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In Memoriam: Bob Johnston, Professor and Founding Editor of IJSIM

Dear Reader

On November 12, we lost our friend and colleague Robert Johnston, Professor of Operations Management at Warwick Business School. He had fought cancer bravely for two years but in the end his body decided it had had enough. His family told us that it was very peaceful at the end.

Bob was one of the leading authorities in service operations management, specialising in the transformation of service organisations through the re-design and innovative delivery of service. His publications are cited 10'000 times on www.scholar.google.com. Before moving to academia he held several line management and senior management posts in a number of service organisations in both the public and private sectors. He published over 200 books, papers and case studies and served on the editorial boards of ten leading journals and founded the International Journal of Service Industry Management (IJSIM).

I met Bob several times at conferences in France and Sweden and had the privilege to invite him as a guest professor to our Service Management program at Lucerne Business School, Switzerland. Spending time with Bob was always, with no exception, a pleasure and a privilege.

I remember a presentation I did at a Service Conference in La Londe, France, which was chaired by
Bob. I argued for the importance of service recovery management, and how important it is to recover a dissatisfied customer. Bob completely disagreed with me, publicly, suggesting that the most important aspect of service recovery is fixing the processes, not the customers (after all, he was an operations management professor). This discussion led to a very successful and gratifying co-authorship, resulting in an WSJ article and a Best Paper Award for the best article of the year in the Journal of Service Management.

Bob was a wonderful mentor to me, but of course, he was much more than that. His sense of humour, his humbleness, and his curiosity will be dearly missed.

This is a very very sad day for all of us.

Why Service Recovery Fails (Best Paper of the Year Award)

The keys to effective service recovery are familiar to many throughout industry and academia. Nevertheless, overall customer satisfaction after a failure has not improved, and many managers claim their organizations cannot respond to and fix recurring problems quickly enough. Why does service recovery so often fail and what can managers do about it?

Our objective is to produce an interdisciplinary summary of the growing literature on service recovery, bringing together what each of the author’s domain management, marketing, and human resources management has to offer. By contrasting those three perspectives using 141 academic sources, we discovered nine tensions between customer, process and employee recovery.

We argue that service recovery often fails due to the unresolved tensions found between the conflicting perspectives of customer recovery, process recovery, and employee recovery. Therefore, successful service recovery requires the integration of these different perspectives. This is summarized in the following definition: Service recovery is the integrative actions a company takes to re-establish customer satisfaction and loyalty after a service failure (customer recovery), to ensure that failure incidents encourage learning and
process improvement (process recovery) and to train and reward employees for this purpose (employee recovery).

We do not advise managers to directly address and solve the nine tensions between customer recovery, process recovery, and employee recovery. Instead, we recommend concentrating on the underlying cause of these tensions. That is, managers should strive to integrate service recovery efforts based upon a service logic; a balance of functional subcultures; strategy-driven resolution of functional differences; data-based decision-making from the seamless collection and sharing of information; recovery metrics and rewards; and development of T-shaped employees with a service, not just functional, mindset.

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**Overcoming Recovery Myopia: Three Outcomes of Service Recovery**

Based on a review of the literature, this paper sets out to suggest that an organisation's service recovery procedures lead to three distinct outcomes; customer, process, and employee recoveries. The objective of the paper is to investigate the impact of service recovery procedures (i.e. the way service recovery is managed and executed) on these three outcomes and their relative impact on an organisation's financial performance.

A model, linking recovery procedures to the outcomes of recovery and financial performance, is tested using empirical data from a detailed survey of 60 organisations in the UK.

It would appear that many organisations and academic researchers have focused their efforts on customer recovery and have, to some extent, ignored the potentially higher impact outcomes of process and employee recovery. The main finding was that service recovery procedures have a greater impact on
employees and process improvement than on customers. Furthermore, while many organisations appear to be concerned with service recovery few seem to be good at it or gaining the benefits of recovered customers, improved processes or recovered employees.


The full article can be purchased here

Making the Most of Customer Complaints

Nobody's perfect. That's a fact, not an excuse. This is why it's crucial for companies to realize that the way they handle customer complaints is every bit as important as trying to provide great service in the first place. Because things happen.

Customers are constantly judging companies for service failures large and small, from a glitch-ridden business-software program to a hamburger served cold. They judge the company first on how it handles the problem, then on its willingness to make sure similar problems don't happen in the future. And they are far less forgiving when it comes to the latter.

Fixing breakdowns in service -- we call this service recovery -- has enormous impact on customer satisfaction, repeat business, and, ultimately, profits and growth.

But unfortunately, most companies limit service recovery to the staff who deal directly with customers. All too often, companies have customer service sort out the immediate problem, offer an apology or some compensation, and then assume all is well. This
The approach is particularly damaging because it does nothing to address the underlying problem, practically guaranteeing similar failures and complaints. What businesses should be doing is looking at service recovery as a mission that involves three stakeholders: customers who want their complaints resolved; managers in charge of the process of addressing those concerns; and the frontline employees who deal with the customers. All three need to be integrated into addressing and fixing service problems.


Read the full article here

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