Available online at www.sciencedirect.com
SCIENCE DIRECT®

Journal of Operations Management 23 (2005) 23–42

JOURNAL OF OPERATIONS MANAGEMENT
www.elsevier.com/locate/dsw

Entrepreneurial orientation as a basis for classification within a service industry: the case of retail pharmacy industry

Thanigavelan Jambulingam[a,1], Ravi Kathuria[b,*], William R. Doucette[c,2]

[a]Department of Marketing, Erivan K. Haub School of Business, St. Joseph's University,
5600 City Avenue, Philadelphia, PA 19131-1395, USA
[b]Argyros School of Business and Economics, Chapman University, One University Drive, Orange, CA 92866, USA
[c]University of Iowa, College of Pharmacy, S518 PHAR, Iowa City, IA 52242, USA

Received 18 December 2002; received in revised form 19 August 2004; accepted 13 September 2004

Abstract

To date, service classification research has primarily taken a macro view, creating service typologies or taxonomies by using dimensions such as customer contact or degree of labor intensity. Such classification schemes, though helpful in deciphering critical management issues and positioning strategies between service industries, tend to treat an entire industry, such as airlines, as a single homogenous entity. However, organizations in the same industry often use intangible resources, such as entrepreneurial orientation processes, to compete with one another. Resource-advantage theory suggests that organizations utilize intangible resources to build long-term strategies and a sustainable competitive advantage leading to superior performance. We developed organization clusters based on entrepreneurial orientation as intangible resources to classify organizations within a retailing industry. Using data from the retail pharmacy industry, we tested if the entrepreneurial orientations of the resultant groups within the pharmacy industry were related to their perception of the environment, organizational factors, and performance outcomes. The operationalization of the construct of entrepreneurial orientation is one of the contributions of the study.

© 2004 Elsevier B.V. All rights reserved.

Keywords: Service management; Entrepreneurial orientation; Intangible resources; Operations strategy; Competitive advantage; Classification scheme; Taxonomy

To date, service classification research has primarily taken a macro view, creating service typologies or taxonomies by using dimensions such as customer contact (cf., Chase, 1978), degree of labor intensity (cf., Schmenner, 1986; Haywood-Farmer, 1988), delivery channels (Huete and Roth, 1988), nature of service products and service processes (Kellogg and Nie, 1995). These typologies – commonly used in

---

[*] Corresponding author. Tel.: +1 714 628 2703; fax: +1 714 532 6081.

E-mail addresses: tjambuli@sju.edu (T. Jambulingam), kathuria@chapman.edu (R. Kathuria), doucette@blue.weeg.uiowa.edu (W.R. Doucette).

[1] Tel.: +1 610 660 3382.

[2] Tel.: +1 319 335 8786; fax: 1 319 353 5646.

0272-6963/$ – see front matter © 2004 Elsevier B.V. All rights reserved.
doi:10.1016/j.jom.2004.09.003

service management textbooks – tend to classify services using one or more attributes (cf., Fitzsimmons and Fitzsimmons, 2001). For example, using the customer contact dimension, health care is classified as a high contact service and the postal service as low contact. Lovelock (1983) classifies services in several two-by-two matrices, which help with understanding how the nature of services in each class affects marketing and operations. Most of these classification schemes have been accepted on the basis of their intuitive appeal, and often lack empirical verification (Cook et al., 1999). Cook et al. (1999) presented a concise view of the service classification literature, and provided an integrated schematic representation that captures various important dimensions of the service classification schemes in both marketing and operations disciplines.

Among the early classification schemes that were developed or verified empirically, Silvestro et al. (1992) is notable. They derived a service taxonomy based on the volume of daily service activity and six classification dimensions—length of customer contact time, degree of customization, level of employee discretion, value added, product/process focus, and labor intensity. Depending upon a firm's daily service activity and its ranking on the six dimensions, it would be classified as a professional service, service shop, or a mass service.

These schemes supposedly help the managers in "assessing the demands placed on the service system in terms of its operating requirements" (Cook et al., 1999, p. 328). The classification schemes, though helpful in deciphering critical management issues and positioning strategies for different service industries or classes of organizations, tend to classify an entire industry, such as airlines, as one type. Such classifications are useful, but do not take into account the differences within an industry. Verma and Young (2000) concur with our views and contend that these classification schemes fail to recognize the differences within a specific category of service businesses, such as service factory, service shop, and professional service.

Heeding the advice of researchers in operations management (cf., Chase, 1996; Swamidass, 1991; Flynn et al., 1990; Boyer et al., 2000) to empirically validate the generally accepted typologies and frameworks, Verma and Boyer (2000) conducted an empirical examination of the management challenges faced by managers in four different types of services based on Schmenner's (1986) service process matrix. Using data from the pizza industry, Verma et al. (1999) presented an approach to configure service operations by integrating market-based objectives and operating decisions of managers. Verma and Young (2000) developed a taxonomy for one type of service – low contact services. They, however, included two different service industries – fast food restaurants and auto repair services – in their study to develop a common taxonomy for both the industries. They discovered five clusters based on the relative importance given to what they called the operational, market and financial objectives.

Metters and Vergas (2000) presented a typology for competitive positioning with respect to strategic operations focus and "de-coupling" activity. They used one industry – the retail bank lending industry – to exemplify the ideal types presented in their typology. Recently, Menor et al. (2002) developed a taxonomy of strategic service groups within one industry – retail banking. Along those lines, our study is focused on one industry – retail pharmacy industry. We conducted a study of the retail pharmacy industry to identify clusters of retail pharmacies, based on the entrepreneurial orientation as intangible resources they use in their strategies. The specific objectives of this study were to (1) derive a service provider taxonomy based on entrepreneurial orientation (intangible resources) utilized by retail pharmacies and (2) characterize the environmental, organizational and performance features of the clusters of retail pharmacies identified through the taxonomy.

1. Background and research context

If we were to use earlier classification schemes, such as Chase (1978), we would classify all pharmacies as service shops. The popular literature, however, classifies retail pharmacies based upon the number of stores and type of merchandise sold. For example, "independent pharmacies" have less than four stores and "small chain" pharmacies have four to ten stores under a chain. "Large chains" are comprised of more than ten stores. "Food and drug combos," are food stores with an in-house pharmacy, such as Kroger and Pathmark. "Mass merchandisers,"

دریافت فوری ← **متن کامل مقاله**

ISIArticles
مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات