A service management research framework

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Presentation Structure

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Concepts

• In the service productivity concept, productivity is measured by the relationship between outputs to certain inputs (Vuorinen, Järvinen and Lehtinen, 1998).

• Customer participation is an element of service productivity research (Carlborg, Kindström and Kowalkowski, 2013) and involves the interaction between provider and consumer during service delivery.
Background

• The characteristics of a service include immateriality and integrativity (Backhaus, Bröker, Brüne, Reiche, Wilken, 2011).

• Principally the heterogeneous inputs of a service and the multiplicity of those inputs complicate understanding service productivity (Li and Prescott, 2009).

• While there is a theoretical basis for including a customer perspective regarding service productivity, there is need to explain its fit within a service productivity framework.
# Research Framework

## Service Productivity Stages

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<th>Service Productivity Authors</th>
<th>Service Productivity Stages</th>
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<td><strong>Input</strong></td>
<td>Process</td>
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<tr>
<td><strong>Jones (1988)</strong></td>
<td>Input</td>
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<td><strong>Armistead and Clark (1994)</strong></td>
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<td><strong>Grönroos and Ojasalo (2004)</strong></td>
<td>Service Provider’s inputs Customers’ inputs (Internal efficiency)</td>
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<td><strong>Ganz and Mörschel, (2011)</strong></td>
<td>Provider input factors Customer input factors</td>
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Re-framing Service Productivity

• There are three influences on productivity, “(1) the cost of input resources; (2) the efficiency of the transforming resources; and (3) the utilisation of transforming resources (Armistead, Johnston and Slack, 2007, p. 97).

• Geum, Shin and Park (2011) noted that co-creation adds value. Value for the customer is related to quality whereas value for the provider is related to productivity (Geum, 2011).

• Customers can affect the service loading (Armistead and Clark, 1994) and therefore their input is important to customer satisfaction.
Service productivity research considerations and directions

Figure 1  Service productivity conceptualisation (adapted from Armistead et al., 2007)
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Input productivity

Proposition 1  The productivity of inputs is a function of the efficiency of resources in service delivery.

Process productivity

Proposition 2  The productivity of service processes is a function of the utilisation of resources in service delivery.
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Output productivity

Proposition 3 The productivity of outputs is a function of the cost of the resources in service delivery.

Outcome productivity

Proposition 4 The productivity of outcomes is a function of the number of satisfied customers.
Conclusion and Implications

• This paper highlights that different elements need to be considered at the various service productivity stages and each stage is influenced by the different aspects of efficiency, utilisation, cost and customer satisfaction.

• The theoretical implications relate to broadening the input versus output concept of service productivity to include both a horizontal input versus output relationship and also a vertical productivity element that affect each service delivery stage.
Conclusion and Implications

• The management implications are that the productivity stages in service delivery can be distinguished and managed separately. This allows for an assessment of each stage as to its level of productivity.

• The practical implications are that service productivity should not be measured across the productivity stages as a macro concept of output given inputs, but that various micro measures can be conducted.
References


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QUESTION TIME