

Service innovation processes in SMEs in Upper Austria

Service innovation processes in SMEs in Upper Austria

Due to the increasing global competitiveness, companies have to continuously expand their offer of innovative products and services. Upper Austria is the most competitive region of Austria and one of the most innovative regions in Europe. Despite its success and prosperity, the local SMEs have not yet managed to exploit their full innovation potential. This paper analyses the literature background on the topic of innovation in SMEs in the spheres of management and organization, resources, collaboration, KPIs, and innovation processes, as a part of the Interreg SIP-SME (Service innovation processes for small and medium-sized enterprises) project. Subsequently, the results from the in-depth interviews with Upper Austrian innovation experts are presented and compared to the literature findings. The authors found that the experts confirmed the necessity of formalization of processes, the importance of human resources and know-how, specific organizational and managerial prerequisites, as well as the problematic areas in the measurement of innovation potential and activities. Differences were found in the aspects of company attributes and their effect on innovation success as well as the reasons of employee unwillingness and reluctance to engage in innovation activities. Problematic areas of implementing innovation in local SMEs were identified.

1 Introduction

Upper Austria is considered one of the most prosperous and competitive regions not only in Austria, but also within the European Union. It is Austria's most export-oriented region and to keep the competitive edge, it needs to keep up with the current developments on domestic and international markets. Even though innovation as a mean to ensure competitiveness and increase prosperity and growth has been in the focus of business and government entities, the regional innovation potential has not been fully exploited. The local Upper Austrian SMEs are characterized by a substantial innovation capacity, nevertheless, their innovation activities are often unconscious and unstructured (Janssen, den Hertog and Kuusisto 2014). This paper introduces the preliminary findings of the Interreg SIP-SME project (Service innovation processes for SMEs). The project focuses on the Upper Austrian and South Bohemian regions and is in cooperation with the University of Applied Sciences Upper Austria, South Bohemian University, Business Upper Austria- Upper Austria Business Agency, and South Bohemian Science and Technology Park (JVTP). This paper examines the preliminary findings on the current situation in Upper Austria with regard to innovation in SMEs, the prerequisites of successful innovation processes, managerial and organizational requirements to introduce and sustain innovation processes, collaboration, and the innovation measurement methods and tools. The aim of this article is to highlight the current issues of SMEs in innovation processes, and to identify the disparities between the theoretical background and the actual market practices in the Upper Austrian region as seen by local innovation experts, and to determine potential improvement possibilities to ensure further exploitation of the innovation capabilities of local SMEs.

2 Theoretical background

SMEs are the backbone of economy, helping with knowledge spillover and as job creators (European Commission 2014). Due to their importance, professionals have been increasingly interested in the role of innovation in the context of SMEs, the prerequisites of successful innovation introduction, and its measurement. Although some believe that the limited financial resources might pose a threat to the overall innovation capabilities of the small business entities, other scientists argue that SMEs might be successful innovators, as the most important organizational assets are the employees, and the know-how and innovative ideas they bring to the company (Ahmed 1998; Neely and Hii 1998; Nehmeh 2009; Rosenbusch, Brinckmann, and Bausch 2011; Yesil and Sozbilir 2013). A critical antecedent to ensure full potential of the employee know-how is administered within the organization, the SME has to create an appropriate organization climate and a culture of creativity and learning (Storey et al. 2016). It should be a culture where dialogue, collaborative learning within the team, and knowledge sharing is encouraged (Liu 2009). These activities act as a mean to decrease the feelings of anxiety and fear of the employees and increase their acceptance of possible failures and errors in the innovative processes, which are often characterized by uncertainty and vagueness (Kao et al. 2015).

In the service innovation specifically, managerial service awareness is crucial. It is necessary that the managers realize a service forms a significant portion of the revenue creation and is not only an add-on. This awareness then spreads through the whole organization and other employees adopt the S-D logic and accept new service ideas. Managers further act as motivators, using verbal persuasion and hands-on opportunities to stimulate and encourage subordinates and to create a sense of openness (Chen, Tsou, and Huang 2009; Kao et al. 2015; Visser 2014). The supervisors also need to create a climate of informal communication and fun and give their subordinates a substantial degree of autonomy and job challenge. Giving the employees a possibility to communicate with customers proved to be of advantage as well, as it increases the market knowledge and the ability to assess customer needs and wishes when creating innovative services and products. The market focus and customer centricity needs to be present within the whole organization (Jong and Kemp 2003; Mascitelli 2000; van Riel, Lemmink, and Ouwersloot 2004).

Another organizational prerequisite supporting successful adoption of innovation processes is a formal and entity-wide recognition of innovation practices and processes within the organizational structure. Companies with specifically dedicated roles focusing on a development of new services and products have higher innovation success compared to their counterparts without formally defined responsibilities in the innovation process (Kindström and Kowalkowski 2015; Kowalkowski 2016).

The fact that the company operates on the market for a long time does not necessarily have to have a positive impact on the organization and its innovation potential. On the contrary, younger entities are better at radical innovations. The size of the enterprise might play a role as the newly-established companies might not have enough resources to invest into innovation processes, might not be able to absorb possible innovation failures as their bigger counterparts, or might lack workforce dedicated to innovation activities. Nevertheless, some believe that if the company finds enough resources to devote to their innovation pursuits, their prospects are more optimistic and they tend to have more success compared to bigger companies (Acs and Audretsch 1988; Lee and Chen 2009; Nohria and Gulati 1996; Visser 2014).

Two of the most commonly discussed managerial competences supporting service innovation within a company are communication skills and knowledge management. The enterprise needs to find a proper communication path to be prepared for the innovation implementation without overwhelming the employees. While the decision makers need to be well-informed and the communication flow between all the actors active in the innovation efforts needs to be constant and effective, more information sharing is not always more beneficial, as it can lead to the risk of information overload

(Du Plessis 2007; Rausch et al. 2011; Schilling 2011). A focal point of knowledge management is the integration and applicability of the know-how, as well as its further development (Johannessen, Olsen, and Olaisen 1999).

Even though formalization of services is necessary for standardization and to take advantage of possible repetition and decrease of costs, the complexity of service innovation processes makes it often impossible. Service innovation can develop irrespective of the level of service formalization, however, the revenues from new services and products are higher in companies using well-established processes compared to the companies without a formal innovation process in place; the former report 47% while the latter only 35% (Kindström and Kowalkowski 2015; Lorenz, Burger, and Hottum 2012; Robbins and O’Gorman 2016; Toivonen and Tuominen 2009). If service innovation processes exist, they need to be open and driven by the customer needs. As the knowledge of the particular service provider is essential for the service development and service performance, a knowledge management system might be of significant value. Before the company develops specific innovation processes, it should collect information about its competitors and suppliers, and incorporate the knowledge gained into the process design (Larsen and Lewis 2007; Storey et al. 2016; Toivonen and Tuominen 2009).

A measurement system to assess the innovation potential and innovation success should encompass a multidimensional view of the company performance. The innovation outputs should be linked to the inputs assigned to the specific innovation development. The measurement should be process-oriented and present at various stages of the innovation lifecycle (Cruz-Cázares, Bayona-Sáez, and García-Marco 2013; Dewangan and Godse 2014). However, to define a set of indicators to measure innovation and its success proved to be difficult and problematic due to the complexity and inadequacy of the indicators currently in use (Gotsch and Hipp 2012; Nelson et al. 2014).

“Managers have only a vague sense of their company’s overall innovativeness; they have little or no means to assess the effectiveness and efficacy of a particular innovation program. They need tools with which to diagnose impediments—for example, fear of cannibalization within the existing business or a corporate culture that’s excessively risk averse—to their innovation processes...” (Muller, Valikangas, and Merlyn 2005, p.1).

Most of the current measurement schemes take into account only products and not ideas or processes, and focus mainly on financial aspects, which might have been sufficient during the industrial era, but are inadequate for the current market environment (Milbergs and Vonortas 2005; Rejeb et al. 2008).

To overcome the possible hurdles faced by SMEs due to their limited resources, it is advisable to collaborate in innovation efforts with other partners, such as customers, suppliers, or universities. Engaging in innovation collaboration helps to bundle finances and knowledge, shortens the time to market, and enables risk-sharing among the organizations (Hertog 2010; Storey et al. 2016; Tyler and Steensma 1998). SMEs usually form relations with customers, who have the role of knowledge providers rather than actual executors of innovation activities (Ordanini and Parasuraman 2010). The evidence also shows that strong relations with suppliers or universities are linked to higher innovation success (González-Pernía, Parrilli, and Peña-Legazkue 2015; Tomlinson 2010). With regard to innovation collaboration with competitors, the evidence is conflicting. Whereas some claim that it enhances the innovation performance of the company, some believe it might have negative effect on the company (Luo, Slotegraaf, and Pan 2006; Peng et al. 2012; Un and Asakawa 2015). A general problem commonly cited is a potential threat of dominance from the bigger partner, who might dictate the terms and conditions of the innovation collaboration process (Rosenbusch, Brinckmann, and Bausch 2011). Collaboration is also one of the key strengths of the innovation potential of the Upper Austrian region as it has been focusing on forming international partnerships to cope with increasing competition (Janssen, den Hertog, and Kuusisto 2014).

3 Evidence from the expert interviews

As a part of the Interreg SIP-SME project, the authors conducted ten in-depth interviews with innovation experts from the Upper Austrian and South Bohemian regions. In this paper, the results from the five interviews conducted in the Upper Austrian region are discussed. In the subsequent project steps, the authors will analyze the comparison of both regions and the application of the findings. The experts from both regions were chosen by the Business Upper Austria and the South Bohemian Science and Technology Park, as these project partners are in long-term cooperation with local companies and experts and can therefore assess and select respondents appropriately. Each interview took approximately 1.5 hours and was conducted at the premises of the specific company. 40 open questions examined the current situation of SMEs in the region, innovation processes, organizational and managerial prerequisites of innovation, KPIs, formalization of innovation processes, collaboration, and innovation measurement tools. To ensure that diverse points of view were encompassed in the expert analysis, the project partners agreed on the following attributes and roles of the experts chosen for the interviews:

- Owner or manager of an SME, which is known for its innovations.
- Innovation leader of a specific industry- not necessarily SME anymore, but someone who has not lost the knowledge about SMEs.
- Innovation policy maker.
- Consultant for innovation processes.
- SME manager who is not known for innovation, but is willing to innovate and represents a “critical voice” in the region.

The experts chosen are professionals in the biotechnology, software, machinery, consulting, and energy industries. The interviews were recorded, and later transcribed and analyzed. The experts identified the most crucial aspect of innovation in the Upper Austrian region to be networking and the human resources. A concern was voiced several times, that in the future, there might be a lack of qualified workforce, and therefore, not enough knowledgeable personnel to perform innovation activities. The experts also identified the three organizational prerequisites supporting innovative activities and capabilities among its employees; resources, incentives, and organizational approach. The most crucial resources to be provided by the company to ensure effective innovation practices were giving enough time for the employee to innovate as well as financial and material support. Another important aspect acknowledged was the incentive system for the employees, which needs to be in place to award innovation activities. Lastly, the organizational approach was recognized as a crucial prerequisite, which means that the company needs to decide if it wants to differentiate through innovation, and if yes, it needs to develop a systematic organizational approach to innovation.

When assessing if the age and size of the company affect its innovation potential, all experts agreed that the actual size does not have any negative influence on innovation, contrary to most of the evidence from the literature (Acs and Audretsch 1988; Lee and Chen 2009; Nohria and Gulati 1996; Visser 2014). Although as some experts stated, innovation can develop through customer intimacy, and it is easier for smaller companies. Nevertheless, the age of the company or the personnel was identified as an important indicator of innovation success. The experts stated that younger individuals in younger companies have a tendency to be more innovative.

Even though the literature review showed that the reason behind the unwillingness of employees to innovate is the feeling of anxiety and fear of ambiguity and errors, the experts stated that the most common reason for employee reluctance is the lack of specific and defined organizational innovation structures within the company (Kao et al. 2015). The experts believed that the most predominant reason employees are unwilling to take part in innovation creation is because it is not an official company objective, as well as not having the innovation activities embedded into the structure of the

company with formal models in place. As the most prevalent motivation to engage in innovation activities, the experts named the actual personality of the employee. In accordance with the evidence from literature, service awareness is crucial, and the lack of it was identified as one of the main organizational hurdles hindering innovation efforts in SMEs (Chen, Tsou, and Huang 2009; Kao et al. 2015; Visser 2014). Moreover, problems with organizational culture were also acknowledged; if there is a resistance towards new processes and ideas, the innovation effort will not flourish in the company. The experts also supported the literature findings showing that the main motivation for SMEs to innovate is their survival. SMEs adopt a rather reactive approach to negative changes on the market (such as decreasing revenue or market share) rather than proactively seeking new possibilities for innovation. In line with the literature findings were also the competencies a manager should have to be able to support innovation within companies. The most important trait of a manager was stated the communication skills (Du Plessis 2007; Rausch et al. 2011; Schilling 2011). Secondly, the manager should have good managerial skills in allocating time and resources for the employees to enable them to innovate. The ability to develop specific capabilities in his own organization, as well as being market-focused, able to assess the capabilities of the organization realistically, being open-minded and a motivator, but not to overpromise to the customers were identified as vital assets as well.

The most common partners to collaborate in innovation activities in Upper Austria are friendly customers and universities. Universities being the easiest to work with as the know-how is kept secure within the company and the processes and activities are science-based. Suppliers were identified as the third most common collaboration partner, followed by complementary companies (such as hardware and software companies working together). According to the experts, it is not common that a competitor is chosen as a collaboration partner due to the overall lack of trust. As the literature suggested, the main reasons to engage in innovation networks is to compensate for the possible lack of resources, to access know-how, share ideas and impulses, as well as because of the fear of missing out. To the problematic areas belong legal problems, strict contracts, the fear of imitation, know-how leakage, wrong selection of a partner, and a lack of project management. Some of the medium-sized enterprises engage in cross-border collaboration as well; the main reason being the overall export-orientated character of the region and the necessity to access new markets. The main problems SMEs face when engaging in cross-border collaboration were identified; language barriers, not knowing any adequate partner in the foreign country, and the lack of information provided about the innovation possibilities of cross-border activities, networking, and funding. As the literature suggests, formalization of innovation processes increase the performance and success of innovation (Kindström and Kowalkowski 2015; Lorenz, Burger, and Hottum 2012; Robbins and O’Gorman 2016; Toivonen and Tuominen 2009). The experts recommended allocating resources for guidelines and processes formalization, as they give a direction and orientation to the company. To design meaningful processes, one should analyze the daily business of the company, and create a tailor-made solution. The customers should be kept in the focus and the final structure cannot be overly complex. To the most well-known innovation models used by SMEs in Upper Austria belong Design Thinking and Stage-gate. According to the experts, the proportion of SMEs in Upper Austria using well-formulated and conscious innovation processes is difficult to assess. While over half of the companies working with the Mechatronic cluster use some specific processes, the overall regional number is significantly lower. When it comes to the company specifications, only those with 50 and more employees tend to have some innovation processes in place. Some of the experts also doubted the benefit provided to the companies by process formalization if the company is of small size. However, the bigger the company, the more beneficial the process formalization.

With regards to KPIs used by SMEs in Upper Austria, the experts concluded that the proportion of companies applying some indicators to measure innovation success is relatively low. Smaller companies were said to have problems defining what innovation in fact is, and if some KPIs were used, those focused mainly on the financial aspects of the company. Larger companies are more likely to track their innovation potential and success, and use KPIs related to project management,

Kaizen indicators, R&D quota, or a percentage of sales with products that did not exist 3 years ago. The experts confirmed the literature findings with the description of the potential measurement system. It should ideally be structured according to the innovation or product lifecycle (Cruz-Cázares, Bayona-Sáez, and García-Marco 2013; Dewangan and Godse 2014). Moreover, a company should measure the proportion of the changes in the portfolio over the past 3 years or previously mentioned percentage of sales with products not existing 3 years ago. The measurement system to track innovation cannot be too complex and needs to give an overall idea of where the company stands at the moment compared to the market. As also the literature review suggests, the most crucial resource for the local SMEs is the personnel and their know-how. The percentage of the turnover dedicated to research and development activities in Upper Austrian companies was impossible to identify as it depends highly on the specific industry. Lastly, the experts expressed their interest in a tool that would help the local SMEs to measure and understand their innovation potential, as well as give them suggestions how to proceed with their innovation processes would be highly appreciated.

4 Conclusion

The article compared the literature findings and the knowledge gained through in-depth interviews with innovation experts from Upper Austria in the spheres of innovation in SMEs, organizational and managerial prerequisites supporting innovation, collaboration, KPIs, and innovation processes. Although the experts supported the major findings from the scientific articles, such as the importance of human resources and know-how, specific organizational and managerial prerequisites such as communication skills and knowledge management, the importance of processes, as well as the problematic areas in the measurement of innovation potential and activities, differences were observed in the effect of age and size of SMEs on their innovation success as well as the reasons behind employee unwillingness to engage in activities supporting innovation within the company. According to the experts, some of the Upper Austrian SMEs have problem identifying what innovation in fact is. Moreover, there is a lack of information about cross-border collaboration activities in innovation, which is effectively hindering the possibility to use the full regional innovation potential and is often preventing the local SMEs from being present on the foreign markets. Additionally, a substantial proportion of the local companies do not have any well-formulated and conscious innovation processes and structures and do not use any KPIs to track their innovation activities and success. As the experts expressed their interest in an online tool helping the SMEs to measure and understand their innovation activities and potential, as well as giving them information on how to proceed with their innovation efforts, developing and using a measurement tool assessing the resources, processes, potentials, and problems would be one of the improvement possibilities increasing the innovation capabilities of the SMEs in Upper Austria.

5 Limitations and outlook

The article is a working paper providing an overview of preliminary findings from the literature review and the interviews with the local experts from Upper Austria on innovation in SMEs. Due to the resource constraints, only five experts were interviewed in the Upper Austrian region. Moreover, the self-reported data could not be independently verified. As the SIP-SME project is still ongoing, the authors were unable to provide a comparison of the results of the expert interviews from the Upper Austrian and the South Bohemian regions, and therefore assess the possible differences within the regions with respect to innovation processes in SMEs. The goal of the SIP-SME project is to develop an online tool providing SMEs the assistance in the measurement of their innovation potential. As the literature findings and the actual experience of the experts from the region are in

line with only small disparities, the research proved there are no significant hurdles in the further development of the content of the online measurement tool. The authors will elaborate on the research findings and after encompassing the results of in-depth interviews from the South Bohemian region into the analysis of the market situation with regard to innovation processes and SMEs, the innovation measurement tool will be developed.

Poznámky/Notes

The research was conducted as part of the Interreg Austria-Czech Republic SIP-SME project funded by the European Fund for Regional Development.

Literatúra/List of References

- [1] Acs, Z. and Audretsch, D. B., 1988. Innovation in Large and Small Firms: An Empirical Analysis. In: *The American Economic Review*. 1988, 78(4), pp. 678-90. ISSN 0002-8282.
- [2] Ahmed, P., 1998. Culture and climate for innovation. In: *European Journal of Innovation Management*. 1998, 1(1), pp. 30-43. ISSN 1460-1060.
- [3] Chen, Ja-Shen, Hung T. Tsou and Astrid Y.-H. H., 2009. Service Delivery Innovation. In: *Journal of Service Research*. 2009, 12(1), pp. 36-55. ISSN 1094-6705.
- [4] Cruz-Cázares, C., Bayona-Sáez, C and García-Marco, T., 2013. You can't manage right what you can't measure well. Technological innovation efficiency. In: *Research Policy*. 2013, 42(6-7), pp. 1239-50. ISSN 0048-7333.
- [5] Dewangan, V. and Godse, M., 2014. Towards a holistic enterprise innovation performance measurement system. In: *Technovation*. 2014, 34(9), pp. 536-45. ISSN 0166-4972.
- [6] Du Plessis, M., 2007. The role of knowledge management in innovation. In: *Journal of Knowledge Management*. 2007, 11(4), pp. 20-29. ISSN 1367-3270.
- [7] European Commission, 2014. Annual Report on European SMEs 2013/2014 - A Partial and Fragile Recovery. EC, 2014. [online]. [cit. 2018-02-02]. Available at: http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/performance-review/files/supporting-documents/2014/annual-report-smes-2014_en.pdf
- [8] González-Pernía, J. L., Parrilli, D. M. and Peña-Legazkue, I., 2015 STI-DUI learning modes, firm-university collaboration and innovation. In: *The Journal of Technology Transfer*. 2015, 40(3), pp. 475-92. ISSN 0892-9912.
- [9] Gotsch, M. and Hipp, Ch., 2012 Measurement of innovation activities in the knowledge-intensive services industry. A trademark approach. In: *The Service Industries Journal*. 2012, 32(13), pp.2167-84. ISSN 0264-2069.
- [10] Hertog, d. P., 2010. Managing service innovation. Firm-level dynamic capabilities and policy options. Utrecht: Dialogic Innovatie & Interactie, 2010. ISBN 9789080698543.
- [11] Janssen, M., Hertog, d. P., and Kuusisto, J., 2014. Summary assessment of Upper Austria. ESIC European Service Innovation Centre Report.
- [12] Johannessen, J. A., Olsen, B. and Olaisen, J., 1999. Aspects of innovation theory based on knowledge-management. In: *International Journal of Information Management*. 1999, 19(2), pp. 121-39. ISSN 0268-4012.
- [13] Jong, J. P. J. de and Kemp, R., 2003. Determinants of Co-Workers' Innovative Behaviour. An Investigation into Knowledge Intensive Services. In: *International Journal of Innovation Management*, 2003, 07(02), pp. 189-212. ISSN 1363-9196.
- [14] Kao, P. J. et al., 2015. How transformational leadership fuels employees' service innovation behavior. In: *The Service Industries Journal*. 2015, 35(7-8), pp. 448-66. ISSN 0264-2069.
- [15] Kindström, D. and Kowalkowski, Ch., 2015. Service-driven Business Model Innovation. In: Foss, J. N. et al., eds. *Business model innovation. The organizational dimension*. Oxford: Oxford University Press, 2015, pp. 191-216. ISBN 9780198701873.

- [16] Kowalkowski, C., 2016. Service Innovation in Industrial Contexts. Service Innovation. Tokyo: Springer, 2016. ISBN 9784431549215.
- [17] Larsen, P. and Lewis, A., 2007. How Award-Winning SMEs Manage the Barriers to Innovation. In: Creativity and Innovation Management. 2007, 16(2), pp. 142-51. ISSN 1467-8691.
- [18] Lee, R. P. and Chen, O., 2009. The Immediate Impact of New Product Introductions on Stock Price. The Role of Firm Resources and Size *. In: Journal of Product Innovation Management. 2009, 26(1), pp.97-107. ISSN 1540-5885.
- [19] Liu, S., 2009. Organizational culture and new service development performance. In: International Journal of Innovation Management. 2009, 13(03), pp. 371-92. ISSN 1363-9196.
- [20] Lorenz, R., Burger, T., and Hottum, P., 2012. Barriers to service innovation - perspectives from research and practice. In: 2012 IEEE International Conference on Management of Innovation & Technology (ICMIT): IEEE. 2012, pp. 710-17. ISBN 978-1-4673-0108-4.
- [21] Luo, X., Slotegraaf, J. R. and Pan, X., 2006. Cross-Functional "Coopetition" The Simultaneous Role of Cooperation and Competition Within Firms. In: Journal of Marketing. 2006, 70(2), pp. 67-80. ISSN 0022-2429.
- [22] Mascitelli, R., 2000. From Experience. Harnessing Tacit Knowledge to Achieve Breakthrough Innovation. In: Journal of Product Innovation Management. 2000, 17 (3), pp. 179-93. ISSN 1540-5885.
- [23] Milbergs, E. and Vonortas, N., 2005. Innovation Metrics: Measurement to Insight. In: IBM: National Innovation Initiative 21st Century Innovation Working Group.
- [24] Muller, A., Valikangas, L. and Merlyn, P., 2005. Metrics for innovations. Guidelines for developing a customized suite of innovation metrics. In: IEEE Engineering Management Review. 2005, 33(4), pp. 66. ISSN 0360-8581.
- [25] Neely, A. and Hii, J., 1998. Innovation and Business Performance. A Literature Review. The Judge Institute of Management Studies, University of Cambridge. 2018. [online]. [2018-01-10]. Available at: <http://ecsocman.hse.ru/data/696/521/1221/litreview_innov1.pdf>
- [26] Nehmeh, R., 2009. What is Organizational commitment, why should managers want it in their workforce and is there any cost effective way to secure it? In: SMC Working Paper. 2009, 5. ISSN 1662-761X.
- [27] Nelson, A. et al., 2014. Do innovation measures actually measure innovation? Obliteration, symbolic adoption, and other finicky challenges in tracking innovation diffusion. In: Research Policy. 2014, 43(6), pp. 927-40. ISSN 0048-7333.
- [28] Nohria, N. and Gulati, R., 1996. Is slack good or bad for innovation? In: Academy of Management Journal. 1996, 39(5), pp.1245-64. ISSN 0001-4273.
- [29] Ordanini, A. and Parasuraman, A., 2010. Service Innovation Viewed Through a Service-Dominant Logic Lens. A Conceptual Framework and Empirical Analysis. In: Journal of Service Research. 2010, 14(1), 3-23. ISSN 1094-6705.
- [30] Peng, Tzu-Ju, A., et al., 2012. Is Cooperation with Competitors a Good Idea? An Example in Practice. In: British Journal of Management. 2012, 23(4), pp.532-60. ISSN 1045-3172.
- [31] Rausch, E., et al., 2011. Technology-based service proposal screening and decision-making effectiveness. In: Management Decision. 2011, 49(5), pp. 762-83. ISSN 0025-1747.
- [32] Rejeb, Helmi B., et al., 2008. Measuring innovation best practices. Improvement of an innovation index integrating threshold and synergy effects. In: Technovation. 2008, 28(12), pp. 838-54. ISSN 0166-4972.
- [33] Robbins, P. and O'Gorman, C., 2016. Innovation processes. Do they help or hinder new product development outcomes in Irish SMEs? In: The Irish Journal of Management. 2016, 35(1), pp. 88-103. ISSN 1649-248X.
- [34] Rosenbusch, N., Brinckmann, J. and Bausch, A., 2011. Is innovation always beneficial? A meta-analysis of the relationship between innovation and performance in SMEs. In: Journal of Business Venturing. 2011, 26(4), pp. 441-57. ISSN 0883-9026.
- [35] Schilling, A., 2011. Skills and competences supporting service innovation - a literature review.

Stockholm:VINNOVA, 2011. ISBN 978-91-86517-51-9.

[36] Storey, Ch., et al., 2016. Success Factors for Service Innovation. A Meta-Analysis. In: Journal of Product Innovation Management. 2016, 33(5), pp.527-48. ISSN 0737-6782.

[37] Toivonen, M. and Tuominen, T., 2009. Emergence of innovations in services. In: The Service Industries Journal. 2009, 29(7), pp. 887-902. ISSN 0264-2069.

[38] Tomlinson, P. R., 2010. Co-operative ties and innovation. Some new evidence for UK manufacturing. In: Research Policy. 2010, 39(6), pp. 762-75. ISSN 0048-7333.

[39] Tyler, B. B. and Steensma, K. H., 1998. The effects of executives' experiences and perceptions on their assessment of potential technological alliances. In: Strategic Management Journal. 1998, 19(10), pp. 939-65. ISSN 1097-0266.

[40] Un, C. A. and Asakawa, K., 2015 Types of R&D Collaborations and Process Innovation. The Benefit of Collaborating Upstream in the Knowledge Chain. In: Journal of Product Innovation Management. 2015, 32(1), pp. 138-53. ISSN 0737-6782.

[41] van Riel, A. C. R., Lemmink, J., and Ouwersloot, H., 2004. High-Technology Service Innovation Success. A Decision-Making Perspective. In: Journal of Product Innovation Management. 2004, 21(5), pp. 348-59. ISSN 1540-5885.

[42] Visser, A., 2014. Key Success Factors for Industrial Solutions for Key Customers : Lessons from a case study in the Upper Austrian mechanical engineering industry. Steyr.

[43] Yesil, S. and Sozbulir, F., 2013. An Empirical Investigation into the Impact of Personality on Individual Innovation Behaviour in the Workplace. In: International Journal of Knowledge Management. 2013, 9(2), pp. 38-61. ISSN 1548-0666.

Klíčové slová/Key Words

innovation process, innovative product, innovation success, market, SMEs,
inovačný proces, inovatívny produkt, úspech inovácie, trh, malé a stredné podniky

JEL klasifikácia/JEL Classification

M31

Résumé

Inovačné procesy služieb v malých a stredných podnikoch v Hornom Rakúsku

Vďaka rastúcej globálnej konkurencieschopnosti musia spoločnosti neustále rozširovať ponuku inovatívnych produktov a služieb. Horné Rakúsko je najkonkurencieschopnejším regiónom Rakúska a jedným z najinovatívnejších regiónov v Európe. Napriek svojmu úspechu a prosperite miestne podniky ešte nedokázali využiť svoj plný inovačný potenciál. Tento článok analyzuje literatúru na tému inovácie v malých a stredných podnikoch v oblasti riadenia a organizácie, zdrojov, spolupráce, kľúčových indikátorov a inovačných procesov ako súčasť iniciatívy Interreg SIP-SME (Inovačné procesy služieb pre malé a stredné podniky podnikov). Následne sú prezentované výsledky z hĺbkových rozhovorov s inovatívnymi odborníkmi z Horného Rakúska a porovnané s výsledkami z literatúry. Autori zistili, že experti potvrdili potrebu formalizácie procesov, význam ľudských zdrojov a know-how, špecifické organizačné a manažérske predpoklady, ako aj problematické oblasti merania inovačného potenciálu a aktivít. Zistili sa rozdiely v aspektoch atribútov spoločnosti a ich vplyve na úspech v oblasti inovácie, ako aj v dôsledku neochoty zamestnancov a neochoty zapojiť sa do inovačných aktivít. Boli identifikované problematické oblasti implementácie inovácií v miestnych MSP.

Kontakt na autorov/Address

Alexandra Fratričová, MA, University of Applied Sciences Upper Austria, School of Management, Cross-Cultural Management and Emerging Markets Center, Global Sales and Marketing, Wehrgrabengasse 1-3, 4400 Steyr, Austria, e-mail: alexandra.fratricova@fh-steyr.at

FH-Prof. Dipl.-Ing Dr. Margarethe Überwimmer, University of Applied Sciences Upper Austria, School of Management, Cross-Cultural Management and Emerging Markets Center, Global Sales and Marketing, Wehrgrabengasse 1-3, 4400 Steyr, Austria, e-mail: margarethe.ueberwimmer@fh-steyr.at

FH-Prof. Ing. Mag. Robert Füreder, University of Applied Sciences Upper Austria, School of Management, Cross-Cultural Management and Emerging Markets Center, Global Sales and Marketing, Wehrgrabengasse 1-3, 4400 Steyr, Austria, e-mail: robert.fuereder@fh-steyr.at

Recenzované/Reviewed

13. marec 2018 / 18. marec 2018

[Creating value for the customer with industrial services: Selling industrial services is not a matter of price](#)

Creating value for the customer with industrial services: Selling industrial services is not a matter of price

According to the ESIC (European Service Innovation Centre) report, the Upper Austrian region is characterized by a strong manufacturing sector where service innovation driven transformation represents an inevitable step forward and is thus used as a large-scale demonstrator for the dynamic and broad impact of service innovation. The pricing of industrial services is a vast topic and difficult due to the complex parameters of services but represents one of the issues when talking about industrial services. As the Austrian region with high export rates and a broad international business presence, this paper focuses on companies in Upper Austria when elaborating on the importance of pricing regarding different value oriented services. Moreover, the paper emphasizes on general parameters that are important in the field of industrial services. In order to receive a more profound knowledge about the topic the authors worked closely together with the industry. A qualitative study conducted with five Upper Austrian companies highlights the challenges as well as the most important parameters and dynamics when actively selling

additional services in the manufacturing industry. 51 in-depth interviews were carried out with sales employees, customers and experts from the respective companies. The results suggest that there are certain value dimensions which have to be taken into account for the successful delivery of industrial services. From a sales point of view price is the most important factor. However, this contradicts the common view of customers who rather base their choice on the aforementioned value driven aspects. Customers are more long-term and relationship oriented. Hence, the value benefits should be the main communication message towards the customer, and sales staff has to be trained accordingly.

1 Introduction

Industrial services have always been an important part of companies' value chains and thus subject to many strategic decisions. They are also one of the differentiation possibilities when markets are saturated and customers are believed to base their decisions up to a certain extent on intangible aspects. Firms moved away from short-term success strategies to building up long-term relationships with suppliers (Ulaga and Eggert 2006).

Gitzel et al. (2016) define industrial services as "activities directly supporting a customer's value creation by positively influencing their industrial production processes." In this paper knowledge-intensive industrial services are defined as services which are provided and developed by manufacturers of industrial equipment and marketed to industrial clients. They may or may not be provided in relation to or in conjunction with industrial goods and the various phases of the asset lifecycle. Thus, industrial services can be classified into pre-purchase, at-purchase and aftersales services (Homburg and Garbe, 1999). Knowledge-intensive services seek to facilitate the customer's life through process optimization and the embedded rise of efficiency and effectiveness. Hence, the definition entails diverse industrial services like installation and commissioning, maintenance and repair, refurbishment and recycling services, trainings, hotline, machine and usage demonstrations, as well as support and troubleshooting. Furthermore, value-added services comprise activities such as condition monitoring, predictive maintenance, advanced diagnostics or asset and fleet management.

The region of Upper Austria provides an example of a driving economy where services and the transformative power of service innovation have yet to realize their full potential. Specialization in medium-tech to high-tech manufacturing makes Upper Austria the nation's most export-oriented region. However, Upper Austrian manufacturing industries are facing increasing challenges as a result of globalization and corporate mobility, therefore looking towards knowledge-intensive services as a way of sustaining the competitiveness and economic growth of the region represents a driver of economic transformation (European Commission 2016). As mentioned earlier, industrial services range from maintenance and spare parts management to technology-focused services up to the handling of entire processes for clients in full service contracts. Despite all the involved potential industrial service is still a neglected topic in research. As a result, there is still a lack of methods, standardization and suitable approaches to successfully utilize the full service potential. Despite the country's relatively good performance in manufacturing, it is also apparent that the development of knowledge-intensive services in Upper Austria is lagging behind the rest of Europe. Opportunities to transform existing manufacturing strongholds and their traditional pricing strategies through service innovation are not being fully realized (ESIC 2014). The growing consensus in the manufacturing industry is that knowledge intensive services represent a necessary step forward and have the potential to upgrade the traditional economic industry into a more productive, competitive and value-added business. There is a growing need to assess, analyze and demonstrate what impact knowledge intensive services can have on a company seeking to change to a service provider and to understand its potential when it comes to future competitiveness (ESIC 2014). Carefully designed price levels regarding industrial services are a factor when it comes to customer

satisfaction and is an important point in supplier-buyer relationships. Pricing has the power to attract and capture market demand and seen from the supplier's perspective designing appropriate pricing is a key factor for business success. Moreover, it is vital when it comes to the optimization of a product's or service's true worth (Yeoman 2004). Yet, it was identified that there is a lack of knowledge when it comes to how industrial services should be priced in particular. Industrial services differ from products in a number of fundamental ways including intangibility, heterogeneity, perishability, inseparability, the critical role of employees in customer contact, and the need for a more extended marketing mix. These differences hold important implications for the development of pricing programs (Kostis 2009).

In contrast to the consideration of prices being an important factor in supplier-buyer relationships, Ulaga and Eggert (2006) pointed out in their study that price shows the weakest potential for differentiation. They indicate that relationship benefits display a much stronger potential for differentiation than do cost considerations.

Another issue to be considered is the finding of Ulaga and Eggert (2006) stating that supplier managers mainly focus on price as the key indicator of a successful supplier-buyer relationship whereas customers put more focus on the supplier's capacity to offer a fair market price. According to their findings, customers were hesitant to overemphasize on the price issue as a cheaper offering can always be found. Thus, the customers were searching for a supplier which is able to support the client's respective business needs and supply at a good price, passing cost savings on to customer. These findings indicate that there is a disparity of internal (supplier) and external (customer) price perceptions and that consumers actually show only a moderate interest in prices of goods purchased (Ulaga and Eggert 2004).

This point of view is shared by Hinterhuber (2004) who highlighted that managers have a general tendency to believe that price is an important issue for customers whereas customers are frequently unaware of prices paid and that price is considered of being one of the least important purchase criteria. This common misconception can be crucial and leads to companies losing potential profits by frequently making price concession.

Neither one of the aforementioned research studies focused on the different price perceptions when it comes to industrial services for b2b customers. Going deeper into this topic, one goal of the underlying research study is to find out if there is a different understanding or considerable inconsistencies of price levels in supplier-buyer relationships regarding industrial services of manufacturing companies in Upper Austria. Hence, the following research question had been developed:

RQ1: What is the perception of price levels of industrial services from an outside and inside perspective?

A pricing strategy based on customer values helps in maintaining and expanding existing clientele by offering high quality prestigious services, with the utmost goal of financial prosperity on the long run. Despite the fact that many companies claim to have the objectives of building long-term relationships with their customers, this is not always fully apparent in their service offerings. Services require a thorough understanding of how to help customers receive value. Anderson et al. (1993) define value in business markets as [...] "the perceived worth in monetary units of the set of economic, technical, service, and social benefits received by a customer in exchange for the price paid for a product offering, taking into consideration the available alternative suppliers' offerings and prices."

This definition indicates that also services can and should be translated into monetary terms in order to make the benefits of an offering visible to the customer. Also Terho et al. (2011) mention the importance of the visualization of value and the translation of customer benefits into monetary terms. Moreover, customer-perceived value can also be regarded as the difference between perceived benefits acquired and the perceived sacrifices made by a customer (Flint, Woodruff and Gardial 1997). These aspects of the value concept in general can be easily transferred to value in line with industrial services.

From an academic point of view, differentiation in business markets includes a value-based perspective which should not be disregarded (Ulaga and Eggert 2006). Despite the positive effects of providing customer value, many suppliers simply add layer upon layer of services to their offerings instead of tailoring their industrial services to customers' individual needs. Simply said, many suppliers are missing out on opportunities to win, retain, or increase the significance of their offering to the client's business. It was found that some suppliers provide customers with more services than they actually need at prices that sometimes do not necessarily reflect the value of those services to the customers. The problem at this point is that companies are not aware of the real value for the customer and many do not determine the necessary aspects and dynamics. Nevertheless, knowing the value drivers for specific industrial services can help a company to effectively design the offers and thus, make more profit. Therefore, the resulting research question for this paper is:

RQ2: What are the main "value dimensions" of successful service delivery?

Austria's economy features a large service sector but many industrial companies face problems with the identification of the value drivers of their services and the different price level perception. Besides, the sales of the services, the international marketing and the strategic service management are often challenging. Additional difficulties occur with the integration of services in the organization and the establishment of a service culture. In order to identify and address those problems gaining further practical insights concerning the value of knowledge-intensive services and their pricing was indispensable.

2 Methodology

This paper is based on a literature review which served as the basis for a qualitative research study. Qualitative research was chosen as it was seen to provide in-depth insights into the world of industrial services.

The focus of the underlying research was put on the region of Upper Austria as it has a strong manufacturing sector. The manufacturing industry provides a vast variety of industrial services hence many manufacturing companies face the aforementioned challenges. In the scope of the project, called ServPrice, the University of Applied Sciences worked closely together with five Upper Austrian manufacturing companies which represent a convenience sample.

The time frame for the implementation of the project was October 2015 to December 2016.

Research was conducted following several steps. As a starting point several workshops with management representatives were carried out in cooperation with the partner companies in order to specify the industrial services taken into consideration for this study. Secondly, various expert interviews were conducted in order to get a better overview about the different service dynamics. The experts in this case were service technicians who had a great knowledge in their specific field. The identification of the sample was led by judgmental selection.

Following this step, two interview guidelines, one examining the internal (company) view and one focusing on the external (customer) perspective was created in cooperation with the respective participating firms. In order to adequately answer the research questions both internal and external perspective had to be taken into consideration. The interviews were carried out using an in-depth approach in order to receive deep knowledge and understanding of the topic under study. In-depth interviews with sales people describe the internal view of value drivers and price level perception. In order to assess the external view of industrial services several clients were selected by the partner companies and the in-depth interviews were carried out according to their selection. The corresponding interview guideline was structured as follows:

- (1) Discussion of existing services.
- (2) Value of the services offered.
- (3) Loyalty towards services.

- (4) Services of competition.
- (5) Service innovation.
- (6) Perception of overall service quality.

The interview guideline for the evaluation of the internal perspective included an additional section in order to assess the sales dimension of industrial services.

The questionnaire was a combination of open questions and performance assessment questions (e.g. "How would you rate the general service quality on a scale from one to five? One being the best, five being the worst possible grade."). The interviews were either carried out via telephone or face-to-face and had all been recorded, transcribed and analyzed. The analysis was made with the MaxQDA software and a relevant coding list. In total 51 interviews were conducted – among them 24 customer interviews, 13 interviews with sales people and 14 expert interviews. Thus, the number of respondents for both internal and external perspective was well balanced. Due to the international approach of the responsive partner companies several nationalities of the interview respondents were represented, including Austria, Germany, Switzerland, United Kingdom, United States of America, Chile and Mexico.

3 Findings

The preceding research provided an analysis of five Upper Austrian companies and their service offerings of knowledge intensive services. Based on the insights gained from in-depths interviews, various conclusions relating to the value of industrial services and their potential to transform local industries had been made. Besides securing local firm's competitive advantage, industrial services also create opportunities for directly addressing some of Upper Austria's challenges mentioned earlier. In this context, a number of dimensions, when it comes to using services to create and capture more value and better fulfil consumer demand, were identified.

To begin with, industrial services are vital for manufacturing companies as their lack might be harmful for the b2b customer's daily business and success. For example, without proper and regular maintenance service a machine might break down. Those breakdowns are risky and might cost customers a lot of time, not to mention the tremendous costs involved.

"The service is the thing to buy a machine because everybody wants to buy a machine and to have the machine running the service is the main part or the main thing to deal with. "

„No company these days can afford a breakdown of a machine – they are the heart of a company.”

These statements highlight that industrial services as such constitute a significant value for the customer which can and should be expressed in monetary terms in order to make its effects clearly visible to the customer. In the scope of the research project several aspects or requirements of industrial services were mentioned continuously. As a result, those requirements were summarized into three general value dimensions which are important for the successful delivery of superior industrial services.

4 Value dimensions for successful service delivery

Research participants consistently described a set of various value-creating aspects which were summarized into three overall dimensions: performance, expertise and personal interaction. Those dimensions consist of various factors which are important regarding the successful service delivery in b2b industries. In this section those three value-creating dimensions are presented.

4.1 Performance

The first dimension is related to the implementation of industrial services and highlights some key aspects in order to achieve superior service performance. Those aspects are hence creating value to the customer. The performance dimensions consist of three elements.

The first element is reliability. Reliability refers to a supplier's ability to deliver consistent performance levels over time. This element is also a lot about trust and the feeling of security which are both a key factor in supplier-buyer relationships. Thus, reliability is closely connected with the customer's contact persons. A customer firm needs to know that whatever problem or emergency there might occur, that it can rely on the supplier and the respective contact persons in order to have the problem fixed in the least amount of time. This it is referred to as the element of availability and flexibility of the service delivery, meaning amongst other aspects a 24/7 service or "trouble shooting" in case of emergency situations.

"I know in the past that [24/7 hotline service] is very important. It is essential that we have support on the phone when something happens [...]"

"Trouble-shooting is one big and the best argument we have. We never leave you alone and anytime the machines are running we are working. Any time, any moment you have a problem we will find a solution."

„Service [...] that means a quick identification, short delivery times, flexible assembly, adequate customer support, and the reliability of the contact person or service technician - that is most important."

Furthermore, trust and reliability also go hand in hand when it comes to the delivery of certain goods or spare parts. Being indispensable for the smooth operation of everyday business, the disposability of spare parts represents one of the most essential services a supplier can offer.

"If you have good support on the spare parts, it's a wonderful machine if you don't have support in spare parts it is not a good machine."

A high level of availability and the accuracy of the set of spare parts are among the most important factors thereof. Furthermore, service technicians have to do their work in a highly accurate way in order to avoid failures and breakdowns.

"And they should be able to give a service and the staff needs to be competent."

This also includes a clear documentation and a certain level of transparency. Hence, accuracy of the service delivery in general can be seen as the subsequent element of the performance dimension.

Moreover, service providers have to convey security and availability and dispel fear of quality loss.

4.2 Expertise

Access to a supplier's technical expertise was viewed as highly valuable by the customers.

Understanding a customer's business or at least making the efforts to do so can be seen as the first element in the expertise dimension. Although the term also includes the technical skills and knowledge of a supplier the active sharing of the knowledge and the willingness to get involved into the customer's processes are the aspects that actually create value to the customer firm.

(...) the industries we come from are completely different compared to the market of [the supplier] Because they know a lot about recycling and they have a lot of experience about that, but in regards of mining, what is actually the core business for us - we show more experience. (...) But between our technical department and their technical department we found a solution to improve the performance of the machine and it was a really nice experience.

"We usually build the machine with the optional equipment special for each customer. That means the customer gets the right machine for the right price and without paying for something extra that he is not using."

Moreover, by handing over certain services (such as installation of certain parts or the application of

varnish) to the supplier (outsourcing), the customer can benefit from the supplier's knowhow and experience as well as reduce own costs and expenditure of time.

"In general they provide us with the suitable vanished parts, because then we have the least efforts. If we would have to do the varnish in-house there would be a lot of time and money issues involved." Supplier expertise is also about proactive suggestions (consultation) and providing the customer company with recommendations for improvement of operations.

"You need to show how the customers reduce costs, how they can produce with this and in the end it means more money for the customer company."

Consultation goes hand in hand with the element of "understanding a customer's business".

Furthermore, consultation includes the aforementioned importance of showing the customer the actual monetary benefits when using the service offering of a supplier.

A supplier's thorough understanding of a customer's operations and a long-standing experience with a customer's products created opportunities for suppliers to add value in the improvement of existing products through service offerings.

"We are currently doing the expansion and the renewal of the machines with [company]. We again decided to work for them because they are a long-standing partner of us and they were always eager to improve our situation. They are a good and reliable partner."

Long-standing and personal business relationships were a big topic throughout the interviews. Thus, the following dimension focuses on interpersonal interactions between supplier and customer.

4.3 Personal interaction

Industrial services can be seen as a driver of personal interaction in supplier-buyer relationships. The respondents highly valued a supplier's responsiveness which is the seller's readiness to address customer's concerns and show commitment.

"The most important thing is to show the client that you support him. The worst thing is when a customer's machine breaks down because it costs the client a lot of money. That is why physical presence of the supplier is crucial."

Suppliers add value to a service offering by taking efforts and showing dedication to help the customer as much as possible. This also includes high availability and a quick response rate.

"It is great to work with [company] and we also appreciate the special treatment we get and that we can keep the link with Austria."

"The most important thing is to stay close to the customer."

"Everybody wants to have a quick response. Right now everybody wants to have easier and quicker responses from anything they need to have."

Going deeper into the different dimensions of industrial services, more attention should be paid on trainings and seminars. The aforementioned factors of trust and commitment play an essential role when it comes to trainings as they provide a unique chance for companies to actively build relationships with the customer and help the customer to efficiently use the machine. Trainings can be operator and technical trainings, train-the-trainer courses or any related offerings. Thus, trainings serve as an important tool for suppliers to build interpersonal bonds.

"The customers go to Austria also to strengthen the relationship with the supplier and the people there. [...] The customers see the faces of who to talk when there is a problem. So that's very good because we come like a family. So my customers are more comfortable buying this machine and a few of them already bought the second machine - not only due to the training but due to the relationship that they feel."

"Training is none the worse for being offered. And when it is offered it will be used. During trainings you can do a lot and you get to know people. So they have a great value."

The development of relationships at an individual level was held in high regard and there are numerous examples during the interviews regarding value creation through personal interaction. Developing interpersonal bonds improves problem solving and communication and leads to a better

understanding in business relationships. These benefits were regarded as contributing to the growth of a relationship as such. As mentioned earlier contact with the suppliers personnel like service hotline, service technicians, sales people, etc. is a key factor for strengthening interpersonal ties. Nevertheless, personal interactions should be done with caution as those interfaces include all different kinds of people which provides an area for certain pitfalls and misunderstandings.

Value dimensions for successful service delivery		
PERFORMANCE	EXPERTISE	PERSONAL INTERACTION
- Reliability - Availability and flexibility of service delivery - Accuracy of service delivery	- Outsourcing - Understand the customer's business - Consultation	- Responsiveness - Interpersonal bonds

Table 1: Value dimensions for successful service Delivery

Source: Authors

All of the three dimensions should be in harmony in order to achieve superior service delivery for b2b customers.

Summarizing, it can be seen that all the elements in the certain dimensions are related and interconnected. Some of them overlap in certain points and most of the elements influence each other to some extent. The reliability dimension can be seen as the core requirement for a well-functioning b2b business relationship. Without the identified elements of reliability, availability, flexibility and accuracy successful service delivery is in danger. "Expertise" and "Personal Interaction" on the other hand show potential for vendors of industrial services to "stand out of the mass" of suppliers and add substantial value to the customers' business.

The results of the interviews suggest that relationships are a key factor in buyer-seller relationships and show great potential for differentiation.

4.4 Strong relationships

One of the most significant insights is that industrial services are vital when it comes to long-term customer relationships and continuous business success. If carried out appropriately and carefully industrial services provide the chance to increase and strengthen long-term customer relationships. It was found out that customers highly appreciate close business relationships including familiarity with contact persons and service technicians which requires a low internal turnover rate. Familiarity and a good relationship are the basis for mutual trust among business partners and add value to cooperation.

A recurring theme in the interviews was how buyers' willingness to pay more or less for different supplier brands seemed to be driven by different types of relational associations. Trustworthiness was one consistently appearing association, and this statement explains how trust and commitment can be displayed:

"It was about how they asked about all our processes - they wanted to know exactly what we need and there was a big team behind. It was not just a sales person who tried to sell us something. We felt very well-advised and comfortable because we could discuss everything on another level."

Commitment is usually conceptualized as a desired outcome of successful customer relationship, principally equivalent to customer loyalty (Moorman et al. 1992). Responsiveness appeared to be a very important way of demonstrating commitment, or signaling the absence thereof:

"Our wishes and needs were not really taken into account".

Mutually important though for a significant number of interview respondents was the personal, human contact:

"If a customer spends three or four hundred thousand Euros on a machine to give them a warm comfortable feeling that the company they're buying from is credible, professional, and they get a real good impression when they meet the people there. That's when a customer can go away and make that sort of buying decision "yes, this is a product that I want to buy".

The declaration “to put a face behind the name” also occurred more than once and undermines again the importance of personal contact:

“The customers have to know that there are people on the other side of the world. That there are people in Austria that can help them with anything they want to know. That they know who is the people in the company are [...] so they know it is a human company. It’s not like you buy the machine and you know nothing about the supplier. Visits are very good for us because customers know that we as a supplier have a face.”

“I certainly think that it is an aid for the customer. I think it puts a face behind the names. It puts a face behind the company. It makes it more personal. At the company we like to think that we’re very approachable, and I think that’s probably the key thing that the company does very well, that they’re very open and approachable in that respect.”

“The most important thing about a supplier is that you know him personally. Because when I call I want to know to whom I am talking to and that I know that it works – that is the ultimate thing.”

„The competition does not have the same experience, the same values that company XY has for us due to the longstanding cooperation.”

„The most important thing is not to lose customer proximity and the active cooperation with the client.”

“We have a close relation with XY because we know people from XY for a long time.”

All those statements show that good relationships set the path to customer loyalty and hence lower client’s price sensitivity. Loyalty is generally believed to be related to profitability. As loyalty increases, the threat of competitive actions is reduced and therefore, loyalty is generally believed to contribute to a positive market performance. Customer loyalty can bring increased revenue for the firm since loyal customers are willing to pay more for the product and service of a provider that they are attached to. In other words, loyal customers pay a price premium for their preferred service provider which results in extra revenue for the seller (Papassapa 2009). The view that price premium is an outcome of service loyalty is also supported by De Chernatony and McDonald (1998), who state that firms with more loyal customers have the ability to command higher prices.

Relationships built on trustworthiness and cooperative information exchange signal commitment and responsiveness and have a positive impact on buyers’ willingness to pay for a service. Commitment is one term that can be used to capture loyalty which is evident in this answer of a salesperson on the question why service is key in customer relationships:

“We never leave you alone and anytime the machines are running we are working. Any time, any moment you have a problem we will find a solution”.

A customer mentioned: “Something can go wrong that is not on the topic, I can understand that. Nevertheless, you stay on your chair and do everything for the customer.”

This statement highlights that even if failures occur, a supplier showing the appropriate level of commitment and who is aware of the significance of a problem is more valuable to the customer as such. This was also highlighted in the interpersonal relations dimension under the element of “responsiveness”.

4.5 Price perception

In order to answer RQ1, a closer look on different price perceptions was essential.

Prices are as closely connected to services as they are to goods. As discussed earlier the difficulty in pricing of services should not be overlooked. Nevertheless, it was found out that the price as such is of secondary importance to most customers whereas the perceived value of services is critical.

This is evident in this buyer’s answer on the question why they chose a more expensive supplier over less expensive one:

“When we had problems they were always eager to solve them as soon as possible and they were always there to find a solution for us.”

Another client answered to the same question:

“They are very responsive and responsible of failures. Compared to other brands they are quicker to give answers, fix problems and, yes, they don’t hide away.”

Contrary to this, the sales force seems to focus its arguments mainly on price factors and value aspects seem to be neglected:

“The competition is cheaper”, “Sometimes it is only about the price”, or “We have to focus on the price. It depends on how expensive that will be”.

Many perceive additional industrial services as difficult to sell.

“Services are hard to sell because the client does not want to pay for it.”

Another sales person states the following:

“Services are hard to sell because it is hard to put a service into words. A service just proves itself during its realization.”

The discrepancy between the perception of sales people and customers was evident when analyzing the different statements of customer groups and sales groups. As mentioned before, salespeople often focused on the high prices of their quality services as an obstacle whereas customers focused their arguments mainly on value factors, like fast availability, expertise, responsibility or reliability. Whilst salespeople stated that prices in general are too high, the connection between premium service and premium prices appeared to be more discernible for customers.

“Let’s put it like this, the price-performance ratio is essential.”

Thus, it can be said that customers are willing to pay premium prices lest their benefits are obvious and the service is indispensable for their business success. If a company can ensure its customers certain conveniences, customers often do not hesitate to invest in the tendered service.

5 Pitfalls in the sales of services

When it comes to the sales of services as such, most problems occur due to various lapses in the sales process. One of them is that sometimes sales people do not give the client enough reasons and clearly defined arguments on why they should buy a certain service. The sales force rather focuses on selling per se than on the actual need of the customer and how the service has the potential to satisfy that need. During the study it was found out that very often sales people and customers do not communicate on the same level and the client often does not understand the arguments of a salesperson.

“It is a big package and as a client you often do not get an answer on how to properly adopt it; or about transparency - that it is easier and cheaper and for the client to handle.”

Thus, little transparency and comprehensibility and a lack of pro-arguments in general lead to poor sales performance of industrial service. Yet, sometimes problems have deeper reasons. Some companies give higher rewards for selling products and there is only little or no reward for the sale of services. An example for that would be a truck company who gives its salespeople a remuneration for selling a new truck but not for the refurbishment of an older vehicle although the refurbishment service might ensure acquisition and be more beneficial for the customer.

„However, I do not actively communicate a refurbishment to the customer. It’s more about selling new vehicles.”

Some services are just seen as necessary add-ons and not all firms recognize or exploit their full potential. At times there are no clear guidelines on how to organize hybrid sales of product and services. The combination of packages is often complex and time consuming and thus, all these aspects cause insecurity and little willingness to put effort into the active sales of services. Hence, sales processes need to be changed in order to transform the sales force into active value merchants of a company.

6 Conclusion

Summing up, it can be said that knowledge intensive services in the Upper Austrian manufacturing industry represent a necessary step towards higher productivity and competitiveness. Due to their special characteristics they can and should be actively used when strengthening relationships with b2b customers. The findings of the project support this approach and the results showed a close connection between a good, profitable, long-term business relationship and the active involvement in customers' day to day business through knowledge intensive service offerings. A set of dimensions and their respective elements shall be considered in order to successfully deliver industrial services. Those dynamics comprise, but are not restricted to performance, expertise and personal interaction. Familiarity and a good relationship are the basis for mutual trust among business partners and add value to cooperation. Responsiveness, competence, customer proximity and proactive suggestions are important for customers in order to build trust. Relationships built on trustworthiness and cooperative information exchange signal commitment and responsiveness and have a positive impact on buyers' willingness to pay for a service. These dynamics also hold important implications for the development of pricing programs. When it comes to pricing per se, the different price perceptions of salespeople and customers have to be taken into account. For sales employees price is the most substantial factor when it comes to services whereas customers rather focus on the aforementioned value elements. This means by focusing on value elements and dynamics during the pricing process, firms can achieve higher profitability and revenues. Certain pitfalls regarding the sales of industrial services have to be taken into account in order to transform the salespeople to value merchants. Besides securing local firms' success and competitive advantage, industrial services also create opportunities for directly addressing some of Upper Austria's challenges. In this context, focusing on the development on effective knowledge intensive services can positively influence a manufacturing regions' successful transformation to a more innovative environment.

7 Limitations and outlook

In this study there are several sources of uncertainty to take into consideration.

Firstly, it has to be clearly pointed out that the findings from the qualitative research are not representative of a population. Only Austrian companies from a specific federal region were examined. Furthermore, the project was carried out based on a limited time frame and hence, the results are contingent on momentum. Taking those factors into account, the interpretation and application of the findings have to be judged in the light of limited generalization of this research. Secondly, this paper dealt with the industrial service values and benefits of clients from Upper Austrian companies in addition to the opinions concerning the topic of the respective salespeople. Although the research participants had different nationalities the study did not, however, consider intercultural aspects. Whether certain intercultural characteristics would influence service aspects is something requiring further examination. With intercultural dimensions being highly under-researched regarding industrial services, further research on the underlying factors is therefore recommendable.

Finally, one has to consider, that translations and language difficulties during the interviews and while transcribing them bears the risk of misinterpretations or mistranslations.

For future implications it is important to point out the necessity of appropriately trained sales staff. As mentioned earlier the sale of services requires a specific set of arguments and due to their intangibility the values and benefits of services have to be pointed out thoroughly. Thus, adequate and tailored training of the sales force is of utmost importance for industrial service providers. In order to ensure sales, appealing incentives should be offered for high achieving sales both in- and outside national borders. Furthermore, new business models are needed for foreign international

markets. What works within a country might not work in other markets and with increased globalization it is difficult to retain service quality. Fast paced, reliable service deliveries and their accompanying intercultural challenges are of utmost importance in our globalized economy and require careful further attention.

Literatúra/List of References

- [1] Anderson, J. C., Jain, D. C. and Chintagunta, P. K., 1993. Customer value assessment in business markets: A state-of-practice study. In: *Journal of Business-to-Business Marketing*, 1(1), p. 2-29. ISSN 1051-712X.
- [2] De Chernatony, L. and McDonald, M., 1998. *Creating Powerful Brands in Consumer, Service and Industrial Markets*. Oxford: Butterworth Heinemann, 1998. ISBN 9780750622400.
- [3] ESIC European Service Innovation Centre, 2014. Summary Assessment of Upper Austria. Presented in the Service contract for the Enterprise and Industry Directorate, General of the European Commission.
- [4] European Commission, 2016. Upper Austria, a Manufacturing Stronghold seeking to renew its Economy through Service Innovation. 2016. [online]. [cit. 2017-02-02]. Available at: <http://ec.europa.eu/growth/tools-databases/esic/large-scale-demonstrator/austria/regional-example/index_en.htm>
- [5] Flint, D. J., Woodruff, R. B. and Gardial, S. F., 1997. Customer Value Change in Industrial Marketing Relationships. In: *Industrial Marketing Management*. 1997, 26(2), p. 163-75. ISSN 0019-8501.
- [6] Gitzel, R. et al. 2016. Industrial Services as a Research Discipline. Enterprise Modelling and Information Systems Architectures. Presented at the Special Issue Conference on Business Informatics 2014.
- [7] Hinterhuber, A., 2004. Towards value-based pricing - An integrative framework for decision making. In: *Industrial Marketing Management*. 2004, 33(8), p. 765-78. ISSN 0019-8501.
- [8] Homburg, C. and Garbe, B., 1999. Towards an Improved Understanding of Industrial Services: Quality Dimensions and Their Impact on Buyer-Seller Relationships. In: *Journal of Business-to-Business Marketing*. 1999, 6(2), p. 39-71. ISSN 1051-712X.
- [9] Kostis, I., 2009. Successful industrial service pricing. In: *Journal of Business & Industrial Marketing*. 2009, 24(2), p. 86-97. ISSN 0885-8624.
- [10] Moorman, C., Zaltman, G. and Deshpande, R., 1992. Relationships between providers and users of market research: the dynamics of trust within and between organisations. In: *Journal of Marketing Research*. 1992, 29(3), p. 314-28. ISSN 0022-2437.
- [11] Rauyruen, P., Miller, E. K. and Groth, M., 2009. B2B services: linking service loyalty and brand equity. In: *Journal of Services Marketing*. 2009, 23(3), p. 175-86. ISSN 0887-6045.
- [12] Terho, H., Haas, A., Eggert, A. and Ulaga, W., 2012. It's almost like taking the sales out of selling - Towards a conceptualization of value-based selling in business markets. In: *Industrial Marketing Management*. 2012, 41(1), p. 174-85. ISSN 0019-8501.
- [13] Ulaga, W. and Eggert, A., 2006. Value-based Differentiation in Business Relationships: Gaining and Sustaining Key Supplier Status. In: *Journal of Marketing* 70(1), p. 119-36. ISSN 0022-2429.
- [14] Yeoman, I. and McMahon-Beattie, U., 2004. *Revenue Management and Pricing: Case Studies and Applications*. London: Thompson Learning, 2004. ISBN 1-84480-062-8.

Kľúčové slová/Key Words

industrial services, price, manufacturing industry, value dimensions
priemyselné služby, cena, spracovateľský priemysel, rozmery hodnôt

JEL klasifikácia/JEL Classification

M31

Résumé

Vytváranie hodnoty pre zákazníka s priemyselnými službami: Predaj priemyselných služieb nie je záležitosťou ceny

Podľa správy ESIC (European Service Innovation Centre) je región Horného Rakúska charakterizovaný silným výrobným sektorom, v ktorom transformácia spôsobená inováciou služieb je nevyhnutným krokom vpred, a preto sa používa ako rozsiahly demonštrátor dynamického a širokého vplyvu inovácií služieb. Stanovenie cien priemyselných služieb je ťažké pre komplexné parametre služieb, ale predstavuje jednu z otázok o priemyselných službách. Ako rakúsky región s vysokými mierami exportu a širokou medzinárodnou obchodnou prítomnosťou sa tento článok zameriava na spoločnosti v Hornom Rakúsku pri vypracúvaní dôležitosti oceňovania rôznych služieb orientovaných na hodnotu. Okrem toho zdôrazňuje všeobecné parametre, ktoré sú dôležité v oblasti priemyselných služieb. Na získanie hlbšieho poznania tejto témy autori úzko spolupracovali s priemyslom. Kvalitatívna štúdia s piatimi spoločnosťami zdôrazňuje výzvy, ako aj najdôležitejšie parametre a dynamiku, v prípade predaja ďalších služieb vo výrobnom priemysle. Bolo vykonaných 51 hĺbkových rozhovorov s obchodnými zamestnancami, zákazníkmi a odborníkmi z príslušných spoločností. Výsledky naznačujú, že existujú určité dimenzie hodnôt, ktoré možno zohľadniť pri úspešnom poskytovaní priemyselných služieb. Z obchodného hľadiska je to najdôležitejší faktor. To však odporuje spoločnému názoru zákazníkov, ktorí vychádzajú z ich vyššie uvedených aspektov. Zákazníci sú dlhodobejšie orientovaní na vzťahy. Hodnota výhod by mala byť hlavnou komunikačnou správou pre zákazníka a predajný personál musí byť zodpovedajúcim spôsobom vyškolený.

Kontakt na autorov/Address

FH-Prof. DI Dr. Margarethe Überwimmer, Degree program Global Sales and Marketing, Upper Austria University of Applied Sciences, School of Management, Wehrgrabengasse 1-3, 4400 Steyr, Austria, e-mail: margarethe.ueberwimmer@fh-steyr.at

FH-Prof. Ing. Robert Füreder, Degree program Global Sales and Marketing, Upper Austria University of Applied Sciences, School of Management, Wehrgrabengasse 1-3, 4400 Steyr, Austria, e-mail: robert.fuereder@fh-steyr.at

MA Christina Roitinger, Degree program Global Sales and Marketing, Upper Austria University of Applied Sciences, School of Management, Wehrgrabengasse 1-3, 4400 Steyr, Austria, e-mail: christina.roitinger@fh-steyr.at

Recenzované/Reviewed

3. marec 2017 / 7. marec 2017

Training concepts for industrial service staff in an intercultural context

Training concepts for industrial service staff in an intercultural context

Industrial services have always been an important part of companies' value chains and thus subject to many strategic decisions. They are also one of the differentiation possibilities now when markets are saturated and customers base their decisions mainly on intangible aspects of what companies offer. Carefully designed trainings are a basis not only for outstanding service delivery but also for keeping employees' motivational levels and experiencing perks on both micro (organizational) and macro (economy) levels. After successful growth in the domestic markets, expanding the customer base and generating more revenue is only possible if companies shift their business to other markets, which triggers a need for a new skill set - intercultural competence. Intercultural sensitivity facilitates communication and interactions with people from diverse cultural backgrounds and represents an incremental part of any training concept and its delivery. According to the ESIC (European Service Innovation Centre) report, the Upper Austrian region is characterized by a strong manufacturing sector where service innovation driven transformation represents an inevitable step forward and is thus used as a large-scale demonstrator for the dynamic and broad impact of service innovation. As the Austrian region with the highest export rates and a broad international business presence, this paper focuses on companies in Upper Austria when elaborating on different trainings necessary for industrial service staff. Moreover, the paper emphasizes competences that should be acquired by trainings and intercultural differences that need to be taken into account when setting up trainings. The research is based on a literature meta-analysis.

1 Introduction

Upper Austria is the best export region in Austria with more than one quarter of its all export. Its most fruitful products come from the production sector (machines, mechanical devices, steel and iron, engines and automotive products), while Germany, USA, Italy and CEE markets act as the biggest export markets (Land Upper Austria, n.d.). Due to globalization and corporate mobility many manufacturing companies are "going downstream" (following products to after-sale markets and offering additional services so the whole solution is provided instead of only core product) and thus providing highly-integrated systems (Davies 2003). Industry representatives in Upper Austria are looking towards services as one of the ways of sustaining competitive advantage and regional economic growth. The required service innovation on both business and economy levels requires united efforts that finally lead to fertile ground for successful transformation and development (European Commission 2016).

Industrial services do not only have higher margins than products (Anderson et al. 1997) and are a more reliable source of revenue due to their invulnerability to economic cycles (Quinn 1992), but they are also seen as a way of strengthening relationships with customers by making a customer a central focus of an organization (Bowen et al. 1989). Services are a great opportunity to fight against the accelerating global competition, shorter product cycles and rapid growth of imitators since they

are much more difficult to imitate (Visnjic et al. 2013). All of this implies the importance of services as an integral part of any product offering. However, in order to motivate a customer to participate in its co-production, all parties need to understand the concept of one offering, including the company's employees (Braxx 2005).

Many foreign companies are well off due to service centres in Upper Austria that offer support and training facilities for their international employees (Land Upper Austria 2016), which cannot be said for Austrian companies operating abroad. Therefore trainings for international service staff working in Upper Austrian subsidiaries abroad are the responsibility of their Austrian headquarters and their design has to be carefully constructed.

2 Training benefits

In a global economy companies are competing on the basis of the skills and knowledge of their employees more than ever before. Training as a systematic approach emerged as a necessity in the competitive world when it comes to both the learning of new employees and the development of the already existing ones. Training benefits lie not only on organizational level, but also on macro level where countries around the world introduce national policies aimed to enhance human capital by supporting development and delivery of training programs (Aguinis and Kraiger 2009). The United Kingdom, for instance, supports employers, trade unions and other bodies that provide frameworks for achieving success through people (Lee 2004).

Trainings have also proved to have a positive impact on organizational performance measures, such as productivity, sales and revenue and overall profitability (Aguinis and Kraiger 2009). Although there is a big gap in literature examining impact of trainings on companies' performance, research done by Aragon-Sanchez et al. (2003) and Ubeda Garcia (2005) show a positive relationship between on-the-job training and trainings carried by internal trainers on the one side and effectiveness of employees, stakeholder satisfaction and key performance indicators on the other.

Not only have relationships between companies and customers changed dramatically, but so too have employer-employee ones, where employees' loyalty to a single company lies in the opportunities one company offers them - namely the ones that increase their ability to keep up with growing knowledge and skills requirements (Garger, 1999). Besides enhancing employees' commitment, trainings can improve career satisfaction and interdepartmental collaboration (Geet and Deshpande 2008, cited in Martin et al. 2013).

Arthur et al. (2003) ascertained that when compared to no-training, training has a positive impact on job performance and job-related behaviour. Although trainings positively influence the performance of employees and organizations (Arthur et al. 2013; Aguinis and Kraiger 2009; Aragon-Sanchez et al. 2003; Ubeda Garcia 2005), their effectiveness is dependent on the training delivery method and the skill being trained (Arthur et al 2003). The most effective training programs proved to be the ones that include both cognitive and interpersonal skills (Aguinis and Kraiger 2009).

While on-the job trainings lead to improved tacit skills and greater innovativeness (Barber 2004), behaviour modelling trainings are proven to be fundamental for improving technical skills (David and Yi 2004). Tacit skills are acquired through informal learning and represent an intuitive feel when performing a complex set of actions (Barber 2004). Behaviour modelling trainings change trainees' knowledge structures by improving their declarative knowledge (David and Yi 2004) and task performance, or procedural knowledge (Taylor et al. 2005). While declarative knowledge deal with "what", procedural knowledge is the knowledge that deals with "how" something is done (Aguinis 2009).

In very stressful situations with a high level of novelty, stress training helps to maintain performance consistency (Frayne and Geringer 2000) where trainees are developing their strategic knowledge, a skill of knowing when to apply a specific knowledge (Kraiger et al. 1993). Frayner and Geringer (2000) administrated self-management training using a field experiment in the life insurance

industry. Sales people who participated in the training demonstrated higher objective (number of new policies sold) and subjective outcome (self-efficacy, outcome expectancy, subjective job performance). In a global economy cross-cultural trainings are gaining more importance, where expatriation assignments tend to boost not only the market performance of one company, but also the networks with stakeholders. While some authors argue that traditional trainings serve as a way of acquiring information whereas cross-cultural trainings focus on changes in attitudes and thus acceptance of cultural differences (Bhagat and Prien 1996), there is no doubt cross-cultural trainings are a necessity when preparing an individual psychologically for the life in another country (Bhawuk and Brislin 2000). Research has also proved the effectiveness of cross-cultural trainings when it comes to expatriate's success on assignments abroad (Littrell et al. 2006).

Trainings can also positively influence variables that act as antecedents to job performance. Such trainings are for instance leadership trainings that improve motivation, morality and empowerment (Dvir et al. 2002) and team-based trainings which improve team performance (Edkins 2002) and declarative knowledge (Ellis et al. 2005), and are especially important for fields such as medical care and aviation where errors are often the result of poor team coordination (Morey et al. 2002).

3 Training methods

Many people when thinking about trainings think of something reactive that is created as a response to a market need. This approach, however, is not enough in today's knowledge-based economy. Organizations are shifting their focus towards providing an environment in which employees can acquire and apply certain knowledge and skill instead of simply providing them with information packs. They are focusing their attention on creating learners, by distinguishing between having information, knowledge and wisdom (Garger 1999).

In order to do so, special attention is given to training design and delivery methods. Not only do methods matter when it comes to retention levels of participants (Linou and Kontogiannis 2004), but they also influence employees' performance (Heimbeck et al. 2003) and the quality of decision making (DeRouin et al. 2004).

The training method is a set of systematic procedures designed to convey knowledge, abilities, skills or attitudes to the participants in order to enhance their job performance (Martin et al. 2013, p. 2). There is no single method to deliver training due to ever-changing technologies and advances in learning theory, but one has to keep in mind that trainings have to go hand-in hand with their goals. Based on seven criteria: learning modality (seeing, hearing or doing), training environment (natural or real work environment or contrived), trainer presence (training delivery through a trainer or other source, such as computer), proximity (face-to-face or remote), interaction level, costs (low, moderate, high), time demands (time commitment required of the trainees), Martin et al. (2013, p. 5) identify 13 core training methods: case studies, games-based training, internship, job rotation, job shadowing, lecture, mentoring and apprenticeship, programme instruction, role-modelling, role play, simulation, stimulus-based training and team-training.

Case studies, as one of the training methods, develop skills by presenting a problem with a solution as an example of how to solve the problem, or without it so the participants can solve it themselves (Bruner et al. 1999). As a low-cost training method applicable to a large number of participants, the method is suited for the situations where participants have some knowledge, but benefit from the applied nature of the training (Martin et al. 2013) by enhancing decision-making, analytical, communication and interpersonal skills (Shivakumar 2012).

Games-based trainings are trainings in which trainees compete in a decision-making task, allowing them to explore a variety of strategic alternatives and explore consequences without the risk of anyone being harmed (Martin et al. 2013)

Internships, as a learning by doing method, are suitable for situations in which learners have extensive knowledge enabling them to overcome the unsupportive and inconsistent nature of this

training method and where the employer has limited financial resources at his or her disposal (Martin et al. 2013).

Job rotation is a training method that widens employees' horizons by allowing them to work on different positions at time frames dependent on their already existing knowledge, skills and capabilities (Gomez et al. 2004). Research has shown the positive relationship between job rotation and job satisfaction, which increases commitment to organizational goals and enhances job performance (Saravani and Abbasi 2013). By boosting knowledge transfer, employees acquire various skills and enhance their flexibility making them more valuable for the company (Tyler 2008). Job shadowing authorizes trainees to observe someone performing a specific job supporting them in learning first hand about the challenges associated with the job, without the risk and costs associated with job rotation (Tyler 2008; Martin et al. 2013).

Lectures are very well suited for simple training content with desired standardized learning (Martin et al. 2013). Many can argue for and against this training method, however, classroom-style training has always been an inevitable part of any learning. It provides interpersonal contact and it brings the most effect when combined with other training techniques (Garger 1999). Failure to acquire the target knowledge is a downside of this method (Martin et al. 2013).

Mentoring and apprenticeship involve a partnership between a novice and a senior employee by which a new employee gets support and guidance in job skills acquisition (Martin et al. 2013).

Programmed instruction is a training method that involves an electronic device with the help of which trainee gets feedback. Participants' learning depends on the feedback type ("correct/wrong", knowledge of correct response, elaboration feedback, delayed feedback) (Jaehnig and Miller 2007).

One of its method variations is distance learning. Distance learning enables trainings to highly mobile the workforce. Not only has video conferencing enabled discussion with employees all over the world, but it also supports the conducting of interactive quizzes and online availability of learning materials. Advantages of distance learning are numerous - costs savings, eliminated traveling time, consistency and increased productivity due to self-organized time of learners, just to name a few. Nonetheless, one has to keep in mind all the pitfalls distance learning brings with itself such as high dependency on technology, reduced group interactions as well as the possibility to build on ideas, which is likely when meeting colleagues in person (Garger 1999).

Role-modelling consists of live presentations of a certain skill to trainees, without an ongoing interaction. Very similar to job shadowing, training participants are learning by seeing from the others (Martin et al. 2013).

Role plays are a very popular training method which allows participants to apply the content of the training to a simulated situation by using various scenarios and thus decreases the chances of failure on the job (Martin et al. 2013).

In situations where trainings conducted in real-life environments are dangerous and / or costly, simulations provide effective practice opportunities that are safe, engaging and structured (Rosen et al. 2012). Simulations are becoming more affordable and thus used in a wider range of industries, but are a necessity in those where failure at work has major consequences (Martinet al. 2013).

Thanks to video streaming and realistic, highly active computer based simulations, computer-based trainings offer a solid basis for acquiring soft-skills, which was not possible before. Those realistic conversational pathways bring it down to learning by doing, which many think is the most effective learning method (Garger 1999). Moreover, virtual reality is a three dimensional computer based simulation allowing human interaction in real time and is equivalent to work activity by granting a detailed exploration of virtual objects. Augmented reality, on the other hand, is the augmentation of the real world by a virtual one. Both realities have proved to outperform the 2D drawings offered by conventional approaches of studying. When it comes to manufacturing, virtual reality has indicated better outcomes due to free object manipulation and is more flexible than augmented reality (Boud, et al. 1999). Technology-based learning provides an environment in which participants both acquire and practice certain skillsets before entering a classroom, which sets up a basis for a more efficient and effective classroom learning (Garger 1999).

Trainings that use a certain stimuli (music, narratives, works of art) by eliciting certain emotions in the participants and thus inducing a state of being in order to achieve learning (Martin et al. 2013) have proved to be effective, although negative emotions that are easily triggered should not be neglected.

When employees need to work together on some tasks or projects, developing their skills and knowledge in a team has certain benefits. Not only do those trained together in team trainings recall more from the training and make fewer on-job errors (Liang, Moreland and Argote 1995), but they also develop a certain set of social skills influenced by the group dynamics (Moreland and Myaskovsky 2000).

4 Training concept

Before any development of a training concept, evaluation measures have to be defined. Although many different models and approaches to training evaluation have been developed over time, it seems that Kirkpatrick's (1976) four-level model of training evaluation still has the widest use (Arthur et al. 2003). The model examines training effectiveness from four points of view - the reaction of participants measured by self-reports, learning criteria measurable through different tests, behavioral criteria that are very closely related to on-the-job performance and results criteria measured on a more macro level such as different profitability indicators.

Once the evaluation criteria have been determined, a company proceeds with the needs assessment, process of determining whether and to which extent one training can contribute to the organization's needs, problems and objectives. Within this context, this is a process that consists of three analyses - organizational (company's goals), task (skills needed for certain job position) and person (individuals needing training) (Arthur et al. 2003). Since the needs assessment specifies skills and tasks to be learned, practitioners have control only over the choice of training delivery method. This is especially to be considered in an intercultural setting, where not only the delivery method plays a role in effectiveness of skills and task acquisition (Wexley and Latham 2002), but group dynamics and rapport building could also be hindered. Therefore, the following chapter will focus mostly on training methods when dealing with intercultural adaptation of the training concept.

5 Intercultural adaptation of the training concept

Research has shown that customers in different cultures evaluate offered services differently and are thus differ in their sensitivity towards to compensations and apologies from the companies whose services did not match customer's expectations. Moreover, it has also been proved that cultural dimensions defined by Hofstede influence reshaping customers' repurchase decision. Having stated this, compensation as one service recovery action seems to have a greater influence on low power distance and highly individualistic cultures, while collectivistic Asian cultures prefer cultivating trust over compensation in customer retention (Wong 2004). That would mean that services provided by the same company worldwide have to match standards of different national cultures rather than the organizational ones and training methods have to be adjusted accordingly due to different approaches and attitudes to learning.

One widely used framework in understanding cultural differences is developed by Hofstede's study of 53 cultures in 72 countries. He identified power distance, individualism versus collectivism, masculinity versus femininity, uncertainty avoidance and long versus short term orientation as dimensions where cultures are likely to differ.

High power distance deals with an unequal power distribution in one society, such as Malaysia,

Indonesia, Singapore (Hofstede 2001), where senior-level people make decisions on their own and junior-level people do not intervene at all and neither do they contribute with their own ideas. Furthermore, subordinates are expected to do what they have been told to (Hofstede 2005). Since lectures provide a high amount of one-way information for training participants (Martin et al. 2013; Garger 1999), high-power distance cultures feel most comfortable with this training method, where participants could learn from their superiors the best (Haller 2013).

Individualistic cultures embrace values such as personal achievement, freedom and self-reliance while collectivistic countries nourish integration into strong cohesive in-groups, harmony (which is maintained by avoiding direct confrontation) and use high-context communication style. One culture which is highly-contextual, as for instance Japan (Hofstede 2005), brings many challenges in trainings where participants' feedback reshapes their direction. The Japanese language is full of ambiguity and thus when a Japanese person says "Yes", it does not mean a person agrees, but that he or she in the best case understood what a trainer wanted to say (Haller 2013). On the other side individualistic cultures prefer vivid and rough discussions and competition (Haller 2013) with which games and case studies seem to be a suitable choice for training methods.

Masculinity and femininity deal with different values in a society - competition, status and achievement on the one hand in masculine cultures and relationships, consensus and equality on the other hand in feminine cultures (Hofstede 2005). Having in mind the fact that in some cultures women are not expected to be in leading positions (such as Arabic countries) (Hofstede 2005), the gender of a trainer can be a big issue - female trainers could have difficulties in establishing trust among participants (Haller 2013).

Uncertainty avoidance deals with society's tolerance for ambiguity and uncertainty, indicating to what extent members of one culture feel (un)comfortable in unstructured situations. Uncertainty avoiding cultures would place a strong focus on laws and rules that would minimize the possibility of such novel, unknown or surprising situations; they believe in experts and technical solutions and are rather xenophobic (Hofstede 2005), which leads to the necessity of having a patient trainer - someone who would invest a lot of time in being trusted and accepted in one group (Haller 2013). If anxiety in uncertainty avoiding cultures is successfully managed, its members can feel comfortable being in a different environment in the event of training taking place somewhere else than at the places they are used to (Gudykunst 1998). Uncertainty avoiding cultures are also rather sceptical towards new technologies (Hofstede 2005) which means virtual reality and its advances should be carefully considered. In cultures characterized by low risk avoidance, trainers are not expected to know everything (Hofstede 2005), rendering role plays and case studies appropriate training methods as these are training methods with a not strictly defined solution.

Short-term oriented cultures respect traditions and believe that efforts should produce quick results (focus is on bottom line), whereas long-term oriented cultures think on a long-term basis (investments, savings) and perseverance. Members of long-term oriented cultures are allegedly good in applied and concrete sciences, preferring also teaching modes that would make them think rather than providing them with a huge flow of information. Short-term oriented cultures, on the other hand, get along better with abstract and theoretical sciences and are thus prefer lectures as one of the previously defined training methods (Hofstede 2005; Haller 2013).

Differences in values previously described by power distance, individualism, masculinity, uncertainty avoidance and time orientation often affect relationships among training participants or between trainers and participants in intercultural setting (Hofstede 2015).

Furthermore, the language of instruction plays a significant role. Trainers have more power over the learning if they teach in the student's language than the other way around, and training participants are very often more prone to participate in intellectual discussion when speaking in their native language (Hofstede 2015). Cultures with pictorial languages such as Korea, Japan and China are used to pictures and prefer graphical presentations of ideas rather than simple lists and written descriptions (Haller 2013). Pattern recognition by children is developed through the nature of the script, which imposes an urge for rote learning (Hofstede 2005). Besides different expectations

concerning the educational process and the roles of various bodies in it, some countries praise teachers/trainers (China, Germany and Japan), while in other the status of teachers is rather low (Britain) (Hofstede 2015).

When it comes to training evaluation, it is important to note that different cultures place an emphasis on different aspects of training. Bearing this in mind, French people favour design over real substance. The Swiss, as an environmental friendly culture, stress optimal resource allocation. Germans care for final results and usability of trainings. The Japanese want to see increased performance and functionality as a result of training (Haller 2013).

6 Conclusion

It is more than evident that globalization alongside many advantages and opportunities, brings many challenges that may hinder international business. When dealing with people from other cultures it is important to understand their cultural “backpack” in order to grasp their way of thinking and acting. Having intercultural competence opens an entirely new world where country borders become just meaningless lines on a world map and world population a potential customer base.

Trainings as a way of developing people’s skills will always be subject of discussion. New training methods arise with every technological advancement as well as necessary skill sets to compete in a highly competitive environment. How companies will approach new challenges that come along is yet to be seen. After all, to see effects on a macro level, government and organizations have to start with individuals and their ever-changing needs and desires rooted in various cultures they belong to.

7 Limitation and further research

This paper has dealt with one part of the training concept and its intercultural adaptation for companies that need to train their service staff coming from other cultures, mainly training methods. It did not, however, examine the learning process as such and method implications on cognitive, associative and autonomous phases and thus provides room for further research (Fitts and Posner 1967). Individual differences in skill learning, changes in behavior, reactions or results do not have to be taken into account, neither do the personality types that may affect any of the evaluation levels (Kirkpatrick 1976). Furthermore, the paper focused only on one set of cultural dimensions, examining them separately. This implies the need for a more comprehensive overview of intercultural models and a more detailed analysis of the necessary adaptation of training methods. The Delphi method, conducted with nine Upper Austrian manufacturing companies in 2014 and 2015, clearly demonstrated the need for educating service staff working on different locations around the globe in stress prevention, product and sales training with the focus on cross-cultural aspects. Having stated this it is clear that employees working in service departments lack both hard and soft skills that may hinder the success of companies and negatively influence the Austrian export rates, which are already weakened by many internal and external factors (CIA 2016). Having carried out the needs analysis, it is clear that different training methods can be manipulated in order to achieve the desired level of skill acquisition. Whether intercultural aspect would prevail over defined skills that need to be trained is something requiring further examination.

New technologies have shaped the world of training and it looks as if HR managers will focus their attention on areas such as self-directed learning, distance learning and strategic classroom learning, making the ever-growing variety of training methods reflect the technological progress. A question that arises lies in the extent to which technology can be suited to develop any needed skill and if so, what is the effectiveness of those trainings on both macro and micro levels?

Poznámky/Notes

method	learning modality	training environment	trainer presence	proximity	interaction level	cost consideration	time demands
case study	doing	controlled	yes	face-to-face, or distance	variable	low	moderate
games	doing	controlled	yes	face-to-face or distance	interactive	moderate	high
internship	doing	natural	yes	face-to-face	somewhat interactive	low	high
job rotation	doing	natural	n/a	face-to-face	not interactive	n/a	n/a
job shadowing	seeing	natural	yes	face-to-face	not interactive	low	low
lecture	hearing	controlled	yes	face-to-face or distance	not interactive	moderate	low
mentorship	doing	natural	yes	face-to-face or distance	somewhat interactive	low	moderate
programmed instruction	seeing	controlled	no	distance	not interactive	moderate	low
role modeling	seeing	simulated	yes	face-to-face or distance	not interactive	moderate	low
role play	doing	simulated	yes	face-to-face	interactive	low	low
simulations	doing	simulated	no	face-to-face	not interactive	high	moderate
situations-based team	variable	simulated	yes	face-to-face	somewhat interactive	moderate	low
team	doing	controlled	yes	face-to-face or distance	interactive	moderate	low

Appendix: Table 1: An overview of training methods, based on the seven criteria

Source: Martin et al. (2013, p. 8)

Literatúra/List of References

- [1] Aguinis, H. and Kraiger, K., 2009. Benefits of Training and Development for Individuals and Teams, Organizations, and Society. In: Annual Review of Psychology. 2009, 60, pp. 451-74. ISSN 0066-4308.
- [2] Aguinis, H., 2009. Performance Management. Upper Saddle River, NJ: Pearson Prentice Hall, 2009. ISBN 978-0136151753.
- [3] Anderson, E. W., Fornell C. and Rust, T. R., 1997. Customer Satisfaction, Productivity, and Profitability: Differences Between Goods and Services. In: Marketing Science. 1997, 16(2), pp. 129-45. ISSN 0732-2399.
- [4] Aragon-Sanchez, A., Barba-Aragon, I. and Sanz-Valle, R., 2003. Effects of training on business results. In: International Journal of Human Resource Management. 2003, 14(6), pp. 956-80. ISSN 0958-5192.
- [5] Winfred Jr, A., Bennet, J. W., Edens, S. P., Bell, T. S., 2003. Effectiveness of training in organizations: a meta-analysis of design and evaluation features. In: Journal of Applied Psychology. 2003, 88(2), pp. 234-45. ISSN 0021-9010.
- [6] Barber, J., 2004. Skill upgrading within informal training: lessons from the Indian auto mechanic. In: International Journal of Training and Development. 2004, 8(2), pp. 128-39. ISSN 1468-2419 .
- [7] Bhagat, R. S. and Prien, O. K., 1996. Cross-cultural training in organizational contexts. In: Landis, D. and Bhagat, S. R. (Eds.), Handbook of intercultural training. Thousand Oaks, CA: Sage, 1996, pp. 216-230. ISBN 9780803958340.
- [8] Bhawuk, D. P. S. and Brislin, W. R., 2000. Cross-Cultural Training: A Review. In: Applied Psychology. 2000, 49(1), pp. 162-91. ISSN 1464-0597.
- [9] Boud, A. C., Haniff, D. J., Baber, C. and Steiner, S. J., 1999. Virtual reality and augmented reality as a training tool for assembly tasks. In: Information Visualization Proceedings. 1999, pp. 32-6. ISBN 0-7695-0210-5.
- [10] Bowen, D. E., Siehl, C. and Schneider, B., 1991. A Framework for Analyzing Customer Service Orientations in Manufacturing. In: Academy of Management Review. 1991, 14(1), pp. 75-95. ISSN 0363-7425.
- [11] Braxx, S., 2005. A manufacturer becoming service provider - challenges and a paradox. In: Managing Service Quality. 2005, 15(2), pp. 142-55. ISSN 0960-4529.
- [12] Bruner R. F., Gup, E. B., Nunnally Jr, H. B. and Pettit, C. L., 1999. Teaching with cases to graduate and undergraduate students. In: Financial Practice and Education. 1999, 9(2), pp. 111-19. ISSN 1082-0698.
- [13] CIA, 2016. The World Factbook - Austria! 2016. [online]. [cit. 2016-03-22]. Available at:

<<https://www.cia.gov/library/publications/the-world-factbook/geos/au.html>>

- [14] Davies, A., 2003. Are firms moving “downstream” into high-value services? In: Tidd, J. and Hull, F. M. (Eds), *Service Innovation, Series on Technology Management*. Vol. 9, London: Imperial College Press, 2003, pp. 321-34. ISBN 978-1-86094-367-6.
- [15] Davis, F. D. and Mun, Y. Y., 2004. Improving Computer Skill Training: Behavior Modeling, Symbolic Mental Rehearsal, and the Role of Knowledge Structures. In: *Journal of Applied Psychology*. 2004, 89(3), pp. 509-23. ISSN 0021-9010.
- [16] Derouin, R. E., Fritzsche, A. B. and Salas, E., 2004. Optimizing E-Learning: Research-based guidelines for learner-controlled training. In: *Human Resource Management*. 2004, 43(2), pp. 147-62. ISSN 0090-4848.
- [17] Dvir, T., Eden, D., Bruce, J. A. and Boas, S., 2002. Impact of transformational leadership on follower development and performance: a field experiment. In: *Academy of Management Journal*. 2002, 45(4), pp. 735-44. ISSN 0001-4273.
- [18] Ellis, A. P. J., Bell, S. B., Ployhart, E. R., Hollenbeck, R. J. and Ilgen, R. D., 2005. An evaluation of generic teamwork skills training with action teams: effects on cognitive and skill-based outcomes. In: *Personnel Psychology*. 2005, 58(3), pp. 641-72. ISSN 1744-6570.
- [19] ESIC European Service Innovation Centre, (2014). Summary Assessment of Upper Austria”, in the Service contract for the Enterprise and Industry Directorate – General of the European Commission.
- [20] European Commission, 2016. Upper Austria, a Manufacturing Stronghold seeking to renew its Economy through Service Innovation. 2016. [online]. [cit. 2016-03-14]. Available at: <http://ec.europa.eu/growth/tools-databases/esic/large-scale-demonstrator/austria/regional-example/index_en.htm>
- [21] Fitts, P. M., and Posner, I. M., 1967. *Human performance, Basic concepts in psychology series*. Michigan: Brooks/Cole Publishing Company, 1967.
- [22] Frayne, C. A, and Geringer, J. M., 2000. Self-Management Training for Improving Job Performance: A Field Experiment Involving Salespeople. In: *Journal of Applied Psychology*. 2000, 85(3), pp. 361-72. ISSN 1464-0597.
- [23] Garger, E. M., 1999. Goodbye Training, hello learning. In: *Workforce*. 1999, 78(11), pp. 35-42. ISSN 2331-2793.
- [24] Geet, S. D. and Deshpande, A. A., 2008. *Elements of human resource management*. Pune, Mumbai: Bragati Book Centre, 2008.
- [25] Gomez, P. J., Lorente C. J. and Cabrera, V. R., 2003. Training practices and organizational learning capability - Relationships and implications. In: *Journal of European Industrial Training*. 2003, 28(2/3/4), pp. 234-56. ISSN 0309-0590.
- [26] Gudykunst, W. B., 1998. Applying anxiety\uncertainty management (AUM)-Theory to intercultural adjustment training. In: *International Journal of Intercultural Relations*. 1998, 22(2), pp. 227-50. ISSN 0147-1767.
- [27] Haller, P. M. and Nägele, U., 2013. *Praxishandbuch Interkulturelles Management – Der andere Weg: affektives Vermitteln interkultureller Kompetenz*. Wiesbaden, Germany: Springer Gabler, 2013. ISBN 8-3658003289.
- [28] Heimbeck, D., Frese, M., Sonnentag, S. and Keith, N., 2003. Integrating errors into the training process: the function of error management instructions and the role of goal orientation. In: *Personnel Psychology*. 2003, 56(2), pp. 333-61. ISSN 1744-6570.
- [29] Hofstede, G., 2001. *Culture’s Consequences: Comparing Values, Behaviours, Institutions, and Organizations Across Nations*. Thousand Oaks CA: Sage Publications, 2001. ISBN 9780803973244.
- [30] Hofstede, G. and Hofstede, J. G., 2005. *Cultures and Organizations: Software of the mind – Intercultural cooperation and its importance for survival*. New York, NY: McGraw-Hill, 2005. ISBN 9780071439596.
- [31] Jaehnig, W. and Miller, L. M., 2007. Feedback types in programmed instruction: a systematic review. In: *Psychological Record*. 2007, 57(2), pp. 219-32. ISSN 0033-2933.

- [32] Kirkpatrick, D. L., 1976. Evaluation of Training. In: Craig, R. L. (Ed.). Training and development handbook: A guide to human resource development. 2nd ed. New York: McGraw-Hill, 1976, pp. 301-19. ISBN 9780070133501.
- [33] Kraiger, K., Ford, K. J. and Salas, E., 1993. Application of Cognitive, Skill-Based, and Affective Theories of Learning Outcomes to New Methods of Training Evaluation. In: Journal of Applied Psychology. 1993, 78(2), pp. 311-28. ISSN 0021-9010.
- [34] Land Upper Austria, 2016. Upper Austria - Economy. 2016. [online]. [cit. 2016-03-14]. Available at:
<https://www.land-oberoesterreich.gv.at/Mediendateien/Formulare/DokumenteAbt_Praes/OOe-Wirtschaft-E.pdf>
- [35] Lee, M., 2004. National Human Resource Development in the United Kingdom. In: Advances in Developing Human Resources. 2004, 6(3), pp. 334-45. ISSN 1523-4223.
- [36] Liang, W. D., Moreland R. and Argote, L., 1995. Group Versus Individual Training and Group Performance: The Mediating Role of Transactive Memory. In: Personality and Social Psychology Bulletin. 1995, 21(4), pp. 384-93. ISSN 0146-1672.
- [37] Linou, N. and Kontogiannis, T., 2004. The effect of training systemic information on the retention of fault-finding skills in manufacturing industries. In: Human Factors and Ergonomics in Manufacturing & Service Industries. 2004, 14(2), pp. 197-217. ISSN 1090-8471.
- [38] Littrell, L. N, Salas, E., Hess, P. K., Riedel, S., 2006. Expatriate Preparation: A critical analysis of 25 Years of Cross-Cultural Training Research. In: Human Resource Development Review. 2006, 5(3), pp. 355-88. ISSN 1534-4843.
- [39] Ostrowski, B. M., Kolomitro, K., Lam, M. C. T., 2013. Training Methods: A Review and Analysis. In: Human Resource Development Review. 2013, 13(1), pp. 1-25. ISSN 1534-4843.
- [40] Moreland, R. L. and Myaskovsky, L., 2000. Exploring the Performance Benefits of Group Training: Transactive Memory or Improved Communication? In: Organizational Behavior & Human Decision Processes. 2000, 82(1), pp. 117-33. ISSN 0749-5978.
- [41] Morey, C. J., Simon, R., Jay, D. G., Wears, L. R., Salisbury, M., Dukes, A. K. and Berns, D. S., 2002. Error reduction and performance improvement in the emergency department through formal teamwork training: evaluation results of the MedTeams project. In: Health Services Research. 2002, 37(6), pp. 1553-81. ISSN 1475-6773.
- [42] Quinn, J. B., Doorley, L. T. and Paquette, C. P., 1990. Beyond Products: Services - Based Strategy. In: Harvard Business Review. 1990, 68(2), pp. 58-67. ISSN 0017-8012.
- [43] Rosen, M. A, Hunt, A. E., Pronovost, J. P., Federowitz, A. M., Weaver, J. S., 2012. In situ simulation in continuing education for the health care professions: a systematic review. In: Journal of Continuing Education in the Health Professions. 2012, 32(4), pp. 243-54. ISSN 1554-558X.
- [44] Saravani, S. R., Abbasi, B., 2013. Investigating the influence of Job Rotation on performance by considering skill variation and job satisfaction of bank employees. In: Tehnicki vjesnik. 2013, 20(3), pp. 473-78. ISSN 1330-3651.
- [45] Shivakumar, K., 2012. The case study method in training and management education. In: IUP Journal of Soft Skills. 2012, 6(2), pp. 55-64. ISSN 0973-8479.
- [46] Taylor, P. J, Russ-Eft, F. D., Chan, L. W. D., 2005. A Meta-Analytic Review of Behavior Modeling Training. In: Journal of Applied Psychology. 2005, 90(4), pp. 692-709. ISSN 1559-1816.
- [47] Tyler, K., 2008. 15 Ways to train on the Job. In: HR Magazine. 2008, 53(9), pp. 105-08. ISSN 1047-3149.
- [48] Ubeda, G., M., 2005. Training and business performance: the Spanish case. In: International Journal of Human Resource Management. 2005, 16(9), pp. 1691-710. ISSN 0958-5192.
- [49] Visnjic, K., Van Looy, I., B.. and Neely, A., 2013. Steering Manufacturing Firms Towards Service Business Model Innovation. In: California Management Review. 2013, 56(1), pp. 100-23. ISSN 0008-1256.
- [50] Wexley, K. N. and Latham, G. P., 2002. Developing and training human resources in organizations. Upper Saddle River, NJ: Prentice Hall, 2002. ISBN 978-0130894977.

[51] Wong, N. J., 2004. The role of culture in the perception of service recovery. In: Journal of Business Research. 2004, 57(9), pp. 957-63. ISSN 0148-2963.

Kľúčové slová/Key Words

industrial service, training concept, service staff, competences
priemyselná služba, koncept školenia, obslužný personál, kompetencie

JEL klasifikácia

M31, M54

Résumé

Školiace koncepty pre obslužný personál v priemysle v medzikultúrnom kontexte

Priemyselné služby boli vždy dôležitou súčasťou hodnotového reťazca podnikov a teda na nich závisia aj mnohé zo strategických rozhodnutí. Sú tiež jednou z možností diferenciacie, hlavne teraz, keď sú trhy nasýtené a zákazníci sa rozhodujú predovšetkým na základe nehmotných aspektov toho, čo ponúkajú firmy. Starostlivo konštruované tréningy sú základom nielen pre vynikajúce poskytovanie služieb, ale aj pre udržanie motivačnej úrovne zamestnancov a aplikovanie výhod ako na mikroúrovni (organizačnej), tak aj makroúrovni (ekonomickej).

Po úspešnom raste na domácich trhoch je možné rozšíriť zákaznícku základňu a generovať viac príjmov len vtedy, ak spoločnosti presunú svoju činnosť na iné trhy, čo vyvoláva potrebu nových zručností - interkultúrne kompetencie. Interkultúrna citlivosť uľahčuje komunikáciu a interakcie s ľuďmi z rôznych kultúrnych prostredí a predstavuje súčasť akéhokoľvek vzdelávacieho konceptu a jeho aplikácie.

Podľa správy ESIC (European Service Innovation Centre), sa Hornorakúsky región vyznačuje silnou výrobou, kde transformácia riadená inovačnými službami predstavuje nevyhnutný krok vpred a je preto používaná vo veľkom meradle ako demonštrátor pre dynamický a široký dopad inovácie služieb. Ako rakúsky región s najvyššou hodnotou vývozu a širokou medzinárodnou obchodnou pôsobnosťou, sa tento článok zameriava na spoločnosti v Hornom Rakúsku vypracúvajúce rôzne školenia potrebné pre obslužný personál v priemysle. Okrem toho, článok zdôrazňuje kompetencie, ktoré by mali byť nadobudnuté školeniami a interkultúrne rozdiely, ktoré je potrebné vziať do úvahy pri nastavovaní tréningov. Výskum je založený na základe meta analýzy literatúry.

Kontakt na autorov/Address

FH-Prof. DI Dr. Margarethe Überwimmer, University of Applied Sciences Upper Austria, Global Sales and Marketing, Wehrgrabengasse 1-3, 4400 Steyr, Austria, e-mail: margarethe.ueberwimmer@fh-steyr.at

Ing. Jovana Tomovic, BSc MA, University of Applied Sciences Upper Austria, Global Sales and Marketing, Wehrgrabengasse 1-3, 4400 Steyr, Austria, e-mail: jovana.tomovic@fh-steyr.at

FH-Prof. Ing. Robert Füreder, University of Applied Sciences Upper Austria, Global Sales and Marketing, Wehrgrabengasse 1-3, 4400 Steyr, Austria, e-mail: robert.fuereder@fh-steyr.at

Recenzované/Reviewed

7. marec 2016 / 9. marec 2016