

CHROME: An Approach To Teaching The Concept Of Inter-Functional Cooperation In Services Organizations

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ABSTRACT

When teaching a services course (e.g., Services Marketing) it is essential that students understand that marketing/management, operations and human resource management within the service organization be fully coordinated. One useful acronym used to remind students of this need is "CHROME", standing for Communications, Human Resources, Operations, Marketing and Everyone. It is easy for students to remember and leads to a discussion of "CHROME"ing.

Keywords: Service Organizations; Inter-functional Cooperation; Teaching

INTRODUCTION

When teaching a course in services marketing or management, it is really impossible to ignore the crucial role that human resource management and an effective service operations strategy have in effective service marketing programs. This is made explicit in textbooks such as those of Lovelock (e.g., Lovelock, Patterson and Walker, 2004, p 24) where there is a direct reference to what is called "The Service Management Trilogy", namely human resource management, operations management and marketing management. This idea is also used in texts like McColl-Kennedy (2003, p 13).

Other texts are less explicit about the interaction among the three management areas, but careful analysis of them suggests that the three are quite intertwined. Bateson and Hoffman (1999, p 14) and Kasper et al (1999, p 676) use the concept of a "servuction" system that combines a service production system with service delivery personnel. Other authors variously discuss HR and operations strategies at various points in their texts (e.g., Zeithaml et al, 2006, HR p 370, Ops p 561; Rust et al, 1996, HR p 11, Ops p 437; Fisk et al, 2004, HR ch 6, Ops chs 4 & 5; Bruhn and Georgi, 2006, HR p 306, Ops p 418), but invariably the texts are infused with examples of how the three areas interact.

One little tool that I have found useful in getting this idea across to students is to use the acronym **CHROME** to emphasize how all three management areas are crucial in successful service delivery. The acronym is very simple and easy to remember. In my experience, students quickly get the idea that "**CHROME**"ing is very important in services. The acronym means the following:

- **C** = Communications
- **HR** = Human Resources
- **O** = Operations
- **M** = Marketing
- **E** = Everyone

The middle of the acronym is essentially identical to Lovelock's Services Management Trilogy. Note that if speaking to an HR-oriented group, one can point out that good HR must come first. If an operations-oriented group is the audience, then it can be pointed out that operations are at the middle of any service business. A marketing-oriented audience can note that services will not be successful unless good marketing is added to HR and operations.

The C part of the acronym is critical. I emphasize that good communications, both within managerial functions and across functions, is a must for excellent service businesses. Without good communications, the so-called "silo mentality" takes over and success is much more difficult.

Finally, the E suggests that everyone involved, including customers, must communicate effectively for a service business to thrive. Without effective and timely communications, then it is very difficult for the service organization to deliver quality service to its customers.

An interesting issue for academic research would be to examine whether organizations that practice CHROME are more successful than those who do not, or at least do not CHROME as well. Casual empiricism suggests that they do, but I am not aware of its explicit examination. In order to examine this issue, a first step would be to develop a measure of just how much CHROME is practiced within an organization. This is a classic case of a measurement issue that is very common in research in marketing (and many other business research areas).

CONCLUSION

It is hoped that this little tip is helpful to readers in developing teaching strategies for services marketing. I would be curious as to how CHROME works if you do use it in your courses, so please feel free to email the author about your experiences.

AUTHOR INFORMATION

Lester W Johnson is Professor of Management (Marketing) at the Melbourne Business School, The University of Melbourne. He has a B.A. from the University of New Hampshire and an M.A. and Ph.D. from the University of Connecticut. His research focuses on customer satisfaction and consumer behavior in services and he teaches courses in services marketing and also service science. He is currently the Editor of the *Australasian Marketing Journal* and an Associate Editor of the *Journal of Service Management*. He is a Fellow of both the Australia and New Zealand Marketing Academy and the Australian Market & Social Research Society.

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