

## **Service Innovation Education and Research – What is Needed?**

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### **Our perspective:**

We are among a small group of scholars worldwide who have devoted their research and teaching careers to the study of services industries. We are co-directors of the Center for Services Leadership ([www.wpcarey.asu.edu/csl](http://www.wpcarey.asu.edu/csl)) at Arizona State University, the world's first academic center (established 1985) devoted to research and education in services management. Our perspective on service innovation is grounded in a long history of partnering with services companies across industries (currently we have over forty partners including IBM, Marriott, HP, Amex, SAP, Oracle, Charles Schwab, Southwest Airlines, Cardinal Health, Mayo Clinic, YRC Worldwide), as well as our deep ties within the academic services community in business schools around the globe.

### **The global reality and its implications:**

The explosive growth of services in economies around the world has vast implications for business practice, academic knowledge creation, and education. Currently we observe a surge in interest in what is being called “services science” among the established economies of the world, where services have dominated for many decades, and also in countries that are managing explosive growth such as India and China. All appear eager to develop new services technologies, processes, and innovative services that will propel them forward. Failure to be innovative in services could doom individual companies and whole economies to a future where they are unable to compete effectively, resulting in reduced opportunities and quality of life for individuals.

### **Demand for service innovation knowledge and education:**

Growing out of the global realities, there is a concurrent demand for knowledge and education to fuel service innovation. We believe there are tremendous opportunities to apply existing robust research findings related to service excellence, customer satisfaction and loyalty, and service delivery and design that have developed over decades of scholarly work in the business disciplines. And, there is also a need to develop new knowledge and curricula transcending disciplines to address the emerging challenges of the global economy.

For example, some of the emerging challenges that demand new knowledge include: offshore outsourcing of services; integration of technology into service delivery systems; transformation of manufacturing and IT companies into service businesses; models and processes for service innovation; services R&D at macro and micro levels; global integration of service systems. This new knowledge is not discipline specific, but rather must integrate across disciplines including management, computer science, engineering, and the social sciences. While most universities are set up and reinforced by disciplinary-specific silos and rewards systems, this approach is not conducive to developing the knowledge needed for continued service innovation. Thus, it is

becoming necessary to forge trans-disciplinary connections, joint research, and cross-disciplinary curricula in order to make true and meaningful progress. At the grass roots level, these types of significant cross-disciplinary efforts are sprouting at ASU and other institutions.

**What we need to move forward:**

Because the challenges of service innovation defy simple one-discipline, or one-industry solutions, emerging curricula need to be trans-disciplinary, immersing students in team-based analyses and giving them the ability to solve problems with multiple knowledge bases and tools. We also need large-scale funding mechanisms (most likely emanating through government, business, and university partnerships) that will encourage trans-disciplinary research and education to solve important issues and propel service innovation. The challenges are not all defined or even known yet. Nor are the funding mechanisms clear-cut given the trans-disciplinary nature of the challenges. However, if we do not invest as companies, governments, and universities to seriously begin the process, we will certainly not succeed.