

Managerial Service Experience in Public Service Innovation

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Abstract

The research to date has focused on analysing customers' experiences. Little is known about front-line service managers' experiences of the service they develop and manage in their working lifeworld. The study analyses managerial service experience in the public service sector in municipal services based on the phenomenological approach. The paper uses the multiple case study approach with Event-Based Narrative Inquiry Technique (EBNIT). The findings reveal that service managers do not only manage by implementing rational models, but they make sense of their working lifeworld by interpreting their own and others' lived and imaginary experiences. An interesting managerial implication is that lived or imaginary service experiences affect service managers' decisions and can be seen as an asset in service innovation and development.

Keywords: service, experience, narrative, public service

Introduction

Researchers as well as practitioners have recognised that understanding customers' overall service experiences is of critical importance in managing and innovating service in a successful way. In addition, it has been recognised that involving users in the innovation process increases the understanding of customers' overall service (Sandstrom, Edvardsson, Kristensson and Magnusson, 2008).

The purpose of the paper is to analyse managerial service experience based on the phenomenological approach. The research has to date focused on analysing customers' service experiences. Little is known about service managers' experiences of the service they manage and innovate. Managers are mostly seen in a rational manager role managing customer experiences (e.g. Meyer and Schwager, 2007) rather than as experiencing individuals. In traditional Husserlian phenomenology, intra- and intersubjective individual experience is the base of experience (Woodruff Smith, 2007). Experiences are socially constructed and therefore not only subjective but also intersubjective within a group of individuals (Schutz, 1967; Berger and Luckmann, 1967).

These subjective experiences can be related to other phenomena, such as service and innovation (Woodruff Smith, 2007). A service manager's experience of service is understood as a holistic, perceived phenomenon, which is always subjective, case-specific and personal (Schembri, 2006; Woodruff Smith, 2007). Furthermore, service is understood as a holistic phenomenon, where different actors experience service and its value (cf. Vargo and Lusch, 2008).

The study uses Event-Based Narrative Inquiry Technique (EBNIT). EBNIT combines narratives with critical events and metaphors, which enable the researcher to collect and interpret individuals' lived and imaginary service experiences in their social lifeworld events (Helkkula, 2010, Helkkula and Pihlström, forthcoming). The concept of the lifeworld identifies the service customer's world as lived in comparison to a world as construed by science (Crossley 2006). In phenomenology, context is event-specific and justified by the individual in the individual's lifeworld, which is always a social context, as people do not live in isolation (cf. Porter, 1995; Crossley, 2006).

The context in this paper is service innovation, and more specifically public service managers' working lifeworld experiences in managing and constructing service innovations in municipal day and health care and local cultural service together with citizens and other actors. Such mid-level managers and front-line managers, who have a close working relationship with their customers and thus are able to interpret front-line customer experience, are interesting to service innovation researchers (Bitrain and Pedrosa, 1998). Innovative ideas are the foundation for innovation (Kristensson, Magnusson and Matthing, 2002). Von Hippel (2005) proclaims that innovative ideas tend to come from customers or people who interface with customers. All managers interviewed had front-line access to citizens' service experiences in an innovation context. The findings revealed that lived critical events with customers (citizens) and other actors

triggered the will to innovate the service. With the help of their own imaginary service experiences, service managers were able to offer new insights into service innovations.

The study contributes to service marketing and management and service innovation by discussing managerial service experience based on the phenomenological approach. The paper presents implications for service innovations. Firstly, the paper reveals that service managers do not only manage by implementing rational models, but they make sense of their world by interpreting their own and others' lived and imaginary service experiences. Secondly, the paper argues that, whether lived or imaginary, service experiences affect service managers' decisions. Thus, managerial service experience can be seen as an asset in service innovation and development.

The Phenomenological Service Experience

Holbrook and Hirschman (1982, p. 132) characterised experience as a “primarily subjective state of consciousness with a variety of symbolic meanings, hedonic responses and aesthetic criteria”. Consumer research has been interested in consumers' experiences based on the phenomenological approach. In Europe researchers e.g. Carù and Cova, use the label Interpretive Consumer Research, while in the USA consumer research focusing on experiences is called Consumer Culture Theory (CCT). So far, S-D logic has conceptually proposed but not defined the phenomenological approach of managerial service experience in its foundational premises by identifying all actors within a service phenomenon as experiencing actors (Vargo and Lusch, 2008). A recent literature review (Helkkula, forthcoming) shows that the context of service experience includes different kinds of events and service settings, even if the phenomenological service experience has earlier been criticised for focusing on hedonic service (Carù and Cova, 2003).

Experiences can be analysed in relation to different types of phenomena (Woodruff Smith, 2007). In this paper, experiences are analysed in relation to the phenomena of service and innovation. In phenomenology, service managers' subjective experiences are justified as data (Goulding, 2005). Woodruff Smith (2007) defines phenomenology as the study of phenomena as they appear in an individual's experience, and lists different types of experience: e.g. perception, imagination, thought, emotion, desire, volition, and action. As people live as part of various groups rather than in isolation, service experience is not only individually intrasubjective, but also socially intersubjective (Schutz, 1967; Schembri, 2006, Helkkula, 2010).

Both researchers (Lusch and Vargo, 2006; Edvardsson, Enquist and Johnston, 2005; Pine and Gilmore, 1999) and practitioners (e.g. in the field of experience design) agree that customer service experience is important in service marketing and management. To date, research has not focused on service managers' experiences of the service they manage and develop. Managers are mostly seen in a rational manager role managing customer experiences (e.g. Meyer and Schwager, 2007; Zomerdiijk and Voss, 2010). Holbrook and Hirschman (1982) have been pioneers in presenting experiences based on the phenomenological approach. Carù and Cova (2003; 2005) and Arnould and Price (1993) have empirically studied hedonic (e.g. extraordinary) service experiences. According to Pine and Gilmore (1999), experience economy marks the economic era. This paper focuses on everyday service experience in the public service sector.

Studies that focus on public service experience tend to present customers' service experiences; e.g. Roberts and Evans (2006) illustrate user experience of network workstations in public libraries and Flanagan, Johnston and Talbot (2005) present experiences with the police. De Vries and Klazinga (2006) have interviewed both health professionals and patients about their views and experiences in Bosnia Herzegovina and Kosovo. None of these papers emphasise the phenomenological approach.

Multi-case Study of Service Managers' Service Innovation Experiences

The paper presents a multi-case study on managerial service experiences in an innovation context. The service managers were responsible for local municipal day care, health centre service and cultural service. Municipal service is funded by the taxpayer and financed by the municipal budget. The service development projects took place from 2003 to 2005 in conjunction with a strategic service development programme of the city.

This study consists of four cases and four steps: 1. Gaining preunderstanding in an empirical working environment, 2. interviewing service managers using EBNIT, 3. interpretation and 4. abstraction and evaluation in light of the theory. The process has been a hermeneutic spiral where a new level of preunderstanding is reached at every step of the research (Gummesson, 2000). Shankar et al. (2001, p. 443) notes that preunderstanding relates to the researcher's interpretation that is linked with personal and socio-culturally situated experiences, or 'being in the world'. For me, as a researcher, the two-year preunderstanding period was essential in becoming familiar with the nature of public service in the municipal sector.

Table 1 - Data sources, content and purpose

Data sources	Purpose
Preunderstanding (cf. Gummesson, 2000): During 2 years: 150 h of workshops and meetings with 23 service managers in the public service, municipal sector. Reading reports and service development plans, 120 h	To gain an understanding of service innovation and development as a holistic phenomenon.
Interviews of service managers, types of service: Local kindergarten, local health centre, cultural service.	To analyse managerial service experience using the phenomenological approach.

The service managers interviewed were women aged 35-55 in all four cases. They were customer (citizen)-interfacing managers and well aware of their daily routines and actions. Service development and service innovation often take place at the micro-level of the organisation. The initiative and ideas come from those who are near customers and their experiences and command or understand the customers' needs as well as the process of the service. (von Hippel, 2005.)

In this study, EBNIT was used to collect and analyse critical events within service managers' working lifeworld experiences as expressed in individual narratives (Helkkula and Pihlström, forthcoming). The events were both lived and imaginary expressing e.g. an ideal solution to a service. In EBNIT and in narrative inquiry technique in general, stories are not treated as documentaries on what has really happened, but they convey storytellers' experience and

understanding of sense-making and learning (Czarniawska, 2004; Webster and Mertova, 2007, Riessman, 2008).

Findings

The findings present the lived and imaginary experiences as recounted by service managers in their working lifeworld. Three themes emerged based on the managerial service experience as expressed by the respondents. First, service managers experienced the service they managed and developed based on direct word-of-mouth recommendations or criticism with their team members and other actors within the service phenomenon and reconstructed their current service experience based on previous experiences. Access to service experience took place either via personal involvement, such as face-to-face confrontation, or via other individuals' experiences. The public service managers had plenty of face-to-face, phone and e-mail contacts with citizens and other actors e.g. team members, colleagues, upper management, external professionals and authorities. Furthermore, written sources, such as reports and reviews, also affected service managers' experiences. Within a group, a specific kind of interpretation tended to become dominant and laid the foundation for social service experiences.

Second, the service managers expressed in their stories that managerial service experience can be practically lived or imaginary. The service managers indicated that lived critical events triggered imaginary future service experiences that lay a foundation for innovative ideas. Imaginary experiences were created e.g. based on ideal solutions in critical events.

Third, service managers do not only manage by implementing rational models, but they make sense of their working lifeworld by interpreting their own and others' lived and imaginary experiences within social groups. The findings revealed that lived critical events with citizens and other actors triggered the need to innovate the service. With the help of their own imaginary service experiences, service managers were able to offer new insights for service innovations and improvements. This study reveals four examples of managerial service experience with public service innovations: (1) Creating a new kindergarten group for children with special needs (ADHD) (2) Creating an electronic results service in the local health centre for laboratory tests (3) Integrating kindergarten and social services. The service is targeted for families in need of extra assistance to manage their daily life (4) Creating a funding strategy for municipal cultural service. Citizens make funding decisions together with the staff members of the city.

Discussion and Implications for Service Innovation in Public Service

Innovation research to date has not focused on the phenomenological approach (cf. Droege, 2009). S-D logic has conceptually proposed managerial service experience based on the phenomenological approach, but has neither defined it nor presented empirical studies on it. This study promotes the phenomenological and experiential approach by exploring managerial service experience in line with the traditional phenomenological approach of Husserl (1960) and Heidegger (1962). The phenomenological approach has the subjective experience-in-context as the focus of research, as opposed to the approach by Descartes, where people's experiences cannot be trustworthy sources of data (Husserl, 1960). In phenomenology, ontology justifies epistemology and subjective experiences are justified as data (Tuomi and Sarajärvi, 2002; Goulding, 2005).

The paper suggests that even though research has so far been silent on managerial service experience, it plays an important role in eliciting change and acts as a foundation for new, innovative ideas. Lived or imaginary service experiences affected service managers' decisions and can be seen as an asset in service innovation and development. Accordingly, this paper argues that service managers do not only manage by implementing rational models, but they make sense of their world by interpreting their own and others' experiences. Traditionally, service marketing and management has conceived innovation as a rational decision-making process.

Based on the findings, this paper understands managerial service experience to be based on any direct or indirect contact that affects the specific service experience. The direct contact is e.g. a face-to-face contact with a customer or citizen. The indirect contact "most often involves unplanned encounters with representatives of a company's products, services, or brands and takes the form of word-of-mouth recommendations or criticism, advertising, news reports, reviews, and so forth (Meyer and Schwager, 2007, pp. 118-119). Vargo and Lusch (2008) claim that service experience includes previous interaction that could be called inherited.

An interesting feature is that managerial service experience can be lived or imaginary. Managerial service experiences are not only based on lived experiences, they may also be based on imaginary events. This is in line with Pine and Gilmore (1999) and Valberg (1992), who indicate that experience is always true to itself and does not necessarily need to have a material replica. As such, managerial service experiences are not external truth statements in the Cartesian tradition that relies on linear and statistical measures. Managerial service experiences might be based on a manager's own innovative ideas or memories, stories told by other people, external information, or some other source of data. Imaginary service experiences are those service experiences that the service managers recognised as imaginary, without a material replica.

Having examined the complex interdependencies between the managerial service experience and how it is intertwined with the conscious decision-making in the innovation process, this paper contends that managerial service experience can be seen as a valuable resource in an innovation phenomenon. Moreover, for researchers as well as for practitioners, the studying of the phenomenon of service experience in different empirical settings from different actor perspectives has great potential in revealing the richness of possible innovation in service phenomena. For researchers and practitioners, imaginary managerial service experience offers access to tacit knowledge that otherwise might be silent within an organisation.

Limitations and Further Research

While the study illustrates managerial service experience in the innovation context based on the phenomenological approach, it acknowledges the limitations of the approach outlined. The narrative study examines individual service managers' subjective experiences in a specific working lifeworld context in public service. The study is not aiming at objective truth, but interpreting lifeworld phenomena. Therefore, additional research on managerial service experience is recommended in order to present more voices and approaches to support researchers and practitioners making sense of service managers' subjective experiences and their interconnectedness with service innovations. Narratives of service representatives' experiences

provide invaluable data for organisations as they seek to improve their understanding of customers' or citizens' service experiences and can be seen as complementing other research methods.

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