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Research Article

EVALUATION OF ORGANIZATIONAL CAPABILITIES TO ENHANCE CUSTOMER VALUE (CASE STUDY: PUBLIC AND PRIVATE BANKS IN KERMANSHAH)

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ABSTRACT
Creating value for customers, to strengthen institutional capacities and capabilities of the individual researcher. The two Namshhvdhayy of the identity of an organization is not even available copy. Value of effectiveness. In other words, effective, values-based issue that goes beyond the numbers and the direction of the organization concerned. The present study is the purpose of this application. This research is the study of deductive logic implementation, in terms of time and in terms of how to implement cross-sectional study of qualitative research, the type of data, descriptive and correlational. The statistical population of all employees, experts and managers of public and private banks in the city of Kermanshah. The stratified random sampling method was used. The number 360 is selected. Data collection was performed using a questionnaire. Cronbach's alpha was calculated for each of the items of the questionnaire 0/857. In order to analyze the data obtained from a questionnaire survey of SPSS, AMOS was used. Finding no variables influencing managerial competence, capability and commitment of the staff as well as advertising and communications Tvamndsazy integrated customer relationship management represents the head.

Keywords: *Organizational Capabilities, Customer Value, Customer Relationship Management, Private and Public Banks*

INTRODUCTION
The health care industry in theWestern world faces rising costs, an ageing population, and customers demanding better care (Berry and Bendapudi, 2007; Rethmeier, 2010). For instance, in Australia, total expenditure on health services in 2011–12 was estimated at $140.2 billion, around 1.7 times higher than in 2001–02 (Australian Institute of Health and Welfare, 2013). Health care policy makers face several challenges as a result of the extensive growth of costs and customers' lack of access to health care (Akenroye, 2012; Thakur *et al.*, 2012). Thus, innovation in health care is needed to balance cost and access to health care (Omachonu and Einspruch, 2010). Traditionally, health care systems were designed with a focus on the role of the health care provider, with little consideration given to customer involvement (Berry and Bendapudi, 2007; McColl-Kennedy *et al.*, 2012). However, within health care practice and academe there is now recognition that customers cocreate health care service experiences, and are no longer passive recipients of their treatment (Gill *et al.*, 2011; McColl-Kennedy *et al.*, 2012). Thus, health care organisations are realising the importance of a customer-oriented business approach (Thakur *et al.*, 2012). This perspective reflects a shift in thought aligned with service dominant logic that customers are co-creators of value (Vargo and Lusch, 2004). Several scholars have documented that customer involvement is important for service innovation (Alam, 2011; Ordanini and Parasuraman, 2011). It has been shown that co-creation with users is a source of competitive advantage in innovation (Salunke *et al.*, 2011). There is also evidence that customer participation reduces the cost of innovation, increases service quality (Ramaswamy and Gouillart, 2010; Tanev *et al.*, 2011), and organisations develop more innovative solutions and gain superior knowledge (Matthing *et al.*, 2004). The management of customer participation in co-creating the innovation requires the organisation to learn more about the customer and his or her individual and collective context (Voima *et al.*, 2011). Customers can derive health care innovation both by co-creating with clinicians for their own health care management and by

contributing to the improvement of health care services at an organisational or system level. The customers' role in improving their own health care management is recognised in the literature (McColl-Kennedy *et al.,* 2012); however, the processes and structures to actively embrace customer participation in the improvement of health care services at an organisational or system level have not been previously investigated.

As health care organisations have not traditionally been customer-focused (McColl-Kennedy *et al.,* 2012), they often lack an understanding of how to best coordinate their resources and harness their capabilities to address this challenge. The purpose of this paper is to provide an understanding of the organisational capabilities that support customer participation in health care service innovation. This reflects one of the key priorities of service science research – to further understand the course to involve customers in service innovation – and addresses the call to conduct service innovation studies in complex environments like health care (Ostrom *et al.,* 2010).

Drawing from dynamic capability theory, we identify various capabilities an organisation requires to support customer participation in health service innovation. Specifically, we consider the capabilities required to bring the customer and organisation together to facilitate innovation outcomes. Extant literature agrees that customer participation affects service innovation (Matthing *et al.,* 2004; Ordanini and Parasuraman, 2011; Prahalad and Ramaswamy, 2004); however, there are several gaps in the field's knowledge. First, the current understanding of the role of customers in service innovations remains underdeveloped (Alam, 2011; Ostrom *et al.,* 2010).

Although several studies have focused on the role of customers (Alam and Perry, 2002; Carbonell *et al.,* 2012), few studies have examined the capabilities required by an organisation to facilitate customer participation in innovation. Further, studies that investigate organisational capabilities to facilitate co-created innovation predominantly focus on product providers (Coviello and Joseph, 2012; Lin and Huang, 2013) or a business-to-business context (Coviello and Joseph, 2012). Despite the growing importance of customer participation in innovation, little is known about the capabilities required to enable customer participation in health care service innovation. This paper will advance the literature in this area by identifying, and providing a categorisation of, organisational capabilities that support customer participation in health care service innovation. Dynamic capability theory will be applied in a co-creation context, to understand the capabilities required in the provider sphere, customer sphere and joint sphere (Grönroos and Voima, 2013) to bring together customers and organisations to innovate health care services. The capabilities reflect the activities undertaken by organisations to identify and mobilise customers, and their operant resources, to participate in the co-creation of innovation. In understanding these customer activation capabilities we build on the work of Coviello and Joseph (2012). Also reflected are the organisations' efforts to identify and coordinate their resources towards the co-created innovation experience. We have termed these capabilities organisational activation. We then consider the nature of the interaction between the customer and organisation as they undertake a dialogue to facilitate the innovation, building on the interaction dimensions proposed by Karpen *et al.,* (2012) in their conceptualisation of a service-dominant orientation. Finally, while the above capabilities may drive value co-creation in any context, we are specifically concerned with the ability of the organisation and the customer to facilitate innovation outcomes (Coviello and Joseph, 2012). Hence, our final category of organisational capabilities reflects an organisation's learning agility to sense changes in the environment and respond to them (Hertog *et al.,* 2010; Wilden *et al.,* 2013). The remainder of this paper is structured as follows. First, we draw on existing literature to discuss the changing nature of the role of customers in health care service innovation.

Then we put forth a categorisation of organisational capabilities that provides a structure for examining the capabilities required for health care service innovation. We outline the qualitative research design employed as part of this research. The organisational capabilities to support customer participation in health care service innovation are identified and the extant literature that provides a theoretical underpinning for these capabilities is explored. The article concludes with a discussion of practical implications, limitations, and future research directions.

Research Hypotheses

Competence of senior management has a significant impact on customer relationship management.
Innovation capability has a significant impact on customer relationship management.

Learning capability has a significant impact on customer relationship management.

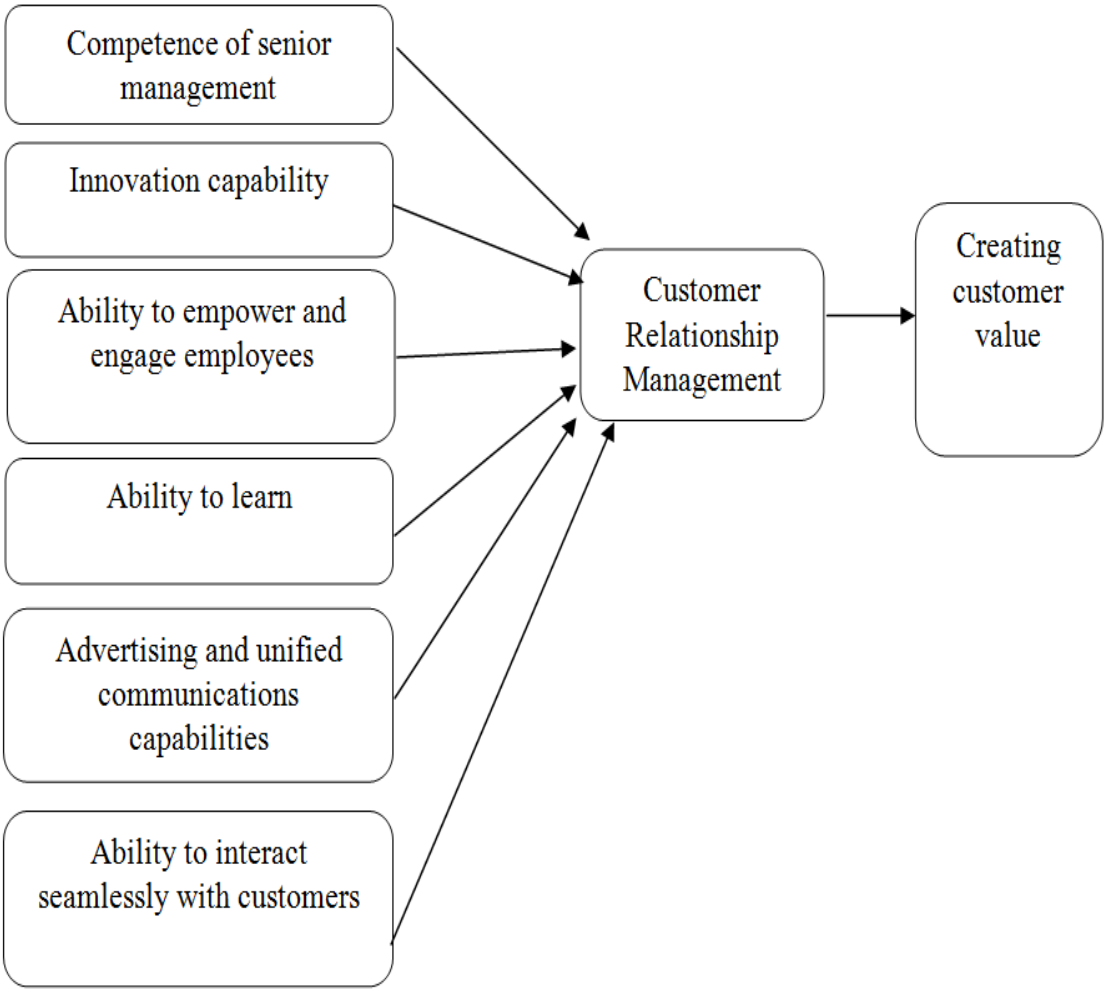
Ability to empower and engage employees has a significant impact on customer relationship management.

Advertising and integrated communication capability has a significant impact on customer relationship management.

Ability to seamlessly interact with customers has a significant impact on customer relationship management.

Customer relationship management has a significant impact on customer value.

This Conceptual Model



Data Analysis

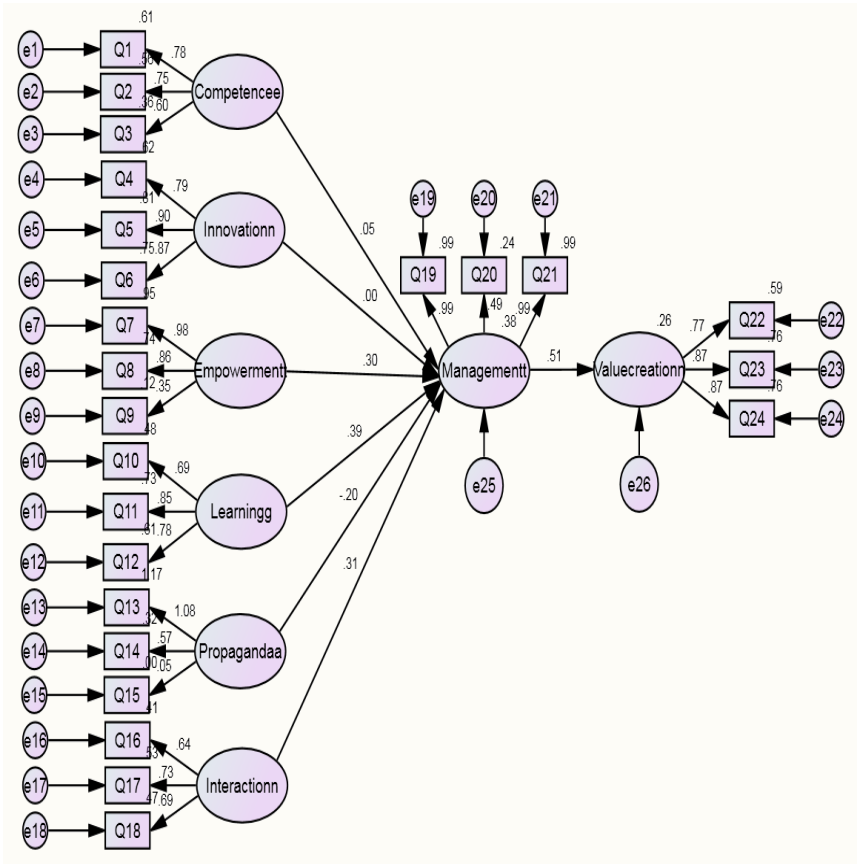
To analyze the data obtained from a questionnaire survey of the male SPSS and AMOS software can be used. In this section the results of the structural equation modeling with AMOS software has been offered.

One-Sample Kolmogorov-Smirnov Test

N		Competence 360	Innovation 360	Empowerment 360	Learning 360	Propaganda 360	Interaction 360	Management 360	Valuecreation 360
Normal Parameters[a,b]	Mean	3.0361	3.1931	3.1722	3.0694	3.0760	3.1716	3.1509	3.0575
	Std. Deviation	.89026	1.03283	.94115	.76095	.88455	1.02369	.92333	.77030
Most Extreme Differences	Absolute	.084	.103	.114	.071	.080	.097	.101	.057
	Positive	.084	.103	.114	.071	.080	.097	.101	.057
	Negative	-.072	-.084	-.094	-.058	-.067	-.067	-.068	-.054
Kolmogorov-Smirnov Z		1.586	1.949	2.156	1.355	1.524	1.832	1.923	1.081
Asymp. Sig. (2-tailed)		.013	.001	.000	.051	.019	.002	.001	.193

a. Test distribution is Normal.
b. Calculated from data.

Kolmogorov-Smirnov test to judge how the table so that if the level of significance (sig) for all larger values of the test (0/05) is a normal distribution of data. You can also measure the variables of normal central limit theorem. In this case, if the sample size is greater than 30 can be considered a normal distribution of data is less than (0/05).



Regression Weights: (Group number 1 - Default model)

			Estimate	S.E.	C.R.	P	Label
Managementt	<---	Competencee	.069	.069	1.002	***	.050
Managementt	<---	Innovationn	.000	.045	.008	***	.000
Managementt	<---	Empowermentt	.361	.074	4.850	***	.305
Managementt	<---	Learningg	.426	.056	7.613	***	.386
Managementt	<---	Propagandaa	-3.542	3.213	-1.103	***	-.192
Managementt	<---	Interactionn	.425	.076	5.580	***	.309
Valuecreationn	<---	Managementt	.455	.049	9.288	***	.504
Q3	<---	Competencee	1.000				.602
Q2	<---	Competencee	1.107	.120	9.235	***	.746
Q1	<---	Competencee	1.247	.137	9.112	***	.780
Q6	<---	Innovationn	1.000				.865
Q5	<---	Innovationn	1.020	.051	19.916	***	.902
Q4	<---	Innovationn	.933	.053	17.651	***	.790
Q9	<---	Empowermentt	1.000				.345
Q8	<---	Empowermentt	1.085	.163	6.661	***	.859
Q7	<---	Empowermentt	1.342	.211	6.360	***	.977
Q12	<---	Learningg	1.000				.784
Q11	<---	Learningg	1.018	.074	13.775	***	.851
Q10	<---	Learningg	.779	.063	12.402	***	.689
Q15	<---	Propagandaa	1.000				.055
Q14	<---	Propagandaa	10.586	9.378	1.129	***	.566
Q13	<---	Propagandaa	21.193	20.004	1.059	***	1.086
Q18	<---	Interactionn	1.000				.688
Q17	<---	Interactionn	1.128	.124	9.127	***	.730
Q16	<---	Interactionn	.980	.109	8.952	***	.644
Q19	<---	Managementt	1.000				.995
Q20	<---	Managementt	.469	.045	10.507	***	.487
Q21	<---	Managementt	1.000	.011	92.191	***	.994
Q22	<---	Valuecreationn	1.000				.770
Q23	<---	Valuecreationn	1.096	.066	16.701	***	.872
Q24	<---	Valuecreationn	1.098	.066	16.674	***	.869

Questions 1 and 3, respectively, in the senior management Competencies more (0/78) and lower (0/60) have other questions Competencies senior management to measure variables. The following questions 5 and 4, respectively, greater innovation capability (90/0) and lower (0/79) have other questions variables to measure innovation capability. In the ability to empower and engage employees more questions 7 and 9 respectively (0/97) and lower (0/34) have other questions variable capacity and capability to measure employee engagement. Questions 11 and 10, respectively, in the ability to learn more (0/85) and lower (0/68) have other questions variables to measure learning ability. Advertising and unified communications capabilities in the next 13 questions and 15 more (1/08) and lower (0/05) have other questions variable ability to measure advertising and integrated communications. In the ability to interact seamlessly with customers' questions 17 and 16, respectively, more (0/73) and lower (0/64) from varying ability to interact seamlessly with customers have other questions measure. The next customer relationship management more questions 19 and 20, respectively (0/99) and lower (0/48) have other

questions vary from customer relationship management to measure. Questions 23 and 22, respectively, in the creation of customer value most (0/87) and lower (0/77) have other questions variables to measure customer value creation.

One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Competence	360	3.0361	.89026	.04692
Innovation	360	3.1931	1.03283	.05443
Empowerment	360	3.1722	.94115	.04960
Learning	360	3.0694	.76095	.04011
Propaganda	360	3.0760	.88455	.04662
Interaction	360	3.1716	1.02369	.05395
Management	360	3.1509	.92333	.04866
Valuecreation	360	3.0575	.77030	.04060

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Competence	.770	359	.442	.03611	-.0562	.1284
Innovation	3.547	359	.000	.19306	.0860	.3001
Empowerment	3.472	359	.001	.17222	.0747	.2698
Learning	1.732	359	.084	.06944	-.0094	.1483
Propaganda	1.630	359	.104	.07597	-.0157	.1677
Interaction	3.181	359	.002	.17164	.0655	.2777
Management	3.100	359	.002	.15087	.0552	.2466
Value creation	1.416	359	.158	.05750	-.0223	.1373

CONCLUSION

Discussion and Conclusion

In the text, a reference identified by means of an author's name should be followed by the date of the reference in parentheses. When there are more than two authors, only the first author's name should be mentioned, followed by '*et al.*' for example: (Chandra, 2014), (Chandra and Kumar, 2014), (Chandra *et al.*, 2014). References should be listed at the end of the paper in alphabetical order. Articles in preparation or articles submitted for publication, unpublished observations, personal communications, etc. should not be included in the reference list but should only be mentioned in the article text. This research addresses a key priority area in service science research, furthering our understanding of customer participation in service innovation (Berry and Bendapudi, 2007; Ostrom *et al.*, 2010). Specifically, it advances dynamic capability theory by applying it in a co-creation context, and enhances our conceptual understanding of the role of the organisational capabilities to support customer participation in health care service innovation. Although some previous authors consider customers to be self-directed in their resource integration activities and subsequent learning (Hibbert *et al.*, 2012), our findings articulate that managers endeavour to take an active role in managing customers within this interaction. Our findings provide support for previous research that has found that the role of the customer in health care management has significantly changed in recent years (e.g. McColl-Kennedy *et al.*, 2012), with the customer being an active co-creator of his or her experience and demanding more meaningful interactions with the health care organisations. We reveal that, as a result of this changing role, health care organisations perceive they lack the capabilities required to effectively manage increased customer participation. The primary objective of this study was to provide insight into the organisational capabilities required to facilitate

customer participation in service innovation. By applying dynamic capability theory through the lens of co-creation, we revealed several organisational capabilities and ordered them into four main categories around the customer and provider spheres of co-creation (Grönroos and Voima, 2013). The first two categories, customer activation and organisational activation, reflect the organisation's capability to motivate and prepare both parties to come together, in the joint sphere, and integrate their resources to co-create innovation.

This ensures both parties have the relevant operand and operant resources to contribute and draw from in this interaction. Organisations need to identify and mobilise customers, recognise their explicit and implicit needs, and develop skills within customers to ensure that they are able to integrate resources. Concurrently, an organisation needs to provide a supportive leadership team and relevant and integrated resources. The third category, interactive capabilities, encourages an effective dialogue between the organisation Fourth, our respondents articulated that their organisations ha not had a history of being customer-focussed. Therefore, it was recognised that managers would need to develop organisational capability to effectively interact with customers. These interaction capabilities would need to recognise customers as individuals, buil relationships, empower and develop them, act ethically, and be coordinated and integrated effort. Much of this effort would be directe through formal and informal communication channels.

Finally, for innovative outcomes to be achieved, managers need to build organisational capability to learn from evaluation, and hav the flexibility of unlearning the previous processes if they are hinderin the adoption and diffusion of innovation. Customer surveys discussion forums, and other feedback mechanisms would initiat this process, but more important is the organisation's responsiveness to the evaluation.

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