

Managerial Issues in Service Research

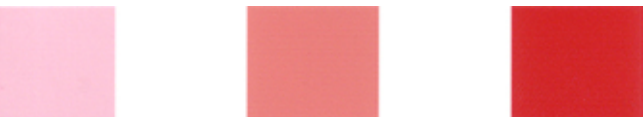
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Arizona State University
W.P. Carey School of Business***

Objective: open up a discussion about progress of services research and the role of

- different disciplines as possible catalysts**
- interdisciplinary research efforts**





Themes from specific to general.....

1. Frontiers in Services 05 *“current topics”*

- **Service Marketing**
- **Service Operations**
- **Service Human Resources**
- **Service Information Technology**
- **E-Service**
- **Customer Relationship Management**
- **Other topics in service research**



2. MSI Top Tier Priorities 04-06

- **Growth?**
 - Ensuring customer-relevant information in all stages of new product/service development (Growth)
 - Methods for predicting new product/service adoption (Growth)
- **How to organize marketing?**

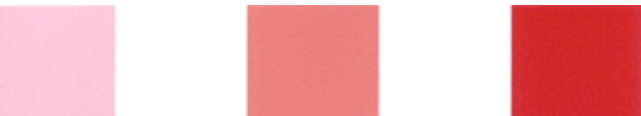
3. The HBR List Breakthrough Ideas for 05

- **The Velcro Organization (Bower)**
- **Seek Validity, Not Reliability (Martin)**
- **Toward a New Science of Services (Chesbrough)**



The Velcro Organization

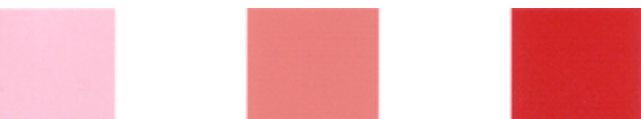
- **Organizational design: functional excellence versus customer orientation**
- **Managers in matrix organizations: decision making is slow and bureaucracy is burdensome**
- **Better approach: shift roles depending on the tasks**
- **Relationships need to be rearranged quickly, easily and effectively (e.g. business schools!)**
- **Power is in the role, not the individual**
- **Challenges for service organizations: knowledge transfer and accountability**





Seek validity, not reliability (1)

- **Customers feel disappointed by lack of a warm human connection with the company**
- **Meaningfulness of the work, not only about the money**
- **CRM: reliability oriented processes. Intended to produce identical and consistent results**
- **System produces consistent outcomes: but results may be neither accurate nor desirable**
- **Validity requires a large number of variables, and use subjective measures**



Seek validity, not reliability (2)

- Challenges for service organizations: we need to understand that variability in outcomes is as likely to be a sign of creativity as a sign of bad management
- Examples:
 - Customer relationship management >>>>> **customer intimacy?**
 - Total Quality Management >>>>> **design excellence?**
 - Knowledge management systems >>>>> **creativity?**
 - Incentive compensation >>>>> **jobs that have meaning?**



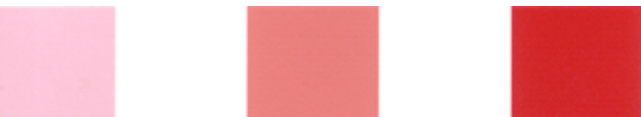
Toward a new science of services

- Many companies see their own businesses shift from products to services
- Growth of discipline is being stunted
- No progress across disciplinary boundaries
- Little cumulative advance in learning
- Three factors can make the difference:
 - **Scale**: value added to customers, standard of living
 - **Tools**: break down business into processes
 - **Challenge**: intangibility, innovation in services, improve productivity, tacit knowledge transfer

Top 4 keywords articles IJSIM 00-04

	Total (497=100%)	2000-2001 (a)	2003-2004 (b)	Change % (b)/(a)
Customer satisfaction and quality	106 (21.3%)	50	37	-26.0%
Marketing	59 (11.9%)	22	28	27.3%
Management	42 (8.5%)	25	12	-52.0%
Service operations management	37 (7.4%)	15	14	-6.7%

***HRM -25%**





Interdisciplinary collaboration

- **Author's affiliations (187)**
 - 59 Department of Marketing
 - 58 Department of Business
 - 38 Department of Management
 - 32 Department of Consumer Sciences
- **Collaboration information from 86 articles**
 - 20 single authored
 - 66 > 1 author
 - 141 bilateral relationships between authors
 - 40 cross disciplinary
 - From in total 161 authors, 40 were involved in cross disciplinary work



Discussion

- **No real progress in multidisciplinary research**
- **Minimal collaboration between disciplines**
- **Focus on mono disciplinary satisfaction-loyalty studies**
- **Focus on service marketing studies**
- **Lack of studies on organization design-performance interface**
- **Knowledge transfer within a service company?**
- **Knowledge transfer between customer and company?**
- **What can we (service researchers) still learn from psychology, HRM, organizational science, marketing, operations management?**

