~Best Practices in Research~
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Our clients call nearly daily to ask us to research one area or another. Over the years, we have developed a structured process for our research – a process that can be easily applied to help you tackle a research project for your firm. This description should be useful whether you're management and are directing your team, or you are completing the research project on your own. The objective is to gain as much valuable information as possible.

Our process is divided into three equally important parts –

1. **Initiating and Planning**
2. **Implementing**
3. **Communicating Results**

Initiating and Planning

First, you need to confirm the intent and scope of the research request. What information is required and for what purpose will it be used? What is the scope of the research effort required – formal or informal; a sampling or extensive survey? When is the information required? What is your budget? Who is going to be responsible for what? To whom will it be distributed?

The next step in initiating and planning is developing your questions. To ensure optimum results, you need to make your questions clear, relevant and complete so that people you interview will be forthcoming. We test questions across different team members and with the client seeking the information. If an extensive survey is required, the questions are tested with prospective interviewees as well. You generally want a combination of quantitative questions and open-ended questions. You also have to limit the questions to the key issues you want to address. Never include too many questions. In selecting them, determine how long it takes to answer the questions. Have several people take the survey and time themselves.

You also need to decide what resources/tools will be used to research the topic: the Internet, surveys, individual interviews, and industry publications. The tools used depend on the objectives of the research, as well as on your resources, time frame and budget.

An important reminder - you gain better results if you avoid preconceptions about what the answers will be. Never research a topic when you think you know the answer and

you want to prove it. If you feel that strongly about the topic, have another team member do the research. Objective research is key to achieving value from your efforts.

Implementing

How do you conduct a successful interview?

- Be organized prior to the call with your introduction, process description, questions, paper and supplies, calendar (in case you need to reschedule the call), and close.
- Clearly explain who you are, the purpose of your call and that the information shared will be kept confidential. Offer to share a summary of your findings with them.
- Confirm that this is a good time or would another time be better.
- Be sensitive to their needs. Some interviewees want to help; others may be pressed for time.
- Ask open-ended questions and ask the interviewee to elaborate on key points
- Be appreciative of their insights. Let them know that their responses are helpful; let them know what their contributions will achieve and what your follow-up actions will be.

Here are examples of open-ended questions.

- What do you see as major trends with regard to *hedge funds*?
- How would you describe the current level of interest in *hedge strategies*?
- What types of clients do you see investing in *hedge strategies*?
- What would prevent you from recommending a *hedge fund*?
- Is there anything else I should ask you about *hedge*?

How do you develop a network of people that you can call on to research?

One of the most effective ways to develop a network is to attend industry conferences and make it a point to meet, speak to and connect with as many people as possible. Rather than just exchanging business cards, learn what the individual's role is and in what areas he/she works. Follow up within two weeks after the conference with a personalized letter. When you have a research project where the individual can be of value, call on them and remind them how you met. Also consider if there is anyway in which you can help them. Another approach is to call on experts you read about in industry publications. You can generally find contact information in Nelson's MarketPlace Web database. When you call, let them know how you heard of them.

How do you design a successful survey?

Consider the objectives of the information gathered when creating questions. Create a form for the questions and multiple choice responses or essay responses. Test the flow and user-friendliness of the survey yourself and through colleagues prior to distributing the survey.

How to ensure participation?
Clearly explain the purpose of the survey and how the summary of results, which will be shared with participants, will benefit them. Include this same information in your cover note attached to the survey as well. Set a due date for responses and provide an approximate date you will share results with them. You can cite previous surveys and positive experiences as well. Also, timing of when a survey is sent has an important impact on response rates. The best time to send a survey is generally mid-week (not end-of-day Friday where it will get lost in all the Monday correspondence), before quarter-end, and non-vacation seasons.

How do you evaluate the results on an interim basis to make sure that the research project will satisfy the needs?
Review responses with your management or team as received. Don't wait until all responses are gathered. If responses are half-answered or begging further questions, rethink the questions and resend to those who have not yet completed the survey. You can also call those who have responded and ask for elaboration/clarification.

How do you stay on target with your time frame?
Send a reminder (via email, preferably, or phone call) that the due date for responses is in xx days. If you have the flexibility to extend the due date, you can say "In order to accommodate everyone's busy schedules, we are extending the due date to _____."

Communicating Results
To encourage participation and reward people who contribute their time and insights to your research, share the results. Depending on the scope of the research project, results can include:

- Executive summary – high-level trends gleaned from research
- Quantitative and qualitative responses – number and type of sources used; write-up of edited interviews; conclusions and/or recommendations
- Description of research process – including steps taken to gather results
- Added insights you might not have expected – trends or areas of focus found in your research to be value added

We hope you find these tips useful for the next time you undertake a research project. Remember, there are many approaches to research – in fact, nearly every conversation you have could be considered research – asking, probing, brainstorming, problem solving. Once you develop your style/approach to research, there is no limit to the valuable information you can gather.

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