A SERVICE MEDIATOR MODEL BASED ON SERVICE DOMINANT LOGIC FOR MANAGEMENT OF BUSINESS PROCESS

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1. Introduction
2. Literature Review
3. A Proposal of the service mediator model
4. Case studies of IT service management
5. Case studies of Human resource management
6. Conclusion
1. INTRODUCTION

1.1 Backgrounds
1.2 Research originality & Novelty
1.3 Objectives and Research Questions
1.4 Research methodology
1.1 Backgrounds

Service trend

- Service economy: a recent economy trend.
- Service mindset in business:
  - Firms shift from goods manufacturing to services providing.
  - Value in use instead of value add.
1.1 Backgrounds (cont.)

Issues of business process

• Issues in IT service business:
  • Necessary of a convenient and trustworthy environment.
  • Lack of service knowledge and service attitude to serve customers.
  • High quality infrastructure is necessary.
1.1 Backgrounds (cont.)

Issues of business process (cont.)

• Issues in HRM:
  • Ineffective matching seeds and needs.
  • Low technology application.
  • Employers and employees conflicts.
  • No field for value co-creation.
1.2 Research originality & novelty

Research originality & novelty

• Service applications is necessary for management of business process.
• Co-creation is the most important factor in the service exchange.
• A service mediator model based on service mindset is proposed to:
  - Replace the conventional mediator model based on goods logic.
  - Engage the relationship of providers and receivers.
  - Enhance the value co-creation between providers and receivers.
  - Satisfy all the attendants in the service exchange.
1.3 Objectives and research questions

Objectives

• Develop a service based mediator model.
• Determine the roles of the service mediator model.
• Define the service mediator’s functions.
• Propose suggestions and implications for firms to improve the performance of organization.
1.3 Objectives and research questions (cont.)

**Research questions**

**MRQ:** How have a service mediator model supported for management of business process?

**SRQ1:** How have the service mediator enhanced collaborations between providers and receivers and get satisfactions in the business process?

**SRQ2:** What are roles of the service mediator to support both providers and receivers in the business process?

**SRQ3:** What are the useful functions that promote value co-creation between providers and receivers in the business process?
1.4 Research methodology

Research methodology

1. Proposal of hypotheses and service mediator model
2. Case study & Data analyses
2. LITERATURE REVIEW

2.1 Service science
2.2 GDL vs. SDL
2.3 Service Field
2.4 Business model
2.5 HRM literature review
2.1 Service science

Service Science, Management, and Engineering (SSME)

SSME is first introduced by IBM to describe service science, an interdisciplinary approach to the study, design, and implementation of services systems.

Service Science is now focused by both academics and business organizations.
2.1 Service science (cont.)

Service definition

Adapted from Kosaka, 2012
2.2 GDL vs SDL

Different characteristics of GDL and SDL

<table>
<thead>
<tr>
<th>Goods-Dominant</th>
<th>Service-Dominant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods</td>
<td>Service(s)</td>
</tr>
<tr>
<td>Tangible</td>
<td>Intangible</td>
</tr>
<tr>
<td>Operand Resources</td>
<td>Operant Resources</td>
</tr>
<tr>
<td>Asymmetric</td>
<td>Symmetric</td>
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<tr>
<td>Propaganda</td>
<td>Conversation</td>
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<tr>
<td>Value Added</td>
<td>Value Proposition</td>
</tr>
<tr>
<td>Transactional</td>
<td>Relational</td>
</tr>
<tr>
<td>Profit Maximization</td>
<td>Financial Feedback</td>
</tr>
<tr>
<td>Less Global Sustainability</td>
<td>More</td>
</tr>
<tr>
<td>More Customer Alienation</td>
<td>Less</td>
</tr>
<tr>
<td>Respect for Marketing in the society</td>
<td>More Financial Feedback</td>
</tr>
</tbody>
</table>
2.2 GDL vs SDL (cont.)

Different value in GDL and SDL

Value in exchange (GDL)

• Manufacturers create and deliver value to customers.

• Value is created at the moments of exchange.

• Providers decide the value creation.

Value in use (SDL)

• Service is exchanged for service.

• Customers actively join in the value creation process.

• Customers accept and make the value useful for their requirements.
2.2 GDL vs SDL (cont.)

Value co-creation in SDL

• Value co-creation is about collaboration between firms and customers.
• Both firms and customers are beneficiaries.
• Co-creation is joint creation of value by company and customers
• Joint problem definition and solving
• Customers can have active dialogue and interaction with company.
2.3 Service Field

Definition of Service Field

Service field is:
• A place or situation
• Containing contexts related to service (backgrounds, situation, supply, demand, etc.)
2.4 Business model

Definition of business model

A business model: describes the rationale of how an organization creates, delivers, and captures value (economic, social, or other forms of value) - A. Osterwalder, Yves Pigneur, Alan Smith et al., 2010 –

In this research, business models are separated in two categories.

• Two attendants: providers and receivers
• Three attendants: providers, receivers and a mediator.
2.5 HRM literature review

Previous HRM literature

• HRM practices are considered as communications from employers to employees (Bowen and Ostroff, 2004)

• Perceived organizational support (POS) mediated employees’ relationships in terms of organizational commitment and job satisfaction (Allen, Shore & Griffeth, 2003 and Chiang, Han, & Chuang (2011)

=> how employees provide feedback and express their needs?
3. A PROPOSAL OF THE SERVICE MEDIATOR MODEL

3.1 Classification of the business models
3.2 Foundations from SDL
3.3 Foundations from Service field
3.4 Hypotheses of the service mediator model
3.5 Proposal of the service mediator model
### 3.1 Classification of business model

#### Classification into 4 models

<table>
<thead>
<tr>
<th>G – D Logic</th>
<th>S – D Logic</th>
<th>2 players model</th>
<th>3 players model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Providers</td>
<td>Providers / Receivers</td>
<td>Product delivery → Receivers</td>
<td>Collect → Transfer</td>
</tr>
<tr>
<td>Providers</td>
<td>Providers / Receivers</td>
<td>Value creation</td>
<td>Negligible Solve conflict</td>
</tr>
<tr>
<td>Experienced Knowledgeable Creative Create value</td>
<td>Sensing &amp; Experiencing Creating Integrating resource Learning &amp; Sharing</td>
<td>Information / product</td>
<td>Information / product</td>
</tr>
<tr>
<td>Suppliers</td>
<td>Suppliers</td>
<td>Service Mediator</td>
<td>Providers</td>
</tr>
<tr>
<td>Passive Gourme</td>
<td>Interaction for Value co-creation</td>
<td>Manage Support</td>
<td></td>
</tr>
<tr>
<td>Receivers</td>
<td>Receivers</td>
<td>Providers</td>
<td>Receivers</td>
</tr>
</tbody>
</table>

Proposal of a service mediator model
### 3.1 Classification of business model (cont.)

**Business model of 2 players model based on GDL**

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<td>Information / product</td>
</tr>
<tr>
<td>Experience</td>
<td>Sensing &amp; Experiencing Creating, Integrating resource, Learning &amp; Sharing</td>
<td>Value creation</td>
<td>Arrange Transfer</td>
</tr>
<tr>
<td>Creative</td>
<td>Sensing &amp; Experiencing Creating, Integrating resource, Learning &amp; Sharing</td>
<td>Inexperienced Unknowledgeable Patience Consumer</td>
<td>Negotiable Solve conflict</td>
</tr>
<tr>
<td>Value Added</td>
<td>Providers</td>
<td>Mediator</td>
<td>Receivers</td>
</tr>
<tr>
<td>Receivers</td>
<td>Providers / Receivers</td>
<td>Interaction for Value co-creation</td>
<td></td>
</tr>
<tr>
<td>Negotiable</td>
<td>Service Mediator</td>
<td>Support</td>
<td></td>
</tr>
<tr>
<td>Solution</td>
<td>Providers</td>
<td>Providers</td>
<td>Receivers</td>
</tr>
</tbody>
</table>

**Proposal of a service mediator model**
3.1 Classification of business model (cont.)

**Business model of 2 players model based on GDL**

- Simple and basic
- Manufacturers decide the goods’ value and deliver them to users.
- Customers passively receive the added value, not the value they actually want.

*Organization-centric orientation cannot satisfy customers*
3.1 Classification of business model (cont.)

Business model of 2 players model based on SDL

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<td>Transfer</td>
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<td>Experienced</td>
<td>Knowledgeable</td>
<td>Information</td>
</tr>
<tr>
<td>Creative</td>
<td>Creative</td>
<td>product</td>
</tr>
<tr>
<td>Consumer</td>
<td>Inexperienced</td>
<td></td>
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<tr>
<td>Unknowledgeable</td>
<td>Passive</td>
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<td>Interaction for Value co-creation</td>
<td>Sensing &amp; Experiencing</td>
</tr>
<tr>
<td>Creating</td>
<td>Creating</td>
<td>Integrating resource</td>
</tr>
<tr>
<td>Integrating</td>
<td>Learning &amp; Sharing</td>
<td>Learning &amp; Sharing</td>
</tr>
</tbody>
</table>

| Proposal of a service mediator model |

<table>
<thead>
<tr>
<th>Service Mediator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manage</td>
</tr>
</tbody>
</table>

| Providers |

| Interaction for Value co-creation |

| Receivers |

| Collect Arrangement |

| Transfer |

| Information |

| product |

| Information |

| product |

| Receivers |
3.1 Classification of business model (cont.)

Business model of 2 players model based on SDL

- Suppliers and users are providers/recipient.
- They together co-create for the value.
- Service value is joint creation and accepted by customers.

Satisfaction is leveraged but still lack of mechanism to support value co-creation.
### 3.1 Classification of business model (cont.)

**Business model of 3 players model based on GDL**

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<td><strong>Product delivery</strong> Value creation</td>
<td><strong>Collect Arrange Transfer</strong> Information product</td>
</tr>
<tr>
<td>Receivers</td>
<td><strong>Inexperienced</strong> Unknownable Passive Consume</td>
<td><strong>Negotiable Solve conflict</strong> Information product</td>
</tr>
<tr>
<td>Providers / Receivers</td>
<td>Interaction for Value co-creation</td>
<td><strong>Service Mediator</strong> Manage Support</td>
</tr>
<tr>
<td><strong>S – D Logic</strong> Providers / Receivers</td>
<td><strong>Sensing &amp; Experiencing Creating Integrating resource Learning &amp; Sharing</strong></td>
<td><strong>Interaction for Value co-creation</strong></td>
</tr>
</tbody>
</table>

Proposal of a service mediator model
3.1 Classification of business model (cont.)

Business model of 3 players model based on GDL

- Mediator helps transfer or resale the products/information.
- Conventional mediator does not engage in value creation process nor assist it.
- No value co-creation

It cannot completely satisfy both sides and response to all of their expectations.
3.1 Classification of business model (cont.)

Business model of 3 players model based on GDL

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<td>Receivers</td>
<td>Mediator</td>
</tr>
<tr>
<td>Experienced</td>
<td>Inexperienced</td>
<td>Collect, Arrange, Transfer, Negotiable, Solve conflict</td>
</tr>
<tr>
<td>Knowledgeable</td>
<td>Unknowledgeable</td>
<td>Information, product</td>
</tr>
<tr>
<td>Creative</td>
<td>Passive</td>
<td>Solve conflict</td>
</tr>
<tr>
<td>Creates value</td>
<td>Consume</td>
<td></td>
</tr>
</tbody>
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<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Proposal of a service mediator model
3.1 Classification of business model (cont.)

**Business model of 3 players model based on SDL**

- Manage the relationship.
- Enhance the value co-creation.
- Organize and manage a mechanism to match seeds and needs.
- Organize and manage a mechanism for promoting value co-creation.

Proposal of a service mediator model
3.2 Foundations from SDL

Why SDL is important to the service mediator model?

• All business activities are service activities => every attendants in the business are providers/receivers.
• The concepts of the “value-in-use” and “co-creation of value” are embraced.

How have SDL supported the service mediator model?

• Clarify the roles of the service mediator.
• Determine service mediator must do to bring satisfaction to all attendants.
3.3 Foundations from service field

Why service field is important to the service mediator model?

• Service field is the place for enhancing value co-creation.
• All contexts of services are gathered in the service field => easy to identify the seeds and needs of suppliers and users.

How have service field supports the service mediator model?

• Collect information and data from providers and receivers.
• Analyze data collection.
• Match seeds and needs of providers and users.
3.4 Hypotheses of the service mediator model

**Hypothesis 1:** “The service mediator is the intermediary to bridge providers and receivers cope with each other and balance the relationship for both benefit and satisfaction”.

**Hypothesis 2:** “The service mediator must identify and organize the service field for value co-creation”.
3.4 Hypotheses of the service mediator model (cont.)

**Hypothesis 3:** “Promotions of value co-creation are needed effective IT infrastructures and accurately data mining tools for encouraging data collection and analysis”.

**Hypothesis 4:** “Communications and service management skills are needed for the service mediator”
3.5 Proposal of the service mediator model

- An intermediary to bridge providers and receivers (Hypothesis 1)
- Service mediator identify & organize the service field (Hypothesis 2)
- IT infrastructure (Hypothesis 3)
- Communications and management skills (Hypothesis 4)
3.5 Proposal of the service mediator model (cont.)

<table>
<thead>
<tr>
<th>Roles of the service mediator model</th>
<th>Functions of the service mediators</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Identify and manage the service field as a mechanism to collect, share and analyze seeds and needs of providers and receivers.</td>
<td>• A convenient, user-oriented, trustworthy, and effective service field.</td>
</tr>
<tr>
<td>• Match providers and receivers’ seeds and needs.</td>
<td>• Strong and reliable IT infrastructures.</td>
</tr>
<tr>
<td>• Promote value co-creation between providers and receivers.</td>
<td>• Well-equipped databases.</td>
</tr>
<tr>
<td></td>
<td>• Good data processing and mining tools</td>
</tr>
<tr>
<td></td>
<td>• Well trained people with good communications and management skills.</td>
</tr>
</tbody>
</table>
4. CASE STUDIES OF IT SERVICE

4.1 Introduction
4.2 Hitachi TWX-21
4.3 Cookpad
4.4 Considerations
4.1 Introduction

• IT business is a fast growing business in service sector.
• IT business shifted from manufacturing device to offering service package for customers.
• IT service organization connects supplies and demands of supplies firms and users.

=> IT service business is chosen to be investigated and verify the effectiveness of service mediator model.
Outline of Hitachi TWX-21

• Hitachi is one of leading company in Japan.
• Hitachi extend its service to IT service to serve over 55,000 clients.
• TWX-21 means “trade winds on extranet-21” is a cloud computing service.

The case study methodology

• Interview with Mr Kamada – Director of Hitachi TWX-21.
• Survey organization’s documents (on website).
Issues of Hitachi TWX-21

- Huge number of clients.
- Find best way to match seeds and needs of business partners and users.
### 4.2 Hitachi TWX – 21 (cont.)

#### Roles and functions comparison in Hitachi TWX-21 case

<table>
<thead>
<tr>
<th>Proposed service mediator model</th>
<th>Hitachi TWX-21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Roles</strong></td>
<td></td>
</tr>
</tbody>
</table>
| • Identify and manage the service field as a mechanism to collect, share and analyze seeds and needs of providers and receivers.  
• Match providers and receivers’ seeds & needs.  
• Promote value co-creation between providers and receivers. | • Identify and manage a cloud platform as a service field to collect, share and analyze seeds & needs of business partners & users.  
• Match providers and users’ seeds & needs.  
• Support and promote value co-creation between business partners and users. |
| **Functions**                   |                |
| • A convenient, user-oriented, trustworthy, and effective service field.  
• Strong and reliable IT infrastructures.  
• Well-equipped databases.  
• Good data processing and mining tools.  
• Well-trained people with good communications and management skills. | • Well-known brand.  
• Strong ICT, IT infrastructure.  
• Huge data center  
• Powerful with eMP, SaaS, and ASP  
• Frontline employees. |
## 4.2 Hitachi TWX – 21 (cont.)

### Hypotheses verification

<table>
<thead>
<tr>
<th>Proposed service mediator model</th>
<th>Hypothesis 1</th>
<th>Hypothesis 2</th>
<th>Hypothesis 3</th>
<th>Hypothesis 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>• The service mediator is the intermediary to bridge providers and receivers cope with each other and balance the relationship for both benefit and satisfaction.</td>
<td>• The service mediator must identify and organize the service field for value co-creation.</td>
<td>• Promotions of value co-creation are needed effective IT infrastructures and accurately data mining tools for encouraging data collection and analysis.</td>
<td>• Communications and service management skills are needed for the service mediator.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Hitachi TWX-21</th>
<th>Hypothesis 1</th>
<th>Hypothesis 2</th>
<th>Hypothesis 3</th>
<th>Hypothesis 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>• The Hitachi TWX-21 is the mediator to encourage business partners and users to cope with each other to help them solve the obstacles between.</td>
<td>• TWX-21 established a cloud platform as a service field for service partner and users co-create the service value.</td>
<td>• TWX-21 provides a strong &amp; reliable IT infrastructure supports data collection and mining. • Applications of IT tools such as EDI, SaaS, and databases.</td>
<td>• Hitachi TWX-21 has helpful helpdesk and customer support for assisting customers.</td>
<td></td>
</tr>
</tbody>
</table>
4.2 Hitachi TWX – 21 (cont.)

**Hitachi TWX-21 as a service mediator**

**Cloud network**
- Contains all the context of service
- A mechanism to encourage collaboration
- Enhance value co-creation

**Users** (a1, a2...an)
- Exchange seeds and needs for value co-creation
- Collaboration for value co-creation

**Business partners** (b1, b2...bn)
- Exchange seeds and needs for value co-creation
- Collaboration for value co-creation

**Hitachi TWX-21**
- Manage
- Support

**An intermediary to bridge user and business partners ((H1))**

**Cloud network as a service filed(H2)**

**IT infrastructure (H3)**
- Data exchange
- ASP Service
- eMF Service
- System application
- Data center
- Service application
- User management
- Helpdesk

**Professional customer service (H4)**
4.3 Cookpad

Outline of Cookpad

• Cookpad is the No.1 recipe website in Japan
• It has 1,4 millions premium members and over 44 millions free users.
• It has nearly 2 millions recipes in its website.

The case study methodology

• Interview with Mr Miwa – who has deep research of Cookpad
• Survey Cookpad website
4.3 Cookpad (cont.)

**Cookpad framework**

**Issues of Cookpad**

- Huge databases to be processed.
- Users are amateur people in using internet.
- Infrastructure is significant issue.
## 4.3 Cookpad (cont.)

### Roles and functions comparison in Cookpad case

<table>
<thead>
<tr>
<th>Proposed service mediator model</th>
<th>Cookpad</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Roles</strong></td>
<td></td>
</tr>
<tr>
<td>• Identify and manage the service field as a mechanism to collect, share and analyze seeds and needs of providers and receivers.</td>
<td>• Identify and manage a website as a service field to collect, share and analyze seeds and needs of website’s users and providers.</td>
</tr>
<tr>
<td>• Match providers and receivers’ seeds &amp; needs.</td>
<td>• Match website’s users and products/service providers’ seeds and needs.</td>
</tr>
<tr>
<td>• Promote value co-creation between providers and receivers.</td>
<td>• Promote value co-creation between website’s users and products/service providers.</td>
</tr>
<tr>
<td><strong>Functions</strong></td>
<td></td>
</tr>
<tr>
<td>• A convenient, user-oriented, trustworthy, and effective service field.</td>
<td>• No. 1 recipe website in Japan.</td>
</tr>
<tr>
<td>• Strong and reliable IT infrastructures.</td>
<td>• Fast and convenient website.</td>
</tr>
<tr>
<td>• Well-equipped databases.</td>
<td>• Huge database of users’ information.</td>
</tr>
<tr>
<td>• Good data processing and mining tools.</td>
<td>• Effective marketing tools.</td>
</tr>
<tr>
<td>• Well-trained people with good communications and management skills.</td>
<td>• Online feedback - Bilingual feedback system.</td>
</tr>
</tbody>
</table>
## 4.3 Cookpad (cont.)

### Hypotheses verification

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<td>• Promotions of value co-creation are needed effective IT infrastructures and accurately data mining tools for encouraging data collection and analysis.</td>
<td>• Communications and service management skills are needed for the service mediator.</td>
</tr>
<tr>
<td>Cookpad</td>
<td>• Cookpad is the mediator to encourage manufacturers and users to cope with each other to help them interact and collaborate for value co-creation.</td>
<td>• Cookpad offers a website as a service field for manufacturers and users finding the others’ seeds and needs for understanding each other.</td>
<td>• Cookpad provides a friendly and reliable IT infrastructure. <strong>• Effective applications of IT tools such as denki meikan, advertising tools.</strong></td>
<td>• Cookpad provides online supports with mail and form inquires. <strong>• Instant message Q&amp;A</strong></td>
</tr>
</tbody>
</table>
4.3 Cookpad (cont.)

Cookpad as a service mediator

- **Website**
  - Contains all the context of service
  - A mechanism to encourage collaboration
  - Enhance value co-creation

- **Users** (a1, a2,...an)
- **Exchange services**
- **Collaboration for value co-creation**

- **Exchange seeds and needs for value co-creation**

- **Cookpad**
  - Manage
  - Support

- **An intermediary to bridge user and manufacturers/distributions ((H1))**

- **Cookpad website as a service filed (H2)**

- **IT infrastructure (H3)**

- **Denki meikan**
- **Ads tools**
- **Convenient website**

- **Manufacturers**
- **Distributions** (b1, b2...bn)

- **Exchange seeds and needs for value co-creation**

- **Online support 24/7**
- **Customer service (H4)**
4.4 Considerations

Real procedures in case studies for value co-creation

<table>
<thead>
<tr>
<th>TWX-21</th>
<th>Cookpad</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Collect and receive information of users and business partners via cloud platform.</td>
<td>• Collect and receive request, information of users and manufacturers via website.</td>
</tr>
<tr>
<td>• Using Hitachi TWX-21 resources such as Database, SaaS, ASP, eMP, etc. to analyze and classify data collection.</td>
<td>• Using Cookpad resources such as database, retrieval tools, etc. to analyze and classify data collection.</td>
</tr>
<tr>
<td>• Find suitable seeds and needs and match them adequately.</td>
<td>• Find suitable supply and demand and match them adequately.</td>
</tr>
<tr>
<td>• Continue to promote the value co-creation by supporting users and providers collaborate smoothly and effectively.</td>
<td>• Continue to promote value co-creation by further supporting to users and providers’ collaborations.</td>
</tr>
</tbody>
</table>
4.4 Considerations (cont.)

General procedures of service mediator for value co-creation

Step 1: Collect the information from both providers and receivers.
Step 2: Analyze the data collection.
Step 3: Match providers and receivers’ seeds and needs.
Step 4: Promote value co-creation between providers and receivers.
4.4 Considerations (cont.)

Hitachi TWX-21 and Cookpad are effective service mediator models.

Service mediator model can be applied in IT business for value co-creation between providers and users.
5. CASE STUDIES OF HRM

5.1 Introduction

5.2 Municipal hospital in Ishikawa

5.3 Suntory PepsiCo Vietnam Beverage (SPVB)

5.4 Considerations
5.1 Introduction

Service exchange between employers and employees

- Employees are stakeholders of organization.
- Employers and employees exchange resources for each other’s benefits.
5.1 Introduction (cont.)

HRM as a potential service mediator

=> HRM is potential application for service mediator model
## 5.1 Introduction (cont.)

**Objectives and propositions of cases study in HRM**

| **Municipal Hospital In Ishikawa** | **Objectives and Proposition** | **Service providers/ service receivers**  
(Doctors):  
- Objectives: Nurses with high quality skills, responsible manners of nurses.  
- Propositions: Trainings, treatments.  
|nak | **Service providers/ service receivers**  
(Nurses):  
- Objectives: Good working environment, good treatments.  
- Propositions: Assist doctors with specific skills. |
| **Suntory PepsiCo Vietnam Beverage** |  
- Objectives: Employees with high quality skills, more contributions to organizations.  
- Propositions: Compensations, Trainings, career developments.  
| **Service providers/ service receivers**  
(Employers):  
- Objectives: Good working environment, good treatments.  
- Propositions: Abilities and skills, commitments to organization. |
5.2 Municipal hospital in Ishikawa

Outline of the hospital’s organization

• One of the biggest hospital in Ishikawa prefecture.

• Vision is to do best for patients’ health.
5.2 Municipal hospital in Ishikawa (cont.)

The case study methodology:

- Preliminary survey and reports of MOT class in Ishikawa and Tokyo
  => Define the need of the service mediator model and choose potential case study.

- Group discussions and reports of MOT class in Ishikawa.
  => General information of hospital’s model.

- Semi-structured interview with hospital HR managers.
  => Detail information of hospital’s model.
5.2 Municipal hospital in Ishikawa (cont.)

Structure of hospital mediator model

Issues of the hospital

• Many layers in organization.
• Conflicts between doctors and nurses/technicians.
• High pressure environment.
• High turn over rate
5.2 Municipal hospital in Ishikawa (cont.)

Issue between doctors and nurses

- Doctors
  - Doctor’s wants
    - Improve nursing skills
    - Reduce resignations
    - Nurses carefully listen to the orders.
    - Cooped manners of nurses.

- Mediated people (AMD Staff)
  - Reducing gap and matching
    - Understanding both requirements
    - Matching their requirements
    - Information sharing
    - Supporting collaboration

- Nurses
  - Nurse’s wants
    - Improve work conditions
    - Reduce overtimes
    - Nicely communications
    - Clear orders

No direct communication

Gaps between doctors and nurses
5.2 Municipal hospital in Ishikawa (cont.)

Issue between doctors and technicians

Gaps between doctors and technicians
5.2 Municipal hospital in Ishikawa (cont.)

Effects on using mediator model in hospital

• Employers and employees are well understand about each other.
• Employees has chances to raise their needs.
• Turn over is low down.
• The time for making budget decision is shortened.
• Performance of the hospital is leveraged.
• Employees’ motivation is boosted.

⇒ AMD has a plan to train more mediated people to develop this model.
### 5.2 Municipal hospital in Ishikawa (cont.)

#### Roles and functions comparison in hospital case

<table>
<thead>
<tr>
<th>Proposed service mediator model</th>
<th>Hospital</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Roles</strong></td>
<td></td>
</tr>
<tr>
<td>• Identify and manage the service field as a mechanism to collect, share and analyze seeds and needs of providers and receivers.</td>
<td>• Assign a mediated man to collect, share and analyze seeds and needs of doctors and nurses/technicians.</td>
</tr>
<tr>
<td>• Match providers and receivers’ seeds &amp; needs.</td>
<td>• The mediated man analyzed the information and match doctors and nurses/technicians’ seeds and needs.</td>
</tr>
<tr>
<td>• Promote value co-creation between providers and receivers.</td>
<td>• Mediated man prepare meeting, informal talk, team building to promote value co-creation.</td>
</tr>
<tr>
<td><strong>Functions</strong></td>
<td></td>
</tr>
<tr>
<td>• A convenient, user-oriented, trustworthy, and effective service field.</td>
<td>• Mediated man is trusted by doctors, nurses and technician.</td>
</tr>
<tr>
<td>• Strong and reliable IT infrastructures.</td>
<td>• Mediated men prepare databases after collect information.</td>
</tr>
<tr>
<td>• Well-equipped databases.</td>
<td>• Mediated man has friendly characteristics and good communications skills based on his experience.</td>
</tr>
<tr>
<td>• Good data processing and mining tools.</td>
<td></td>
</tr>
</tbody>
</table>
## 5.2 Municipal hospital in Ishikawa (cont.)

### Hypotheses verification

<table>
<thead>
<tr>
<th>Proposed service mediator model</th>
<th>Hypothesis 1</th>
<th>Hypothesis 2</th>
<th>Hypothesis 3</th>
<th>Hypothesis 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>• The service mediator is the intermediary to bridge providers and receivers cope with each other and balance the relationship for both benefit and satisfaction.</td>
<td>• The service mediator must identify and organize the service field for value co-creation.</td>
<td>• Promotions of value co-creation are needed effective IT infrastructures and accurately data mining tools for encouraging data collection and analysis.</td>
<td>• Communications and service management skills are needed for the service mediator.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Hospital</th>
<th>• AMD proposes mediator model to solve the issues in HRM of the hospital</th>
<th>• Mediated man plans and coordinates meeting for employers and employees. Mediated man always listens to and is willing to receive information from people.</th>
<th>• Not mentioned</th>
<th>• Mediated man was a nurse =&gt; good communications with doctors/nurses/technician. • He has been trained with communications and management skills.</th>
</tr>
</thead>
<tbody>
<tr>
<td>• AMD organizes a mediated man to help encourage collaboration and assist value co-creation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5.2 Municipal hospital in Ishikawa (cont.)

HRM as a service mediator in municipal hospital

An intermediary to bridge employers and employees ((H1)

Mediated man creates service field to collect information and support value co-creation (H2)

Mediated man was a nurse who has good communications with both doctors/nurses/technicians and is trained for management skills. (H4)

- An intermediary to bridge employers and employees (H1)
- Mediated man creates service field to collect information and support value co-creation (H2)
- Mediated man was a nurse who has good communications with both doctors/nurses/technicians and is trained for management skills. (H4)

**Administration and Management Department Head (HRM MEDIATOR)**
- Understand both needs & needs
- Matching requirements
- Supporting functions for collaborations
- Support decision making
- Budget management

**Mediate people (AMD staffs)**
- Collect information from both sides
- Clarify the issues and deliver the seeds and needs to both
- Prepare the documents & make plan for exchange services
- Coordinate the supply & demands
- Encourage sharing & trust
- Analyze feedbacks & suggest solutions

**Employees (staffs, nurses, etc.)**

**Employers (managers, doctors, etc.)**
## 5.2 Municipal hospital in Ishikawa (cont.)

### Real procedures of service mediator model in hospital

<table>
<thead>
<tr>
<th></th>
<th>Step 1</th>
<th>Step 2</th>
<th>Step 3</th>
<th>Step 4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General procedures</strong></td>
<td>• Collect the information from both providers and receivers</td>
<td>• Step 2: Analyze the data collection</td>
<td>• Match providers and receivers’ seeds and needs.</td>
<td>• Promote value co-creation between providers and receivers.</td>
</tr>
<tr>
<td><strong>Hospital</strong></td>
<td>• The mediated man communicates with doctors and nurses/technician to collect their information.</td>
<td>• The mediated man analyzes the data by his ability and skilled. He was supported with some analyzed software but most of works are done by his analytic skill.</td>
<td>• Mediated man deliver suitable information to suitable people.</td>
<td>• The mediated man helps doctors and nurses/technician understand about each other. Then they can communicate and collaborate for mutual goals.</td>
</tr>
</tbody>
</table>
5.3 Suntory PepsiCo Vietnam Beverage

Outline of the SPVB’s organization

• One of the leading FMCG company in Vietnam
• Former is US company then is acquired by Suntory Japan.
• Top wanted company for employees (Linked 2014 survey).
5.3 Suntory PepsiCo Vietnam Beverage (cont.)

The case study methodology:

• Preliminary survey with SPVB’s staffs
  => Define the need of the service mediator model.

• Semi-structured interview with top managers of SPVB
  => Detailed information of SPVB’s model.

• Analysis of organizations documents
  => Define the system and success by real data.
5.3 Suntory PepsiCo Vietnam Beverage (cont.)

Structure of SPVB mediator model

Issues of the SPVB

- Many layers in organization due to its many operation plants and branches
- Different categories of employees such as workers, sales and office staffs.
- High pressure environment.

SPVB’s Human resource management as a mediator
Functions of SPVB to support value co-creation

MQPI function

- MPQI (Management Performance Quality Index) is yearly assessment to identify employees’ insights and response for solutions.

Analysis of the OHS function

- OHS (Organizational Health Survey) is conducted per two years.
- It deeply defines the whole organization issues & responses to all problems.
- From 4/2013, OHS is renewal.
5.3 Suntory PepsiCo Vietnam Beverage (cont.)

Effects on using mediator model in SPVB

• 98.4% employees appreciate the OHS.
• Employees are proud of company value and trusted in company vision.
• HR can immediately response to employers and employees needs.
• Long term commitment from employees
• Performance of SPVB is leveraged.

⇒ HR continue to develop mediator system.
## 5.3 Suntory PepsiCo Vietnam Beverage (cont.)

### Roles and functions comparison in SPVB case

<table>
<thead>
<tr>
<th>Proposed service mediator model</th>
<th>SPVB</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Roles</strong></td>
<td></td>
</tr>
<tr>
<td>• Identify and manage the service field as a mechanism to collect, share and analyze seeds and needs of providers and receivers.</td>
<td>• HR office and each HR branch Identify and manage the service field as a mechanism to collect, share and analyze seeds and needs of employers and employees.</td>
</tr>
<tr>
<td>• Match providers and receivers’ seeds &amp; needs.</td>
<td>• Match employers and employees’ seeds and needs.</td>
</tr>
<tr>
<td>• Promote value co-creation between providers and receivers.</td>
<td>• Promote value co-creation between employers and employees.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Functions</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• A convenient, user-oriented, trustworthy, and effective service field.</td>
<td>• HR Head office and HR branches organize convenient, trustworthy service filed.</td>
</tr>
<tr>
<td>• Strong and reliable IT infrastructures.</td>
<td>• IT infrastructure supports for online educations and hot lines for feedback.</td>
</tr>
<tr>
<td>• Well-equipped databases.</td>
<td>• Databases of employees</td>
</tr>
<tr>
<td>• Good data processing and mining tools.</td>
<td>• Data processing and mining is provided budget for outsourcing.</td>
</tr>
<tr>
<td>• Well-trained people with good communications and management skills.</td>
<td>• HR staffs are trained for communications and management skills.</td>
</tr>
</tbody>
</table>
### Hypotheses verification

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<th>Proposed service mediator model</th>
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</tr>
</thead>
<tbody>
<tr>
<td>SPVB</td>
<td>• HRM is the mediator to encourage employers and employees cope with each other to maintain the sustainable relationship</td>
<td>• Hotlines, Hotmail for confidential feedback is also another service field.</td>
<td>• Online library for training and education.</td>
<td>• HR staffs equipped with special skills.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• OHS, MQPI is another channel that help managers and staffs co-creating by exchange feedback of each other.</td>
<td>• Analyze OHS data by specific data mining system.</td>
<td>• HR staffs are chosen carefully with flexible, friendly, sympathy characteristics.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Invest budget for IT system in mining data.</td>
<td></td>
</tr>
</tbody>
</table>

**Hypothesis 1**

- The service mediator is the intermediary to bridge providers and receivers cope with each other and balance the relationship for both benefit and satisfaction.

**Hypothesis 2**

- The service mediator must identify and organize the service field for value co-creation.

**Hypothesis 3**

- Promotions of value co-creation are needed effective IT infrastructures and accurately data mining tools for encouraging data collection and analysis.

**Hypothesis 4**

- Communications and service management skills are needed for the service mediator.
5.3 Suntory PepsiCo Vietnam Beverage (cont.)

HRM as a service mediator in SPVB

An intermediary to bridge employers and employees ((H1)

HRM creates service field to collect information (H2)

Service field
- Contains all the context of service
- A mechanism to encourage collaboration
- Enhance value co-creation

Exchange seeds and needs for value co-creation

Employers (a1, a2...an)

Exchange services
- Collaboration for value co-creation

IT infrastructure (H3)
- Online library
- Data mining system (outsource)
- Employees database

Employees (b1, b2...bn)

HR people has trained with communications and management skills

Manage Support

Employers (a1, a2...an)

Collaboration for value co-creation

Employees (b1, b2...bn)
5.3 Suntory PepsiCo Vietnam Beverage (cont.)

Real procedures of service mediator model in SPVB

<table>
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<tr>
<td><strong>General procedures</strong></td>
<td><strong>Collect the information from both providers and receivers</strong></td>
<td><strong>Step 2: Analyze the data collection</strong></td>
<td><strong>Match providers and receivers’ seeds and needs.</strong></td>
</tr>
</tbody>
</table>
| **SPVB** | **The HR organizes MPQI, and OHS functions as a mechanism to collect information from the whole companies.** | **Information collections are analyzed by HR or sent to professional agency (Tower Watson) for specific analysis.** | **With the analyzing data, HR can have the total view about what employees think about the organization and plan to matching employers and employees’ seeds and needs.** | **HR engages the communications between direct managers and employees.**  
**HR sets up meetings, trainings, and etc. for all employees with top managers.**  
**HR tightens the relationship of employers and employees.** |
5.4 Considerations

HRM of the municipal hospital and SPVB are effective service mediator models.

Service mediator model can be applied in HRM for value co-creation between employers and employees.
CONCLUSION

6.1 Answer for research questions
6.2 Implications
6.3 Research limitations and future research
6.1 Answer for research questions

Answer for research questions

SRQ1: How have service mediator enhanced collaborations between providers and receivers and get satisfactions in the business process?

- The new model base on SDL and Service Field to focus on value co-creation.
- Useful functions will promote the co-creation between providers and receivers.
SRQ2: What are roles of the service mediator to support both providers and receivers in the business process?

• Identify and manage the service field as a mechanism to collect, share and analyze seeds and needs of providers and receivers.
• Match providers and receivers’ seeds and needs.
• Promote value co-creation between providers and receivers.
6.1 Answer for research questions

SRQ3: What are the useful functions that promote value co-creation between providers and receivers in the business process?

• A convenient, user-oriented, trustworthy, and effective service field.
• Strong and reliable IT infrastructures.
• Well-equipped databases.
• Good data processing and mining tools.
• Well trained people with good communications and management skills.
6.1 Answer for research questions

Answer for research questions

**MRQ:** How have service mediator model supported for management of business process?

- The service mediator model has been verified to support for human resource management.
- The service mediator model has been verified to support for IT service business

=> MRQ has been answered and fulfill the needs of emerging needs of designing a new model in service science.
6.2 Implications

Theoretical implications

• Regarding the business management, this research proposed a new model that contributes to manage better for the business processes.
• Regarding service experience, this new model contribute to understand of value co-creation and enhance the service value.
6.2 Implications (cont.)

Practical implications

• Strengthening firms’ operations by creating good service field equipped with supporting functions.
• IT infrastructure should be concentrated and develop as a competitive advantage.
• Processing data spirally to upgrade the value co-creation.
• Recruiting and training employees well for T-shape people.
6.3 Limitations and future directions

Limitations

• The analysis of the case studies sometimes make it subjective based on the case’s conditions.

• Need more action research for better data collection.

Future directions

• Research on the service mediator model on others applications.

• Human resource is a potential field to applied service mindset to solve existed issues.
Thank you for your listening
Q&A