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# Service Innovation within Supply Chain Networks

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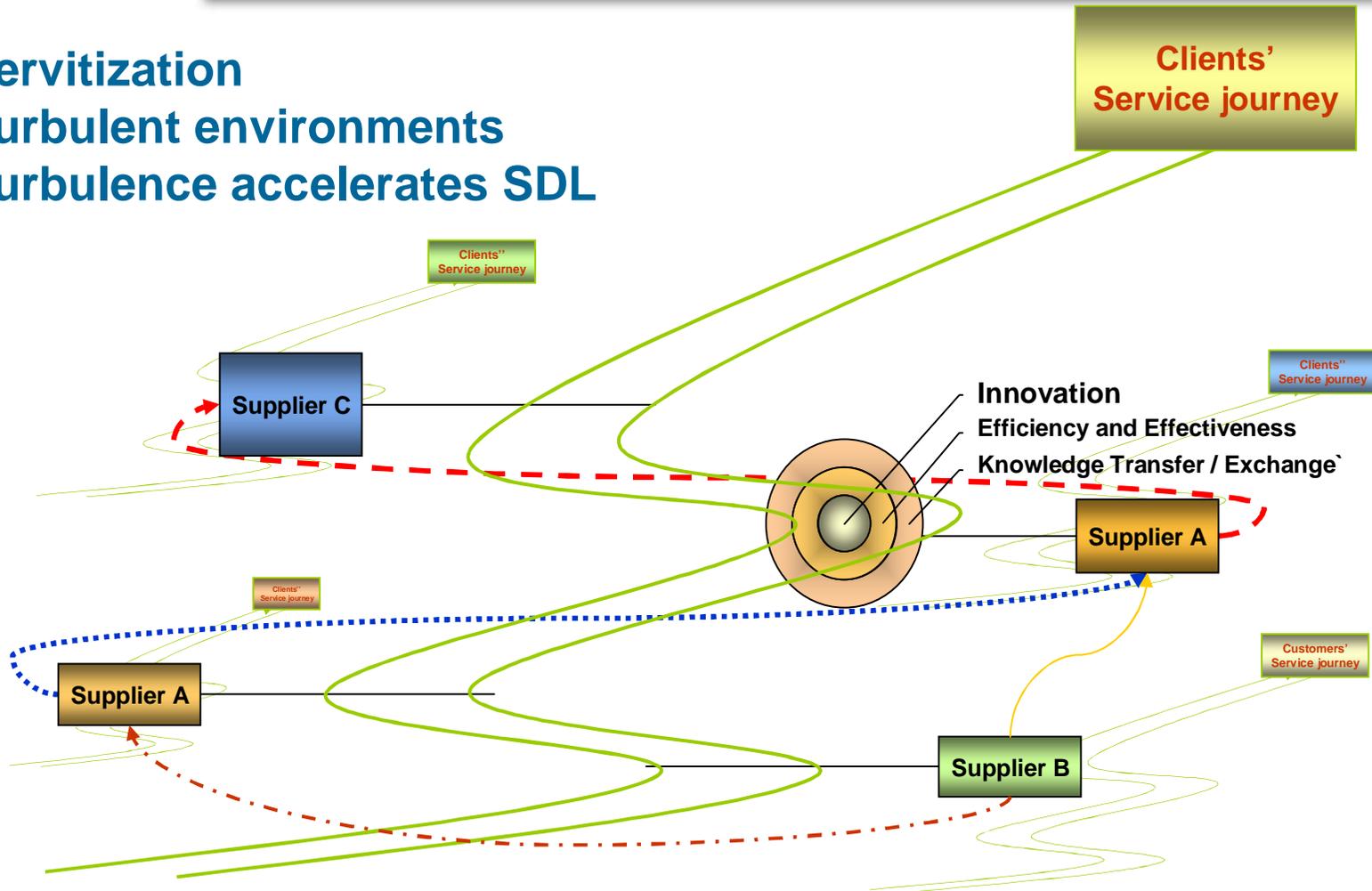
## Structure for the Presentation

- Introduction
- Literature review
- Research questions
- Research design
- Expected contributions



# My research journey

- **Servitization**
- **Turbulent environments**
- **Turbulence accelerates SDL**





## Introduction - Research Interest

- Understanding the innovation processes associated with service within supply chain networks;
- Exploring the SI process at the network level not just at the dyadic relationship point; and
- Studying if unstable business conditions affect the SI process.



## Introduction – Key definitions

- **Service**

“The application of competences through deeds, processes and performances for the benefit of another entity or the entity itself” (Lusch and Vargo, 2008, p.89)

- **Innovation**

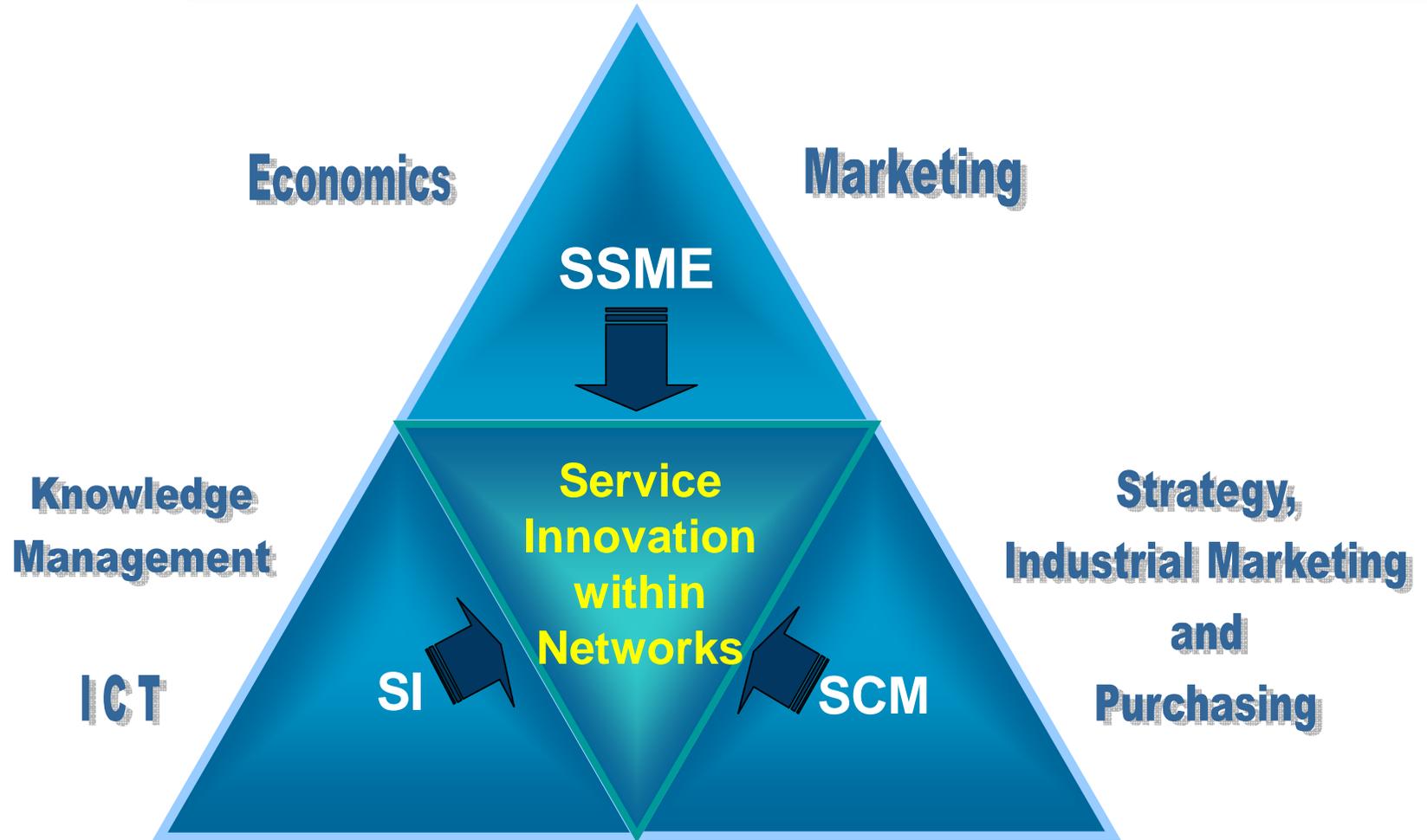
“The successful exploitation of new ideas” (Paton and McLaughlin, 2008, p.78)

- **Service system**

“A dynamic value co-creation configuration of resources, including people, organizations, shared information (language, laws, measures, methods), and technology, all connected internally and externally to other systems by value propositions” (Spohrer et al., 2008, p.108)



Literature Review





## Research questions

- How does service innovation (SI) take place in a supply chain network (SCN)?
- What enables SI within a SCN?
- Does the level of analysis (dyad, triad or network) hide or highlight elements related to the innovation of services within the SCN?



## General approach to the research design

- The research sits on the social constructionism paradigm in which reality is determined by people and the meanings they give to their experiences
- The researcher is willing to approach the study under the critical realism ontology
- When following a social constructionism epistemology it is required to:
  - Look for the evolution of new theories
  - Formulate theoretical propositions linked to the SCM, SI, and SSME disciplines
  - Design instruments that show the researcher's effects
  - Privilege conversations and story telling
- **The method is a qualitative case study research**
  - Unstructured interviews
  - Documents' analysis (policy documents, contracts, memos of understanding, service level agreements, meetings' memories)
  - Triangulate



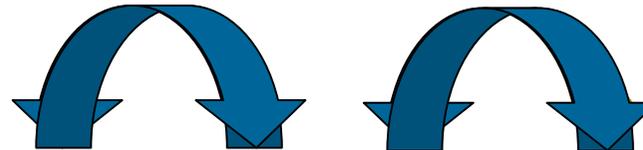
Research design – theories

THEORETICAL UMBRELLA

- **Resource Based View** – extend it to operant resources as presented in the SDL debate

SERVICE INNOVATION

- **Synthesis/integrative approach** – build on de Vries (2006) work on Innovation in services in networks of organizations

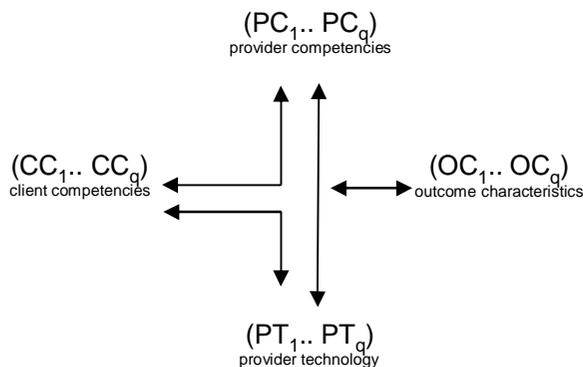


SERVICE SCIENCE

**Theory of service systems** – considering Kim and Nam (2009) the framework for understanding service systems

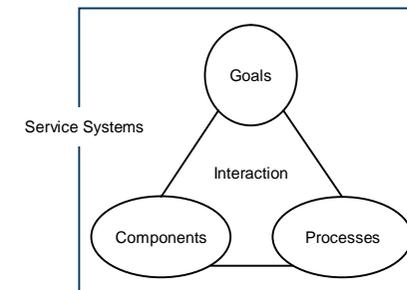
SUPPLY CHAIN MANAGEMENT

- **The Services Supply Chain Model** – enrich Ellram et al (2004) work on understanding an managing the services supply chain



Gallouj and Weinstein, 1997)

SERVICE PROVISION PROCESSES				
	Strategy/ Design	Production/ Delivery	Maintenance/ Operation	Monitoring/ Enhancement
Value activity network				
Resource integrator network				
Capability network				





### STUDY QUESTIONS

1. The main research question is a **how** question, complemented with a **what** and a **how much**.

### PROPOSITIONS

2. The theoretical proposition is to take the **RBV** to the network level, and to develop bridges between SCM and SSME in the concepts of integration, co-creation, collaboration and operant resources

### UNIT OF ANALYSIS

3. **Sub-networks** within a supply chain network

### LOGIC LINKING DATA AND PROPOSITIONS

4. The main research question is a how question, complemented with a what and a how much. Therefore, **pattern matching**, **identifying differences** between official and un-official discourses, and **explanation building** are the analytic techniques the researcher anticipates to use.

### CRITERIA FOR INTERPRETING

5. Rival explanations to the findings.

(Yin R.F., 2009)



## Expected contributions

- Building theoretical bridges between SCM and SSME on the subject of service innovation, by using service-dominant logic arguments.

## SERVICE INNOVATION

- **SCM**
  - Collaboration
  - Integration of the supply chain
    - Focused on the flow of goods
    - Optimization
  - Dyadic analysis
- **SSME**
  - Value co-creation
  - Service system
    - Focused on operant resources
    - New business opportunities
  - Network analysis



## Expected contributions

- **By doing so, I also expect to bring:**
  - A better understanding on how service innovation takes place within a supply chain network.
  - Light on the enablers of service innovation within a supply chain network
  - A comparison that will show if the level of analysis (dyad, triad or network) generates, in terms of its results, something different either on the process (service) or the enablers related to service innovation within the SCN
- **By looking at the operand and operant resources among the network.**
  - May move the RBV discussion on strategy from the firm's competitive advantage level to the network's (service system) competitive advantage level.



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