accelerated analysis and revealed helpful adjustments to data collection) • Open coding, axial coding and selective coding (all forms of coding enhanced internal validity)
Enfolding Literature	• Improved construct definitions, and therefore internal validity. Also improved external validity by establishing the domain to which the study's findings can some extent be generalised

single step basis, but rather through a process of tentative conceptualisation whereby categories are created and then theoretically sampled to see how they fit across new data. The researcher jointly collects, codes and analyses the data and decides what data to collect next and where to find them. Categories are therefore redefined as relationships clarify. By constantly comparing the data and looking for negative occurrences of relationships it is eventually possible to elaborate and integrate data to the point where no new evidence occurs within a category. As categories become saturated by evidence, they form a foundation on which to ask further questions about the underlying process. At this stage the researcher can compare category to category and check meaningful literature to see whether what has emerged fits or confounds existing theory.

Despite the important advantages associated with use of Grounded Theory as a research methodology, this analytic approach should by no means be considered a *panacea*, since in addition to its strengths it also contains some methodological and practical limitations. Before it can be adopted, a balanced critique of the method is necessary.

Being highly dependent on one single analytic approach, as in the case of grounded theory may, however, restrict the potential of the data and the creativity of the qualitative analyst. Therefore, since qualitative analysis, unlike quantitative methods, can be carried out in many different ways, the researcher should rather function as *bricoleur* (Denzin and Lincoln, 1994) making herself/himself familiar with all the available approaches to qualitative data analysis. In doing so, the analyst can overcome one of the major criticisms that grounded theory has encountered, namely its mechanistic way of analysing qualitative data.

Several scholars (e.g., Coffey and Atkinson, 1996) claim that the rigid analytic procedures (coding and categorising) of grounded theory may lead to a fragmented and decontextualised qualitative data analysis. Employing an additional analytic strategy, for instance that of Wolcott (1994), who suggests that a qualitative analysis process should, in addition to coding and categorising, also include a description and an interpretation phase, which together will produce credible and dependable research findings. Having said that, the systematic and rigid guidelines present a further advantage in that many researchers, particularly novices, may find such a mechanistic approach easier to follow when analysing a large corpus of unstructured data. It also makes qualitative data analysis more compatible with computer programs such as NUD.IST and Atlas/ti. The latter, in fact, is built according to analytic principles of grounded theory (Lonkila, 1995). There are, however, different views about computer-assisted analysis in the literature. Dey (1998) for instance suggests that computer-based analysis will increase the status of qualitative research. On the other hand, some consider computer software as a threat to the very nature of qualitative research in that it may hinder contextualisation and interpretation from the researcher's side. However, Mehmetoglu and Dann (2003) do not regard these two approaches as antagonistic. Instead, they consider manual and computer-assisted analyses as complementary approaches for analyses of all forms of qualitative data.

While the above discussion as to the advantages and disadvantages of the analytic strategy of grounded theory is an issue on a general level, there is also a debate going on in the literature with respect to grounded theory's approach to coding and categorising. This debate can be summarised under two main headings: coding and coding paradigm. The critique put forward against the former is that it takes place in a mechanistic manner. Some (see Seale, 1999b, p. 104) go further to claim that coding in grounded theory is simply indexing. However, to what degree coding can be defined as indexing depends highly on the methodological talent and knowledge of the qualitative analyst. One significant technique suggested by Glaser (1992) and Strauss and Corbin (1990) is the use of theoretical memos, employed in the current study, which transforms pure coding or indexing to an analytic interpretation.

The other criticism is lodged against the idea of coding paradigm (i.e., connecting categories) in grounded theory analysis, more specifically, that of Strauss and Corbin (1998). Briefly, they suggest that relations between emerging categories can be established following their coding paradigm consisting of six major coding families or categories: conditions, phenomena, context, intervening conditions, strategies and consequences. This is the issue to which several scholars (e.g., Goulding, 1997) object. They accordingly suggest that the codes used and, in fact, the actual labels placed on the codes should be driven by conceptual interests that have emerged a posteriori from the data and not "forced" into any particular a priori scheme, such as the coding paradigm model of Strauss and Corbin. They maintain that by not imposing any predetermined paradigm, analysis and interpretation are assured of being grounded in the data, thereby allowing the researcher to see beyond only what will fit into a predetermined conceptual plan, a suggestion taken into consideration in the carrying out of the current research.

Some drawbacks related to the use of Grounded Theory in the current study can also be mentioned. For instance, in the later stages of the research process, it was realised that employment of this approach involves a great deal of complexity and ambiguity, which is difficult for an inexperienced researcher to handle. More specifically, since an enormous amount of data was collected from both primary and secondary sources and they needed to be interpreted in a limited period of time, they might introduce bias. Moreover, such an unstructured approach, to a certain extent contradicted the personality of the researcher, who aspired to instigate a more structured way of conducting research. The Grounded Theory Approach could be better employed by a team of researchers or by a more experienced researcher who could deal with the complexities and contradictions of this approach. Utilising such an unstructured approach to research limited the researcher's ability to identify some of the important themes and aspects in the research findings which might have possibly emerged if the researcher had undertaken a 'tight', more theoretically driven approach.

It is also worthwhile to note that the dynamic nature of the business environment in which the company operates sometimes influenced the research process. For example, following the takeover of another international hotel organisation, the participant organisation underwent a transition period, which interrupted data collection. Although this can be considered as a limitation, it highlights the dynamic nature of the world that most researchers face. The researcher entered and exited the organisation on a regular basis; however, the data collected stayed at the level of 'snap-shots'. Moreover, due to time and resource limitations, a longitudinal case study approach could not be employed. Employment of such an approach would provide further in-depth data about the organisation's decision-making practice. It is, however, worthwhile to note that more than one and a half years were spent in the participant organisation collecting data, and the researcher always stayed in touch with the organisational members and exchanged ideas even after this data collection stage.

Despite the limitations of grounded theory touched upon above, its analytic procedures still provide a highly useful starting point for any qualitative researcher, provided that they are not too strictly followed and that they are not the sole method of analysis used in a study. This suggests that a qualitative analyst should rather combine these rigid procedures with other techniques (i.e., ethnographic approach) that can hinder any possible decontextualisation of the data. In fact, several researchers conducting even ethnographic (Coffey and Atkinson, 1996; Wolcott, 1994) and case studies (Merriam, 1988; Stake, 1995) often make use of the procedures of grounded theory.

As a conclusion it should nonetheless be emphasised that the quality of a qualitative analysis, whether computer-based, manual, mechanistic or observant of coding procedures, will always depend on the experience, creativity and theoretical awareness of the investigator.

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