On Competing Service Systems

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When innovative new services are introduced to market and society, it is usually the case that a group of service providers (frequently through the leadership of a sector dominant provider) form an alliance that implements the new service as a composition of some of their own offerings (services or goods and resources). The participating service providers set their own business objectives in order to enter the coalition, and these will have to be satisfied if the emerging service system is to be successful against the competition and sustainable in the long run. One of the many interesting questions that emerge in this context is the following: how can these business objectives be translated to appropriate constraints for the design of the necessary business processes and for resource and infrastructure services (cloud) provisioning? How can these - structure of the service system, business processes, infrastructure services - be adapted to a changing and competitive business environment so that old or new business objectives are still met?

I will present some initial research results that can provide a first handle to these problems. I argue that we need a fresh, holistic approach to deal with them. We have to gain a deeper understanding of how value is created in service systems, how people and systems contribute to this creation, and how sensitive this value creation is to our, most of the time, unsuspecting technical decisions on IT systems and infrastructures. I will also discuss a first attempt towards a unified quantitative framework that could be useful towards addressing these issues and concerns.