

When Is Standardization Most Beneficial for Improving Service Quality? The Moderating Role of Operational Failures



Sarah Zheng

Gustavson School of Business, University of Victoria, Victoria, BC, Canada

Prior research finds mixed results on the impact of standardized processes on service quality. We conduct two separate studies to investigate the conditions under which standardization yields performance benefits. In Study 1, we use survey data collected from nurses in medical and surgical units in over 50 U.S. hospitals to test whether operational failures moderate the link between standardization and service quality. After controlling for workarounds, a key variable found to impact our clinical measure of service quality in prior research (pressure injuries), we find that standardization is related to higher service quality in units with a high frequency of operational failures. We suspect that standardization is beneficial when it provides structure in an otherwise chaotic work environment. Conversely, in units with a lower frequency of operational failures, standardization yields little benefit for improving service quality. We replicate these findings in study 2 using a dataset comprised of objective clinical data from nearly 20,000 ICU patient visits at a major medical center. Study 2 enables us to triangulate our findings with measures of operational failures and standardization derived from objective, clinical data rather than survey data. Our paper makes two main contributions to the operations healthcare literature. We validate the constructs of operational failures and standardization using multiple methods. We also demonstrate that operational failures moderate standardization's impact on service quality. Standardization's positive impact peaks in environments with many operational failures, but it has little incremental benefit when operational failures are low.

Biography:

Sarah Zheng is an Associate Professor at the Gustavson School of Business, University of Victoria, Canada. Her research vision is to combine her knowledge of the operations management literature and her data analytics training to design systems and processes to improve organizational performance. Her research has been published in top journal outlets such as *Journal of Operations Management*, *Production and Operations Management* and *Medical Care*, and featured in media outlets such as *U.S. News & World Report*. She earned a Bachelor of Economics from Peking University, China, an MA in Economics and a PhD in Operations Management from Boston University.